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

At the request of Mrs. CLINTON, her name was added as a cosponsor of S. Con. Res. 124, supra.

At the request of Mr. CORZINE, the names of the Senator from Vermont (Mr. JEFFORDS), the Senator from Florida (Mr. GRAHAM) and the Senator from Florida (Mr. NELSON) were added as cosponsors of S. Con. Res. 124, supra.

S. CON. RES. 126

At the request of Mr. COLEMAN, the names of the Senator from Oregon (Mr. SMITH) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. Con. Res. 126, a concurrent resolution condemning the attack on the AMIA Jewish Community Center in Buenos Aires, Argentina, in July 1994, and expressing the concern of the United States regarding the continuing, decade-long delay in the resolution of this case.

S. CON. RES. 127

At the request of Mr. SCHUMER, the names of the Senator from Maine (Ms. SNOWE), the Senator from Illinois (Mr. DURBIN), the Senator from Vermont (Mr. JEFFORDS) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. Con. Res. 127, a concurrent resolution expressing the sense of Congress that the President should designate September 11 as a national day of voluntary service, charity, and compassion.

S. CON. RES. 128

At the request of Mr. CHAMBLISS, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. Con. Res. 128, a concurrent resolution expressing the sense of Congress regarding the importance of life insurance, and recognizing and supporting National Life Insurance Awareness Month.

S. CON. RES. 130

At the request of Mr. FRIST, his name and the names of the Senator from Iowa (Mr. GRASSLEY), the Senator from Alabama (Mr. SESSIONS) and the Senator from Texas (Mr. CORNYN) were added as cosponsors of S. Con. Res. 130, a concurrent resolution expressing the sense of Congress that the Supreme Court of the United States should act expeditiously to resolve the confusion and inconsistency in the Federal criminal justice system caused by its decision in Blakely v. Washington, and for other purposes.

At the request of Mr. HATCH, the names of the Senator from South Carolina (Mr. GRAHAM) and the Senator from Georgia (Mr. CHAMBLISS) were added as cosponsors of S. Con. Res. 130, supra.

S. RES. 271

At the request of Mr. CORZINE, the names of the Senator from Indiana (Mr. BAYH) and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors 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.

At the request of Mr. COLEMAN, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. Res. 271, supra.

S. RES. 398

At the request of Mr. LUGAR, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from Ohio (Mr. DEWINE) were added as cosponsors of S. Res. 398, a resolution expressing the sense of the Senate on promoting initiatives to develop an HIV vaccine.

S. RES. 408

At the request of Mr. SCHUMER, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. Res. 408, a resolution supporting the construction by Israel of a security fence to prevent Palestinian terrorist attacks, condemning the decision of the International Court of Justice on the legality of the security fence, and urging no further action by the United Nations to delay or prevent the construction of the security fence.

At the request of Mr. SMITH, the names of the Senator from Mississippi (Mr. LOTT), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. ENSIGN), the Senator from Ohio (Mr. VOINOVICH), the Senator from Maine (Ms. SNOWE) and the Senator from Arizona (Mr. KYL) were added as cosponsors of S. Res. 408, supra.

At the request of Mr. REID, his name was added as a cosponsor of S. Res. 408, supra.

S. RES. 409

At the request of Mr. BAYH, the names of the Senator from Idaho (Mr. CRAIG) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. Res. 409, a resolution encouraging increased involvement in service activities to assist senior citizens.

AMENDMENT NO. 3568

At the request of Mr. GREGG, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of amendment No. 3568 proposed to H.R. 4226, a bill to amend title 49, United States Code, to make certain conforming changes to provisions governing the registration of aircraft and the recordation of instruments in order to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, known as the ''Cape Town Treaty''.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. REID (for himself and Mr. ENSIGN):

S. 2716. A bill to provide for the acquisition of land for administrative and visitor facilities for Death Valley National Park, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. REID. Mr. President, I rise today to introduce the Death Valley National Park Administrative and Visitor Facilities Act of 2004.

This is a simple common sense bill. It allows the Death Valley National Park to accept a donation of about 15 acres of land and buildings near Beatty, NV.

This small parcel of land and the buildings on it will be used by the park as a maintenance and administrative station. These facilities are needed to consolidate and improve maintenance operations and other administrative functions of the park.

The station would be donated by the Barrick Gold Corporation to the Park Service at no cost and is superior to the Park Service's current facilities in the area. This is an easy way for us to improve maintenance and administrative functions at Death Valley National park at absolutely no cost to the government. This legislation has long been advocated by Nye County and would benefit the nearby community of Beatty, NV.

The current owners have already completed a Phase One Environmental Assessment that concluded there were no ''hazardous substances'' or ''pollutant or contaminants'' associated with the land parcels or the structures. We should take advantage of this opportunity to improve park operations while we can.

I urge my colleagues to support this legislation as an easy, efficient way to improve one of America's great national parks.

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. 2716

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 ''Death Valley National Park Administrative and Visitor Facilities Act of 2004''.

SEC. 2. DEFINITIONS.

In this Act:

(1) PARK.—The term ''Park'' means the Death Valley National Park.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 3. DEATH VALLEY NATIONAL PARK ADMINISTRATIVE AND VISITOR FACILITIES.

(a) IN GENERAL.—Subject to subsection (c), the Secretary may acquire by donation all right, title, and interest in and to the parcel of land (including improvements to the land) described in subsection (b) for inclusion in the Park.

(b) DESCRIPTION OF LAND.—The land referred to in subsection (a) is the parcel of land in Nye County, Nevada—

(1) consisting of not more than 15 acres;

(2) comprising a portion of Tract 37 located north of the center line of Nevada State Highway 374; and

(3) located in the E½NW¼, NW¼NE¼ sec. 22, T. 12 S., R. 46 E., Mount Diablo Base and Meridian.

(c) CONDITIONS.—Before accepting a donation of land under subsection (a), the Secretary shall obtain a phase I environmental assessment prepared by an independent party that—

(1) evaluates the condition of the land (including any structures on the land); and

(2) determines that the land or structure, or a portion of the land or structure, is not contaminated with—

(A) hazardous substances, pollutants, or contaminants, as defined in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601); or

(B) any petroleum substance, fraction, or derivative.

(d) BOUNDARY REVISION.—On acquisition of the land under subsection (a), the Secretary shall revise the boundary of the Park to reflect the acquisition.

(e) ADMINISTRATION.—Any land acquired under subsection (a) shall be administered by the Secretary as part of the Park.

(f) USE OF LAND.—The parcel of land acquired under subsection (a) shall be used by the Secretary for the development, operation, and maintenance of administrative and visitor facilities for the Park.

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

S. 2718. A bill to provide for programs and activities with respect to the prevention of underage drinking; to the Committee on Health, Education, Labor, and Pensions.

Mr. DEWINE. Mr. President, I rise today, along with my good friend and colleague Senator DODD, to introduce the Sober Truth on Preventing Underage Drinking Act—also known as the STOP Underage Drinking Act. I thank Senator DODD for his commitment to this issue, as well as our colleagues on the House side—Representatives ROYBAL-ALLARD, WOLF, OSBORNE, DELAURO, and WAMP for working so diligently with us over the past few months on this bill. It is a good bill—a carefully crafted, bipartisan, bicameral piece of legislation.

As we discussed at the HELP Subcommittee hearing I chaired in September on underage drinking, it is well known that underage drinking is a significant problem for youth in this country. We've known that for a very long time.

We know that underage drinking often contributes to the four leading causes of deaths among 15 to 20 year olds—that 69 percent of youths who died in alcohol-related traffic fatalities in the year 2000 involved young drinking drivers—that in 1999, nearly 40 percent of people under the age of 21 who were victims of drownings, burns, and falls tested positive for alcohol.

We've known that alcohol has been reported to be involved in 36 percent of homicides, 12 percent of male suicides, and 8 percent of female suicides involving people under 21.

How did we get here, how did our Nation reach this point—a point where today, 12 percent of eighth graders—13 and 14 year olds—binge drink? Add to that, the 22 percent of tenth graders—15 and 16 year olds—who binge drink. The National Institute of Drug Abuse also reported that 95 percent of 12th graders perceive alcohol as readily available to them. Tragically, most children and young adults that drink underage obtain the alcohol from their parents or another adult.

These statistics are frightening. Too many American kids are drinking regularly, and they are drinking in quantities that can be of great, long-term harm to themselves. Again I ask—how did we get here? As a Nation, we clearly haven't done enough to address this problem. We haven't done enough to acknowledge how prevalent and widespread teenage drinking is in this country. We haven't done enough to let parents know that they, too, are a part of this problem and can be a part of the solution.

We talk about drugs and the dangers of drug use, as we should, but the reality is that we, as a society, have become complacent about the problem of underage drinking. This has to change. The culture has to change.

The Sober Truth on Preventing Underage Drinking Act, or STOP Underage Drinking Act, has four major areas of Policy development: First, there is a Federal coordination and reporting provision. This title would create an Interagency Coordinating Committee to coordinate the efforts and expertise of various Federal agencies to combat underage drinking. It would be chaired by the Secretary of Health and Human Services and would include other agencies and departments, such as the Department of Education, the Office of Juvenile Justice and Delinquency Prevention, and the Federal Trade Commission. This title also would mandate an annual report to Congress from the Interagency Committee on their efforts to combat underage drinking, as well as an annual report card on State efforts to combat the problem. Two million dollars, annually, would be appropriated under this section.

Second, the bill contains an authorization for the a national media campaign against underage drinking. This title would provide $1 million annually to authorize a national media campaign for which the Ad Council received $800,000 last year to begin implementation. It would continue funding for fiscal years 2005 and 2006.

Third, the bill would support new intervention programs to prevent underage drinking. This section of the bill would provide $5 million for enhancement grants to the Drug Free Communities program to be directed at the problem of underage drinking. This title also would create a new program which would provide competitive grants to States, non-profit entities, and institutions of higher education to create State-wide coalitions to prevent underage drinking. This program would be funded at $5 million.

Finally, our bill contains a section devoted to research. This title would provide $6 million for increased Federal research and data collection on underage drinking, including reporting on the types and brands of alcohol that kids use and the short-term and long-term impacts of underage drinking upon adolescent brain development.

Again, I thank Senator DODD for working with me on this issue here in the Senate, and I look forward to continuing to work with my colleagues in the House and Senate to pass this very important bill.

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. 2718

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Sober Truth on Preventing Underage Drinking Act'', or the ''STOP Underage Drinking Act''.

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

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Drinking alcohol under the age of 21 is illegal in each of the 50 States and the District of Columbia. Enforcement of current laws and regulations in States and communities, such as minimum age drinking laws, zero tolerance laws, and laws and regulations which restrict availability of alcohol, must supplement other efforts to reduce underage drinking.

(2) Data collected annually by the Department of Health and Human Services shows that alcohol is the most heavily used drug by children in the United States, and that—

(A) more youths consume alcoholic beverages than use tobacco products or illegal drugs;

(B) by the end of the eighth grade, 45.6 percent of children have engaged in alcohol use, and by the end of high school, 76.6 percent have done so; and

(C) the annual societal cost of underage drinking is estimated at $53 to $58 billion.

(3) Data collected by the Department of Health and Human Services and the Department of Transportation indicate that alcohol use by youth has many negative consequences, such as immediate risk from acute impairment; traffic fatalities; violence; suicide; and unprotected sex.

(4) Research confirms that the harm caused by underage drinking lasts beyond the underage years. Compared to persons who wait until age 21 or older to start drinking, those who start to drink before age 14 are, as adults, four times more likely to become alcohol dependent; seven times more likely to be in a motor vehicle crash because of drinking; and more likely to suffer mental and physical damage from alcohol abuse.

(5) Alcohol abuse creates long-term risk developmentally and is associated with negative physical impacts on the brain.

(6) Research indicates that adults greatly underestimate the extent of alcohol use by youths, its negative consequences, and its use by their own children. The IOM report concluded that underage drinking cannot be successfully addressed by focusing on youth alone. Ultimately, adults are responsible for young people obtaining alcohol by selling, providing, or otherwise making it available to them. Parents are the most important channel of influence on their children's underage drinking, according to the IOM report, which also recommends a national adult-oriented media campaign.

(7) Research shows that public service health messages, in combination with community-based efforts, can reduce health-damaging behavior. The Department of Health and Human Services and the Ad Council have undertaken a public health campaign targeted at parents to combat underage alcohol consumption. The Ad Council estimates that, for a typical public health campaign, it receives an average of $28 million per year in free media through its 28,000 media outlets nationwide.

(8) A significant percentage of the total alcohol consumption in the United States each year is by underage youth. The Substance Abuse and Mental Health Services Administration reports that the percentage is over 11 percent.

(9) Youth are exposed to a significant amount of alcohol advertising through a variety of media. Some studies indicate that youth awareness of alcohol advertising correlates to their drinking behavior and beliefs.

(10) According to the Center on Alcohol Marketing and Youth, in 2002, the alcoholic beverage industry spent $990.2 million on product advertising on television, and $10 million on television advertising designed to promote the responsible use of alcohol. For every one television ad discouraging underage alcohol use, there were 609 product ads.

(11) Alcohol use occurs in 76 percent of movies rated G or PG and 97 percent of movies rated PG-13. The Federal Trade Commission has recommended restricting paid alcohol beverage promotional placements to films rated R or NC-17.

(12) Youth spend 9 to 11 hours per week listening to music, and 17 percent of all lyrics contain alcohol references; 30 percent of those songs include brand-name mentions.

(13) Studies show that adolescents watch 20 to 27 hours of television each week, and 71 percent of prime-time television episodes depict alcohol use and 77 percent contain some reference to alcohol.

(14) College and university presidents have cited alcohol abuse as the number one health problem on college and university campuses.

(15) According to the National Institute on Alcohol Abuse and Alcoholism, two of five college students are binge drinkers; 1,400 college students die each year from alcohol-related injuries, a majority of which involve motor vehicle crashes; more than 70,000 students are victims of alcohol-related sexual assault; and 500,000 students are injured under the influence of alcohol each year.

(16) According to the Center on Alcohol Marketing and Youth, in 2002, alcohol producers spent a total of $58 million to place 6,251 commercials in college sports programs, and spent $27.7 million advertising during the NCAA men's basketball tournament, which had as many alcohol ads (939) as the Super Bowl, World Series, College Bowl Games and the National Football League's Monday Night Football broadcasts combined (925).

(17) The IOM report recommended that colleges and universities ban alcohol advertising and promotion on campus in order to demonstrate their commitment to discouraging alcohol use among underage students.

(18) According to the Government Accountability Office (''GAO''), the Federal Government spends $1.8 billion annually to combat youth drug use and $71 million to prevent underage alcohol use.

(19) The GAO concluded that there is a lack of reporting about how these funds are specifically expended, inadequate collaboration among the agencies, and no central coordinating group or office to oversee how the funds are expended or to determine the effectiveness of these efforts.

(20) There are at least three major, annual, government funded national surveys in the United States that include underage drinking data: the National Household Survey on Drug Use and Health, Monitoring the Future, and the Youth Risk Behavior Survey. These surveys do not use common indicators to allow for direct comparison of youth alcohol consumption patterns. Analyses of recent years' data do, however, show similar results.

(21) Research shows that school-based and community-based interventions can reduce underage drinking and associated problems, and that positive outcomes can be achieved by combining environmental and institutional change with theory-based health education—a comprehensive, community-based approach.

(22) Studies show that a minority of youth who need treatment for their alcohol problems receive such services. Further, insufficient information exists to properly assist clinicians and other providers in their youth treatment efforts.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) The term ''binge drinking'' means a pattern of drinking alcohol that brings blood alcohol concentration (BAC) to 0.08 gm percent or above. For the typical adult, this pattern corresponds to consuming 5 or more drinks (male), or 4 or more drinks (female), in about 2 hours.

(2) The term ''heavy drinking'' means five or more drinks on the same occasion in the past 30 days.

(3) The term ''frequent heavy drinking'' means five or more drinks on at least five occasions in the last 30 days.

(4) The term ''alcoholic beverage industry'' means the brewers, vintners, distillers, importers, distributors, and retail outlets that sell and serve beer, wine, and distilled spirits.

(5) The term ''school-based prevention'' means programs, which are institutionalized, and run by staff members or school-designated persons or organizations in every grade of school, kindergarten through 12th grade.

(6) The term ''youth'' means persons under the age of 21.

(7) The term ''IOM report'' means the report released in September 2003 by the National Research Council, Institute of Medicine, and entitled ''Reducing Underage Drinking: A Collective Responsibility''.

TITLE I—SENSE OF CONGRESS

SEC. 101. SENSE OF CONGRESS.

It is the sense of the Congress that:

(1) A multi-faceted effort is needed to more successfully address the problem of underage drinking in the United States. A coordinated approach to prevention, intervention, treatment, and research is key to making progress. This Act recognizes the need for a focused national effort, and addresses particulars of the Federal portion of that effort.

(2) States and communities, including colleges and universities, are encouraged to adopt comprehensive prevention approaches, including—

(A) evidence-based screening, programs and curricula;

(B) brief intervention strategies;

(C) consistent policy enforcement; and

(D) environmental changes that limit underage access to alcohol.

(3) Public health and consumer groups have played an important role in drawing the Nation's attention to the health crisis of underage drinking. Working at the Federal, State, and community levels, and motivated by grass-roots support, they have initiated effective prevention programs that have made significant progress in the battle against underage drinking.

(4) The alcohol beverage industry has developed and paid for national education and awareness messages on illegal underage drinking directed to parents as well as consumers generally. According to the industry, it has also supported the training of more than 1.6 million retail employees, community-based prevention programs, point of sale education, and enforcement programs. All of these efforts are aimed at further reducing illegal underage drinking and preventing sales of alcohol to persons under the age of 21. All sectors of the alcohol beverage industry have also voluntarily committed to placing advertisements in broadcast and magazines where at least 70 percent of the audiences are expected to be 21 years of age or older. The industry should continue to monitor and tailor its advertising practices to further limit underage exposure, including the use of independent third party review. The industry should continue and expand evidence-based efforts to prevent underage drinking.

(5) Public health and consumer groups, in collaboration with the alcohol beverage industry, should explore opportunities to reduce underage drinking.

(6) The entertainment industries have a powerful impact on youth, and they should use rating systems and marketing codes to reduce the likelihood that underage audiences will be exposed to movies, recordings, or television programs with unsuitable alcohol content, even if adults are expected to predominate in the viewing or listening audiences.

(7) Objective scientific evidence and data should be generated and made available to the general public and policy makers at the local, state, and national levels to help them make informed decisions, implement judicious policies, and monitor progress in preventing childhood/adolescent alcohol use.

(8) The National Collegiate Athletic Association, its member colleges and universities, and athletic conferences should affirm a commitment to a policy of discouraging alcohol use among underage students and other young fans by ending all alcohol advertising during radio and television broadcasts of collegiate sporting events.

TITLE II—INTERAGENCY COORDINATING COMMITTEE; ANNUAL REPORT CARD

SEC. 201. ESTABLISHMENT OF INTERAGENCY COORDINATING COMMITTEE TO PREVENT UNDERAGE DRINKING.

(a) IN GENERAL.—The Secretary of Health and Human Services, in collaboration with the Federal officials specified in subsection

(b), shall establish an interagency coordinating committee focusing on underage drinking (referred to in this section as the ''Committee'').

(b) OTHER AGENCIES.—The officials referred to in subsection (a) are the Secretary of Education, the Attorney General, the Secretary of Transportation, the Secretary of the Treasury, the Secretary of Defense, the Surgeon General, the Director of the Centers for Disease Control and Prevention, the Director of the National Institute on Alcohol Abuse and Alcoholism, the Administrator of the Substance Abuse and Mental Health Services Administration, the Director of the National Institute on Drug Abuse, the Assistant Secretary for Children and Families, the Director of the Office of National Drug Control Policy, the Administrator of the National Highway Traffic Safety Administration, the Administrator of the Office of Juvenile Justice and Delinquency Prevention, the Chairman of the Federal Trade Commission, and such other Federal officials as the Secretary of Health and Human Services determines to be appropriate.

(c) CHAIR.—The Secretary of Health and Human Services shall serve as the chair of the Committee.

(d) DUTIES.—The Committee shall guide policy and program development across the Federal Government with respect to underage drinking.

(e) CONSULTATIONS.—The Committee shall actively seek the input of and shall consult with all appropriate and interested parties, including public health research and interest groups, foundations, and alcohol beverage industry trade associations and companies.

(f) ANNUAL REPORT.—

(1) IN GENERAL.—The Secretary of Health and Human Services, on behalf of the Committee, shall annually submit to the Congress a report that summarizes—

(A) all programs and policies of Federal agencies designed to prevent underage drinking;

(B) the extent of progress in reducing underage drinking nationally;

(C) data that the Secretary shall collect with respect to the information specified in paragraph (2); and

(D) such other information regarding underage drinking as the Secretary determines to be appropriate.

(2) CERTAIN INFORMATION.—The report under paragraph (1) shall include information on the following:

(A) Patterns and consequences of underage drinking.

(B) Measures of the availability of alcohol to underage populations and the exposure of this population to messages regarding alcohol in advertising and the entertainment media.

(C) Surveillance data, including information on the onset and prevalence of underage drinking.

(D) Any additional findings resulting from research conducted or supported under section 501.

(E) Evidence-based best practices to both prevent underage drinking and provide treatment services to those youth who need them.

SEC. 202. ANNUAL REPORT CARD.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the ''Secretary'') shall, with input and collaboration from other appropriate Federal agencies, States, Indian tribes, territories, and public health, consumer, and alcohol beverage industry groups, annually issue a ''report card'' to accurately rate the performance of each state in enacting, enforcing, and creating laws, regulations, and programs to prevent or reduce underage drinking. The report card shall include ratings on outcome measures for categories related to the prevalence of underage drinking in each State.

(b) OUTCOME MEASURES.—

(1) IN GENERAL.—The Secretary shall develop, in consultation with the Committee established in section 201, a set of outcome measures to be used in preparing the report card.

(2) CATEGORIES.—In developing the outcome measures, the Secretary shall develop measures for categories related to the following:

(A) The degree of strictness of the minimum drinking age laws and dram shop liability statutes in each State.

(B) The number of compliance checks within alcohol retail outlets conducted measured against the number of total alcohol retail outlets in each State, and the results of such checks.

(C) Whether or not the State mandates or otherwise provides training on the proper selling and serving of alcohol for all sellers and servers of alcohol as a condition of employment.

(D) Whether or not the State has policies and regulations with regard to Internet sales and home delivery of alcoholic beverages.

(E) The number of adults in the State targeted by State programs to deter adults from purchasing alcohol for minors.

(F) The number of youths, parents, and caregivers who are targeted by State programs designed to deter underage drinking.

(G) Whether or not the State has enacted graduated drivers licenses and the extent of those provisions.

(H) The amount that the State invests, per youth capita, on the prevention of underage drinking, further broken down by the amount spent on—

(i) compliance check programs in retail outlets, including providing technology to prevent and detect the use of false identification by minors to make alcohol purchases;

(ii) checkpoints;

(iii) community-based, school-based, and higher-education-based programs to prevent underage drinking;

(iv) underage drinking prevention programs that target youth within the juvenile justice and child welfare systems; and

(v) other State efforts or programs as deemed appropriate.

SEC. 203. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $2,000,000 for fiscal year 2005, and such sums as may be necessary for each of the fiscal years 2006 through 2009.

TITLE III—NATIONAL MEDIA CAMPAIGN

SEC. 301. NATIONAL MEDIA CAMPAIGN TO PREVENT UNDERAGE DRINKING.

(a) SCOPE OF THE CAMPAIGN.—The Secretary of Health and Human Services shall continue to fund and oversee the production, broadcasting, and evaluation of the Ad Council's national adult-oriented media public service campaign.

(b) REPORT.—The Secretary of Health and Human Services shall provide a report to the Congress annually detailing the production, broadcasting, and evaluation of the campaign referred to in subsection (a), and to detail in the report the effectiveness of the campaign in reducing underage drinking, the need for and likely effectiveness of an expanded adult-oriented media campaign, and the feasibility and the likely effectiveness of a national youth-focused media campaign to combat underage drinking.

(c) CONSULTATION REQUIREMENT.—In carrying out the media campaign, the Secretary of Health and Human Services shall direct the Ad Council to consult with interested parties including both the alcohol beverage industry and public health and consumer groups. The progress of this consultative process is to be covered in the report under subsection (b).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $1,000,000 for each of the fiscal years 2005 and 2006, and such sums as may be necessary for each subsequent fiscal year.

TITLE IV—INTERVENTIONS

SEC. 401. COMMUNITY-BASED COALITION ENHANCEMENT GRANTS TO PREVENT UNDERAGE DRINKING.

(a) AUTHORIZATION OF PROGRAM.—The Director of the Office of National Drug Control Policy shall award ''enhancement grants'' to eligible entities to design, test, evaluate and disseminate strategies to maximize the effectiveness of community-wide approaches to preventing and reducing underage drinking.

(b) PURPOSES.—The purposes of this section are, in conjunction with the Drug-Free Communities Act of 1997 (21 U.S.C. 1521 et seq.), to—

(1) reduce alcohol use among youth in communities throughout the United States;

(2) strengthen collaboration among communities, the Federal Government, and State, local, and tribal governments;

(3) enhance intergovernmental cooperation and coordination on the issue of alcohol use among youth;

(4) serve as a catalyst for increased citizen participation and greater collaboration among all sectors and organizations of a community that first demonstrates a long-term commitment to reducing alcohol use among youth;

(5) disseminate to communities timely information regarding state-of-the-art practices and initiatives that have proven to be effective in reducing alcohol use among youth; and

(6) enhance, not supplant, local community initiatives for reducing alcohol use among youth.

(c) APPLICATION.—An eligible entity desiring an enhancement grant under this section shall submit an application to the Director at such time, and in such manner, and accompanied by such information as the Director may require. Each application shall include—

(1) a complete description of the entity's current underage alcohol use prevention initiatives and how the grant will appropriately enhance the focus on underage drinking issues; or

(2) a complete description of the entity's current initiatives, and how it will use this grant to enhance those initiatives by adding a focus on underage drinking prevention.

(d) USES OF FUNDS.—Each eligible entity that receives a grant under this section shall use the grant funds to carry out the activities described in such entity's application submitted pursuant to subsection (c). Grants under this section shall not exceed $50,000 per year, and may be awarded for each year the entity is funded as per subsection (f).

(e) SUPPLEMENT NOT SUPPLANT.—Grant funds provided under this section shall be used to supplement, not supplant, Federal and non-Federal funds available for carrying out the activities described in this section.

(f) DEFINITIONS.—For purposes of this section, the term ''eligible entity'' means an organization that is currently eligible to receive grant funds under the Drug-Free Communities Act of 1997 (21 U.S.C. 1521 et seq.).

(g) ADMINISTRATIVE EXPENSES.—Not more than 6 percent of a grant under this section may be expended for administrative expenses.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to

carry out this section $5,000,000 for fiscal year 2005, and such sums as may be necessary for each of the fiscal years 2006 through 2009.

SEC. 402. GRANTS DIRECTED AT REDUCING HIGHER-EDUCATION ALCOHOL ABUSE.

(a) AUTHORIZATION OF PROGRAM.—The Secretary shall award grants to eligible entities to enable the entities to reduce the rate of underage alcohol use and binge drinking among students at institutions of higher education.

(b) APPLICATIONS.—An eligible entity that desires to receive a grant under this Act shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall include—

(1) a description of how the eligible entity will work to enhance an existing, or where none exists to build a, statewide coalition;

(2) a description of how the eligible entity will target underage students in the State;

(3) a description of how the eligible entity intends to ensure that the statewide coalition is actually implementing the purpose of this Act and moving toward indicators described in section (d);

(4) a list of the members of the statewide coalition or interested parties involved in the work of the eligible entity;

(5) a description of how the eligible entity intends to work with State agencies on substance abuse prevention and education;

(6) the anticipated impact of funds provided under this Act in reducing the rates of underage alcohol use;

(7) outreach strategies, including ways in which the eligible entity proposes to—

(A) reach out to students;

(B) promote the purpose of this Act;

(C) address the range of needs of the students and the surrounding communities; and

(D) address community norms for underage students regarding alcohol use; and

(8) such additional information as required by the Secretary.

(c) USES OF FUNDS.—Each eligible entity that receives a grant under this section shall use the grant funds to carry out the activities described in such entity's application submitted pursuant to subsection (b).

(d) ACCOUNTABILITY.—On the date on which the Secretary first publishes a notice in the Federal Register soliciting applications for grants under this section, the Secretary shall include in the notice achievement indicators for the program authorized under this section. The achievement indicators shall be designed—

(1) to measure the impact that the statewide coalitions assisted under this Act are having on the institutions of higher education and the surrounding communities, including changes in the number of alcohol incidents of any kind (including violations, physical assaults, sexual assaults, reports of intimidation, disruptions of school functions, disruptions of student studies, mental health referrals, illnesses, or deaths);

(2) to measure the quality and accessibility of the programs or information offered by the statewide coalitions; and

(3) to provide such other measures of program impact as the Secretary determines appropriate.

(e) SUPPLEMENT NOT SUPPLANT.—Grant funds provided under this Act shall be used to supplement, and not supplant, Federal and non-Federal funds available for carrying out the activities described in this section.

(f) DEFINITIONS.—For purposes of this section:

(1) ELIGIBLE ENTITY.—The term ''eligible entity'' means a State, institution of higher education, or nonprofit entity.

(2) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(4) STATE.—The term ''State'' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(5) STATEWIDE COALITION.—The term ''statewide coalition'' means a coalition that—

(A) includes—

(i) institutions of higher education within a State; and

(ii) a nonprofit group, a community underage drinking prevention coalition, or another substance abuse prevention group within a State; and

(B) works toward lowering the alcohol abuse rate by targeting underage students at institutions of higher education throughout the State and in the surrounding communities.

(6) SURROUNDING COMMUNITY.—The term ''surrounding community'' means the community—

(A) that surrounds an institution of higher education participating in a statewide coalition;

(B) where the students from the institution of higher education take part in the community; and

(C) where students from the institution of higher education live in off-campus housing.

(g) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of a grant under this section may be expended for administrative expenses.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year 2005, and such sums as may be necessary for each of the fiscal years 2006 through 2009.

TITLE V—ADDITIONAL RESEARCH

SEC. 501. ADDITIONAL RESEARCH ON UNDERAGE DRINKING.

(a) IN GENERAL.—The Secretary of Health and Human Services shall collect data on, and conduct or support research on, underage drinking with respect to the following:

(1) The short and long-range impact of alcohol use and abuse upon adolescent brain development and other organ systems.

(2) Comprehensive community-based programs or strategies and statewide systems to prevent underage drinking, across the underage years from early childhood to young adulthood, including programs funded and implemented by government entities, public health interest groups and foundations, and alcohol beverage companies and trade associations.

(3) Improved knowledge of the scope of the underage drinking problem and progress in preventing and treating underage drinking.

(4) Annually obtain more precise information than is currently collected on the type and quantity of alcoholic beverages consumed by underage drinkers, as well as information on brand preferences of these drinkers and their exposure to alcohol advertising.

(b) CERTAIN MATTERS.—The Secretary of Health and Human Services shall carry out activities toward the following objectives with respect to underage drinking:

(1) Testing every unnatural death of persons ages 12 to 20 in the United States for alcohol involvement, including suicides, homicides, and unintentional injuries such as falls, drownings, burns, poisonings, and motor vehicle crash deaths.

(2) Obtaining new epidemiological data within the National Epidemiological Study on Alcoholism and Related Conditions and other national or targeted surveys that identify alcohol use and attitudes about alcohol use during pre- and early adolescence, including second-hand effects of adolescent alcohol use such as date rapes, violence, risky sexual behavior, and prenatal alcohol exposure.

(3) Developing or identifying successful clinical treatments for youth with alcohol problems.

SEC. 502. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out section 501 $6,000,000 for fiscal year 2005, and such sums as may be necessary for each of the fiscal years 2006 through 2009.

Mr. DODD. Mr. President, I rise today with my colleague, Senator MIKE DEWINE, to introduce legislation designed to prevent our nation's children and youth from succumbing to the dangers associated with underage alcohol use. The legislation that we introduce today, the STOP (Sober Truth On Preventing) Underage Drinking Act, will greatly strengthen our Nation's ability to combat the too often deadly consequences associated with underage drinking.

An initial examination of the problems presented by underage drinking is truly alarming. Alcohol is the most commonly used drug among America's youth. More young people drink alcohol than smoke tobacco or use marijuana combined. In 2002, 20 percent of eighth graders had drunk alcohol in the previous 30 days. Forty-nine percent of high school seniors are drinkers, and 29 percent report having had five or more drinks in a row, or binged in the past 2 weeks.

Tragically, we know that this year underage drinking will directly lead to more than 3,500 deaths, more than two million injuries, 1,200 babies born with fetal alcohol syndrome and more than 50,000 youths treated for alcohol dependence. We also know that the social costs associated with underage drinking total close to $53 billion annually, including $19 billion from automobile accidents and $29 billion from associated violent crime.

And while no one can argue with the tragic loss of life and significant financial costs associated with underage drinking, too few of us think of the equally devastating loss of potential that occurs when our children begin to drink. Research indicates that children who begin drinking do so at only 12 years of age. We also know that children that begin drinking at such an early age develop a predisposition for alcohol dependence later in life. Such early experimentation can have devastating consequences and derail a child's potential just as she or he is starting out on the path to adulthood. The consumption of alcohol by our children can literally rob them of their future.

The truly alarming and devastating effects of underage alcohol use are what initially led Senator DEWINE and I to begin work to address this important issue. Over the last few months we have worked extensively with Representatives ROYBAL-ALLARD, WOLF, DELAURO, OSBOURNE and WAMP to craft the broad legislative initiative that we introduce today.

The STOP Underage Drinking Act creates the framework for a multifaceted, comprehensive national campaign to prevent underage drinking. Specifically, the legislation includes four major areas of policy development. First, the STOP Underage Drinking Act authorizes $2 million to establish an Interagency Coordinating Committee to coordinate all Federal agency efforts and expertise designed to prevent underage drinking. Chaired by the Secretary of Health and Human Services, this committee will be required to report to the Congress on an annual basis the extent to which Federal efforts are addressing the urgent need to curb underage drinking.

I am particularly pleased that one of the many items in this annual report to Congress will provide for the public health monitoring of the amount of alcohol advertising reaching our children. I have become increasingly concerned about the degree to which alcohol advertisements appear to target our Nation's children. It is my hope that the monitoring called for by this legislation will expose any unethical advertising practices that reach children. We must do all that we can to ensure that our children are not exposed to harmful and deceptive alcohol promotions.

In addition to the Federal coordination of Federal underage drinking prevention efforts, the STOP Underage Drinking Act additionally authorizes $1 million to fund an adult-oriented National Media Campaign against Underage Drinking. Research indicates that most children who drink obtain the alcohol from their parents or from other adults. The National Media Campaign against underage drinking will specifically seek to educate those who provide our children with alcohol about the dangers inherent in underage alcohol use. This media campaign will build upon the valuable underage drinking prevention efforts begun last year by the Ad Council, whose campaigns average an estimated $28 million in donated media from media outlets nationwide.

The legislation additionally authorizes $10 million to provide States, not-for-profit groups and institutions of higher education the ability to create statewide coalitions to prevent underage drinking and alcohol abuse by college and university students. This section will also provide alcohol-specific enhancement grants through the Drug Free Communities Program.

Lastly, the STOP Underage Drinking Act authorizes $6 million to expand research to assess the health effects of underage drinking on adolescent development, including its effect on the brain. This effort will additionally increase Federal data collection on underage drinking, including reporting on the types and brands of alcohol that kids consume.

I want to convey my belief that this legislation truly offers a historical, first step toward addressing the national tragedy represented by underage drinking. I pledge to work strenuously toward passing the STOP Underage Drinking Act and building on its strong foundation and I ask for the support of my colleagues for this critically important initiative.

By Mr. ENZI:

S. 2719. A bill to amend the Occupational Safety and Health Act of 1970 to further improve the safety and health of working environments, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. ENZI. Mr. President, I rise to introduce the Safety Advancement for Employees (SAFE) Act of 2004. Every worker in America deserves to return home safely at the end of the day. However, more than 5,500 workers die while at work annually. This means that, on any given day, 15 workers will not return home to their families. The fact that these accidents are occurring is not because employers don't care about workplace safety. On the contrary, the Occupational Safety and Health Administration, or OSHA, estimated that 95 percent of employers are striving to create a safer workplace. The vast majority of employers want to comply with safety laws. Therefore, any effort to significantly improve workplace safety by focusing solely on the small percentage of bad actors who willfully break the law is doomed to failure.

We don't need political rhetoric, we need workable solutions. As Chairman of the Subcommittee on Employment, Safety and Training, I felt responsible for finding a solution that will succeed in protecting more workers from harm. I feel a responsibility to every worker and every worker's family to do all I can to prevent workplace accidents and deaths. The SAFE Act will provide the systematic safety improvements that American workers and their families deserve. This legislation helps the vast majority of good faith employers who want to achieve compliance with safety laws. They just need help doing so—more help than OSHA can currently give them. The SAFE Act also allows OSHA to effectively target the few bad actors who willfully place their employees at risk. It also includes provisions to improve hazard communication and reduce injuries and illnesses caused by the presence of hazardous chemicals in the workplace.

The SAFE Act of 2004 will increase the maximum jail sentence for a willful safety violation that results in a worker's death from 6 months, which is a misdemeanor, to 18 months, which is a felony. It would be naive to believe that increasing the criminal penalty by itself will significantly improve workplace safety. Increasing the maximum jail sentence for bad actors will do nothing to help improve the workplace safety records of the 95 percent of employers who want to do the right thing.

I want to prevent the accident in the first place, not just penalize the employer for an injury or death that could have been avoided. By then, it's too late for the victim and their family. We need a system that encourages the good faith employers to find out how to achieve safety voluntarily and without fear of retribution. We need a system that harnesses the resources of safety experts so employers can achieve compliance with safety laws. And, we need a system that can target and punish the few bad employers. This is the system promoted by the Safety Advancement for Employees, or SAFE, Act. The SAFE Act will save workers' lives.

The SAFE Act is a workable solution that will effectively add thousands of highly-trained safety and health professionals to the job of inspecting workplaces around the country. Why is enlisting third party safety experts so critical to the effort of getting employers to comply with safety laws? Because OSHA, the government agency responsible for regulating safety laws, can't do it alone. OSHA should be providing helpful assistance to the overwhelming number of employers who are pursuing safer workplaces. Simultaneously, OSHA should be targeting those employers who are willfully disregarding safety laws, inspecting them, penalizing them, and following up to make sure that bad practices are stopped before accidents occur.

It has been estimated that it would take OSHA over 167 years to inspect every work site in the country. Therefore, OSHA cannot effectively help those good faith employers or deter bad employers from breaking the law. This is why the SAFE Act is so important. It will allow highly-trained safety and health professionals to reach work sites all over the country, where OSHA hasn't even been able to make a dent, encouraging employers to get into compliance voluntarily.

These highly-trained consultants will work with employers to get them into compliance with safety laws. If the employer gets into compliance, the employer can receive a certificate of compliance which will exempt him from civil penalties only for one year. However, at all times and under all circumstances, OSHA remains free to inspect these work sites.

The third-party consultation program is particularly important for small businesses. Employers have to read through and implement over a thousand pages of highly technical safety regulations. Too often, employers are left on their own to try to understand and comply with all these regulations. It is hard enough for large employers who have an in-house staff of safety experts. For the small employer—whose safety ''expert'' is also the human resources manager, accountant, and systems administrator—the task is nearly impossible. We're talking about employers who want to do the right thing, who want to comply with the law and protect their workers. They just need help doing so—help that OSHA is not currently equipped to provide.

In a report published in March, 2004, the General Accounting Office cited the use of third party consultants among a list of recommendations by researchers, safety and health practitioners, and specialists, to achieve voluntary OSHA compliance. According to the GAO report: ''Using Consultants could leverage existing OSHA resources by helping workplaces that might never otherwise see an OSHA inspector, especially small employers, and possibly also by enabling employers to address additional safety and health issues that might not be covered under an OSHA inspection for compliance standards.''

We need to leverage the resources of OSHA and the private sector to improve occupational safety around the country—in large and small workplaces alike.

Nowhere is the safety and health challenge more daunting for small businesses than it is in the area of hazard communication. Hazardous chemicals pervade the 21st Century workplace. An estimated 650,000 hazardous chemical products are used in over 3 million workplaces across the country. Everyday, more than 30 million American workers will be exposed to hazardous chemicals on the job. Whether or not they return home safely at the end of the day depends on their awareness of these hazards and appropriate precautionary measures. Communication is the key to protecting the safety and health of these 30 million workers. However, the protection is only as effective as the communication.

Twenty years ago, OSHA adopted the Hazard Communication Standard. Material Safety Data Sheets are the cornerstone of hazard communication. The chemical manufacturer or importer evaluates the chemical and provides employers with information about its hazards and protective measures on the Material Safety Data Sheet, which employers must then provide to workers.

OSHA's rule provides a generic framework for hazard communication. With over 650,000 chemicals in use, and tens of thousands of chemical manufacturers, the clarity, format, and accuracy of Material Safety Data Sheets varies widely. If the Material Safety Data Sheet is stuffed in some thick binder gathering dust, the worker doesn't have time to shuffle through the pages of complex, technical jargon it includes. Workers shouldn't need a Ph.D. in biochemistry to know how to protect themselves against hazardous chemicals.

Twenty years after the Hazard Communication standard was published, it's time for review. It's time to heed the call of workers and employers alike for more clarity, consistency, accuracy, and guidance. Over the years, I've had the great fortune to work with Ron Hayes on improving the safety and health of American workers. Ron wrote me a letter. I ask unanimous consent that the letter be printed in the RECORD. He writes that: ''Other standards cover many issues for the workers, but the Material Safety Data Sheet, paperwork is used millions of times each workday, and the accuracy of these sheets [is] of paramount importance for the complete protection of our most important resource, our great American workers.''

To improve the protection of our great American workers from hazardous chemicals, the new SAFE Act requires OSHA to develop and post on its website model material safety data sheets for those highly hazardous chemicals listed on the Process Safety Management Standard. These models will be particularly helpful to small businesses that don't have the expertise to develop or decipher their own.

In the twenty years since the Hazard Communication Standard was adopted, the American workplace has changed dramatically. Electronic or internet-based systems not envisioned twenty years ago can significantly improve hazard communication. The new SAFE Act recognizes the promise of technology to improve hazard communication. The legislation creates grants to develop, implement, or evaluate strategies to improve hazard communication through the use of better technology.

In the past twenty years, our workforce has become increasingly diverse. Effective hazard communication should reflect the fact that numerous languages may be spoken at a single worksite. Our economy has also become increasingly global. The chemical industry is one of the United States' largest exporting sectors. The manner in which other countries regulate hazardous chemicals impacts an American manufacturer's ability to compete in the global marketplace.

In 2002, the United Nations adopted the Globally Harmonized System for Classification and Labeling of Chemicals. The Globally Harmonized System is designed to improve the quality of hazard communication by establishing standardized requirements for hazard evaluation, safety data sheets, and labels. The Globally Harmonized System has the potential to address significant concerns with current hazard communication. Whether the United States adopts it cannot be decided by OSHA alone. Other agencies involved in regulating hazardous chemicals must be involved. Key stakeholders in hazard communication—chemical manufacturers, employers, workers, and safety and health experts—must also be involved. For this reason, the new SAFE Act establishes a commission of relevant Federal agencies and stakeholders to study and make recommendations to Congress about the adoption of the Globally Harmonized System.

The SAFE Act sets us firmly on the path towards achieving the goal of the Occupational Safety and Health Act to ''assure so far as possible every working man and woman in the nation safe and healthful working conditions.'' Enforcement alone cannot ensure the safety and health of America's workforce. Government and the private sector can—and must—work together to create a culture where safety and health is the number one priority.

I first introduced the SAFE Act in 1997. Today, the call for meaningful OSHA reform through cooperative and proactive efforts is even louder. The more time that passes without taking such action, the more injuries and deaths will occur that could otherwise be avoided. As I introduce the new SAFE Act today, I hope that we can again begin meaningful discussions about what is involved in achieving safer workplaces. I also hope that we can actually pass the SAFE Act and achieve greater safety and health for our most important resource—our great American worker.

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

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

S. 2719

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

SECTION 1. SHORT TITLE; REFERENCE.

(a) SHORT TITLE.—This Act may be cited as the ''Safety Advancement for Employees Act of 2004'' or the ''SAFE Act''.

(b) REFERENCE.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).

SEC. 2. PURPOSE.

Section 2(b) of the Act (29 U.S.C. 651(b)) is amended—

(1) in paragraph (13), by striking the period and inserting ''; and''; and

(2) by adding at the end the following:

''(14) by increasing the joint cooperation of employers, employees, and the Secretary of Labor in the effort to ensure safe and healthful working conditions for employees.''.

SEC. 3. THIRD PARTY CONSULTATION SERVICES PROGRAM.

(a) PROGRAM.—The Act (29 U.S.C. 651 et seq.) is amended by inserting after section 8 the following:

''SEC. 8A. THIRD PARTY CONSULTATION SERVICES PROGRAM.

''(a) PURPOSE.—It is the purpose of this section to encourage employers to conduct voluntary safety and health audits using the expertise of qualified safety and health consultants and to proactively seek individualized solutions to workplace safety and health concerns.

''(b) ESTABLISHMENT OF PROGRAM.—

''(1) IN GENERAL.—Not later than 18 months after the date of enactment of this section, the Secretary, in consultation with the advisory committee established under section 7(d), shall establish and implement, by regulation, a program that qualifies individuals to provide consultation services to employers to assist employers in the identification and correction of safety and health hazards in the workplaces of employers.

''(2) ELIGIBILITY.—The following individuals shall be eligible to be qualified under the program under paragraph (1) as certified safety and health consultants:

''(A) An individual who is licensed by a State authority as a physician, industrial

hygienist, professional engineer, safety engineer, safety professional, or registered nurse.

''(B) An individual who has been employed as an inspector for a State plan State or as a Federal occupational safety and health inspector for not less than a 5-year period.

''(C) An individual who is qualified in an occupational health or safety field by an organization whose program has been accredited by a nationally recognized private accreditation organization or by the Secretary.

''(D) An individual who has not less than 10 years expertise in workplace safety and health.

''(E) Other individuals determined to be qualified by the Secretary.

''(3) GEOGRAPHICAL SCOPE OF CONSULTATION SERVICES.—A consultant qualified under the program under paragraph (1) may provide consultation services in any State.

''(4) LIMITATION BASED ON EXPERTISE.—A consultant qualified under the program under paragraph (1) may only provide consultation services to an employer with respect to a worksite if the work performed at that worksite coincides with the particular expertise of the individual.

''(c) SAFETY AND HEALTH REGISTRY.—The Secretary shall develop and maintain a registry that includes all consultants that are qualified under the program under subsection (b)(1) to provide the consultation services described in subsection (b) and shall publish and make such registry readily available to the general public.

''(d) DISCIPLINARY ACTIONS.—The Secretary may revoke the status of a consultant qualified under subsection (b), or the participation of an employer under subsection (b) in the third party consultation program, if the Secretary determines that the consultant or employer—

''(1) has failed to meet the requirements of the program; or

''(2) has committed malfeasance, gross negligence, collusion or fraud in connection with any consultation services provided by the qualified consultant.

''(e) PROGRAM REQUIREMENTS.—

''(1) FULL SERVICE CONSULTATION.—The consultation services described in subsection (b), and provided by a consultant qualified under the program under subsection (b)(1), shall include an evaluation of the workplace of an employer to determine if the employer is in compliance with the requirements of this Act, including any regulations promulgated pursuant to this Act. Employers electing to participate in such program shall contract with a consultant qualified under subsection (b)(2) to perform a full service visit and consultation covering the employer's establishment, including a complete safety and health program review. Following the guidance as specified in this section, the consultant shall discuss with the employer the elements of an effective program.

''(2) CONSULTATION REPORT.—

''(A) IN GENERAL.—After a consultant conducts a comprehensive survey of an employer under a program under this section, the consultant shall prepare and submit to the employer a written report that includes an action plan identifying any violations of this Act, and any appropriate corrective measures to address the violations that are identified using an effective safety and health program.

''(B) ELEMENTS.—A consultation report shall contain each of the following elements.

''(i) ACTION PLAN.—

''(I) IN GENERAL.—An action plan under subparagraph (A) shall be developed in consultation with the employer as part of the initial comprehensive survey. The consultant and the employer shall jointly use the onsite time in the initial visit to the employer's place of business to agree on the terms of the action plan and the time frames for achieving specific items.

''(II) REQUIREMENTS.—The action plan shall outline the specific steps that must be accomplished by the employer prior to receiving a certificate of compliance. The action plan shall address in detail—

''(aa) the employer's correction of all identified safety and health hazards, with applicable time frames;

''(bb) the steps necessary for the employer to implement an effective safety and health program, with applicable time frames; and

''(cc) a statement of the employer's commitment to work with the consultation project to achieve a certificate of compliance.

''(ii) SAFETY AND HEALTH PROGRAM.—An employer electing to participate in a program under this section shall establish a safety and health program to manage workplace safety and health to reduce injuries, illnesses and fatalities that complies with paragraph (3). Such safety and health program shall be appropriate to the conditions of the workplace involved.

''(3) REQUIREMENTS FOR SAFETY AND HEALTH PROGRAM.—

''(A) WRITTEN PROGRAM.—An employer electing to participate shall maintain a written safety and health program that contains policies, procedures, and practices to recognize and protect their employees from occupational safety and health hazards. Such procedures shall include provisions for the identification, evaluation and prevention or control of workplace hazards.

''(B) MAJOR ELEMENTS.—A safety and health program shall include the following elements, and may include other elements as necessary to the specific worksite involved and as determined appropriate by the qualified consultant and employer:

''(i) EMPLOYER COMMITMENT AND EMPLOYEE INVOLVEMENT.—

''(I) IN GENERAL.—The existence of both management leadership and employee participation must be demonstrated in accordance with subclauses (II) and (III).

''(II) MANAGEMENT LEADERSHIP.—To make a demonstration of management leadership under this subclause, the employer shall—

''(aa) set a clear worksite safety and health policy that employees can fully understand;

''(bb) set and communicate clear goals and objectives with the involvement of employees;

''(cc) provide essential safety and health leadership in tangible and recognizable ways;

''(dd) set positive safety and health examples; and

''(ee) perform comprehensive reviews of safety and health programs for quality assurance using a process which promotes continuous correction.

''(III) EMPLOYEE PARTICIPATION.—With respect to employee participation, the employer shall demonstrate a commitment to working to develop a comprehensive, written and operational safety and health program that involves employees in significant ways that affect safety and health. In making such a demonstration, the employer shall—

''(aa) provide for employee participation in actively identifying and resolving safety and health issues in tangible ways that employees can clearly understand;

''(bb) assign safety and health responsibilities in such a way that employees can understand clearly what is expected of them;

''(cc) provide employees with the necessary authority and resources to meet their safety and health responsibilities; and

''(dd) provide that safety and health performance for managers, supervisors and employees be measured in tangible ways.

''(ii) WORKPLACE ANALYSIS.—The employer, in consultation with the consultant, shall systematically identify and assess hazards in the following ways:

''(I) Conduct corrective action and regular expert surveys to update hazard inventories.

''(II) Have competent personnel review every planned or new facility, process material, or equipment.

''(III) Train all employees and supervisors, conduct routine joint inspections, and correct items identified.

''(IV) Establish a way for employees to report hazards and provide prompt responses to such reports.

''(V) Investigate worksite accidents and near accidents.

''(VI) Provide employees with the necessary information regarding incident trends, causes and means of prevention.

''(iii) HAZARD PREVENTION.—The employer, in consultation with the consultant, shall—

''(I) engage in timely hazard control, working to ensure that hazard controls are fully in place and communicated to employees, with emphasis on engineering controls and enforcing safe work procedures;

''(II) maintain equipment using operators who are trained to recognize maintenance needs and perform or direct timely maintenance;

''(III) provide training on emergency planning and preparation, working to ensure that all personnel know immediately how to respond as a result of effective planning, training, and drills;

''(IV) equip facilities for emergencies with all systems and equipment in place and regularly tested so that all employees know how to communicate during emergencies and how to use equipment; and

''(V) provide for emergency medical situations using employees who are fully trained in emergency medicine.

''(iv) SAFETY AND HEALTH TRAINING.—The employer, in consultation with the consultant, shall—

''(I) involve employees in hazard assessment, development and delivery of training;

''(II) actively involve supervisors in worksite analysis by empowering them to ensure physical protections, reinforce training, enforce discipline, and explain work procedures; and

''(III) provide training in safety and health management to managers.

''(4) REINSPECTION.—At a time agreed to by the employer and the consultant, the consultant may reinspect the workplace of the employer to verify that the required elements in the consultation report have been satisfied. If such requirements have been satisfied, the employer shall be provided with a certificate of compliance for that workplace by the qualified consultant.

''(f) EXEMPTION FROM CIVIL PENALTIES FOR COMPLIANCE.—

''(1) IN GENERAL.—If an employer enters into a contract with an individual qualified under the program under this section, to provide consultation services described in subsection (b), and receives a certificate of compliance under subsection (e)(4), the employer shall be exempt from the assessment of any civil penalty under section 17 for a period of 1 year after the date on which the employer receives such certificate.

''(2) EXCEPTIONS.—An employer shall not be exempt under paragraph (1)—

''(A) if the employer has not made a good faith effort to remain in compliance as required under the certificate of compliance; or

''(B) to the extent that there has been a fundamental change in the hazards of the workplace.

''(g) RIGHT TO INSPECT.—Nothing in this section shall be construed to affect the

rights of the Secretary to inspect and investigate worksites covered by a certificate of compliance.

''(h) RENEWAL REQUIREMENTS.—An employer that is granted a certificate of compliance under this section may receive a 1 year renewal of the certificate if the following elements are satisfied:

''(1) A qualified consultant shall conduct a complete onsite safety and health survey to ensure that the safety and health program has been effectively maintained or improved, workplace hazards are under control, and elements of the safety and health program are operating effectively.

''(2) The consultant, in an onsite visit by the consultant, has determined that the program requirements have been complied with and the health and safety program has been operating effectively.

''(i) NON-FIXED WORKSITES.—With respect to employer worksites that do not have a fixed location, a certificate of compliance shall only apply to that worksite which satisfies the criteria under this section and such certificate shall not be portable to any other worksite. This section shall not apply to service establishments that utilize essentially the same work equipment at each nonfixed worksite.''.

SEC. 4. ESTABLISHMENT OF SPECIAL ADVISORY COMMITTEE.

Section 7 of the Act (29 U.S.C. 656) is amended by adding at the end the following:

''(d)(1) Not later than 6 months after the date of enactment of this subsection, the Secretary shall establish an advisory committee (pursuant to the Federal Advisory Committee Act (5 U.S.C. App.)) to carry out the duties described in paragraph (3).

''(2) The advisory committee shall be composed of—

''(A) 3 members who are employees;

''(B) 3 members who are employers;

''(C) 2 members who are members of the general public; and

''(D) 1 member who is a State official from a State plan State.

Each member of the advisory committee shall have expertise in workplace safety and health as demonstrated by the educational background of the member.

''(3) The advisory committee shall advise and make recommendations to the Secretary with respect to the establishment and implementation of a consultation services program under section 8A.''.

SEC. 5. CONTINUING EDUCATION AND PROFESSIONAL CERTIFICATION FOR CERTAIN OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION PERSONNEL.

Section 8 of the Act (29 U.S.C. 657) is amended by adding at the end the following:

''(i) Any Federal employee responsible for enforcing this Act shall, not later than 2 years after the date of enactment of this subsection or 2 years after the initial employment of the employee involved, meet the eligibility requirements prescribed under subsection (b)(2) of section 8A.

''(j) The Secretary shall ensure that any Federal employee responsible for enforcing this Act who carries out inspections or investigations under this section, receive professional education and training at least every 5 years as prescribed by the Secretary.''.

SEC. 6. EXPANDED INSPECTION METHODS.

(a) PURPOSE.—It is the purpose of this section to empower the Secretary of Labor to achieve increased employer compliance by using, at the Secretary's discretion, more efficient and effective means for conducting inspections.

(b) GENERAL.—Section 8(f) of the Act (29 U.S.C. 657(f) is amended—

(1) by adding at the end the following:

''(3) The Secretary or an authorized representative of the Secretary may, as a method of investigating an alleged violation or danger under this subsection, attempt, if feasible, to contact an employer by telephone, facsimile, or other appropriate methods to determine whether—

''(A) the employer has taken corrective actions with respect to the alleged violation or danger; or

''(B) there are reasonable grounds to believe that a hazard exists.

''(4) The Secretary is not required to conduct an inspection under this subsection if the Secretary determines that a request for an inspection was made for reasons other than the safety and health of the employees of an employer or that the employees of an employer are not at risk.''.

SEC. 7. WORKSITE-SPECIFIC COMPLIANCE METHODS.

Section 9 of the Act (29 U.S.C. 658) is amended by adding at the end the following:

''(d) A citation issued under subsection (a) to an employer who violates section 5, any standard, rule, or order promulgated pursuant to section 6, or any other regulation promulgated under this Act shall be vacated if such employer demonstrates that the employees of such employer were protected by alternative methods that are equally or more protective of the safety and health of the employees than the methods required by such standard, rule, order, or regulation in the factual circumstances underlying the citation.

''(e) Subsection (d) shall not be construed to eliminate or modify other defenses that may exist to any citation.''.

SEC. 8. TECHNICAL ASSISTANCE PROGRAM.

(a) IN GENERAL.—Section 21(c) of the Act (29 U.S.C. 670(c)) is amended—

(1) by striking ''(c) The'' and inserting ''(c)(1) The'';

(2) by striking ''(1) provide'' and inserting ''(A) provide'';

(3) by striking ''(2) consult'' and inserting ''(B) consult''; and

(4) by adding at the end the following:

''(2)(A) The Secretary shall, through the authority granted under section 7(c) and paragraph (1), enter into cooperative agreements with States for the provision of consultation services by such States to employers concerning the provision of safe and healthful working conditions.

''(B)(i) Except as provided in clause (ii), the Secretary shall reimburse a State that enters into a cooperative agreement under subparagraph (A) in an amount that equals 90 percent of the costs incurred by the State for the provision of consultation services under such agreement.

''(ii) A State shall be reimbursed by the Secretary for 90 percent of the costs incurred by the State for the provision of—

''(I) training approved by the Secretary for State personnel operating under a cooperative agreement; and

''(II) specified out-of-State travel expenses incurred by such personnel.

''(iii) A reimbursement paid to a State under this subparagraph shall be limited to costs incurred by such State for the provision of consultation services under this paragraph and the costs described in clause (ii).''.

(b) PILOT PROGRAM.—Section 21 of the Act (29 U.S.C. 670) is amended by adding at the end the following:

''(e)(1) Not later than 90 days after the date of enactment of this subsection, the Secretary shall establish and carry out a pilot program in 3 States to provide expedited consultation services, with respect to the provision of safe and healthful working conditions, to employers that are small businesses (as the term is defined by the Administrator of the Small Business Administration). The Secretary shall carry out the program for a period of not to exceed 2 years.

''(2) The Secretary shall provide consultation services under paragraph (1) not later than 4 weeks after the date on which the Secretary receives a request from an employer.

''(3) The Secretary may impose a nominal fee to an employer requesting consultation services under paragraph (1). The fee shall be in an amount determined by the Secretary. Employers paying a fee shall receive priority consultation services by the Secretary.

''(4) In lieu of issuing a citation under section 9 to an employer for a violation found by the Secretary during a consultation under paragraph (1), the Secretary shall permit the employer to carry out corrective measures to correct the conditions causing the violation. The Secretary shall conduct not more than 2 visits to the workplace of the employer to determine if the employer has carried out the corrective measures. The Secretary shall issue a citation as prescribed under section 5 if, after such visits, the employer has failed to carry out the corrective measures.

''(5) Not later than 90 days after the termination of the program under paragraph (1), the Secretary shall prepare and submit a report to the appropriate committees of Congress that contains an evaluation of the implementation of the pilot program.''.

SEC. 9. VOLUNTARY PROTECTION PROGRAMS.

(a) COOPERATIVE AGREEMENTS.—The Secretary of Labor shall establish cooperative agreements with employers to encourage the establishment of comprehensive safety and health management systems that include—

(1) requirements for systematic assessment of hazards;

(2) comprehensive hazard prevention, mitigation, and control programs;

(3) active and meaningful management and employee participation in the voluntary program described in subsection (b); and

(4) employee safety and health training.

(b) VOLUNTARY PROTECTION PROGRAM.—

(1) IN GENERAL.—The Secretary of Labor shall establish and carry out a voluntary protection program (consistent with subsection (a)) to encourage excellence and recognize the achievement of excellence in both the technical and managerial protection of employees from occupational hazards.

(2) PROGRAM REQUIREMENT.—The voluntary protection program shall include the following:

(A) APPLICATION.—Employers who volunteer under the program shall be required to submit an application to the Secretary of Labor demonstrating that the worksite with respect to which the application is made meets such requirements as the Secretary of Labor may require for participation in the program.

(B) ONSITE EVALUATIONS.—There shall be onsite evaluations by representatives of the Secretary of Labor to ensure a high level of protection of employees. The onsite visits shall not result in enforcement of citations under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).

(C) INFORMATION.—Employers who are approved by the Secretary of Labor for participation in the program shall assure the Secretary of Labor that information about the safety and health program of the employers shall be made readily available to the Secretary of Labor to share with employees.

(D) REEVALUATIONS.—Periodic reevaluations by the Secretary of Labor of the employers shall be required for continued participation in the program.

(3) EXEMPTIONS.—A site with respect to which a program has been approved shall,

during participation in the program be exempt from inspections or investigations and certain paperwork requirements to be determined by the Secretary of Labor, except that this paragraph shall not apply to inspections or investigations arising from employee complaints, fatalities, catastrophes, or significant toxic releases.

(4) INCREASED SMALL BUSINESS PARTICIPATION.—The Secretary of Labor shall establish and implement, by regulation, a program to increase participation by small businesses (as the term is defined by the Administrator of the Small Business Administration) in the voluntary protection program through outreach and assistance initiatives and developing program requirements that address the needs of small businesses.

SEC. 10. PREVENTION OF ALCOHOL AND SUBSTANCE ABUSE.

The Act (29 U.S.C. 651 et seq.) is amended by adding at the end the following:

''SEC. 34. ALCOHOL AND SUBSTANCE ABUSE TESTING.

''(a) PROGRAM PURPOSE.—In order to secure a safe workplace, employers may establish and carry out an alcohol and substance abuse testing program in accordance with subsection (b).

''(b) FEDERAL GUIDELINES.—

''(1) REQUIREMENTS.—An alcohol and substance abuse testing program described in subsection (a) shall meet the following requirements:

''(A) SUBSTANCE ABUSE.—A substance abuse testing program shall permit the use of an onsite or offsite testing.

''(B) ALCOHOL.—The alcohol testing component of the program shall take the form of alcohol breath analysis and shall conform to any guidelines developed by the Secretary of Transportation for alcohol testing of mass transit employees under the Department of Transportation and Related Agencies Appropriations Act, 1992.

''(2) DEFINITION.—For purposes of this section the term 'alcohol and substance abuse testing program' means any program under which test procedures are used to take an analyze blood, breath, hair, urine, saliva, or other body fluids or materials for the purpose of detecting the presence or absence of alcohol or a drug or its metabolites. In the case of urine testing, the confirmation tests must be performed in accordance with the mandatory guidelines for Federal workplace testing programs published by the Secretary of Health and Human Services on April 11, 1988, at section 11979 of title 53, Code of Federal Regulations (including any amendments to such guidelines). Proper laboratory protocols and procedures shall be used to assure accuracy and fairness and laboratories must be subject to the requirements of subpart B of the mandatory guidelines, State certification, the Clinical Laboratory Improvements Act of the College of American Pathologists.

''(c) TEST REQUIREMENTS.—This section shall not be construed to prohibit an employer from requiring—

''(1) an applicant for employment to submit to and pass an alcohol or substance abuse test before employment by the employer; or

''(2) an employee, including managerial personnel, to submit to and pass an alcohol or substance abuse test—

''(A) on a for-cause basis or where the employer has reasonable suspicion to believe that such employee is using or is under the influence of alcohol or a controlled substance;

''(B) where such test is administered as part of a scheduled medical examination;

''(C) in the case of an accident or incident, involving the actual or potential loss of human life, bodily injury, or property damage;

''(D) during the participation of an employee in an alcohol or substance abuse treatment program, and for a reasonable period of time (not to exceed 5 years) after the conclusion of such program; or

''(E) on a random selection basis in work units, locations, or facilities.

''(d) CONSTRUCTION.—Nothing in this section shall be construed to require an employer to establish an alcohol and substance abuse testing program for applicants or employees or make employment decisions based on such test results.

''(e) PREEMPTION.—The provisions of this section shall not preempt any provision of State law to the extent that such State law is inconsistent with this section.

''(f) INVESTIGATIONS.—The Secretary is authorized to conduct testing of employees (including managerial personnel) of an employer for use of alcohol or controlled substances during any investigations of a work-related fatality or serious injury.''.

SEC. 11. DISCRETIONARY COMPLIANCE ASSISTANCE.

Subsection (a) of section 9 of the Act (29 U.S.C. 658(a)) is amended to read as follows:

''(a)(1) Nothing in this Act shall be construed as prohibiting the Secretary or the authorized representative of the Secretary from providing technical or compliance assistance to an employer in correcting a violation discovered during an inspection or investigation under this Act without issuing a citation.

''(2) Except as provided in paragraph (3), if, upon an inspection or investigation, the Secretary or an authorized representative of the Secretary believes that an employer has violated a requirement of section 5, of any regulation, rule, or order promulgated pursuant to section 6, or of any regulations prescribed pursuant to this Act, the Secretary may with reasonable promptness issue a citation to the employer. Each citation shall be in writing and shall describe with particularity the nature of a violation, including a reference to the provision of the Act, regulation, rule, or order alleged to have been violated. The citation shall fix a reasonable time for the abatement of the violation.

''(3) The Secretary or the authorized representative of the Secretary—

''(A) may issue a warning in lieu of a citation with respect to a violation that has no significant relationship to employee safety or health; and

''(B) may issue a warning in lieu of a citation in cases in which an employer in good faith acts promptly to abate a violation if the violation is not a willful or repeated violation.''.

SEC. 12. HAZARD COMMUNICATION.

(a) MODEL MATERIAL SAFETY DATA SHEETS.—

(1) PURPOSE.—It is the purpose of this section to assist chemical manufactures and importers in preparing material safety data sheets pursuant to the requirements of the Hazard Communication standard published at section 1910.1200 of title 29, Code of Federal Regulations, and to improve the accuracy, consistency, and comprehensibility of such material safety data sheets.

(2) MODEL MATERIAL SAFETY DATA SHEETS FOR HIGHLY HAZARDOUS CHEMICALS.—The Secretary of Labor shall develop model material safety data sheets for the list of highly hazardous chemicals contained in Appendix A to the Process Safety Management of Highly Hazardous Chemicals standard published at section 1910.119 of title 29, Code of Federal Regulations. Such model material safety data sheets shall—

(A) comply with the requirements of the Hazard Communication standard published at section 1910.100 of such title 29;

(B) be presented in a consistent format that enhances the reliability and comprehensibility of information about chemical hazards in the workplace and protective measures; and

(C) be made available to the public, including through posting on the Occupational Safety and Health Administration's website, within 18 months after the date of enactment of this Act.

(3) CONSTRUCTION.—Nothing in this subsection shall be construed to—

(A) modify or amend the Hazard Communication standard published at section 1910.1200 of title 29, Code of Federal Regulations, the Process Safety Management of Highly Hazardous Chemicals standard published at section 1910.119 of such title 29, or any other provision of law; and

(B) authorize the Secretary of Labor to include in the model material safety data sheet developed under this subsection any suggestion or recommendation as to permissible or appropriate workplace exposure levels for these chemicals.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Labor such sums as may be necessary to carry out this subsection.

(b) GLOBALLY HARMONIZED SYSTEM COMMISSION.—

(1) ESTABLISHMENT.—Not later than 6 months after the date of enactment of this Act, there shall be established a commission, to be known as the Global Harmonization Commission (referred to in this subsection as the ''Commission''), to consider the implementation of the United Nations Globally Harmonized System of Classification and Labeling of Chemicals to improve chemical hazard communication and to make recommendations to Congress.

(2) MEMBERSHIP.—The Commission shall be composed of 13 members of whom—

(A) 1 shall be the Secretary of Labor;

(B) 1 shall be the Secretary of Transportation;

(C) 1 shall be the Secretary of Health and Human Services;

(D) 1 shall be the Administrator of the Environmental Protection Agency;

(E) 1 shall be the Chairman of the Consumer Product Safety Commission; and

(F) 8 shall be appointed by the Secretary of Labor, of whom—

(i) 2 shall be representatives of manufacturers of hazardous chemicals, including a representative of small businesses;

(ii) 2 shall be representatives of employers who are extensive users of hazardous chemicals supplied by others, including a representative of small businesses;

(iii) 2 shall be representatives of labor organizations; and

(iv) 2 shall be occupational safety and health professionals with expertise in chemical hazard communications.

(3) CHAIR AND VICE-CHAIR.—The members of the Commission shall select a chair and vice-chair from among its members.

(4) DUTIES.—

(A) STUDY AND RECOMMENDATIONS.—The Commission shall conduct a thorough study of, and shall develop recommendations on, the following issues relating to the global harmonization of hazardous chemical communication:

(i) Whether the United States should adopt any or all of the elements of the United Nation's Globally Harmonized System of Classification and Labeling of Chemicals (referred to in this subsection and the ''Globally Harmonized System'').

(ii) How the Globally Harmonized System should be implemented by the Federal agencies with relevant jurisdiction, taking into consideration the role of the States acting under delegated authority.

(iii) How the Globally Harmonized System compares to existing chemical hazard communication laws and regulations, including the Hazard Communication standard published at section 1910.1200 of title 29, Code of Federal Regulations.

(iv) A consideration of the impact of adopting the Globally Harmonized System on the consistency, effectiveness, comprehensiveness, timing, accuracy, and comprehensibility of chemical hazard communication in the United States.

(v) A consideration of the impact of adopting the Globally Harmonized System on occupational safety and health in the United States.

(vi) A consideration of the impact of adopting the Globally Harmonized System on tort, insurance, and workers compensation laws in the United States.

(vii) A consideration of the impact of adopting the Globally Harmonized System on the ability to bring new products to the market in the United States.

(viii) A consideration of the cost and benefits of adopting the Globally Harmonized System to businesses, including small businesses, in the United States.

(ix) Effective compliance assistance, training, and outreach to help chemical manufacturers, importers, and users, particularly small businesses, understand and comply with the Globally Harmonized System.

(B) REPORT.—Not later than 18 months after the date of enactment of this Act, the Commission shall submit to the appropriate committees of Congress a report containing a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation as the Commission considers appropriate.

(5) POWERS.—

(A) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out this section. The Commission shall, to the maximum extent possible, use existing data and research to carry out this section.

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

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

(6) PERSONNEL MATTERS.—

(A) COMPENSATION; TRAVEL EXPENSES.—Each member of the Commission shall serve without compensation but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(B) STAFF AND EQUIPMENT.—The Department of the Labor shall provide all financial, administrative, and staffing requirements for the Commission including—

(i) office space;

(ii) furnishings; and

(iii) equipment.

(7) TERMINATION.—The Commission shall terminate on the date that is 90 days after the date on which the Commission submits the report required under paragraph (3)(B).

(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Labor, such sums as may be necessary to carry out this subsection.

(c) HAZARD COMMUNICATION DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—Section 20(a) of the Act (29 U.S.C. 670(a)) is amended by adding at the end the following:

''(8) Subject to the availability of appropriations, the Secretary of Health and Human Services, after consultation with the Secretary, shall award grants to one or more qualified applicants in order to carry out a demonstration project to development, implement, or evaluate strategies or programs to improve chemical hazard communication in the workplace through the use of technology, which may include electronic or Internet-based hazard communication systems.''.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the amendment made by paragraph (1).

SEC. 13. CRIMINAL PENALTIES.

Subsection (e) of section 17 of the Act (29 U.S.C. 666(e)) is amended—

(1) by striking ''fine of not more than $10,000'' and inserting ''fine in accordance with section 3571 of title 18, United States Code'';

(2) by striking ''six months'' and inserting ''18 months'';

(3) by striking ''fine of not more than $20,000'' and inserting ''fine in accordance with section 3571 of title 18, United States Code''; and

(4) by striking ''1 year'' and inserting ''3 years''.

MARCH 15, 2004.

Re hearing on Hazard Communication (MSDS) March 25, 2004.

Hon. MICHAEL B. ENZI,
Washington, DC.

DEAR SENATOR ENZI: Honorable Senators, staff and witnesses, it is an honor for me to have a small part in this most important hearing. I am very proud to have worked with you great statesmen over the years to better safety and health for our great American workers. Your work today in this hearing could be the most important advancement of OSHA's mission ever undertaken and more importantly provide guidance, leadership and much needed closer oversight to a slow moving, backward agency.

No other standard or regulation in OSHA's responsibility covers or protects workers as much as the Hazard Communication standard does and especially the MSDS section of this standard. MSDS effects every worker everyday on every job. Other standards cover many issues for the workers but the MSDS paperwork is used millions of times each workday, and the accuracy of these sheets or of paramount importance for the complete protection of our most important resource our great American workers.

These men and women work and toil everyday to bring a better way of life for us all, they deserve to go home safe and sound everyday, to have the opportunity to live a long and happy life, free of injury and sickness. No one should die, be hurt or made sick at work.

I can only pray that you will be so moved by God today, to make the much needed changes to this problem and find new ways to make sure all MSDS sheets are readable, understandable and correct. Education and information is the key, please help make the changes that will protect all of our workers all the time.

Please forgive me for being absent today but I look forward to working with you and this great committee in the future. I know in my heart you will do the right thing today and am confident new changes and new protection will come from this hearing. God Bless and thank you for your courageous stand for all American workers.

Yours,

RON HAYES.

By Mr. LUGAR (for himself, Mr. ALEXANDER, Mr. BROWNBACK, Mr. HAGEL, and Mr. LEAHY):

S. 2720. A bill to provide assistance for the crisis in Sudan, and for other purposes; to the Committee on Foreign Relations.

Mr. LUGAR. Mr. President, I rise today to introduce the Comprehensive Peace in Sudan Act. This bill is intended to address both the immediate crisis in the Darfur region of Sudan and to support a comprehensive peace in all of that country. It would authorize $300 million to respond to the unfolding catastrophe in Darfur for the next fiscal year and to provide additional funds to begin reconstruction in Sudan upon the conclusion of a viable, comprehensive peace.

Events in Darfur constitute a moral and humanitarian tragedy of incredible proportions. The people of the Darfur region of Sudan are experiencing the full force of an ethnic cleansing campaign by the Government of Sudan. Numerous credible reports by U.S. and U.N. officials indicate that the Sudanese Government has armed and employed a militia of Arab Sudanese, called Janjaweed, to join it in a coordinated effort to kill and rape Darfur inhabitants and systematically destroy homes, villages, and all means of subsistence. This campaign has killed tens of thousands of people and displaced 1.2 million African Sudanese of which 200,000 are now refugees in Chad. A second phase of this campaign may prove to have the most devastating effect through the onset of famine and disease—unless, the international community responds quickly.

The United Nations is meeting significant obstacles to providing life-saving food, medicine, and shelter to the displaced Sudanese. The Sudanese Government has established bureaucratic and administrative obstacles to the provision of assistance. In addition, the international community has not provided adequate resources given the magnitude of the human suffering in Darfur. The United States has been pressing for a more vigorous response to this humanitarian crisis. This bill would support diplomatic efforts already underway and ensure a significant flow of funding.

I am hopeful that Senators will join me in passing this bill quickly.

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. 2720

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 ''Comprehensive Peace in Sudan Act''.

SEC. 2. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

(2) JEM.—The term ''JEM'' means the Justice and Equality Movement.

(3) SPLM.—The term ''SPLM'' means the Sudan People's Liberation Movement.

(4) SLA.—The term ''SLA'' means the Sudanese Liberation Army.

SEC. 3. FINDINGS.

Congress makes the following findings:

(1) A comprehensive peace agreement for Sudan, as envisioned in the Sudan Peace Act (50 U.S.C. 1701 note), and in the Machakos Protocol of 2002, is in grave jeopardy.

(2) Since 1989, the Government of Sudan has repeatedly engaged in and sponsored orchestrated campaigns of attacking and dislocating targeted civilian populations, disrupting their ability to sustain themselves, and subsequently restricting assistance to those displaced in a coordinated policy of ethnic cleansing and Arabization that is most recently evident in the Darfur region of Sudan.

(3) In response to 2 decades of civil conflict in Sudan, the United States has helped to establish an internationally supported peace process to promote a negotiated settlement to the war that has resulted in a framework peace agreement, the Nairobi Declaration on the Final Phase of Peace in the Sudan signed June 5, 2004.

(4) At the same time that the Government of Sudan was negotiating for a final countrywide peace, enumerated in the Nairobi Declaration on the Final Phase of Peace in the Sudan, it refused to engage in any discussion with regard to its ongoing campaign of ethnic cleansing in the region of Darfur.

(5) According to United States and United Nations officials, the Government of Sudan has engaged in an orchestrated campaign, with the assistance of its Arab Sudanese proxy militia, the Janjaweed, to cleanse a significant part of the ethnically African population from North Darfur, West Darfur, and South Darfur, Sudan.

(6) The United Nations High Commissioner for Human Rights identified ''massive human rights violations in Darfur perpetrated by the Government of Sudan and the Janjaweed, which may constitute war crimes and/or crimes against humanity''.

(7) Evidence collected by international observers in the Darfur region between January 2003 and July 2004 indicate a coordinated effort to target African Sudanese civilians in a scorched earth policy, from both air and ground, that has destroyed African Sudanese villages, killing and driving away its people, while Arab Sudanese villages have been left unscathed.

(8) As a result of this coordinated campaign that may well constitute genocide, reports indicate tens of thousands of African Sudanese civilians killed, the systematic rape of hundreds of women and girls, the destruction of hundreds of Fur, Masalit, and Zaghawa villages and other ethnically African populations, including the poisoning of their wells and the plunder of crops and cattle upon which they sustain themselves.

(9) According to the United Nations High Commissioner for Refugees, 1,200,000 people have been displaced in the Darfur region of Sudan of whom nearly 200,000 have been forced to flee to Chad as refugees.

(10) Even as refugees were fleeing Sudan, the Government of Sudan conducted aerial attack missions and deadly raids across the international border between Sudan and Chad in an illegal effort to pursue Sudanese civilians seeking refuge in Chad.

(11) In addition to the thousands of violent deaths directly caused by ongoing Sudanese military and government sponsored Janjaweed attacks in the Darfur region, the Government of Sudan has restricted humanitarian and human rights workers' access to the Darfur area, primarily through bureaucratic and administrative obstruction and delays in an attempt to inflict the most devastating harm on those displaced from their villages and homes without any means of sustenance or shelter.

(12) The Government of Sudan's continued support for the Janjaweed and their obstruction of the delivery of food, shelter, and medical care to the Darfur region—

(A) is estimated to be causing 500 deaths each day; and

(B) is projected to escalate to 1,200 deaths each day by August 2004, and 2,400 deaths each day by December 2004, so that even a best-case scenario will likely result in the death of more than 320,000 people between April 1, 2004 and December 31, 2004.

(13) The Government of Chad in N'Djamena served an important role in facilitating the Darfur Humanitarian Cease-fire dated April 8, 2004 for the Darfur region between the Government of Sudan and the 2 opposition rebel groups in Darfur (the JEM and the SLA) although both sides have violated it repeatedly.

(14) The Government and people of Chad have allowed the entry of 200,000 refugees from the Darfur region of Sudan and have generally facilitated the delivery of international humanitarian assistance, although logistical obstacles remain a challenge in a crisis that is taxing the people of eastern Chad and the refugees.

(15) The cooperation and mediation of the SPLM is critical to bringing about a political settlement between the Government of Sudan, the SLA, and the JEM.

SEC. 4. SENSE OF CONGRESS REGARDING THE CONFLICT IN DARFUR, SUDAN.

(a) SUDAN PEACE ACT.—It is the sense of Congress that the Sudan Peace Act (50 U.S.C. 1701 note) remains relevant and should be extended to include the Darfur region of Sudan.

(b) ACTIONS TO ADDRESS THE CONFLICT.—It is the sense of Congress that—

(1) a legitimate countrywide peace in Sudan will only be possible if the principles and purpose of the Machakos Protocol of 2002 and the Nairobi Declaration on the Final Phase of Peace in the Sudan signed June 5, 2004, negotiated with the SPLM, should apply to all of Sudan and to all of the people of Sudan, including the Darfur region;

(2) the parties to the Darfur Humanitarian Cease-fire dated April 8, 2004 (the Government of Sudan, the SLA, and the JEM) must meet their obligations under that agreement to allow safe and immediate access of all humanitarian assistance throughout the Darfur region and must expedite the conclusion of a political agreement to end the conflict in Darfur;

(3) the United States should continue to provide humanitarian assistance to the areas of Sudan to which the United States has access and, at the same time, develop a plan similar to that described in section 10 of the Sudan Peace Act to provide assistance to the areas of Sudan to which United States access has been obstructed or denied;

(4) the international community, including African, Arab, and Muslim nations, should immediately provide logistical, financial, in-kind, and personnel resources necessary to save the lives of hundreds of thousands of individuals in the Darfur crisis;

(5) the United States Ambassador-at-Large for War Crimes should travel to Chad and the Darfur region immediately to investigate war crimes and crimes against humanity, to develop a more accurate portrayal of the situation on the ground and best inform the report required in section 11(b) of the Sudan Peace Act;

(6) the United States and the international community should use all necessary means to assist in the immediate deployment of the full mandated African Union contingent of 100 monitors and a security force of 300, and work to increase the authorized level to that which properly addresses the gravity and scope of the problem in a region the size of France;

(7) the President should immediately name a new Special Envoy to Sudan to further efforts begun by John Danforth and to allow the United States to continue to lead the peace effort toward a comprehensive and sustainable peace in Sudan;

(8) the President should use all means to facilitate a comprehensive solution to the conflict in Sudan, including by directing the United States Permanent Representative to the United Nations to pursue a resolution of the United Nations Security Council that—

(A) condemns the actions of the Government of Sudan in engaging in an orchestrated campaign of ethnic cleansing in Darfur;

(B) calls on the Government of Sudan to cease support of ethnic cleansing and the killing of innocent civilians, disarm the Janjaweed militias, prevent such militias from harassing and killing civilians, and ensure immediate access for all humanitarian assistance to all areas of Darfur;

(C) calls on all parties to the conflict in the Darfur region to permit unimpeded delivery of humanitarian assistance directly to Darfur and to allow such assistance to cross directly from countries that border Sudan, and abide by the Darfur Humanitarian Cease-fire dated April 8, 2004;

(D) calls on the Government of Sudan to provide all assistance possible, including release of its strategic food reserves to respond to the Darfur crisis;

(E) calls on the international community, particularly those countries with strong economic ties to Sudan, to expedite the provision of humanitarian assistance to Darfur;

(F) endorses the African Union Observer and Protection Force now deploying to the Darfur region of Sudan;

(G) establishes an international commission of inquiry to examine the actions and accountability of those responsible for war crimes and crimes against humanity that have precipitated and perpetuated the humanitarian crisis in the Darfur region; and

(H) confirms the right of all displaced Sudanese to return to their land under safe and secure conditions;

(9) the United Nations should immediately deploy a United Nations force to Sudan to ensure an appropriate international humanitarian response to the catastrophe in the Darfur region;

(10) sanctions should be imposed on the assets and activities of those Sudanese government officials and other individuals that are involved in carrying out the policy of ethnic cleansing in the Darfur region; and

(11) the Government of the United States should not normalize relations with Sudan, including through the lifting of any sanctions, until the Government of Sudan agrees to and implements a comprehensive peace agreement for all areas of Sudan, including Darfur.

SEC. 5. AMENDMENTS TO THE SUDAN PEACE ACT.

(a) ASSISTANCE FOR THE CRISIS IN DARFUR AND FOR COMPREHENSIVE PEACE IN SUDAN.—

(1) IN GENERAL.—The Sudan Peace Act (50 U.S.C. 1701 note) is amended by adding at the end the following new section:

''SEC. 12. ASSISTANCE FOR THE CRISIS IN DARFUR AND FOR COMPREHENSIVE PEACE IN SUDAN.

''(a) ASSISTANCE TO SUPPORT A COMPREHENSIVE FINAL PEACE AGREEMENT AND TO RESPOND TO THE HUMANITARIAN CRISIS IN DARFUR.—

''(1) AUTHORITY.—Subject to the requirements of this section, the President is authorized to provide assistance for Sudan to support the implementation of a comprehensive peace agreement that applies to all regions of Sudan, including the Darfur region, and to address the humanitarian and human rights crisis in the Darfur region and its impact on eastern Chad.

''(2) REQUIREMENT FOR CERTIFICATION.—Notwithstanding section 501(a) of the Assistance for International Malaria Control Act (Public Law 106–570; 50 U.S.C. 1701 note), assistance authorized under this section may be provided to the Government of Sudan only if the President submits the certification described in paragraph (3).

''(3) CERTIFICATION FOR THE GOVERNMENT OF SUDAN.—The certification referred to in paragraph (2) is a certification submitted by the President to the appropriate congressional committees that the Government of Sudan has taken demonstrable steps to—

''(A) ensure that the armed forces of Sudan and any associated militias are not committing atrocities or obstructing human rights monitors or the provision of humanitarian assistance or human rights monitors;

''(B) demobilize and disarm militias supported or created by the Government of Sudan;

''(C) allow full and unfettered humanitarian assistance to all regions of Sudan, including Darfur;

''(D) allow an international commission of inquiry to conduct its investigation of atrocities in the Darfur region and Khartoum, preserve evidence of atrocities and prosecute those responsible for war crimes and crimes against humanity; and

''(E) cooperate fully with the African Union and all other observer and monitoring missions mandated to operate in Sudan.

''(4) SUSPENSION OF ASSISTANCE.—If, on a date after the President submits the certification described in paragraph (3), the President determines that the Government of Sudan has ceased taking the actions described in such paragraph, the President shall immediately suspend the provision of any assistance to such Government until the date on which the President certifies that the Government of Sudan has resumed taking such actions.

''(5) AUTHORIZATION OF APPROPRIATIONS.—

''(A) IN GENERAL.—There are authorized to be appropriated to the President to provide the assistance described in paragraph (1), $300,000,000 for fiscal year 2005, in addition to any other funds otherwise available for such purpose. Of such amount, $200,000,000 may be made available for humanitarian assistance in the Darfur region of Sudan and eastern Chad in response to the ongoing crisis, notwithstanding any provision of law other than the provisions of this section.

''(B) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under subparagraph (A) are authorized to remain available until expended.

''(b) GOVERNMENT OF SUDAN DEFINED.—In this section, the term 'Government of Sudan' shall have the same meaning as such term had immediately prior to the conclusion of Darfur Humanitarian Cease-fire dated April 8, 2004.''.

(2) CONFORMING AMENDMENT.—Section 3(2) of such Act is amended by striking ''The'' and inserting ''Except as provided in section 12, the''.

(b) REPORTING REQUIREMENT.—Section 8 of the Sudan Peace Act (50 U.S.C. 1701 note) is amended in the first sentence by striking ''Sudan.'' and inserting ''Sudan, including the conflict in the Darfur region.''.

SEC. 6. REQUIREMENT FOR REPORT.

(a) REQUIREMENT.—Not later than 60 days after the date of enactment of this Act, the President shall submit to the appropriate congressional committees a report on the planned United States response to a comprehensive peace agreement for Sudan.

(b) CONTENT.—The report required by subsection (a) shall include—

(1) a description of the planned United States response to a modified peace process between the Government of Sudan and the SPLM that would account for the implementation of a peace in all regions of Sudan, in particular Darfur;

(2) a contingency plan for extraordinary humanitarian assistance should the Government of Sudan continue to obstruct or delay the international humanitarian response to the crisis in Darfur, Sudan.

(c) FORM OF REPORT.—The report required by subsection (a) may be submitted in classified form.

By Mr. ALEXANDER (for himself and Mr. KENNEDY):

S. 2721. A bill to amend the National Assessment of Educational Progress Authorization Act to require State academic assessments of student achievement in United States history, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. ALEXANDER. Mr. President, I rise today to introduce the American History Achievement Act. I am pleased to be joined in this effort by the Senator from Massachusetts, Mr. KENNEDY. This is part of my effort to put the teaching of American history and civics back in its rightful place in our school curriculum so our children can grow up learning what it means to be an American.

This is especially appropriate on a day when the September 11 report is being released. We tend to think of ourselves as Americans and wonder who we are and what we value and what we have to defend at times when we are threatened or even frightened. This should be a day when we should feel threatened. We are reminded of the challenges we face.

I am especially glad that Senator KENNEDY has joined me in this. Senator KENNEDY is especially appropriate to be a leading sponsor of this legislation. He and his family are, in fact, part of American history in a unique way. He, as well as Senator REID, Senator BYRD, and a number of Senators on this side of the aisle have been working hard in a variety of ways to support efforts that are appropriate in the Federal Government to celebrate our own history.

This modest bill provides for improved testing of American history so we can determine where history is being taught well and where it is being taught poorly so that improvements can be made. We also know when testing is focused on a specific subject, States and school districts are more likely to step up to the challenge and improve performance.

For example, a number of professors and teachers of history have worried that because of the emphasis in No Child Left Behind on reading and mathematics, that history would be left behind. There are two answers to that. One is, if our citizens cannot read, they are not going to know much history, except from watching the History Channel, which is a pretty good way, and another answer is there is a specific provision in the No Child Left Behind Act, which we call the Byrd grants, after Senator BYRD, providing $100 million a year to school districts across the country for the teaching of traditional American history. Those programs are in full flourish in Tennessee, North Carolina, and many parts of this country. They are excellent programs.

When you combine those with the We the People Project of the National Endowment of the Humanities—I attended one of their workshops in Nashville on Friday. Forty teachers across the country met at Andrew Jackson's home, the Hermitage.

We are doing more to put this in the rightful place. The bill Senator KENNEDY and I offer today is one more effort of putting the teaching of American history and civics back where it belongs.

We could certainly use improvement in the teaching of American history. According to the National Assessment of Education Progress, commonly referred to as the Nation's report card, fewer students have a basic understanding of American history than have a basic understanding of any other subject which we test, including math, science, and reading.

When we look at our national report card, American history is our children's worst subject. Yet, according to recent poll results, the exact opposite outcome is desired by the American people.

Hart-Teeter recently polled 1,300 adults for the educational testing service and asked what the principal goal of education should be. The top response: Producing literate, educated students who can participate in our democracy. Twenty-six percent of respondents believed that should be our principal goal. ''Teach basics: math, reading'' was selected by only 15 percent as the principal goal of education.

The late Albert Shanker of the American Federation of Teachers used to say our common schools were created for the purpose of teaching immigrant children reading, writing, and arithmetic, the three R's, and what it means to be an American, so they could go home and teach their parents.

They have forgotten that latter role, more and more. Our children don't know American history because they are not being taught. For example, the State of Florida just passed a bill permitting high school students to graduate without taking a course in U.S.

history. When our children are not being taught our history, they are not learning what is most important.

According to Harvard scholar Samuel Huntington, a 1987 study of high school students found more who knew who Harriet Tubman was than knew Washington commanded the American Army in the Revolution, or that Abraham Lincoln wrote the Emancipation Proclamation. I am all for teaching about Harriet Tubman and teaching about the history of the Underground Railroad. My ancestor, the Rev. John Rankin, like Harriet Tubman, was a conductor on the Underground Railroad. I would like for more children to know about them both. But surely children ought to learn first about the most critical leaders and events in the Revolution and in the Civil War.

Let me give a couple of examples of how bad things have gotten. The fourth grade NAEP test asked students to identify the following passage:

We hold these truths to be self-evident: That all men are created equal; that they are endowed by their Creator with certain unalienable rights; among these are life, liberty, and the pursuit of happiness . . .

Students were given four choices for the source of that passage: the Constitution, the Mayflower Compact, the Declaration of Independence, the Articles of Confederation. Only 46 percent of students answered correctly, that it came from the Declaration of Independence.

The eighth grade test asked, Imagine you could use a time machine to visit the past. You have landed in Philadelphia in the summer of 1776. Describe an important event that is happening.

Nearly half the students, 46 percent, were not able to answer the question correctly, that the Declaration of Independence was being signed.

This legislation aims to help in the effort to do something about that. The American History Achievement Act gives the national assessment governing board the authority to administer a 10-State pilot study for the NAEP test in U.S. history in 2006. The board already has the authority for reading, math, science, and writing. The pilot program should collect enough data to attain a State-by-State comparison of 8th and 12th grade student knowledge and understanding of history. That will allow us to know which States are doing a better job of teaching American history and allow other States to model their programs on those that are working well. This legislation is part of a broader effort in the Senate.

Earlier this year, Senator REID of Nevada, Senator KENNEDY, and I and others joined with Senators to pass the American History and Civics Education Act, by unanimous vote, to create summer academies for teachers and students of American history. Senator SCHUMER and I have introduced a bill to codify the oath of allegiance which immigrants take when sworn in as new citizens of the United States. The oath should be protected in law just as the national anthem and Pledge of Allegiance are.

Today we are putting a new focus on the teaching of American history. Our children are growing up ignorant of our Nation's history. Yet a recent poll tells us that Americans believe the principal goal of education is ''producing literate, educated citizens who can participate in our democracy.'' It is time to put the teaching of American history and civics back in its rightful place in our schools so our children can grow up learning what it means to be an American.

Our diversity is a prized value in the United States. But more prized is that we have been able to turn all that diversity into one nation. Our motto is: ''e pluribus unum,'' not the other way around. It is: ''one from many.''

One thing we have in common is our history, and we should teach it. This bill takes us one step closer to achieving that noble goal. I urge my colleagues to support the legislation.

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. 2721

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 ''American History Achievement Act''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the 2001 National Assessment of Educational Progress assessment in United States history had the largest percentage of students scoring below basic of any subject that was tested, including mathematics, science, and reading; and

(2) in the 2001 National Assessment of Educational Progress assessment in United States history—

(A) 33 percent of students in grade 4 scored below basic, 36 percent of students in grade 8 scored below basic, and 57 percent of students in grade 12 scored below basic;

(B) 92 percent of students in grade 12 could not explain the most important cause of the Great Depression after reading a paragraph delineating 4 significant reasons;

(C) 91 percent of students in grade 8 could not ''list two issues that were important in causing the Civil War'' and ''list the Northern and Southern positions on each of these issues'';

(D) 95 percent of students in grade 4 could not list ''two reasons why the people we call 'pioneers' moved west across the United States'';

(E) 73 percent of students in grade 4 could not identify the Constitution from among 4 choices as ''the document that contains the basic rules used to run the United States government'';

(F) 75 percent of students in grade 4 could not identify ''the three parts of the federal (national) government of the United States'' out of 4 possible choices;

(G) 94 percent of students in grade 8 could not ''give two reasons why it can be useful for a country to have a constitution''; and

(H) 91 percent of students in grade 12 were unable to ''explain two ways that democratic society benefits from citizens actively participating in the political process''.

SEC. 3. AMENDMENT TO THE NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS AUTHORIZATION ACT.

Section 303(b) of the National Assessment of Educational Progress Authorization Act (20 U.S.C. 9622(b)) is amended—

(1) in paragraph (2)(D), by inserting ''(with a priority in conducting assessments in history not less frequently than once every 4 years)'' after ''subject matter''; and

(2) in paragraph (3)(A)—

(A) in clause (iii)—

(i) by inserting ''except as provided in clause (v),'' before ''may conduct''; and

(ii) by striking ''and'' after the semicolon;

(B) in clause (iv), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(v) shall conduct trial State academic assessments of student achievement in United States history in grades 8 and 12 in not less than 10 States representing geographically diverse regions of the United States.''.

SEC. 4. NATIONAL ASSESSMENT GOVERNING BOARD.

Section 302(e)(1) of the National Assessment of Educational Progress Authorization Act (20 U.S.C. 9621(e)(1)) is amended—

(1) in subparagraph (I), by striking ''and'' after the semicolon;

(2) by redesignating subparagraph (J) as subparagraph (K);

(3) in the flush matter at the end, by striking ''subparagraph (J)'' and inserting ''subparagraph (K)''; and

(4) by inserting after subparagraph (I) the following:

''(J) in consultation with the Commissioner for Education Statistics, identify and select the States that will participate in the trial State academic assessments described in section 303(b)(3)(A)(v); and''.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

Section 303(b)(3) of the National Assessment of Educational Progress Authorization Act (20 U.S.C. 9622(b)(3)) is amended by adding at the end the following:

''(D) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out subparagraph (A)(v) $5,000,000 for each of fiscal years 2005 and 2006 and such sums as may be necessary for each succeeding fiscal year.''.

SEC. 6. CONFORMING AMENDMENT.

Section 113(a)(1) of the Education Sciences Reform Act of 2002 (20 U.S.C. 9513(a)(1)) is amended by striking ''section 302(e)(1)(J)'' and inserting ''section 302(e)(1)(K)''.

Mr. KENNEDY. Mr. President, it's a privilege to join Senator ALEXANDER in introducing the American History Achievement Act. This bill is part of a continuing effort to renew the national commitment to teaching in the Nation's public schools. It lays the foundation for more effective ways of teaching children about the Nation's past. The bill contains no new requirements for schools, but it does offer a more frequent and effective analysis of how America's schoolchildren are learning American history.

Our economy and our future security rely on good schools that help students develop specific skills, such as reading and math. But the strength of our democracy and our standing in the world also depend on ensuring that children have a basic understanding of the Nation's past.

Helping to instill appreciation of America's past should be an important mission of public schools. Thanks to the hard work of large numbers of history teachers in classrooms throughout

America, we're making progress. Results from the most recent assessment under the NAEP show that fourth and eighth graders are improving their knowledge of U.S. history. Research conducted in history classrooms shows that children are using primary sources and documents more often to explore history, and are being assigned historical and biographical readings by their teachers more frequently.

But much more remains to be done to advance the understanding of American history, and to see that the teaching of history is not left behind in classrooms.

A recent study by Dr. Sheldon Stern—the Chief Historian Emeritus at my brother's Presidential Library—suggests that state standards for teaching American history need improvement. His research reveals that 22 States have American history standards that are either weak or lack clear chronology, appropriate political and historical context, or sufficient information about real events and people. As many as 9 States still have no standards at all for American history.

Good standards matter. They're the foundation for teaching and learning in every school. With the right resources, time, and attention, it's possible to develop creative and effective history standards in every State. Massachusetts began to work on this effort in 2000, through a joint review of history standards that involved teachers, administrators, curriculum coordinators, and university professors. After monthly meetings and 3 years of development and revision, the State released a new framework for teaching history in 2003. Today, our standards in American history and World history receive the highest marks.

School budget problems at the local level are obviously a serious threat to these goals. Last week, 7,500 school districts received notice of an impending $237 million overall cut to their budgets, to take effect this fall. These cuts further exacerbate the current funding crisis under the No Child Left Behind Act. Unfortunately, courses in history or the humanities are often the first to go.

Other accounts report that schools are narrowing their curriculums away from the social sciences, arts, and humanities, in favor of a more concentrated approach to the teaching of reading and math in order to meet the strict standards of the No Child Left Behind Act.

Meeting high standards in reading and math is important, but it should not come at the expense of scaling back teaching in other core subjects such as history. Integrating reading and math with other subjects often gives children a better way to master literacy and number skills, even while learning in a history or geography lesson. That type of innovation deserves special attention in our schools. Making it happen requires added investments in teacher preparation and teacher mentoring, so that teachers are well prepared to use interdisciplinary methods in their lesson plans.

Our bill today takes several important steps to strengthen the teaching of American history, and raise the standing of history in school curriculums. Through changes to the National Assessment for Educational Progress, schools will be better able to achieve success on this important issue.

First, we propose a more frequent national assessment of children in American history under the NAEP. For years, NAEP has served as the gold standard for measuring the progress of students and reporting on that progress. Students last participated in the U.S. history NAEP in 2001, and that assessment generated encouraging results. But the preceding assessment—with which we can compare data—was administered in 1994—too long before to be of real assistance.

It makes sense to measure the knowledge and skills of children more frequently. This bill would place priority on administering the national U.S. history NAEP assessment, to generate a more timely picture of student progress. We should have an idea of children's knowledge and skills in American history more often than every 6 or 7 years, in order to address gaps in learning.

The bill also proposes a leap forward to strengthen state standards in American history, through a new State-level assessment of U.S. history under NAEP. The assessment would be conducted on an experimental and pilot basis in 10 States, in grades 8 and 12. The National Assessment Governing Board would ensure that States with model history standards, as well as those that are still under development, participate in this assessment.

Moving NAEP to the state level does not carry any high stakes for schools. But it will provide an additional benchmark for States to develop and improve American history standards. It's our hope that States will also be encouraged to undertake improvements in their history curricula and ensure that American history is a beneficiary and not a victim of school reform.

America's past encompasses great leaders and great ideas that contributed to our heritage and to the principles of freedom, equality, justice, and opportunity for all. Today's students will be better citizens in the future if they learn more about that history. The American History Achievement Act is an important effort toward that goal, and I encourage my colleagues to support it.

By Mr. WYDEN:

S. 2723. A bill to designate certain land in the State of Oregon as wilderness, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. WYDEN. Mr. President, 2004 is a momentous year for wilderness in Oregon. It marks the 40th anniversary of the 1964 Wilderness Act and the 20th anniversary of the Oregon Wilderness bill from 1984.

But perhaps most importantly, 2004 marks the bicentennial of the single most important exploratory committee ever to be launched by this Federal government: the Lewis and Clark Expedition.

I can see no better way to mark this auspicious year than by enacting a new Oregon Wilderness bill, the ''Lewis and Clark Mount Hood Wilderness Act of 2004,'' which includes, in tribute to the great river-dependent journey of Lewis and Clark, the addition of five free-flowing stretches of rivers to the National Wild and Scenic River System.

In the last few years, some of Oregon's most important treasures have been Congressionally protected: Steens Mountain is now home to 170,000 acres of Wilderness; the Little Sandy watershed is now part of the Bull Run Management Unit and will help provide drinking water for over 700,000 Oregonians; Soda Mountain has been designated a National Monument; and the Ft. Clatsop National Memorial has been expanded and is the subject of legislation under consideration by this august body, as I speak, to make it Oregon's second National Park.

The wilderness bill I introduce today continues to encapsulate, as did the draft wilderness proposal that I floated on this subject in March of this year, the wish of the people in my State to protect but also actively relate to her treasures. Thousands of Oregonians responded to my draft proposal—far more than I ever could have expected. As a result, this is their bill more than it is my bill.

Mount Hood and the Columbia Gorge must be protected because the people of Oregon love these areas, they are proud of these areas, and they are demanding that we come together to protect Oregon's treasures for this and future generations. The people of Oregon helped write this bill, and I believe the people of Oregon on a bipartisan basis will be the ones who help get it passed and signed by the President.

This bill I introduce today protects the lower elevation forests surrounding Mount Hood and the Columbia River Gorge as Lewis and Clark saw them. These forests symbolize the natural beauty of Oregon. They provide the clean water necessary for the survival of threatened steelhead, Coho and Chinook salmon. These forests provide critical habitat and diverse ecosystems for elk, deer, lynx and the majestic bald eagle. And these are the forests that provide unparalleled recreational opportunities for Oregonians and our visitors.

But the bill I introduce today differs in many ways from the draft proposal because it responds to the many comments I heard in the ensuing 4 months. I received thousands of comments on the proposed legislation. Some comments came as a result of the general public meetings I held in Oregon, on

April 11 and 14 of this year in Southwest Portland and in Hood River. Each meeting lasted over 3 hours, and everyone who wanted to speak was given an opportunity to do so. Other comments came from the second Mount Hood Summit held at Timberline Lodge in June hosted by Representatives WALDEN and BLUMENAUER. I and my staff met with over 100 community groups and local governments, the members of the Oregon congressional delegation, the Governor, and the Bush administration. And still more comments came from letters and phone calls from Oregonians.

What I overwhelmingly heard was the need to protect and build on Oregon's Wilderness system is as important today as it was in 1804, 1964 or 1984—and is arguably more so—but it must be accompanied by tools that help us create a planned future on Mount Hood. Mount Hood is clearly going to be at risk otherwise.

The Mount Hood National Forest is the eighth most visited National Forest in the United States. It is one of fourteen Forest Service-designated ''urban'' national forests in the entire Nation. In the 20 years that has elapsed since any new wilderness has been designated in the Mount Hood area—wild and scenic rivers were last set aside 16 years ago, the population in local counties has increased significantly—20 percent in Multnomah County, 24 percent in Hood River County, and 41 percent in Clackamas County.

The predominant public use of this urban forest is non-mechanized activity like hiking, camping, and fishing. With increasing emphasis on wild scenery, unspoiled wildlife habitats, free flowing rivers, wilderness and the need for opportunities for diverse outdoor recreation sometimes it seems—I heard this repeatedly—we are in jeopardy of ''loving our wild places to death.''

A few years ago, the Forest Service made a proposal to limit the number of people that could hike the south side of Mount Hood and the public outcry was enormous. Seems to me, rather than tell people that they are going to be restricted from using our public lands, part of the solution for the future of the Mountain lies in providing more opportunities for them to enjoy the Mountain's great places.

As the Forest Service is well-aware, Mt. Hood's non-mechanized use will increase dramatically over time, but the Forest Service's own documents acknowledge that we are not today even close to ready for that eventuality.

The Forest Service's current Land and Resource Management Plan for Mount Hood, page III–36, which notes the following:

the present capability to supply recreational opportunities such as hiking on trails in primitive and semi-primitive non-motorized areas is predicted to fall short of satisfying demand.

According to that Forest Service management plan, the Mount Hood National Forest already provides resources for nearly twice the current demand for developed recreation like skiing, power boating and sightseeing by car, but meets less than two-thirds of the demand for backcountry recreation. The future is even grimmer. The Management Plan goes on to project that by 2040, the Mount Hood National Forest will only meet 16 percent of the demand for wilderness recreation, while still meeting over 100 percent of the demand for mechanized recreation.

This Forest Service-projected shortfall means an ever-increasing number of Oregonians will be forced onto inadequate, existing wilderness, drastically impacting the mountain, its visitors, and its well-deserved reputation as one of this country's greatest natural wonders.

Of the more than 600 people who attended the two meetings I held in April in Oregon, 128 spoke—110 in favor of more wilderness and 18 spoke in opposition.

Additionally, I received more than 1,100 written comments about the proposal and over 1,000 of those expressed support for additional wilderness.

I know my colleague wishes to speak. I want to wrap up by highlighting the key areas I had Oregonians focus on in these meetings and how we responded.

First, we heard that Oregonians felt there was not enough wilderness. Second, we heard concern from some who enjoy mountain biking that their recreational opportunity would be unfairly curtailed. Third, we heard from people in the towns, mountains, and gorges about fire protection for their communities. Fourth, we heard about forest health and timber—again, a very important set of concerns for our region. Finally, we were told about developed recreation with many being worried about maintaining a role for skiing and other recreational pleasures on Mount Hood.

In each of these five areas we took steps to address these concerns.

First, the legislation I introduce today to respond to the call of the people of my State for more wilderness would increase the amount we had originally proposed by designating approximately 177,000 new acres of wilderness.

These include very important areas surrounding the oldest Mount Hood wilderness areas—spectacular ridges that frame the Columbia River Gorge that all will marvel at and essential other areas of beautiful fall colors and the best deer and elk hunting existing in the entire forest.

Second, and especially important, I thought the mountain bikers raised valid concerns. So we took two steps. I proposed and I am very interested in talking to my friend from Tennessee who has such an interest in the environment and recreation, generally, about an idea we proposed in this legislation to create a Mount Hood Pedaler's Demonstration Experiment. We call it Hood-PDX, which would in effect be the Nation's first mountain bike area that would join such a treasure as Mount Hood. In this demonstration project, Hood-PDX would be managed as wilderness though it wouldn't be wilderness. It would be a pilot project encompassing over 13,000 acres and over 50 miles of trail. The mountain bikers would have 10 years to establish that bikers can coexist peacefully with wild natural areas.

We also made boundary adjustments to keep them on over 120 miles of trail which they were concerned about losing.

Third, we took steps to protect our communities—particularly Cascade Locks, Government Camp, and Rowena—and so this bill creates fire safety zones for communities in this area.

This legislation also reiterates the Forest Service's mandate for thinning for forest health on the Mount Hood National Resources, and especially the resources to get the job done in the area.

Finally, we add a proposal for developed recreation that would reestablish a southside winter recreation area that encompasses those areas on the southside of Mount Hood that have exceptional potential for commercial recreation.

The protection of these important areas will depend on the hard work and dedication of all Oregonians. I want to particularly thank my friend and colleague Senator SMITH who meets with me every Thursday over lunch. We talk repeatedly about this issue and he has been very gracious. We are going to work together to address the various issues raised by our constituents and raised by our colleagues in the other body, particularly Congressmen WALDEN, BLUMENAUER, and HOOLEY.

This is a special day for Oregon. This is the formal beginning of an important debate about how to protect special Oregon treasure.

Mr. ALEXANDER. Madam President, I would like to salute the Senator from Oregon. I am glad I was here to hear his discussion, especially about mountain bikers' great conservation majority in this country. We ought to do a better job of creating a bigger conservation majority in the Senate. We sometimes split up on the issues, it would appear. But I don't think that is necessary.

For example, I was in Idaho a couple of weeks ago and took a mountain bike ride on the Hiawatha Trail which is between Idaho and Montana where the Milwaukee Railroad used to run from Chicago to Takoma. At one point, they were going to dig up the tracks. But this is a place where they have long tunnels and the speculator high trestles where people used to go in the 1950s and 1960s. But now, because of the work by Members of this body, some on this side of the aisle, some on that side, that is a rails-to-trails project. On that Sunday morning, there were maybe 500 or 600 mountain bikers who had that experience.

It made me think of something I failed to do when I was Governor of our

home State. I still deeply regret it. I thought toward the end of my term about but couldn't quite get done the notion of whenever we build a new highway we should provide for a pedestrian or bike trail along the side of it—it is too expensive to do a lot of times on existing roads—that every time you build a new road or widen a road, acquire a little bit more right of way. If we had done that 20 years ago in Tennessee, we would all be grateful for that today.

Senator LANDRIEU, Democratic Senator from Louisiana, and I are working on legislation called the American Outdoors legislation, to try to assure a steady stream of revenue for the Land and Water Conservation Fund for urban parks, for the Game and Fish Commission, and other conservation purposes.

Senator WYDEN, Senator LANDRIEU, and I are all in the same committee. I look forward to working with them on this legislation.

By Mrs. BOXER (for herself, Ms. MIKULSKI, Mr. LAUTENBERG, and Mr. CORZINE):

S. 2725. A bill to amend the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 to eliminate the coverage gap, to eliminate HMO subsidies, to repeal health savings accounts, and for other purposes; to the Committee on Finance.

Mrs. BOXER. Mr. President, in 2003 the Medicare Modernization Act became law. A part of that legislation continued a very modest—and fatally flawed—prescription drug benefit for seniors.

One of those flaws—and it was something I pointed out during the Senate debate and offered an amendment to fix—is known as the coverage gap.

Here's how it works: Seniors will have a monthly premium and a $250 deductible and then they pay 25 percent of their prescription drug costs. So far so good. But then once they have drug costs of over $2,250, the benefit stops; it shuts down. And seniors have to pay the next $2,850 of drug costs on their own—100 percent of their costs—before their coverage starts again.

Does this sound like prescription drug coverage to you? I know that my insurance has no such thing, and I know of no other insurance that has such a policy.

So today, Senator MIKULSKI and I are introducing a bill that closes this coverage gap and will better fulfill our promise to seniors to provide a real Medicare prescription drug benefit.

Under our bill—the Closing the Coverage Gap Act of 2004—seniors will pay the premium and the $250 deductible and then pay for 25 percent of their coverage until they reach their catastrophic limit of $5,100. After that, Medicare will pay 95 percent.

Let me give you an example of how this works. A constituent from San Marcos, California wrote me about her prescription drug costs. They exceed $10,000 a year. In 2006, she will be helped by the new law, but will still end up paying nearly $4,000 for her prescriptions. Under my, this woman will be responsible for only $1,500 of her costs. It will ease her burden and give her greater peace of mind.

This bill is simple; it is fair, and it will help millions of seniors across the country.

I thank Senator MIKULSKI for joining me in this effort, and I urge my colleague to cosponsor this bill.

Ms. MIKULSKI. Mr. President, I rise today to join my colleague, Senator BOXER, to introduce the Closing the Coverage Gap of 2004 Act. This bill would fix one of the major flaws of the recently passed Medicare Modernization Act—the $2,850 gap in prescription drug coverage.

The Medicare bill is a hollow promise for a prescription drug benefit for seniors which talks big but delivers small. It promises prescription drugs for seniors, yet it will cause over 2 million seniors to lose their drug coverage, coerce seniors into HMOs, and do nothing to stop the soaring cost of prescription drugs.

During the debate on the bill, Senator BOXER and I worked on an amendment to fix one of the worst flaws in the drug benefit—the coverage gap. When I reviewed the bill, I was appalled to discover that the promised benefit actually provides no drug benefit to seniors for drug costs between $2,250 and $5,100 per year.

The new Medicare benefit affects seniors' drug costs in two ways. First of all it, it prohibits Medicare from negotiating better prices for seniors. I am fighting for legislation that would allow Medicare to negotiate drug prices—lowering drug costs to both seniors and taxpayers.

Next, the benefits are skimpy and spartan. The new Medicare benefit leaves too many seniors in a coverage gap. Some people are calling this a ''donut,'' as if it's a ''Krispy Kream,'' but there is nothing sweet about it. Seniors will have to pay out of pocket all of their drugs between $2,250 and $5,100 while still paying monthly premiums. This isn't a donut; it's a hidden deductible. The real deductible in this plan isn't $250. Once a senior's drug costs put them into the coverage gap, their deductible could be as high as $3,100. Seniors would have to pay all of the drug costs between $2,250 and $5,100, a total of $2,850, out of their own pockets on top of the $250 deductible.

I think this is outrageous. No other insurance plan simply stops coverage for a while.

Our bill would fix this fatal flaw in the Medicare prescription drug benefit by providing real prescription drug coverage. Under our bill, there is no coverage gap. Seniors would pay their premium and the $250 deductible. Once they have paid their deductible, they would pay 25 percent their drug costs until they reach the catastrophic limit of $5,100. And just like the current benefit, once a senior reaches $5,100, Medicare would pay 95 percent of all drug costs.

I thank Senator BOXER for all her work on this important bill and look forward to working together to close the coverage gap.

I urge my colleagues to support this bill.

By Mrs. BOXER:

S. 2726. A bill to amend title 49 of the United States Code to provide flight attendant security training, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mrs. BOXER. Mr. President, today, I am introducing legislation that is important to the security of our air travel: ensuring that our Nation's flight attendants receive anti-terrorist security training.

On September 11th, as we all know, the terrorists hijacked four commercial jets—all of which were heading to California. And while I can say that air travel today is more secure than it was before the terrorist attacks, I still believe that we have more to do—which was proven with the information recently that a flight between LAX and Dulles is a ''flight of interest.'' There are still threats out there.

It is unacceptable to have loopholes in our aviation security—nearly 3 years since the attack.

In addition to air marshals and armed pilots, flight attendants are part of the last line of defense. The most obvious case is Richard Reid—the shoe bomber who was stopped with the help of a flight attendant. That was a courageous—and life saving—act. All flight attendants should be trained and ready to respond to these types of incidents.

As part of the Department of Homeland Security legislation in 2002, we passed strong flight attendant security training, which I helped write with former Senator Bob Smith. Unfortunately, last year, much of that was repealed—at the insistence of a single member of the House—in the FAA Reauthorization bill.

Therefore, I am introducing legislation today that would reinstate the flight attendant security training included in the Homeland Security bill. The bill would restore the law requiring uniform anti-terrorist training for all flight attendants.

We took a great step forward in 2002. We should not have gone backwards to create a loophole in our aviation security.

We cannot stop fighting terrorism. Well-trained flight attendants are key. We do not have enough air marshals on planes, and the Administration is slow-walking the guns in the cockpit program. We need to rely on our flight attendants now more than ever. We must ensure they get the training they need.

By Mr. DODD (for himself, Mr. COCHRAN, Mr. DURBIN, and Mr. FEINGOLD):

S. 2727. A bill to amend part A of title VI of the Higher Education Act of 1965 regarding international and foreign language studies; to the Committee on Health, Education, Labor, and Pensions.

Mr. DODD. Mr. President, I rise today with Senators COCHRAN, DURBIN and FEINGOLD to introduce The International and Foreign Language Studies Act of 2004.

In recent years, foreign language needs have significantly increased throughout the Federal Government due to the presence of a wider range of security threats, the emergence of new nation states, and the globalization of the U.S. economy. Likewise, American business increasingly needs internationally experienced employees to compete in the global economy and to manage a culturally diverse workforce.

Currently, the U.S. government requires 34,000 employees with foreign language skills across 70 federal agencies. These agencies have stated over the last few years, that translator and interpreter shortfalls have adversely affected agency operations and hindered U.S. military, law enforcement, intelligence, counter-terrorism and diplomatic efforts.

Despite our growing needs, in the 2000–01 school year, the number of undergraduate foreign language degrees conferred was only one percent of all degrees. In 2003, only 41 percent of undergraduates reported taking foreign language courses while only 18 percent reported having studied abroad. And yet, 79 percent of Americans believe that students should study abroad sometime during college.

At a time when our security needs are more important than ever, at a time when our economy demands that we enter new markets, and at a time when the world requires us to engage in diplomacy in more thoughtful and considered ways, it is extremely important that we have at our disposal a multilingual, multi cultural, internationally experienced workforce. The Dodd-Cochran International and Foreign Language Studies Act attempts to provide us with this.

The Dodd-Cochran International and Foreign Language Studies Act will increase undergraduate study abroad opportunities as they relate to programs designed to enhance foreign language proficiency and deepen cultural knowledge. The Dodd-Cochran bill will reinstate undergraduate eligibility for Foreign Language and Area Studies Fellowships. The Dodd-Cochran bill will encourage the Department of Education to engage in the collection, analysis and dissemination of data on international education and foreign language needs so that we know and understand exactly what our needs in this area are. And, most importantly, the Dodd-Cochran bill will demonstrate our nation's commitment to increasing the foreign language proficiency and international experience of our electorate by increasing the amount appropriated to international education within the Higher Education Act to $120 million each year.

The Higher Education Act authorizes the Federal Government's major activities as they relate to financial assistance for students attending colleges and universities. It provides aid to institutions of higher education, services to help students complete high school and enter and succeed in postsecondary education, and mechanisms to improve the training of our emerging workforce. This bill will help fulfill that mission.

Foreign language skills and international study are vital to secure the future economic welfare of the United States in an increasingly international economy. Foreign language skills and international study are also vital for the nation to meet 21st century security challenges properly and effectively, especially in light of the terrorist attacks on September 11, 2001.

I hope our colleagues who are not cosponsoring this bill will give it serious consideration. By working together, I believe that the Senate as a body can act to ensure that we strengthen our Nation's security and economy by capitalizing on the talents and dreams of those who wish to enter the international arena.

By Mr. SCHUMER:

S. 2728. A bill to create a penalty for automobile insurance fraud; and for other purposes; to the Committee on the Judiciary.

Mr. DODD. Mr. President, I rise today with Senators STABENOW and LAUTENBERG to introduce the Getting Results for Advanced Degrees (GRAD) Act.

The percentage of individuals pursuing graduate education has increased dramatically in recent decades as individuals seek the education and skills needed to participate in a technologically complex and global economy. In the last 25 years alone, graduate enrollment in the United States has increased by 39 percent. In the fall of 2000, there were 1.85 million graduate students enrolled in American schools.

The economic benefits of graduate education are significant. The median earnings of workers who possess a graduate or professional degree are more than 3½ times those of high school dropouts.

Despite the impact of graduate education on individuals' economic well being, and on the economic strength of our national economy as a whole, graduate education is, for many, financially out of reach. In 2001–02 the average graduate school tuition at public institutions was $4,491 and $15,233 at private institutions. In a 2002 borrower's survey, the average debt reported by graduate students was $45,900. This is an astounding figure.

To respond to the need for a highly educated workforce, I have put together a series of proposals that will make graduate education more accessible and affordable to qualified applicants regardless of income level, the Getting Results for Advanced Degrees Act (GRAD). The purpose of the GRAD Act is to encourage students to pursue graduate education and to assist them in affording it.

Specifically, the GRAD Act increases the authorization level of the Graduate Assistance in Areas of National Need (GAANN) program to $50 million and the Jacob Javits Fellowship Program to $35 million. The GAANN fellowship program helps to support graduate study in areas of national need such as chemistry, computer and information science, engineering, mathematics and physics. The Jacob Javits Fellowship Program helps support graduate study in the arts, humanities and social sciences.

To encourage greater participation by minority students in graduate studies, the Act creates the Patsy T. Mink Fellowship Program to offer assistance to underrepresented minority students pursuing a doctoral degree. The Patsy T. Mink Fellowship Program will help address the important problem of underrepresentation of students from certain minority groups in graduate education.

To help students afford the costs of graduation education, the GRAD Act expands the tax-exempt status of scholarships to treat reasonable room and board allowances as part of permitted higher education expenses. The Act revises the cost of attendance calculations for financial aid for students with dependents to reflect the true cost of living expenses for themselves and their children. The Act increases the amount of earnings students can set aside without having to apply those earnings to the cost of attendance. The GRAD Act also increases the unsubsidized Stafford loan limit for graduate and professional students from $10,000 to $12,500 so they are less likely to have to turn to more expensive private loans.

The Getting Results for Advanced Degrees Act will help students meet the financial challenges faced in pursuing graduate studies. The Act strengthens programs that support graduate students in areas of vital importance to our Nation and makes assistance available to underrepresented minority students pursuing a doctoral degree. By helping students to pursue and afford graduate education, the GRAD Act will help individuals, families and the nation as a whole, realize the important benefits of graduate education.

I hope more of my colleagues will join me in support of graduate education by signing on this bill. By working together, I believe that the Senate as a body can act to ensure that more individuals are able to pursue graduate education and assist our Nation in meeting the challenges faced in a global economy.

Mr. DURBIN:

S. 2730. A bill to amend title V, XVIII, and XIX of the Social Security Act to promote cessation of tobacco use under the medicare program, the medicaid program, and the maternal and child health services block grant program; to the Committee on Finance.

Mr. DURBIN. Mr. President, I rise today to introduce legislation that expands treatment to millions of Americans suffering from a deadly addiction: tobacco. The Medicare, Medicaid and MCH Smoking Cessation Promotion Act of 2004 will help make smoking cessation therapy accessible to recipients of Medicare, Medicaid, and the Maternal and Child Health (MCH) Program.

We have long known that cigarette smoking is the largest preventable cause of death, accounting for 20 percent of all deaths in this country. It is well documented that smoking causes virtually all cases of lung cancer and contributes to coronary heart disease, peripheral vascular disease, chronic obstructive lung disease, and other deadly health ailments.

The harmful effects of smoking do not end with the smoker. A recent report issued by the American Legacy Foundation cites the effects of secondhand smoke on children of smokers. In addition to the cost of health complications of asthma and chronic ear infections in children, the report indicates that 43,000 children are orphaned every year because of tobacco-related deaths.

Still, despite enormous health risks, 45 million adults in the United States smoke cigarettes. Of those, low income and racial minorities make up a disproportionate share. While 22.5 percent of the general adult population in the U.S. are current smokers, the percentage is about 50 percent higher among Medicaid recipients. Thirty-six percent of adults covered by Medicaid smoke.

We are not only paying a heavy health toll, but an economic price as well. According to the Center for Tobacco Cessation, about 14 percent of all Medicaid expenditures on average are related to smoking. That's not surprising, given that smokers incur an average of $1,041 more in annual medical costs than non-smokers.

Today, however, we have identified clinically proven, effective strategies to help smokers quit. Advancements in treating tobacco use and nicotine addiction using pharmacotherapy and counseling have helped millions kick the habit. The Surgeon General's 2000 Report, Reducing Tobacco Use, concluded that ''pharmacologic treatment of nicotine addiction, combined with behavioral support, will enable 10 to 25 percent of users to remain abstinent at one year of post-treatment.

Studies have shown that reducing adult smoking through tobacco use treatment pays immediate dividends, both in terms of health improvements and cost savings. Creating a new nonsmoker reduces anticipated medical costs associated with acute myocardial infarction and stroke by $47 in the first year and by $853 during the next seven years in 1995 dollars. Within four to five years after tobacco cessation, quitters use fewer health care services than continued smokers.

New Jersey and Oregon have provided Medicaid coverage for counseling and drugs as recommended by the Public Health Service, and both states now have among the lowest smoking-related Medicaid costs.

The health benefits tobacco quitters enjoy are also undisputed. They live longer, and after 15 years, the risk of premature death for ex-smokers returns to nearly the level of persons who have never smoked. Male smokers who quit between just the ages of 35 and 39 add an average of five years to their lives; women can add three years. Even older Americans over age 65 can extend their life expectancy by giving up cigarettes.

Former smokers are also healthier. They are less likely to die of chronic lung diseases, and after ten smoke-free years, their risk of lung cancer drops to as much as one-half that of those who continue to smoke. After five to fifteen years the risk of stroke and heart disease for ex-smokers returns to the level of those who have never smoked. They have fewer days of illness, reduced rates of bronchitis and pneumonia, and fewer health complaints.

Public Health Service Guidelines released a few years ago conclude that tobacco dependence treatments are both clinically effective and cost-effective relative to other medical and disease prevention interventions. The guidelines urge health care insurers and purchasers to include counseling and FDA-approved pharmacologic treatments as a covered benefit.

Unfortunately, the Federal Government, a major purchaser of health care through Medicare and Medicaid, does not currently adhere to its own published guidelines. It is high time that government-sponsored health programs catch up with science. That is why I am introducing legislation to improve smoking cessation benefits in government-sponsored health programs.

The Medicare, Medicaid, and MCH Smoking Cessation Promotion Act of 2004 improves access to and coverage of smoking cessation treatment therapies in three meaningful ways.

First, this bill adds a smoking cessation counseling benefit and coverage of FDA-approved tobacco cessation drugs to Medicare. The bill requires all prescription drug sponsors to provide coverage for tobacco cessation drugs under Medicare's prescription drug coverage. It also defines over-the-counter agents as covered drugs, as long as those drugs are prescribed by a doctor or other authorized medical professional. By 2020, 17 percent of the U.S. population will be 65 years of age or older. It is estimated that Medicare will pay $800 billion to treat tobacco-related diseases over the next twenty years. In a study of adults 65 years of age or older who received advice to quit, behavioral counseling and pharmacologic therapy, 24.8 percent reported having stopped smoking six months following the intervention. The total economic benefits of quitting after age 65 are notable. Due to a reduction in the risk of lung cancer, coronary heart disease and emphysema, studies have found that heavy smokers over age 65 who quit can avoid up to $4,592 in lifelong illness-related costs.

Second, this bill provides coverage for counseling, prescription and nonprescription smoking cessation drugs in the Medicaid program. The bill eliminates the provision in current federal law that allows states to exclude FDA-approved smoking cessation therapies from coverage under Medicaid. Despite the fact that the states have received payments from their successful federal lawsuit against the tobacco industry, less than half the states provide coverage for smoking cessation in their Medicaid program.

Even if Medicaid covered cessation products and services exclusively to pregnant women, we would see significant cost savings and health improvements. Children whose mothers smoke during pregnancy are almost twice as likely to develop asthma as those whose mothers did not. Over seven years, reducing smoking prevalence by just one percentage point among pregnant women would prevent 57,200 low birth weight births and save $572 million in direct medical costs.

Third, this bill ensures that the Maternal and Child Health Program recognizes that medications used to promote smoking cessation and the inclusion of anti-tobacco messages in health promotion are considered part of quality maternal and child health services

I hope my colleagues will join me not only in cosponsoring this legislation but also in working with me to see that its provisions are adopted. As the Surgeon General has said, ''Although our knowledge about tobacco control remains imperfect, we know more than enough to act now.''

By Mr. LAUTENBERG (for himself, Mr. BIDEN, Mr. KENNEDY, Mr. LEVIN, Mr. CORZINE, Mrs. FEINSTEIN, Mr. FEINGOLD, Mr. KOHL, Mr. DURBIN, and Mr. SCHUMER):

S. 2731. A bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals; to the Committee on the Judiciary.

Mr. LAUTENBERG. Mr. President, I rise to introduce the Captive Exotic Animal Protection Act of 2004. This Act would prohibit the barbaric and unsporting practice of ''canned hunts.'' I am pleased to be joined by my cosponsors, Senators BIDEN, KENNEDY, LEVIN, CORZINE, FEINSTEIN, FEINGOLD, KOHL, DURBIN and SCHUMER.

Canned hunts take place on private land under circumstances that virtually assure hunters of a kill. Although they advertise under a variety of names, such as hunting preserves or game ranches, canned hunts have two things in common: they charge a fee for killing an animal; and they violate the generally accepted practices of the hunting community, which are based on the concept of ''fair chase.'' Some canned hunts specialize in native species, such as white-tailed deer or elk, while others deal in exotic, non-native, animals that are either bred on-site or bought from dealers or breeders. Exotic animals may include surplus animals bought from wild animal parks, circuses, and petting zoos. Many canned hunts offer both native and exotic species to their customers. The Humane Society of the United States estimates that there are more than 1000 canned hunt operations in at least 25 different States.

Canned hunts cater to persons who lack the time, and sometimes the skill, for normal sports hunting, but who have the money to pay the hefty fees charged for trophy kills. They do not require skill in tracking or shooting. For a price, many canned hunts guarantee a ''hunter'' a kill of the animal of their choice. A wild boar ''kill'' may sell for up to $1000, a water buffalo for $3500, and a red deer for up to $6000.

The ''hunt'' of these tame animals occurs within a fenced enclosure, leaving the animal virtually no chance for escape. Fed and cared for by humans, these animals have often lost their instinctive impulse to flee from hunters who ''stalk'' them. In addition to fencing, canned hunts use other practices to assure their customers a kill. They employ guides who are intimately familiar with their preserve or ranch, including locations where animals like to eat, bed down, and hide, and may use food plots and feeding stations to attract animals and make them easy targets from nearby shooting blinds or stands—all practices which are prohibited by many State game commissions.

Canned hunts are strongly condemned by animal protection groups. The Fund for Animals has launched a national campaign against what it calls a ''cruel, unsporting, and egregious type of hunting.'' The Humane Society says that ''There is no more repugnant hunting practice than shooting tame, exotic mammals in fenced enclosures for a fee in order to obtain a trophy.'' The group believes that federal legislation is needed ''to halt the cruel and unsportsmanlike business of canned hunts.''

Canned hunts violate the principles of the sport of hunting. The Boone and Crockett Club, a hunting organization founded by Teddy Roosevelt, defines ''fair chase'' as the ''ethical, sportsmanlike, and lawful pursuit and taking of any free-ranging wild, native North American big game animal in a manner that does not give the hunter an improper advantage over such animals.'' Surely exotic animals held in canned hunt facilities can in no way be considered ''free-ranging,'' and the hunters at such facilities clearly have an enormous ''improper advantage'' over the animals.

In addition to being unethical, canned hunts may pose a serious health and safety threat to domestic livestock and native wildlife. Accidental escapes of exotic animals from game ranches are not uncommon, posing a danger to nearby livestock and indigenous wildlife. A dire threat to native deer and elk populations in this country is chronic wasting disease, the deer equivalent of mad cow disease. In some States, experts believe that canned hunts, with their fences and high concentrations of animals, are encouraging transmission of this disease.

In recognition of these threats, several states have banned canned hunting of mammals. Unfortunately, most states lack laws to outlaw this practice. Because interstate commerce in exotic animals is common, Federal legislation is essential to control these cruel practices.

My bill is essentially the same as legislation S. 1655, that was reported by the Judiciary Committee late in the 107th Congress and sponsored by Senator BIDEN. It is similar to legislation that I introduced in the 106th, S. 1345, 105th, S. 995, and 104th, S. 1493, Congresses. The legislation that I am introducing today will target only canned hunt facilities that allow the hunting of exotic, non-native, mammals. It is important to note what the bill does and does not do: (1) The bill does not regulate the hunting of native mammals, such as white-tail deer; (2) the bill does not regulate the hunting of birds, native or exotic, such as doves, pheasants, and mallard ducks; (3) the bill protects only exotic, non-native, mammals that have been confined for the greater part of the animal's life or a year, whichever is shorter; (4) the bill does not cover exotic mammals living as they would in the wild on large preserves where they have an opportunity to avoid hunters, 1000 acres or larger; and (5) the bill regulates the conduct of persons who operate canned hunts or traffic in exotic mammals used in such hunts, not the hunters who patronize canned hunt facilities. In summary, my bill would merely ban the transport and trade of non-native, exotic mammals for the purpose of staged trophy hunts.

The idea of a defenseless animal meeting a violent end as the target of a canned hunt is, at the very least, distasteful to many Americans. In an era when we are seeking to curb violence in our culture, canned hunts are certainly one form of gratuitous brutality that does not belong in our society. I urge my colleagues to join me in supporting this legislation, which will help end this needless practice.

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. 2731

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 ''Captive Exotic Animal Protection Act of 2004''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) The ethic of hunting involves the consideration of fair chase, which allows the animal the opportunity to avoid the hunter.

(2) At more than 1,000 commercial canned hunt operations across the country, trophy hunters pay a fee to shoot captive exotic animals, from African lions to giraffes and blackbuck antelope, in fenced-in enclosures.

(3) Clustered in a captive setting at unusually high densities, confined exotic animals attract disease more readily than more widely dispersed native species who roam freely.

(4) The transportation of captive exotic animals to commercial canned hunt operations can facilitate the spread of disease across great distances.

(5) The regulation of the transport and treatment of exotic animals on shooting preserves falls outside the traditional domains of State agriculture departments and State fish and game agencies.

(6) This Act is limited in its purpose and will not limit the licensed hunting of any native mammals or any native or exotic birds.

(7) This Act does not aim to criticize those hunters who pursue animals that are not enclosed within a fence.

(8) This Act does not attempt to prohibit slaughterhouse activities, nor does it aim to prohibit the routine euthanasia of domesticated farm animals.

SEC. 3. TRANSPORT OR POSSESSION OF EXOTIC ANIMALS FOR PURPOSES OF KILLING OR INJURING THEM.

(a) IN GENERAL.—Chapter 3 of title 18, United States Code, is amended by adding at the end the following:

''§ 49. Exotic animals

''(a) PROHIBITION.—Whoever, in or substantially affecting interstate or foreign commerce, knowingly transfers, transports, or possesses a confined exotic animal, for the purposes of allowing the killing or injuring of that animal for entertainment or for the collection of a trophy, shall be fined under this title, imprisoned not more than 1 year, or both.

''(b) DEFINITIONS.—In this section—

''(1) the term 'confined exotic animal' means a mammal of a species not historically indigenous to the United States, that has been held in captivity, whether or not the defendant knows the length of the captivity, for the shorter of—

''(A) the majority of the animal's life; or

''(B) a period of 1 year; and

''(2) the term 'captivity' does not include any period during which an animal lives as it would in the wild—

''(A) surviving primarily by foraging for naturally occurring food;

''(B) roaming at will over an open area of not less than 1,000 acres; and

''(C) having the opportunity to avoid hunters.

''(c) ENFORCEMENT.—

''(1) IN GENERAL.—Any person authorized by the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, may—

''(A) without a warrant, arrest any person that violates this section (including regulations promulgated under this section) in the presence or view of the arresting person;

''(B) execute any warrant or other process issued by an officer or court of competent jurisdiction to enforce this section; and

''(C) with a search warrant, search for and seize any animal taken or possessed in violation of this section.

''(2) FORFEITURE.—Any animal seized with or without a search warrant shall be held by the Secretary or by a United States marshal, and upon conviction, shall be forfeited to the United States and disposed of by the Secretary of the Interior in accordance with law.

''(3) ASSISTANCE.—The Director of the United States Fish and Wildlife Service may use by agreement, with or without reimbursement, the personnel and services of any other Federal or State agency for the purpose of enforcing this section.''.

(b) TECHNICAL AMENDMENT.—The analysis for chapter 3 of title 18, United States Code, is amended by adding at the end the following:

''Sec. 49. Exotic animals''.

By Mr. REID:

S. 2732. A bill to provide grants for use by rural local educational agencies in purchasing new school buses; to the Committee on Environment and Public Works.

Mr. REID. Mr. President, there are still small towns in America where the citizens wait for a doctor to make rounds, a mail truck to drop off the mail. These families have elected to stay in their communities despite all the obstacles, and they deserve an opportunity to enjoy a good quality of life.

But sometimes, the challenges of living in rural America can be overwhelming—especially as they relate to identifying and securing Federal education funding.

There are hundreds of Federal education grants that currently provide an array of support for local education agencies: literacy programs, English learner's programs, after school programs—just to name a few.

Most of the time these Federal dollars and grants end up going to larger urban school districts, not to the little rural ones. One reason is because rural school districts simply don't have the resources needed to write the grant applications or oversee the program.

Or perhaps rural educators don't even realize they are qualified to apply for a particular grant, or they don't have the infrastructure needed to support the initiative.

Many years ago when I attended school in Searchlight, we had one teacher who taught grades 1 through 8. There are still schools in Nevada where this is the case.

I walked to school, and when it was time for high school I hitched a ride into a town 40 miles away and had to stay with a family during the week. That was the transportation system in rural America back then: walk or hitchhike.

Now we have school buses. But many rural areas are operating outdated, unsafe school buses that are driven until they finally can't pass inspection any longer. The skyrocketing gas prices of the past seven months have only made the problem worse.

These local education agencies are strapped. They can't afford to buy newer, safer buses. I was astonished to learn that the school buses in some rural Nevada counties travel a combined 1 million miles in a school year.

The superintendents in my State asked me for help. They identified their need for school buses, and I want to help.

I am introducing legislation today that will help rural school districts transport children to school in a way that is safe, affordable and environmentally sound.

The ''Bus Utility and Safety in School Transportation Opportunity and Purchasing Act of 2004''—or BUS STOP—authorizes the Federal Government to provide $50,000,000 in grants on a competitive basis to rural local educational agencies seeking Federal share assistance to purchase school buses. The Federal share will be 75 percent.

Each applicant must provide documentation that at least 50 percent of their school buses are in need of repair or replacement; the total mileage each bus traveled in the most recent school year; documentation that the applicant is operating with a depleted fleet; and assurance that the school system will pay the local share for the purchase of new school buses.

In an effort to promote clean air, the Environmental Protection Agency has already established a cost-share grant program that will help local school systems replace old school buses, install pollution control devices, and eliminate unnecessary idling.

The EPA is seeking to improve air quality by encouraging large school districts to voluntarily cut emissions. The EPA awarded $5 million in grants to 20 school districts last month and $5 million to 17 school districts last year.

Unfortunately this is an example of a program that my rural counties didn't apply for because they don't have the infrastructure in place to support clean buses. However, working in the spirit of clean air and healthy children, rural school districts can buy newer buses that are better for our air, and safer for our children.

My office has already received phone calls from the education departments from other states. They want to know if the rumor is true: is there finally going to be legislation to help us purchase school buses?

The answer is yes.

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

S. 2732

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 ''Bus Utility and Safety in School Transportation Opportunity and Purchasing Act of 2004''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) school transportation issues have concerned parents, local educational agencies, lawmakers, the National Highway Traffic Safety Administration, the National Transportation Safety Board, and the Environmental Protection Agency for years;

(2) millions of children face potential future health problems because of exposure to noxious fumes emitted from older school buses;

(3) the Environmental Protection Agency established the Clean School Bus USA program to replace 129,000 of the oldest diesel buses that cannot be retrofitted in an effort to help children and the environment by improving air quality;

(4) unfortunately, many rural local educational agencies are unable to participate in that program because of the specialized fuels needed to sustain a clean bus fleet;

(5) many rural local educational agencies are operating outdated, unsafe school buses that are failing inspection because of automotive flaws, resulting in a depletion of school bus fleets of the local educational agencies; and

(6) many rural local educational agencies are unable to afford to buy newer, safer buses.

(b) PURPOSE.—The purpose of this Act is to establish within the Environmental Protection Agency a Federal cost-sharing program to assist rural local educational agencies with older, unsafe school bus fleets in purchasing newer, safer school buses.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) RURAL LOCAL EDUCATIONAL AGENCY.—The term ''rural local educational agency'' means a local educational agency, as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801), with respect to which—

(A) each county in which a school served by the local educational agency is located has a total population density of fewer than 10 persons per square mile;

(B) all schools served by the local educational agency are designated with a school locale code of 7 or 8, as determined by the Secretary of Education; or

(C) all schools served by the local educational agency have been designated, by official action taken by the legislature of the State in which the local educational agency is located, as rural schools for purposes relating to the provision of educational services to students in the State.

(3) SCHOOL BUS.—The term ''school bus'' means a vehicle the primary purpose of which is to transport students to and from school or school activities.

SEC. 4. GRANT PROGRAM.

(a) IN GENERAL.—From amounts made available under subsection (e) for a fiscal year, the Administrator shall provide grants, on a competitive basis, to rural local educational agencies to pay the Federal share of the cost of purchasing new school buses.

(b) APPLICATION.—

(1) IN GENERAL.—Each rural local educational agency that seeks to receive a grant under this Act shall submit to the Administrator for approval an application at such time, in such manner, and accompanied by such information (in addition to information required under paragraph (2)) as the Administrator may require.

(2) CONTENTS.—Each application submitted under paragraph (1) shall include—

(A) documentation that, of the total number of school buses operated by the rural local educational agency, not less than 50 percent of the school buses are in need of repair or replacement;

(B) documentation of the number of miles that each school bus operated by the rural

local educational agency traveled in the most recent 9-month academic year;

(C) documentation that the rural local educational agency is operating with a reduced fleet of school buses;

(D) a resolution from the rural local educational agency that—

(i) authorizes the application of the rural local educational agency for a grant under this Act; and

(ii) describes the dedication of the rural local educational agency to school bus replacement programs and school transportation needs (including the number of new school buses needed by the rural local educational agency); and

(E) an assurance that the rural local educational agency will pay the non-Federal share of the cost of the purchase of new school buses under this Act from non-Federal sources.

(c) PRIORITY.—

(1) IN GENERAL.—In providing grants under this Act, the Administrator shall give priority to rural local educational agencies that, as determined by the Administrator—

(A) are transporting students in a bus manufactured before 1977;

(B) have a grossly depleted fleet of school buses; or

(C) serve a school that is required, under section 1116(b)(1)(E) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6316(b)(1)(E)), to provide transportation to students to enable the students to transfer to another public school served by the rural local educational agency.

(d) PAYMENTS; FEDERAL SHARE.—

(1) PAYMENTS.—The Administrator shall pay to each rural local educational agency having an application approved under this section the Federal share described in paragraph (2) of the cost of purchasing such number of new school buses as is specified in the approved application.

(2) FEDERAL SHARE.—The Federal share of the cost of purchasing a new school bus under this Act shall be 75 percent.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this Act—

(1) $50,000,000 for fiscal year 2005; and

(2) such sums as are necessary for each of fiscal years 2006 through 2010.

By Mr. CAMPBELL:

S. 2734. A bill to implement the recommendations of the Inspector General of the Department of the Interior regarding Indian Tribal detention facilities; to the Committee on Indian Affairs.

Mr. CAMPBELL. Mr. President, I am pleased to introduce The Indian Tribal Detention Facility Reform Act of 2004 which proposes sweeping reforms to operation of tribal detention systems in American Indian communities.

The bill will launch significant efforts to address the third world conditions plaguing this system, problems which were the subject of a series of articles in the USA Today and other national newspapers.

On June 23, 2004, the Committee on Indian Affairs held a hearing on the operation and condition of these detention facilities and the testimony we received was very disturbing.

At the hearing, the Inspector General of the Department of Interior reported that after reports from a variety of sources, including the U.S. Department of Justice, his office began an assessment of the physical condition of these facilities and how they are operated.

The Inspector General also testified about numerous examples of inmate suicides, escapes, neglect, overcrowding and other inhumane conditions, staffing shortages, inmate access to weapons and poor prisoner supervision, all occurring in facilities operated by the Bureau of Indian Affairs or by Indian tribes, pursuant to contract.

The Inspector General reported that the lack of prison monitoring sadly resulted in the death of a 16 year old Indian girl who was placed in a cell for underage drinking. She later died of alcohol poisoning and her family is now considering legal action charging negligence by the jail's managers.

The tragic part of the story is that the death might have been prevented. But what is even more frightening is that deaths and attempted suicides are not isolated events at these facilities.

This is but one example brought to the Committee's attention and in my mind these events and conditions are deplorable, inexcusable and have to end.

The bill I am introducing today establishes clear lines of authority for detention services by directing the Secretary of Interior to create a separate branch of detention services. This separate branch will give the proper attention to issues surrounding detention facilities.

In addition, the bill will require the creation of reporting protocols on serious incidents, particularly escapes, to proper law enforcement authorities. Because in some cases reporting may not be sufficient, the bill will also establish criteria for conducting preliminary inquiries into serious incidents to determine if there is a need for a full investigation.

Finally, the bill requires that the Department of Interior conduct a full report on the conditions and needs of the detention facilities in Indian communities, including staffing shortages and training, and a plan for addressing the needs.

I urge my colleagues to join me in supporting this important legislation.

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. 2734

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 ''Indian Tribal Detention Facility Reform Act of 2004''.

SEC. 2. DEFINITIONS.

Section 2 of the Indian Law Enforcement Reform Act (25 U.S.C. 2801) is amended to read as follows:

''SEC. 2. DEFINITIONS.

''In this Act:

''(1) BRANCH OF CRIMINAL INVESTIGATIONS.—The term 'Branch of Criminal Investigations' means the entity the Secretary is required to establish within the Division of Law Enforcement Services under section 3(d)(1).

''(2) BRANCH OF DETENTION SERVICES.—The term 'Branch of Detention Services' means the entity that the Secretary is required to establish within the Division of Law Enforcement Services under section 3(f)(1).

''(3) BUREAU.—The term 'Bureau' means the Bureau of Indian Affairs of the Department of the Interior.

''(4) COMPLEMENTARY FACILITY.—

''(A) IN GENERAL.—The term 'complementary facility' means a facility for the provision of additional or necessary services to detainees as a result of their being in custody.

''(B) INCLUSION.—The term 'complementary facility' includes a detoxification center, protective custody cell, shelter care facility, community treatment center, halfway house, or any similar facility.

''(5) DETAINEE.—The term 'detainee' means an individual who is held in a detention facility for any period of time.

''(6) DETENTION FACILITY.—The term 'detention facility' means a facility for holding of individuals for correctional, intergovernmental, or other custodial purposes that is—

''(A) operated by the Bureau; or

''(B) operated by an Indian tribe under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

''(7) DIVISION OF LAW ENFORCEMENT SERVICES.—The term 'Division of Law Enforcement Services' means the entity established within the Bureau under section 3(b).

''(8) EMPLOYEE OF THE BUREAU.—The term 'employee of the Bureau' includes an officer of the Bureau.

''(9) ENFORCEMENT OF A LAW.—The term 'enforcement of a law' includes the prevention, detection, and investigation of an offense and the detention or confinement of an offender.

''(10) INDIAN COUNTRY.—The term 'Indian country' has the meaning given the term in section 1151 of title 18, United States Code.

''(11) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 201 of Public Law 90–284 (commonly known as the 'Civil Rights Act of 1968') (25 U.S.C. 1301).

''(12) OFFENSE.—The term 'offense' means an offense against the United States, including a violation of a Federal regulation relating to part or all of Indian country.

''(13) SECRETARY.—The term 'Secretary' means the Secretary of the Interior.

''(14) SERIOUS INCIDENT.—

''(A) IN GENERAL.—The term 'serious incident' means an occurrence, event, activity, or other incident that results in—

''(i) a risk of harm or actual harm to an individual or the community; or

''(ii) serious damage to property.

''(B) INCLUSION.—The term 'serious incident' includes all incidents relating to detainee deaths or injuries, suicides, attempted suicides, escapes, and officer safety issues.''.

SEC. 3. BRANCH OF DETENTION SERVICES.

Section 3 of the Indian Law Enforcement Reform Act (25 U.S.C. 2802) is amended—

(1) in subsection (d)(4), by striking ''Area'' each place it appears and inserting ''Regional''; and

(2) by adding at the end the following:

''(f) BRANCH OF DETENTION SERVICES.—

''(1) ESTABLISHMENT.—The Secretary shall establish within the Division of Law Enforcement Services a separate Branch of Detention Services.

''(2) DUTIES.—The Branch of Detention Services—

''(A) except as prohibited by other Federal law, shall be responsible for the detention, confinement, and corrections of offenders within Indian country;

''(B) shall not be primarily responsible for routine law enforcement, criminal investigations, or police operations in Indian country; and

''(C) under an interagency agreement between the Secretary and Attorney General and subject to such guidelines as the appropriate agencies or officials of the Department of Justice may adopt, may be responsible for temporarily detaining individuals for the purpose of Federal prosecution, immigration, or transportation, or any other detention purpose.

''(3) REGULATIONS.—The Secretary shall promulgate regulations establishing a procedure for active cooperation and consultation of the detention services employees of the Branch of Detention Services assigned to an Indian reservation with the governmental, law enforcement, and detention officials of the Indian tribes located on the Indian reservation.

''(4) PERSONNEL.—

''(A) SUPERVISION AND DIRECTION.—Personnel of the Branch of Detention Services—

''(i) shall be subject only to the supervision and direction of the law enforcement personnel or personnel of the Branch of Detention Services or of the Division, as the Secretary considers appropriate; and

''(ii) shall not be subject to the supervision of the Bureau Agency Superintendent or Bureau Regional Director.

''(B) EFFECT OF PARAGRAPH.—Nothing in this paragraph—

''(i) precludes cooperation, coordination, or consultation, as appropriate, with non-law enforcement Bureau personnel at the agency or regional level; or

''(ii) restricts the right of an Indian tribe to contract a detention program under the authority of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) or to maintain its own detention operations.

''(C) REESTABLISHMENT OF AUTHORITY.—

''(i) REQUEST.—After the date that is 1 year after the date of establishment of the Branch of Detention Services, any Indian tribe may, by resolution of the governing body of the Indian tribe, request the Secretary to reestablish authority over detention of members of the Indian tribe directly through the Agency Superintendent or Bureau Regional Office Director rather than through the Branch of Detention Services.

''(ii) APPROVAL.—In the absence of good cause to the contrary, the Secretary, on receipt of a resolution under clause (i), shall reestablish the authority as requested by the Indian tribe.''.

SEC. 4. FUNDING.

Section 9 of the Indian Law Enforcement Reform Act (25 U.S.C. 2808) is amended—

(1) by striking the section heading and all that follows through ''Any expenses'' and inserting the following:

''SEC. 9. FUNDING.

''(a) IN GENERAL.—Any expenses''; and

(2) by adding at the end the following:

''(b) AVAILABILITY.—Funds made available to carry out this Act shall remain available until expended.''.

SEC. 5. DETENTION REFORM AND REVIEW.

The Indian Law Enforcement Reform Act is amended by inserting after section 10 (25 U.S.C. 2809) the following:

''SEC. 10A. DETENTION REFORM.

''(a) FINDINGS.—Congress finds that—

''(1) there are 74 detention facilities in Indian country;

''(2) serious deficiencies in Indian country detention have arisen, including—

''(A) poor facility conditions;

''(B) lack of staff training;

''(C) understaffing; and

''(D) lack of detention facility administration and other operational standards, or failure to comply with any such standards;

''(3) those deficiencies create a dangerous and potentially life-threatening situation for detainees and detention personnel;

''(4) the April 2004 interim report of the Inspector General of the Department of the Interior found that deaths, escapes, and assaults on correctional officers have occurred at several detention facilities in Indian country as a result of those deficiencies;

''(5) the Division of Law Enforcement Services has responsibility for both law enforcement and detention services, but no clear lines of authority for detention services;

''(6) existing Federal law does not provide clear lines of authority or standards for detention services in Indian country; and

''(7) clear authority and standards are needed to assist detention and law enforcement officials in—

''(A) meeting the principal goals of Indian country law enforcement and detention;

''(B) protecting life and property; and

''(C) reducing crime and recidivism rates.

''(b) REPORTING PROTOCOLS FOR SERIOUS INCIDENTS.—

''(1) IN GENERAL.—Not later than 270 days after the date of enactment of the Indian Tribal Detention Facility Reform Act of 2004, the Bureau shall develop and implement protocols to ensure that all serious incidents occurring at a detention facility are reported promptly through an established chain of command.

''(2) REPORTING OF ESCAPES TO LAW ENFORCEMENT AUTHORITIES.—The protocols shall ensure that each incident involving an escape of a detainee from a detention facility is reported immediately to the appropriate Federal, State, tribal, and local law enforcement authorities.

''(3) PRELIMINARY INQUIRIES INTO SERIOUS INCIDENTS.—

''(A) IN GENERAL.—The Division of Law Enforcement Services shall conduct a preliminary inquiry of any serious incident to determine whether a full investigation is warranted.

''(B) FINDINGS.—All findings made in conducting preliminary inquiries under subparagraph (A) shall be reported to the Division of Law Enforcement Services and the Assistant Secretary of the Interior for Indian Affairs.

''(4) DETENTION FACILITIES STAFFING REVIEW.—The Bureau shall—

''(A) not later than 90 days after the date of enactment of the Indian Tribal Detention Facility Reform Act of 2004, conduct a review of the staffing needs at all detention facilities; and

''(B) update that review annually.

''(c) REGULATIONS.—Not later than 1 year after the date of enactment of the Indian Tribal Detention Facility Reform Act of 2004, the Secretary, after consultation with the Attorney General, shall promulgate regulations to carry out subsections (a) and (b).

''(d) DETENTION FACILITIES REVIEW.—

''(1) IN GENERAL.—

''(A) CONSULTATION.—Not later than 1 year after the date of enactment of the Indian Tribal Detention Facility Reform Act of 2004, in consultation with Indian tribes to the extent practicable, the Bureau shall complete an assessment of the physical conditions and needs of all detention facilities.

''(B) REPORT.—Not later than 15 months after the date of enactment of the Indian Tribal Detention Facility Reform Act of 2004, the Bureau shall—

''(i) submit to the Committee on Indian Affairs and the Committee on Appropriations of the Senate and the Committee on Resources and the Committee on Appropriations of the House of Representatives a report that describes the results of the assessment under subparagraph (A); and

''(ii) make the report available to Indian tribal governments.

''(2) DATA AND METHODOLOGIES.—In preparing the report under paragraph (1), the Bureau shall use—

''(A) the existing Department of Justice Federal Bureau of Prisons formula for determining the condition and adequacy of Department of Justice detention facilities, including operational standards;

''(B) data relating to conditions at detention facilities that have previously been compiled, collected, or secured from any source derived, so long as the data are accurate, relevant, timely, and necessary to preparation of the report; and

''(C) the methodologies of the American Institute of Architects or other accredited and reputable architecture or engineering associations responsible for detention facility construction.

''(3) CONTENTS.—The report shall include—

''(A) a catalog of the condition of detention facilities that—

''(i) identifies the existing detention and complementary facilities and any detention and complementary facilities that do not exist but are needed, taking into consideration—

''(I) the size of a detention facility or complementary facility;

''(II) the number of detainees in a facility;

''(III) the age and condition of a facility;

''(IV) interjurisdictional detention needs;

''(V) staff needs; and

''(VI) prisoner isolation and transportation needs;

''(ii) establishes a routine maintenance schedule for each facility;

''(iii) identifies staffing and operational needs of existing and needed facilities; and

''(iv) provides specific cost estimates needed to repair, renovate, lease or construct any new, existing or additional detention facilities or complementary facilities;

''(B) a detailed plan to bring all detention facilities and complementary facilities into compliance with applicable standards that includes—

''(i) detailed information on the status of each facility's compliance with the standards;

''(ii) specific cost estimates for meeting the standards at each facility; and

''(iii) specific timelines for bringing each facility into compliance with the standards;

''(C) an assessment of the feasibility of developing regional detention facilities, taking into consideration the factors identified in subparagraph (A)(i) and a comparison of costs and benefits of regional facilities versus individual tribal facilities; and

''(D) an assessment of the feasibility of tribal operation of the facilities identified under subparagraphs (A)(i) and (C) under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.), including—

''(i) any cost savings that would result from tribal rather than Federal operation of the facilities; and

''(ii) a comparison of costs and benefits arising from individual tribal operation versus contracting detention services with State or local facilities.

''(4) EFFECT OF SUBSECTION.—Nothing in this subsection requires termination of the operations of any facility that fails to comply with standards described in subparagraph (B).

''(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $500,000, to remain available until expended.''.

By Mr. LEAHY (for himself and Mr. JEFFORDS):

S. 2738. A bill to establish a Commission to commemorate the 400th anniversary of the arrival of Samuel de Champlain in the Champlain Valley, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. LEAHY. Mr. President, I submit today a bill that will assist the States of Vermont and New York in commemorating the extraordinary cultural; historical, and recreational heritage of one of Vermont's greatest natural treasures, Lake Champlain.

Nearly 400 years ago, in 1609, Samuel de Champlain entered a green valley where he arrived at the lake that today carries his name. Lake Champlain stretches nearly 120 miles from Whitehall, NY, to the Richelieu River in Quebec and is nestled between the dramatic peaks of the New York's Adirondacks and Vermont's picturesque Green Mountains.

The Samuel de Champlain 400th Commemoration Commission Act of 2004 will authorize the National Park Service to fund a Commemoration Committee established with the Governors of Vermont and New York in order to plan national events for 2009 that celebrate the arrival of Samuel de Champlain and the rich heritage of the lake—which includes all people present when Champlain arrived in the valley and the communities that exist today.

We Vermonters sometimes affectionately refer to Lake Champlain as the ''Sixth Great Lake,'' and I have many fond memories of this wonderful lake. As a boy I spent time fishing and boating in its waters and over the years have taken my family on many enjoyable ferry rides across the lake. More recently I have become an avid scuba diver, and my own explorations of shipwreck sites in the lake have inspired me to educate others about its history and work to help preserve its unique heritage.

Just as in my own family's history, Lake Champlain's history links together Vermont and our Nation's storied histories.

Shortly after Champlain entered the region, what is now known as Lake Champlain was quickly recognized as the vital transportation route for the Northeast which had been used by Native peoples for centuries. Early settlers used the lake to explore unknown lands and create new settlements in the wilderness of Colonial North America.

Lake Champlain is awash in a rich maritime history. The chain of lakes that includes Lake Champlain has been called the ''The Great Warpath'' because of its use by early Colonial armies and flotillas. It played a critical role in the birth of the United States Navy through early military and naval struggles played out along its shores and in its bays.

The most famous naval battle on Lake Champlain occurred in 1776, during the American Revolutionary War, when Benedict Arnold managed to successfully delay a British invasion of the rebelling colonies at the Battle of Valcour Island.

Lake Champlain holds one of the largest and best preserved collections of historic naval and other shipwrecks. As an avid scuba diver, I have viewed many of the shipwrecks first hand and am always awed by how well they have been preserved.

The Lake Champlain Maritime Museum, Lake Champlain Basin Program, and many other Vermonters and New Yorkers have worked hard to preserve our fabulous maritime archaeological heritage so that other intrepid adventurers can dive in and explore a part of Vermont's past that helped shape the direction of our developing Nation.

Over the years as my family and I explored the lake's maritime history we also learned about its role in the growing economy of our young Nation. As the United States became more settled and stable, Lake Champlain became a center of flourishing commerce in the Northeast and a critical conduit for getting goods up and down the eastern seaboard.

In fact, historians call the 19th nineteenth century Lake Champlain's ''Golden Era'' of waterborne commerce. During that time the lake's peaceful waters were churning with the wakes of hundreds of steamboats, canal boats, ferries, merchant sloops and schooners—all plying their trade to markets in the Northeast and abroad.

Today, the storied waters of Lake Champlain are treasured by Vermonters and New Yorkers and millions more as an outstanding natural, cultural, and recreational resource. Activities such as boating, fishing, and tourism help Lake Champlain support a regional economy of more than $9 billion dollars. No other inland body of water has played such a decisive role in the history of the United States as has Lake Champlain.

The arrival of Samuel de Champlain had profound influence on our Nation's history that goes far beyond the simple naming of a lake—this event lead to a multitude of great historic, cultural, and economic achievements that to this day continue to influence life throughout the United States.

This legislation will help our country and the many small towns and groups around Lake Champlain properly celebrate our common heritage.

By Mr. BINGAMAN:

S. 2739. A bill to improve the training and retention of health professionals under titles VII and VIII of the Public Health Service Act, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. BINGAMAN. Health care continues to be among the fastest growing sectors of the U.S. economy. From 1970 to 2002, the health care consumption doubled from 7 to 14 percent of the U.S. Gross Domestic Product (GDP). Employment in health occupations is projected to increase from 11 million in 2000 to 14 million by 2010. In that same period, the growth rate for new job creation in health care occupations is expected to be 29 percent more than double the growth projected for non-health occupations. Over 5.3 million people will be needed to fill these health-related positions. However, as a nation, we are not educating and training sufficient numbers of healthcare workers and providers, and therefore failing the American people.

There are two ways in which we are failing our citizens. The first is an over-reliance on foreign healthcare workers. Instead of committing ourselves to training and educating Americans, we are importing large numbers of foreigners to meet our public health needs. For example, 25 percent of all physicians in the U.S. are immigrants, as are 16 percent of all laboratory technicians. Although these foreign workers are filling an important void, and are both qualified and competent, thousands of qualified Americans wishing to pursue an education in healthcare fields are turned down every year. It's time we stop importing our skilled workers and start investing in the expansion of a skilled workforce in our own country. In fact, given the recent economic downturn, and the high level of unemployment in our country, preparing Americans to work in an expanding job market such as healthcare is the right thing to do.

The second way in which we are failing the American people is by not educating and training sufficient numbers of racial and ethnic minorities to work in the healthcare system. The racial/ethnic composition of the U.S. healthcare workforce does not reflect that of the general population. For example, while Blacks, Hispanics, and Native Americans represented 26 percent of the general population in 2002, they only represented 6 percent of physicians.

A recent study of New Mexico healthcare professionals concluded that 88 percent of physicians are non-Hispanic Whites, while only 6.5 percent are Hispanic. Overall, ethnic/racial minorities are inadequately represented in all healthcare professions in New Mexico. Additionally, in my State, 21 percent of Internal Medicine Specialists are international medical school graduates, and so are 15 percent of primary care physicians.

A recent Institute of Medicine (IOM) study described compelling evidence for the need to increase diversity within the health workforce. Diversity ensures access to healthcare for underserved populations and greater patient satisfaction. Many segments of the U.S. population, particularly minority groups, reside in medically underserved areas. Black and Hispanic health workers are more likely to provide healthcare to Black and Hispanic patients, to serve poor, uninsured, or Medicaid-insured patients, and to locate their practices in underserved

areas. Furthermore, racial/ethnic minority patients are more satisfied with their providers when they are of the same racial/ethnic group.

It is time we invest in our healthcare workforce; in our people; in our future. That is why I am introducing the ''Investing in America's Future Act of 2004'' today. This bill has several components aimed at improving and expanding education and training for healthcare workers.

This bill will provide incentives for Americans to seek and complete high-quality allied health education and training. It will also expand the Health Career Opportunities Program, which is aimed at enhancing the academic skills of students from disadvantaged backgrounds and supporting them in successfully entering and graduating from health professions training programs. It creates programs of excellence in health professions education for underrepresented minorities, and a health professions student loan fund for low-income and racial/ethnic minority students. Finally, this bill also establishes a Health Work Advisory Commission, charged with creating a national vision to serve as a map for investing in the health workforce.

We must ensure that qualified Americans who wish to enter the health workforce are able to do so, and we must support the training and education of the generations of Americans to come. In doing so, not only will we help more Americans hold good jobs, but we will also provide better healthcare to underserved and disadvantaged groups.

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

There being two objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2739

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Investing in America's Future Act of 2004''.

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

TITLE I—ALLIED HEALTH

SEC. 101. FINDINGS.

Congress makes the following findings:

(1) The Bureau of the Census [and other reports] highlight the increased demand for acute and chronic health care services among both the general population and a rapidly [growing aging portion of the population].

(2) The calls for reduction in medical errors, increased patient safety, and increased quality of care have resulted in an amplified call for allied health professionals to provide health care services.

(3) Several allied health professions are characterized by workforce shortages, declining enrollments in allied health education programs, or a combination of both factors, and hospital officials have reported vacancy rates in positions occupied by allied health professionals.

(4) Many allied health education programs are facing significant economic pressure that could force their closure due to an insufficient number of students.

SEC. 102. PURPOSES.

The purpose of this title is to ensure that the United States health care industry will have a supply of allied health professionals needed to support the Nation's health care system in this decade and beyond by—

(1) providing incentives for members of the United States population to seek and complete high-quality allied health education and training; and

(2) providing additional funding to ensure that such education and training can be provided to allied health students.

SEC. 103. AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.

(a) IN GENERAL.—Part E of title VII of the Public Health Service Act (42 U.S.C. 294n et seq.) is amended by adding at the end the following:

''Subpart 3—Allied Health Professionals

''SEC. 775. DEFINITIONS.

''In this subpart:

''(1) ALLIED HEALTH EDUCATION PROGRAM.—The term 'allied health education program' means any education program at an accredited institution of higher education leading to a certificate, an associate's degree, a bachelor's degree, or a post baccalaureate degree in an allied health profession.

''(2) ALLIED HEALTH PROFESSION.—The term 'allied health profession' means any profession practiced by an individual in his or her capacity as an allied health professional.

''(3) ELEMENTARY SCHOOL; SECONDARY SCHOOL.—The terms 'elementary school' and 'secondary school' have the meanings give to those terms in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

''(4) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given to that term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

''SEC. 775A. PUBLIC SERVICE ANNOUNCEMENTS.

''The Secretary shall develop and issue public service announcements that advertise and promote the allied health professions, highlight the advantages and rewards of the allied health professions, and encourage individuals from disadvantaged communities and backgrounds to enter the allied health professions.

''SEC. 775B. STATE AND LOCAL PUBLIC SERVICE ANNOUNCEMENTS.

''(a) IN GENERAL.—The Secretary shall award grants to eligible entities to support State and local advertising campaigns through appropriate media outlets to promote the allied health professions, highlight the advantages and rewards of the allied health professions, and encourage individuals from disadvantaged communities and backgrounds to enter the allied health professions.

''(b) ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means an entity that is—

''(1) a professional, national, or State allied health association;

''(2) a State health care provider; or

''(3) an association of entities that are each a health care facility, an allied health education program, [or an entity that provides similar services or serves a like function].

''SEC. 775C. ALLIED HEALTH RECRUITMENT GRANT PROGRAM.

''(a) PROGRAM AUTHORIZED.—The Secretary shall award grants to eligible entities to increase allied health professions education opportunities.

''(b) ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means an entity that is—

''(1) a professional, national, or State allied health association;

''(2) a State health care provider; or

''(3) an association of entities that are each a health care facility, an allied health education program, [or an entity that provides similar services or serves a like function].

''(c) USE OF FUNDS.—An eligible entity that receives a grant under this section shall use funds received under such grant to—

''(1) support outreach programs at elementary schools and secondary schools that inform guidance counselors and students of education opportunities regarding the allied health professions;

''(2) carry out special projects to increase allied health professions education opportunities for individuals who are from disadvantaged backgrounds (including racial and ethnic minorities underrepresented in the allied health professions) by providing student scholarships or stipends, pre-entry preparation, and retention activities;

''(3) provide assistance to public and nonprofit private educational institutions to support remedial education programs for allied health professions students who require assistance with math, science, English, and medical terminology;

''(4) meet the costs of child care and transportation for individuals who are taking part in an allied health education program; or

''(5) support community-based partnerships seeking to recruit allied health professionals in rural communities, urban medically underserved communities, and other communities experiencing an allied health professions shortage.

''SEC. 775D. GRANTS FOR HEALTH CAREER ACADEMIES.

''(a) IN GENERAL.—The Secretary shall award grants to eligible entities for the purpose of assisting such entities in collaborating to carry out programs that form education pipelines to facilitate the entry of

students of secondary schools, especially underrepresented racial and ethnic minorities, into careers in the allied health professions.

''(b) ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means an institution that offers an allied health education program, a health care facility, or a secondary school.

''SEC. 775E. ALLIED HEALTH PROFESSION, PRACTICE, AND RETENTION GRANTS.

''(a) EDUCATION PRIORITY AREAS.—The Secretary may award grants to or enter into contracts with eligible entities for—

''(1) expanding the enrollment in allied health profession education programs, especially by underrepresented racial and ethnic minority students; and

''(2) providing allied health education through new technologies and methods, including distance learning methodologies.

''(b) PRACTICE PRIORITY AREAS.—The Secretary may award grants to or enter into contracts with eligible entities for—

''(1) establishing or expanding allied health professions practice arrangements in noninstitutional settings to demonstrate methods to improve access to primary health care in rural areas and other medically underserved communities;

''(2) providing care for underserved populations and other high-risk groups such as the elderly, individuals with HIV/AIDS, substance abusers, the homeless, and victims of domestic violence;

''(3) providing managed care, information management, quality improvement, and other skills needed to practice in existing and emerging organized health care systems; or

''(4) developing generational and cultural competencies among allied health professionals.

''(c) RETENTION PRIORITY AREAS.—

''(1) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities to enhance the allied health professions workforce by initiating and maintaining allied health retention programs pursuant to paragraph (2) or (3).

''(2) GRANTS FOR CAREER LADDER PROGRAMS.—The Secretary may award grants to and enter into contracts with eligible entities for programs—

''(A) to promote career advancement for allied health professionals in a variety of training settings, cross training or specialty training among diverse population groups, and the advancement of individuals; and

''(B) to assist individuals in obtaining education and training required to enter the allied health professions and advance within such professions, such as by providing career counseling and mentoring.

''(3) ENHANCING PATIENT CARE DELIVERY SYSTEMS.—

''(A) GRANTS.—The Secretary may award grants to eligible entities to improve the retention of allied health professionals and enhance patient care that is directly related to allied health activities by enhancing collaboration and communication among allied health professionals and other health care professionals, and by promoting the involvement of allied health professionals in the organizational and clinical decisionmaking processes of a health care facility.

''(B) PREFERENCE.—In making awards of grants under this paragraph, the Secretary shall give preference to applicants that have not previously received an award under this paragraph and to applicants from rural, underserved areas.

''(C) CONTINUATION OF AN AWARD.—The Secretary shall make continuation of any award under this paragraph beyond the second year of such award contingent on the recipient of such award having demonstrated to the Secretary measurable and substantive improvement in allied health professional retention or patient care.

''(d) ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means a health care facility, or any partnership or coalition including a health care facility or an allied health education program.

''SEC. 775F. DEVELOPING MODELS AND BEST PRACTICES PROGRAM.

''(a) MODELS AND BEST PRACTICES.—

''(1) GRANTS.—The Secretary shall award grants to eligible entities to enable such entities to carry out demonstrations of models and best practices in allied health for the purpose of developing innovative strategies or approaches for the retention of allied health professionals.

''(2) DISTRIBUTION OF GRANTS.—The Secretary shall ensure the distribution of grants under this subsection to a range of types and sizes of facilities, including facilities located in rural, urban, and suburban areas and a variety of geographic regions.

''(3) USE OF FUND.—The Secretary may not make a grant to an eligible entity under this subsection unless the entity agrees to use funds received under the grant to carry out demonstrations of models and best practices in allied health for the purpose of—

''(A) promoting retention and satisfaction of allied health professionals;

''(B) promoting opportunities for allied health professionals to pursue education, career advancement, and organizational recognition; and

''(C) developing continuing education programs that instruct allied health professionals on how to use emerging medical technologies and how to address current and future health care needs.

''(b) MODELS OF EXCELLENCE.—The Secretary shall award grants to [area health education centers] to enable such centers to enter into contracts with allied health education programs—

''(1) to expand the operation of area health education centers to work in communities to develop models of excellence for allied health professionals; or

''(2) to expand any junior or senior secondary school mentoring programs to include an allied health professions mentoring program.

''(c) DEFINITION.—In this section the term 'eligible entity' means a health care facility, or any partnership or coalition containing a health care facility and an allied health education program.

''SEC. 775G. ALLIED HEALTH FACULTY LOAN PROGRAM.

''(a) ESTABLISHMENT.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may enter into an agreement with any institution of higher education offering an allied health education program for the establishment and operation of a faculty loan fund in accordance with this section, to increase the number of qualified allied health faculty.

''(b) AGREEMENTS.—Each agreement entered into under this section shall—

''(1) provide for the establishment of a loan fund by the institution involved;

''(2) provide for deposit in the fund of—

''(A) the Federal capital contributions to the fund;

''(B) an amount equal to not less than one-ninth of such Federal capital contributions, contributed by such institution;

''(C) collections of principal and interest on loans made from the fund; and

''(D) any other earnings of the fund;

''(3) provide that the fund will be used only for loans to faculty of allied health education programs in accordance with subsection (c) and for the costs of collection of such loans and interest thereon;

''(4) provide that loans may be made from such fund only to faculty pursuing a full-time course of study or, at the discretion of the Secretary, a part-time course of study in an advanced degree program; and

''(5) contain such other provisions as are necessary to protect the financial interests of the United States.

''(c) LOAN PROVISIONS.—Loans from any faculty loan fund established by an institution pursuant to an agreement under this section shall be made to an individual on such terms and conditions as the institution may determine, except that—

''(1) such terms and conditions are subject to any conditions, limitations, and requirements prescribed by the Secretary;

''(2) in the case of any individual, the total of the loans for any academic year made by an institution from loan funds established pursuant to agreements under this section may not exceed $30,000, plus any amount determined by the Secretary on an annual basis to reflect inflation;

''(3) an amount up to 85 percent of any such loan (plus interest thereon) shall be canceled by the institution as follows—

''(A) upon completion by the individual of each of the first, second, and third year of full-time employment required by the loan agreement entered into under this section, as a faculty member in an allied health education program, the institution shall cancel ____ percent of the principal of, and the interest on, the amount of such loan unpaid on the first day of such employment; and

''(B) upon completion by the individual of the fourth year of full-time employment, required by the loan agreement entered into under this section, as a faculty member in an allied health education program, the school shall cancel 25 percent of the principal of, and the interest on, the amount of such loan unpaid on the first day of such employment;

''(4) such a loan may be used to pay the cost of tuition, fees, books, laboratory expenses, and other reasonable education expenses;

''(5) such a loan shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the 10-year period that begins 9 months after the individual ceases to pursue a course of study in an allied health education program; and

''(6) such a loan shall—

''(A) beginning on the date that is 3 months after the individual ceases to pursue a course of study in an allied health education program, bear interest on the unpaid balance of the loan at the rate of 3 percent per annum; or

''(B) subject to subsection (e), if the institution determines that the individual will not complete such course of study or serve as a faculty member as required under the loan agreement under this subsection, bear interest on the unpaid balance of the loan at the prevailing market rate.

''(d) PAYMENT OF PROPORTIONATE SHARE.—Where all or any part of a loan, or interest, is canceled under this section, the Secretary shall pay to the institution and amount equal to the school's proportionate share of the canceled portion, as determined by the Secretary.

''(e) REVIEW BY SECRETARY.—At the request of the individual involved, the Secretary may review any determination by an institution under this section.

''SEC. 775H. SCHOLARSHIP PROGRAM FOR SERVICE IN RURAL AND OTHER MEDICALLY UNDER-SERVED AREAS.

''(a) SCHOLARSHIP PROGRAM.—

''(1) IN GENERAL.—The Secretary shall carry out a program of entering into contracts with eligible individuals under which such individuals agree to serve as allied

health professionals for a period of not less than 2 years at a health care facility with a critical shortage of allied health professionals in consideration of the Federal Government agreeing to provide to the individuals scholarships for attendance in an allied health education program.

''(2) ELIGIBLE INDIVIDUALS.—In this subsection, the term 'eligible individual' means an individual who is enrolled or accepted for enrollment as a full-time or part-time student in an allied health education program.

''(3) SERVICE REQUIREMENT.—

''(A) IN GENERAL.—The Secretary may not enter into a contract with an eligible individual under this section unless the individual agrees to serve as an allied health professional at a health care facility with a critical shortage of allied health professionals for a period of full-time service of not less than 2 years, or for a period of part-time service in accordance with subparagraph (B).

''(B) PART-TIME SERVICE.—An individual may complete the period of service described in subparagraph (A) on a part-time basis if the individual has a written agreement that—

''(i) is entered into by the health care facility involved and the individual and is approved by the Secretary; and

''(ii) provides that the period of obligated service will be extended so that the aggregate amount of service performed will equal the amount of service that would be performed through a period of full-time service of not less than 2 years.

''(4) PREFERENCE.—In awarding scholarships under this section, the Secretary shall give a preference to applicants with the greatest financial need, applicants currently working in a health care facility who agree to serve the period of obligated service at such facility, minority allied health applicants, and applicants with an interest in a practice area of allied health that has unmet needs.

''(b) REPORTS.—Not later than 18 months after the date of enactment of this subpart and annually thereafter, the Secretary shall prepare and submit to Congress a report describing the programs carried out under this section, including statements regarding—

''(1) the number of enrollees by specialty or discipline, scholarships, and grant recipients;

''(2) the number of graduates;

''(3) the amount of scholarship payments made;

''(4) which educational institutions the recipients attended;

''(5) the number and placement location of the scholarship recipients at health care facilities with a critical shortage of allied health professionals;

''(6) the default rate and actions required;

''(7) the amount of outstanding default funds of the scholarship program;

''(8) to the extent that it can be determined, the reason for the default;

''(9) the demographics of the individuals participating in the scholarship program; and

''(10) an evaluation of the overall costs and benefits of the program.

''SEC. 775I. GRANTS FOR CLINICAL EDUCATION, INTERNSHIP, RESIDENCY PROGRAMS, AND CONTINUING EDUCATION.

''(a) PROGRAM AUTHORIZED.—The Secretary shall award grants to eligible entities to develop allied health clinical education, internship, residency, and continuing education programs described in subsection (b).

''(b) USE OF FUNDS.—The Secretary may not award a grant to an eligible entity under this section unless the entity agrees to use the grant to develop clinical education, internship, residency, and continuing education programs for graduates of allied health education programs. Each such clinical education, internship, residency, or continuing education program shall—

''(1) provide support for allied health education program faculty and mentors;

''(2) provide support for allied health professionals participating on a full-time or a part-time basis; and

''(3) encourage the development of specialties.

''(c) ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means a partnership of an allied health education program and a health care facility.

''SEC. 775J. GRANTS FOR PARTNERSHIPS.

''(a) IN GENERAL.—The Secretary shall award grants to eligible entities to enable such entities to form partnerships to carry out the activities described in this section.

''(b) USE OF FUNDS.—An eligible entity that receives a grant under this section shall use amounts received under the grant to—

''(1) provide employees of the health care facility involved advanced training and education in an allied health education program;

''(2) establish or expand allied health practice arrangements in noninstitutional settings to demonstrate methods to improve access to health care in rural and other medically underserved communities;

''(3) purchase distance learning technology to extend general education and training programs to rural areas, and to extend specialty education and training programs to all areas; and

''(4) establish or expand mentoring, clinical education, and internship programs for training in specialty care areas.

''(c) ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means a partnership of an allied health education program and a health care facility formed to carry out the activities described in this section.

''SEC. 775K. ALLIED HEALTH WORKFORCE DATA COLLECTION AND ANALYSIS.

''The Secretary, in conjunction with allied health professional associations, shall develop a system for collecting and analyzing allied health workforce data gathered by the Bureau of Labor Statistics, the Health Resources and Services Administration, the Department of Health and Human Services, the Department of Veterans Affairs, the Center for Medicare & Medicaid Services, the Department of Defense, allied health professional associations, and regional centers for health workforce studies for the purpose of—

''(1) determining educational pipeline and practitioner shortages; and

''(2) projecting future needs for such a workforce.

''SEC. 775L. REPORTS BY GOVERNMENT ACCOUNTABILITY OFFICE.

''The Comptroller General of the United States shall conduct an evaluation of whether the activities carried out under this subpart have demonstrably increased the number of applicants to allied health education programs. Not later than 4 years after the date of the enactment of this subpart, the Comptroller General shall submit a report to the Congress on the results of such evaluation.

''SEC. 775M. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this subpart, such sums as may be necessary for fiscal years 2005 through 2009.''.

(b) CENTERS OF EXCELLENCE.—Subparagraph (A) of section 736(g)(1) of the Public Health Service Act (42 U.S.C. 293(g)(1)) is amended by inserting ''a school of allied health,'' after ''a school of pharmacy,''.

TITLE II—HEALTH WORKFORCE ADVISORY COMMISSION

SEC. 201. HEALTH WORKFORCE ADVISORY COMMISSION.

(a) ESTABLISHMENT.—The Comptroller General of the United States (referred to in this title as the ''Comptroller General'') shall establish a commission to be known as the Health Workforce Advisory Commission (referred to in this title as the ''Commission'').

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Commission shall be composed of 18 members to be appointed by the Comptroller General not later than 90 days after the date of enactment of this Act, and an ex-officio member who shall serve as the Director of the Commission.

(2) QUALIFICATIONS.—In appointing members to the Commission under paragraph (1), the Comptroller General shall ensure that—

(A) the Commission includes individuals with national recognition for their expertise in health care workforce issues, including workforce forecasting, undergraduate and graduate training, economics, health care and health care systems financing, public health policy, and other fields;

(B) the members are geographically representative of the United States and maintain a balance between urban and rural representatives;

(C) the members include a representative from the commissioned corps of the Public Health Service;

(D) the members represent the spectrum of professions in the current and future healthcare workforce, including physicians, nurses, and other health professionals and personnel, and are skilled in the conduct and interpretation of health workforce measurement, monitoring and analysis, health services, economics, and other workforce related research and technology assessment;

(E) at least 25 percent of the members who are health care providers are from rural areas; and

(F) a majority of the members are individuals who are not currently primarily involved in the provision or management of health professions education and training programs.

(3) TERMS AND VACANCIES.—

(A) TERMS.—The term of service of the members of the Commission shall be for 3 years, except that the Comptroller General shall designate staggered terms for members initially appointed under paragraph (1).

(B) VACANCIES.—Any member of the Commission who is appointed to fill a vacancy on the Commission that occurs before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term.

(4) CHAIRPERSON.—

(A) DESIGNATION.—The Comptroller General shall designate a member of the Commission, at the time of the appointment of such member—

(i) to serve as the Chairperson of the Commission; and

(ii) to serve as the Vice Chairperson of the Commission.

(B) TERM.—A member of the Commission shall serve as the Chairperson or Vice Chairperson of the Commission under subparagraph (A) for the term of such member.

(C) VACANCY.—In the case of a vacancy in the Chairpersonship or Vice Chairpersonship, the Comptroller General shall designate another member to serve for the remainder of the vacant member's term.

(c) DUTIES.—The Commission shall—

(1) review the health workforce policies implemented—

(A) under titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395, 1396 et seq.);

(B) under titles VII and VIII of the Public Health Service Act (42 U.S.C. 292, 296 et seq.);

(C) by the National Institutes of Health;
(D) by the Department of Health and Human Services;
(E) by the Department of Veterans Affairs; and
(F) by other departments and agencies as appropriate;
(2) analyze and make recommendations to improve the methods used to measure and monitor the health workforce and the relationship between the number and make up of such personnel and the access of individuals to appropriate health care;
(3) review the impact of health workforce policies and other factors on the ability of the health care system to provide optimal medical and health care services;
(4) analyze and make recommendations pertaining to Federal incentives (financial, regulatory, and otherwise) and Federal programs that are in place to promote the education of an appropriate number and mix of health professionals to provide access to appropriate health care in the United States;
(5) analyze and make recommendations about the appropriate supply and distribution of physicians, nurses, and other health professionals and personnel to achieve a health care system that is safe, effective, patient centered, timely, equitable, and efficient;
(6) analyze the role and global implications of internationally trained physicians, nurses, and other health professionals and personnel in the United States health workforce;
(7) analyze and make recommendations about achieving appropriate diversity in the United States health workforce;
(8) conduct public meetings to discuss health workforce policy issues and help formulate recommendations for Congress and the Secretary of Health and Human Services;
(9) in the course of meetings conducted under paragraph (8), consider the results of staff research, presentations by policy experts, and comments from interested parties;
(10) make recommendations to Congress concerning health workforce policy issues;
(11) not later than April 15, 2005, and each April 15 thereafter, submit a report to Congress containing the results of the reviews conducted under this subsection and the recommendations developed under this subsection;
(12) periodically, as determined appropriate by the Commission, submit reports to Congress concerning specific issues that the Commission determines are of high importance; and
(13) carry out any other activities determined appropriate by the Secretary of Health and Human Services.

(d) ONGOING DUTIES CONCERNING REPORTS AND REVIEWS.—
(1) COMMENTING ON REPORTS.—
(A) SUBMISSION TO COMMISSION.—The Secretary of Health and Human Services shall transmit to the Commission a copy of each report that is submitted by the Secretary to Congress if such report is required by law and relates to health workforce policy.
(B) REVIEW.—The Commission shall review a report transmitted under subparagraph (A) and, not later than 6 months after the date on which the report is transmitted, submit to the appropriate committees of Congress written comments concerning such report. Such comments may include such recommendations as the Commission determines appropriate.
(2) AGENDA AND ADDITIONAL REVIEWS.—
(A) IN GENERAL.—The Commission shall consult periodically with the chairman and ranking members of the appropriate committees of Congress concerning the agenda and progress of the Commission.
(B) ADDITIONAL REVIEWS.—The Commission may from time to time conduct additional reviews and submit additional reports to the appropriate committees of Congress on topics relating to Federal health workforce-related programs and as may be requested by the chairman and ranking members of such committees.
(3) AVAILABILITY OF REPORTS.—The Commission shall transmit to the Secretary of Health and Human Services a copy of each report submitted by the Commission under this section and shall make such reports available to the public.

(e) POWERS OF THE COMMISSION.—
(1) GENERAL POWERS.—Subject to such review as the Comptroller General determines to be necessary to ensure the efficient administration of the Commission, the Commission may—
(A) employ and fix the compensation of the Executive Director and such other personnel as may be necessary to carry out its duties;
(B) seek such assistance and support as may be required in the performance of its duties from appropriate Federal departments and agencies;
(C) enter into contracts or make other arrangements as may be necessary for the conduct of the work of the Commission;
(D) make advance, progress, and other payments that relate to the work of the Commission;
(E) provide transportation and subsistence for personnel who are serving without compensation; and
(F) prescribe such rules and regulations at the Commission determines necessary with respect to the internal organization and operation of the Commission.
(2) INFORMATION.—To carry out its duties under this section, the Commission—
(A) shall have unrestricted access to all deliberations, records, and nonproprietary data maintained by the Government Accountability Office;
(B) may secure directly from any department or agency of the United States information necessary to enable the Commission to carry out its duties under this section, on a schedule that is agreed upon between the Chairperson and the head of the department or agency involved;
(C) shall utilize existing information (published and unpublished) collected and assessed either by the staff of the Commission or under other arrangements;
(D) may conduct, or award grants or contracts for the conduct of, original research and experimentation where information available under subparagraphs (A) and (B) is inadequate;
(E) may adopt procedures to permit any interested party to submit information to be used by the Commission in making reports and recommendations under this section; and
(F) may carry out other activities determined appropriate by the Commission.

(f) ADMINISTRATIVE PROVISIONS.—
(1) COMPENSATION.—While serving on the business of the Commission a member of the Commission shall be entitled to compensation at the per diem equivalent of the rate provided for under level IV of the Executive Schedule under title 5, United States Code.
(2) MEETINGS.—The Commission shall meet at the call of the Chairperson.
(3) EXECUTIVE DIRECTOR AND STAFF.—The Comptroller General shall appoint an individual to serve as the interim Executive Director of the Commission until the members of the Commission are able to select a permanent Executive Director under subsection (e)(1)(A).
(4) ETHICAL DISCLOSURE.—The Comptroller General shall establish a system for public disclosure by members of the Commission of financial and other potential conflicts of interest relating to such members.
(5) AUDITS.—The Commission shall be subject to periodic audit by the Comptroller General.

(g) FUNDING.—
(1) REQUESTS.—The Commission shall submit requests for appropriations in the same manner as the Comptroller General submits such requests. Amounts appropriated for the Commission shall be separate from amounts appropriated for the Comptroller General.
(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $6,000,000 for fiscal year 2005, and such sums as may be necessary for each subsequent fiscal year, of which—
(A) 80 percent of such appropriated amount shall be made available from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i); and
(B) 20 percent of such appropriated amount shall be made available from amounts appropriated to carry out title XIX of such Act (42 U.S.C. 1396 et seq.).

(h) DEFINITION.—In this title, the term ''appropriate committees of Congress'' means the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

TITLE III—PHYSICIAN DEMONSTRATION PROJECTS IN RURAL STATES

SEC. 301. DEFINITIONS.

In this title:
(1) COGME.—The term ''COGME'' means the Council on Graduate Medical Education established under section 762 of the Public Health Service Act (42 U.S.C. 294o).
(2) DEMONSTRATION PROGRAM.—The term ''demonstration program'' means the Rural States Physician Recruitment and Retention Demonstration Program established by the Secretary under section 302(a).
(3) DEMONSTRATION STATES.—The term ''demonstration States'' means each State identified by the Secretary, based upon data from the most recent year for which data are available—
(A) that has an uninsured population above 16 percent (as determined by the Bureau of the Census);
(B) for which the sum of the number of individuals who are entitled to benefits under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) and the number of individuals who are eligible for medical assistance under the medicaid program under title XIX of such Act (42 U.S.C. 1396 et seq.) equals or exceeds 20 percent of the total population of the State (as determined by the Centers for Medicare & Medicaid Services); and
(C) that has an estimated number of individuals in the State without access to a primary care provider of at least 17 percent (as published in ''HRSA's Bureau of Primary Health Care: BPHC State Profiles'').
(4) ELIGIBLE RESIDENCY OR FELLOWSHIP GRADUATE.—The term ''eligible residency or fellowship graduate'' means a graduate of an approved medical residency training program (as defined in section 1886(h)(5)(A) of the Social Security Act (42 U.S.C. 1395ww(h)(5)(A))) in a shortage physician specialty.
(5) HEALTH PROFESSIONS DATABASE.—The term ''Health Professions Database'' means the database established under section 303(a).
(6) MEDICARE PROGRAM.—The term ''medicare program'' means the health benefits program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).
(7) MEDPAC.—The term ''MedPAC'' means the Medicare Payment Advisory Commission established under section 1805 of the Social Security Act (42 U.S.C. 1395b–6).
(8) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(9) SHORTAGE PHYSICIAN SPECIALTY.—The term ''shortage physician specialty'' means a medical or surgical specialty identified in a demonstration State by the Secretary based on—

(A) an analysis and comparison of national data and demonstration State data; and

(B) recommendations from appropriate Federal, State, and private commissions, centers, councils, medical and surgical physician specialty boards, and medical societies or associations involved in physician workforce, education and training, and payment issues.

SEC. 302. RURAL STATES PHYSICIAN RECRUITMENT AND RETENTION DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a Rural States Physician Recruitment and Retention Demonstration Program for the purpose of ameliorating physician shortage, recruitment, and retention problems in rural States in accordance with the requirements of this section.

(2) CONSULTATION.—For purposes of establishing the demonstration program, the Secretary shall consult with—

(A) COGME;

(B) MedPAC;

(C) a representative of each demonstration State medical society or association;

(D) the health workforce planning and physician training authority of each demonstration State; and

(E) any other entity described in section 301(9)(B).

(b) DURATION.—The Secretary shall conduct the demonstration program for a period of 10 years.

(c) CONDUCT OF PROGRAM.—

(1) FUNDING OF ADDITIONAL RESIDENCY AND FELLOWSHIP POSITIONS.—

(A) IN GENERAL.—As part of the demonstration program, the Secretary (acting through the Administrator of the Centers for Medicare & Medicaid Services) shall—

(i) notwithstanding section 1886(h)(4)(F) of the Social Security Act (42 U.S.C. 1395ww(h)(4)(F)) increase, by up to 50 percent of the total number of residency and fellowship positions approved at each medical residency training program in each demonstration State, the number of residency and fellowship positions in each shortage physician specialty; and

(ii) subject to subparagraph (C), provide funding under subsections (d)(5)(B) and (h) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) for each position added under clause (i).

(B) ESTABLISHMENT OF ADDITIONAL POSITIONS.—

(i) IDENTIFICATION.—The Secretary shall identify each additional residency and fellowship position created as a result of the application of subparagraph (A).

(ii) NEGOTIATION AND CONSULTATION.—The Secretary shall negotiate and consult with representatives of each approved medical residency training program in a demonstration State at which a position identified under clause (i) is created for purposes of supporting such position.

(C) CONTRACTS WITH SPONSORING INSTITUTIONS.—

(i) IN GENERAL.—The Secretary shall condition the availability of funding for each residency and fellowship position identified under subparagraph (B)(i) on the execution of a contract containing such provisions as the Secretary determines are appropriate, including the provision described in clause (ii) by each sponsoring institution.

(ii) PROVISION DESCRIBED.—

(I) IN GENERAL.—Except as provided in subclause (II), the provision described in this clause is a provision that provides that, during the residency or fellowship, the resident or fellow shall spend not less than 10 percent of the training time providing specialty services to underserved and rural community populations other than an underserved population of the sponsoring institution.

(II) EXCEPTIONS.—The Secretary, in consultation with COGME, shall identify shortage physician specialties and subspecialties for which the application of the provision described in subclause (I) would be inappropriate and the Secretary may waive the requirement under clause (i) that such provision be included in the contract of a resident or fellow with such a specialty or subspecialty.

(D) LIMITATIONS.—

(i) PERIOD OF PAYMENT.—The Secretary may not fund any residency or fellowship position identified under subparagraph (B)(i) for a period of more than 5 years.

(ii) REASSESSMENT OF NEED.—The Secretary shall reassess the status of the shortage physician specialty in the demonstration State prior to entering into any contract under subparagraph (C) after the date that is 5 years after the date on which the Secretary establishes the demonstration program.

(2) LOAN REPAYMENT AND FORGIVENESS PROGRAM.—

(A) IN GENERAL.—As part of the demonstration program, the Secretary (acting through the Administrator of the Health Resources and Services Administration) shall establish a loan repayment and forgiveness program, through the holder of the loan, under which the Secretary assumes the obligation to repay a qualified loan amount for an educational loan of an eligible residency or fellowship graduate—

(i) for whom the Secretary has approved an application submitted under subparagraph (D); and

(ii) with whom the Secretary has entered into a contract under subparagraph (C).

(B) QUALIFIED LOAN AMOUNT.—

(i) IN GENERAL.—Subject to clause (ii), the Secretary shall repay the lesser of—

(I) 25 percent of the loan obligation of a graduate on a loan that is outstanding during the period that the eligible residency or fellowship graduate practices in the area designated by the contract entered into under subparagraph (C); or

(II) $25,000 per graduate per year of such obligation during such period.

(ii) LIMITATION.—The aggregate amount under this subparagraph may not exceed $125,000 for any graduate and the Secretary may not repay or forgive more than 30 loans per year in each demonstration State under this paragraph.

(C) CONTRACTS WITH RESIDENTS AND FELLOWS.—

(i) IN GENERAL.—Each eligible residency or fellowship graduate desiring repayment of a loan under this paragraph shall execute a contract containing the provisions described in clause (ii).

(ii) PROVISIONS.—The provisions described in this clause are provisions that require the eligible residency or fellowship graduate—

(I) to practice in a health professional shortage area of a demonstration State during the period in which a loan is being repaid or forgiven under this section; and

(II) to provide health services relating to the shortage physician specialty of the graduate that was funded with the loan being repaid or forgiven under this section during such period.

(D) APPLICATION.—

(i) IN GENERAL.—Each eligible residency or fellowship graduate desiring repayment of a loan under this paragraph shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(ii) REASSESSMENT OF NEED.—The Secretary shall reassess the shortage physician specialty in the demonstration State prior to accepting an application for repayment of any loan under this paragraph after the date that is 5 years after the date on which the demonstration program is established.

(E) CONSTRUCTION.—Nothing in the section shall be construed to authorize any refunding of any repayment of a loan.

(F) PREVENTION OF DOUBLE BENEFITS.—No borrower may, for the same service, receive a benefit under both this paragraph and any loan repayment or forgiveness program under title VII of the Public Health Service Act (42 U.S.C. 292 et seq.).

(d) WAIVER OF MEDICARE REQUIREMENTS.—The Secretary is authorized to waive any requirement of the medicare program, or approve equivalent or alternative ways of meeting such a requirement, if such waiver is necessary to carry out the demonstration program, including the waiver of any limitation on the amount of payment or number of residents under section 1886 of the Social Security Act (42 U.S.C. 1395ww).

(e) APPROPRIATIONS.—

(1) FUNDING OF ADDITIONAL RESIDENCY AND FELLOWSHIP POSITIONS.—Any expenditures resulting from the establishment of the funding of additional residency and fellowship positions under subsection (c)(1) shall be made from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i).

(2) LOAN REPAYMENT AND FORGIVENESS PROGRAM.—There are authorized to be appropriated such sums as may be necessary to carry out the loan repayment and forgiveness program established under subsection (c)(2).

SEC. 303. ESTABLISHMENT OF THE HEALTH PROFESSIONS DATABASE.

(a) ESTABLISHMENT OF THE HEALTH PROFESSIONS DATABASE.—

(1) IN GENERAL.—Not later than 7 months after the date of enactment of this Act, the Secretary (acting through the Administrator of the Health Resources and Services Administration) shall establish a State-specific health professions database to track health professionals in each demonstration State with respect to specialty certifications, practice characteristics, professional licensure, practice types, locations, education, and training, as well as obligations under the demonstration program as a result of the execution of a contract under paragraph (1)(C) or (2)(C) of section 302(c).

(2) DATA SOURCES.—In establishing the Health Professions Database, the Secretary shall use the latest available data from existing health workforce files, including the American Medical Association Master File, State databases, specialty medical society data sources and information, and such other data points as may be recommended by COGME, MedPAC, the National Center for Workforce Information and Analysis, or the medical society of the respective demonstration State.

(b) AVAILABILITY.—

(1) DURING THE PROGRAM.—During the demonstration program, data from the Health Professions Database shall be made available to the Secretary, each demonstration State, and the public for the purposes of—

(A) developing a baseline with respect to a State's health professions workforce and to track changes in a demonstration State's health professions workforce;

(B) tracking direct and indirect graduate medical education payments to hospitals;

(C) tracking the forgiveness and repayment of loans for educating physicians; and

(D) tracking commitments by physicians under the demonstration program.

(2) FOLLOWING THE PROGRAM.—Following the termination of the demonstration program, a demonstration State may elect to maintain the Health Professions Database for such State at its expense.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

SEC. 304. EVALUATION AND REPORTS.

(a) EVALUATION.—

(1) IN GENERAL.—COGME and MedPAC shall jointly conduct a comprehensive evaluation of the demonstration program.

(2) MATTERS EVALUATED.—The evaluation conducted under paragraph (1) shall include an analysis of the effectiveness of the funding of additional residency and fellowship positions and the loan repayment and forgiveness program on physician recruitment, retention, and specialty mix in each demonstration State.

(b) PROGRESS REPORTS.—

(1) COGME.—Not later than 1 year after the date on which the Secretary establishes the demonstration program, 5 years after such date, and 10 years after such date, COGME shall submit a report on the progress of the demonstration program to the Secretary and Congress.

(2) MEDPAC.—MedPAC shall submit biennial reports on the progress of the demonstration program to the Secretary and Congress.

(c) FINAL REPORT.—Not later than 1 year after the date on which the demonstration program terminates, COGME and MedPAC shall submit a final report to the President, Congress, and the Secretary which shall contain a detailed statement of the findings and conclusions of COGME and MedPAC, together with such recommendations for legislation and administrative actions as COGME and MedPAC consider appropriate.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to COGME such sums as may be necessary for the purpose of carrying out this section.

SEC. 305. CONTRACTING FLEXIBILITY.

For purposes of conducting the demonstration program and establishing and administering the Health Professions Database, the Secretary may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

TITLE IV—HEALTH CAREERS OPPORTUNITY PROGRAM

SEC. 401. PURPOSE.

It is the purpose of this title to diversify the healthcare workforce by increasing the number of individuals from disadvantaged backgrounds in the health and allied health professions by enhancing the academic skills of students from disadvantaged backgrounds and supporting them in successfully completing, entering, and graduating from health professions training programs.

SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

Section 740(c) of the Public Health Service Act (42 U.S.C. 293d(c)) is amended by striking ''$29,400,000'' and all that follows through ''2002'' and inserting ''$50,000,000 for fiscal year 2005, and such sums as may be necessary for each of fiscal years 2006 through 2010''.

TITLE V—PROGRAM OF EXCELLENCE IN HEALTH PROFESSIONS EDUCATION FOR UNDERREPRESENTED MINORITIES

SEC. 501. PURPOSE.

It is the purpose of this title to diversify the healthcare workforce by supporting programs of excellence in designated health professions schools that demonstrate a commitment to underrepresented minority populations with a focus on minority health issues, cultural and linguistic competence, and eliminating health disparities.

SEC. 502. AUTHORIZATION OF APPROPRIATION.

Section 736(h)(1) of the Public Health Service Act (42 U.S.C. 293(h)(1)) is amended to read as follows:

''(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under subsection (a), there are authorized to be appropriated $50,000,000 for fiscal year 2005, and such sums as may be necessary for each of the fiscal years 2006 through 2010.''.

TITLE VI—HEALTH PROFESSIONS STUDENT LOAN FUND; AUTHORIZATIONS OF APPROPRIATIONS REGARDING STUDENTS FROM DISADVANTAGED BACKGROUNDS

SEC. 601. STUDENT LOANS.

Section 724(f) of the Public Health Service Act (42 U.S.C. 292t(f)) is amended by inserting before paragraph (2), the following:

''(1) IN GENERAL.—With respect to making Federal capital contributions to student loan funds for purposes of subsection (a), there are authorized to be appropriated $35,000,000 for fiscal year 2005, and such sums as may be necessary for each of the fiscal years 2006 through 2010.''.

SEC. 602. NATIONAL HEALTH SERVICE CORPS; RECRUITMENT AND FELLOWSHIPS FOR INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS.

(a) IN GENERAL.—Section 331(b) of the Public Health Service Act (42 U.S.C. 254d(b)) is amended by adding at the end the following:

''(3) The Secretary shall ensure that the individuals with respect to whom activities under paragraphs (1) and (2) are carried out include individuals from disadvantaged backgrounds, including activities carried out to provide health professions students with information on the Scholarship and Repayment Programs.''.

(b) ASSIGNMENT OF CORPS PERSONNEL.—Section 333(a) of the Public Health Service Act (42 U.S.C. 254f(a)) is amended by adding at the end the following:

''(4) In assigning Corps personnel under this section, the Secretary shall give preference to applicants who request assignment to a federally qualified health center (as defined in section 1905(1)(2)(B) of the Social Security Act) or to a provider organization that has a majority of patients who are minorities or individuals from low-income families (families with a family income that is less than 200 percent of the Official Poverty Line).''.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 703. STUDY BY THE INSTITUTE OF MEDICINE.

(a) CONTRACT.—Not later than 90 days after the date of enactment of this Act, the Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine for the conduct of a study and the preparation of a report on the role of United States medical schools in meeting the physician needs of the United States.

(b) REQUIREMENTS.—In conducting the study under the contract under subsection (a), the Institute of Medicine shall—

(1) examine the supply structure of United States undergraduate medical education and make recommendations concerning the advisability of expanding, enhancing, or modifying such structure to achieve a higher degree of self-sufficiency and equity in such medical education and to position medical schools for the future demands generated by the growing population of the United States; and

(2) examine the role of United States medical schools in reducing racial and ethnic disparities in medical education opportunities and in population health outcomes as well as in reducing the drain on the medical education systems of other countries.

(c) REPORT.—The contract under subsection (a) shall require the Institute of Medicine to submit a report to the Secretary of Health and Human Services on the results of the study not later than 12 months after the date on which the contract is entered into. The Secretary shall submit such report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Commerce of the House of Representatives.

By Mr. DASCHLE (for himself and Ms. COLLINS):

S. 2740. A bill to improve dental services in underserved areas by amending the Public Health Service Act, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. DASCHLE. Mr. President, every year, I spend time driving across the State of South Dakota, and every year, I hear unbelievable stories from my constituents about the growing health care crisis in South Dakota and across America. One issue that comes up repeatedly in my travels is South Dakota's dental shortage.

The statistics speak for themselves. Almost one-third of my State's 66 counties have been designated Dental Health Professional Shortage Areas. In total, over 97,000 South Dakotans live in a county that does not have enough dentists to meet the needs of the population. Nationally, 25 million Americans reside in such shortage areas.

South Dakota has only one dentist for every 250 square miles, which means that many South Dakotans must travel more than 100 miles to visit a dentist. To see a pediatric dentist, parents often have to travel up to 400 miles. I've heard stories of families driving clear across the State so that their children can receive urgent dental care. Comparatively, Minnesota's rate is 28 square miles per dentist. Massachusetts's rate is less than 2 square miles per dentist, and here in Washington, DC, the rate is 0.1 square miles per dentist.

In addition, the dentists my State does have are getting older. A study conducted in South Dakota found that roughly half of the dentists currently practicing there are over 50 years old, and that 30 percent plan to retire within 10 years. Nationally, more than 20 percent of dentists will retire in the next 10 years, and the number of dental graduates by 2015 may not be enough to replace them.

The problem in Indian country is even worse. Indian pre-school children have 5 times the rate of dental decay experienced by other children in their age group. Despite this great need, the Indian Health Services estimates that one-third of its dental positions are vacant.

A report by the Government Accounting Office in 2000 found that, while several factors contribute to the low use of dental services among low-income individuals, the most important factor was the inability to find a

dentist to treat them. That is simply unacceptable.

Another report by Oral Health America in 2003 found that the United States does poorly in several areas that measure access to dental care. In fact, in the report's assessment of dentist availability, the majority of States received a grade of C or lower. The report card also found that those with the greatest need have the hardest time finding care; 18 states received a failing grade for the availability of dentists who provide significant services under Medicaid, contributing to an alarming D grade for the entire nation.

In an effort to address this urgent problem, I have been working with representatives from the South Dakota Oral Health Coalition to develop a legislative remedy at the Federal level. The culmination of that effort is the bill I am introducing today, the Dental Health Provider Shortage Act. Together with Senator COLLINS—herself a longtime supporter of expanding access to dental care—I am proud to introduce this bill, which would help to expand the number of dentists and dental hygienists, both nationwide and in rural and underserved areas.

Specifically, the Dental Heath Provider Shortage Act would work to increase the overall number of dentists and dental hygienists by providing faculty loan repayment programs for dentists who agree to teach, especially in general and pediatric training programs. It would also provide incentives for dentists and dental hygienists to work in rural and underserved areas by expanding both the National Health Service Corps and the Indian Health Service; providing support to Community Health Centers, which play a critical role in the delivery of dental care; and helping these centers and other providers that work in underserved areas to expand their practices. Finally, to encourage participation in State Medicaid programs, the bill would provide funding for states to simplify the Medicaid enrollment and payment process.

In this day and age, people should not be forced to travel great distances—let alone more than 100 miles—just to see a dentist. We can and must do better. The Surgeon General's report, ''Oral Health in America,'' reinforced that oral health is essential to the general health and well-being of all Americans. In its ''Call to Action,'' the report challenged the Nation to build a health infrastructure that can effectively meet the oral health needs of all Americans. By passing the bipartisan Dental Health Provider Shortage Act, we can begin to do just that.

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. 2740

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Dental Health Provider Shortage Act''.

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

TITLE I—EXPANDED DELIVERY OF DENTAL SERVICES

SEC. 101. EXPANSION OF DENTAL SERVICES OFFERED IN UNDERSERVED AREAS.

Section 330 of the Public Health Service Act (42 U.S.C. 254b) is amended by adding at the end the following:

''(s) HEALTH CENTER DENTAL ACCESS GRANTS.—

''(1) GRANT PROGRAM AUTHORIZED.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, is authorized to award grants and enter into cooperative agreements, for a period not to exceed 3 years, to health centers for the purpose of increasing the number of dental providers associated with the health centers.

''(2) AUTHORIZED ACTIVITIES.—A health center shall use amounts received under a grant under this subsection in any fiscal year—

''(A) for recruitment or retention efforts targeting the dental health care staff of a health center;

''(B) to contract for technical assistance for the purpose of recruiting or retaining dental health care staff; or

''(C) to contract for technical assistance in preparing contracts with local providers of dental health care to provide dental services for medically underserved populations.

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

''(t) GRANTS FOR DENTAL CARE FACILITY CAPITAL EXPENDITURES.—

''(1) GRANT PROGRAM AUTHORIZED.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, is authorized to award 1-year grants to health centers for the purpose of increasing dental health care capabilities by constructing or renovating building space to provide for dental health care.

''(2) AUTHORIZED ACTIVITIES.—A health center shall use amounts received under a grant under this subsection in any fiscal year for the construction or expansion of dental care facilities, including—

''(A) the costs of acquiring or leasing facilities;

''(B) the costs of constructing new facilities;

''(C) the costs of repairing or modernizing existing facilities; or

''(D) the purchase or lease of equipment.

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

''(u) GRANTS FOR DENTAL RESIDENCY PROGRAMS.—

''(1) GRANTS AUTHORIZED.—The Secretary is authorized to award grants to health centers for the purpose of establishing, at the health centers, new or alternative-campus accredited dental residency training programs affiliated with accredited dental programs.

''(2) AUTHORIZED ACTIVITIES.—A health center shall use amounts received under a grant under this subsection for the costs of establishing a new or alternative-campus accredited dental residency training program affiliated with an accredited dental program at the health center, including the costs of curriculum development, equipment, and recruitment, training, and retention of residents and faculty for such training program.

''(3) PRIORITY.—The Secretary shall give priority in awarding grants under this subsection to health centers in rural areas.

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

''(5) DEFINITION OF ACCREDITED.—

''(A) IN GENERAL.—In this subsection, the term 'accredited', when applied to a dental training program or a new or alternative-campus dental residency training program, means a program that is accredited by a recognized body or bodies approved for such purpose by the Secretary of Education.

''(B) SPECIAL RULE.—A new dental residency training program that, by reason of an insufficient period of operation, is not, at the time of application for a grant under this subsection, eligible for accreditation by such a recognized body or bodies, shall be deemed accredited for purposes of this subsection, if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the new dental residency training program will meet the accreditation standards of such body or bodies prior to the graduation date of the first entering class in such program.

''(C) RULE OF CONSTRUCTION.—The special rule for accreditation described in subparagraph (B) shall not apply to an alternative-campus dental residency training program.''.

SEC. 102. GRANTS FOR CAPITAL EXPENDITURES FOR DENTAL CARE PRACTICES IN DENTAL HEALTH PROFESSIONAL SHORTAGE AREAS.

Subpart V of part D of title III of the Public Health Service Act (20 U.S.C. 256 et seq.) is amended by adding at the end the following:

''SEC. 340A. GRANTS FOR CAPITAL EXPENDITURES FOR DENTAL CARE PRACTICES IN DENTAL HEALTH PROFESSIONAL SHORTAGE AREAS.

''(a) GRANT PROGRAM AUTHORIZED.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, is authorized to award 1-year grants to eligible individuals for the purpose of increasing dental health care capabilities in dental health professional shortage areas

by constructing or renovating building space to provide for dental health care.

''(b) AUTHORIZED ACTIVITIES.—An eligible individual shall use amounts received under a grant under this section in any fiscal year for the construction or expansion of dental care facilities in dental health professional shortage areas, including—

''(1) the costs of acquiring or leasing facilities;

''(2) the costs of constructing new facilities;

''(3) the costs of repairing or modernizing existing facilities; or

''(4) the purchase or lease of equipment.

''(c) APPLICATION.—Each eligible individual desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

''(d) ELIGIBLE INDIVIDUAL.—To be eligible to receive a grant under this section, an individual shall be a dental health professional who is licensed or certified in accordance with the laws of the State in which such individual provides dental services.

''(e) ELIGIBLE INDIVIDUAL GRANT AGREEMENT.—Each eligible individual who receives a grant under this section shall enter into an agreement with the Secretary under which the eligible individual agrees—

''(1) to practice for 5 years in a dental health professional shortage area, as determined by the Secretary;

''(2) that during the period under paragraph (1), not less than 25 percent of the patients of such individual receive assistance—

''(A) under a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); or

''(B) under a State plan under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.);

''(3) to provide services to patients regardless of such patients' ability to pay;

''(4) to use a sliding payment scale for patients who are unable to pay the total cost of services; and

''(5) to repay a pro rata portion of the grant funds received if the eligible individual fails to practice in accordance with paragraphs (1) through (4).

''(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2005 through 2009.''.

SEC. 103. GRANTS FOR ADMINISTRATIVE SIMPLIFICATION FOR MEDICAID PROVIDERS.

(a) AUTHORITY TO AWARD PROVIDER ADMINISTRATIVE SIMPLIFICATION GRANTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall award grants to State agencies responsible for the administration of the State medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) for the purpose of simplifying and automating the procedures applicable to providers of medical assistance under the State medicaid program in order to encourage providers to participate in the dental component of such program.

(2) USE OF FUNDS.—A grant awarded under this subsection may be used to simplify—

(A) provider enrollment contracts and processes through such means as providing for online provider enrollment forms;

(B) preauthorization procedures;

(C) claims remittance and processing; and

(D) any other procedures or requirements that would reduce the time and expenses necessary for providers to participate in the medicaid program.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Health and Human Services to award grants under this subsection such sums as are necessary for fiscal year 2005.

(b) MODEL CONTRACT FOR THE ENROLLMENT OF DENTISTS AS MEDICAID PARTICIPATING PROVIDERS.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall award grants to eligible entities to develop, disseminate, and assist with the implementation of a model contract for States to use to enroll dentists as participating providers under the State medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(2) ELIGIBLE ENTITIES DEFINED.—In this subsection, the term ''eligible entities'' means entities with expertise in the administration of State medicaid programs, which may include the National Association of State Medicaid Directors.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Health and Human Services to award grants under this subsection such sums as are necessary for fiscal year 2005.

TITLE II—EXPANSION OF DENTAL TRAINING PROGRAMS

SEC. 201. FLEXIBLE USE OF TRAINING FUNDS FOR GENERAL AND PEDIATRIC DENTISTRY.

Section 747(a)(6) of the Public Health Service Act (42 U.S.C. 293k(a)(6)) is amended to read as follows:

''(6) to plan, develop, or operate a program of general dentistry or pediatric dentistry, including the costs of faculty development, curriculum development, program administration, financial assistance to residents in such program, and other functions critical to building a competent dental workforce.''.

SEC. 202. LOAN REPAYMENT FOR FACULTY OF DENTAL EDUCATIONAL PROGRAMS.

Part C of title VII of the Public Health Service Act (42 U.S.C. 293k et seq.) is amended by inserting after section 748 the following:

''SEC. 749. LOAN REPAYMENT FOR FACULTY OF DENTAL EDUCATIONAL PROGRAMS.

''(a) ESTABLISHMENT.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall carry out a program to repay (by direct payment on behalf of the individual) any outstanding student loan of an individual who is employed as a full-time faculty member of a school of dentistry or an accredited dental education program.

''(b) LOAN REPAYMENT.—The payments described in subsection (a) shall be made by the Secretary as follows:

''(1) Upon completion by the individual for whom the payments are to be made of the first year of employment described under subsection (a), the Secretary shall pay 25 percent of the principal of, and the interest on, each outstanding student loan.

''(2) Upon completion by such individual of the second consecutive year of such employment, the Secretary shall pay an additional 25 percent of the principal of, and the interest on, each such loan.

''(3) Upon completion by such individual of the third consecutive year of such employment, the Secretary shall pay an additional 35 percent of the principal of, and the interest on, each such loan.

''(c) PRIORITY.—In entering into agreements to repay outstanding student loans under subsection (a), the Secretary shall give priority to qualified applicants—

''(1) with the greatest financial need; or

''(2) who are full-time faculty for an accredited program of general or pediatric dentistry.

''(d) REGULATIONS.—The Secretary shall promulgate such regulations as may be necessary to carry out the program under this section.

''(e) REPORTS.—Not later than 18 months after the date of enactment of this section, and annually thereafter, the Secretary shall prepare and submit to Congress a report describing the program carried out under this section, including—

''(1) the number and amount of loan repayments made;

''(2) the number of individuals who receive loan repayment under subsection (a) at each school of dentistry or accredited dental education program that employs individuals who receive such loan repayment;

''(3) the demographics of the individuals participating in the loan repayment program; and

''(4) an evaluation of the overall costs and benefits of the loan repayment program.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2005 through 2009.''.

TITLE III—IMPROVING DELIVERY OF DENTAL SERVICES THROUGH THE INDIAN HEALTH SERVICE AND THE NATIONAL HEALTH SERVICE CORPS

SEC. 301. INDIAN HEALTH SERVICE DENTAL OFFICER MULTIYEAR RETENTION BONUS.

(a) TERMS AND DEFINITIONS.—In this section:

(1) CREDITABLE SERVICE.—The term ''creditable service'' includes all periods that a dental officer spent in graduate dental educational training programs while not on active duty in the Indian Health Service and all periods of active duty in the Indian Health Service as a dental officer.

(2) DENTAL OFFICER.—The term ''dental officer'' means an individual in the dental health profession who is an officer of the Indian Health Service.

(3) DIRECTOR.—The term ''Director'' means the Director of the Indian Health Service.

(4) RESIDENCY.—The term ''residency'' means a graduate dental educational training program of at least 12 months leading to a specialty, including general practice residency or an advanced education general dentistry.

(5) SPECIALTY.—The term ''specialty'' means a dental specialty for which there is an Indian Health Service specialty code number.

(b) GENERAL AUTHORITY.—The Director may authorize a multiyear retention bonus under this section for a dental officer of the Indian Health Service who meets the eligibility requirements of subsection (c) and who executes a written agreement to remain on active duty for 2, 3, or 4 years after the completion of any other active duty service commitment to the Indian Health Service.

(c) ELIGIBILITY REQUIREMENTS.—In addition to the requirements described under subsection (b), an eligible dental officer shall—

(1) if trained as a dentist—

(A) be at or below such grade as the Director shall determine;

(B) hold the degree of doctor of dentistry or an equivalent degree;

(C) have completed any active duty service commitment of the Indian Health Service incurred for dental education and training or have 8 years of creditable service; and

(D) have completed initial residency training, or be scheduled to complete initial residency training before September 30 of the fiscal year in which the dental officer enters into a multiyear retention bonus service agreement under this section; or

(2) if trained as a dental hygienist—

(A) have graduated from a dental hygiene educational or training program accredited by the American Dental Association Commission on Dental Accreditation (ADA CDA);

(B) hold a certification of successful completion of the National Board Dental Hygiene Examination; and

(C) hold an active and current dental hygiene license.

(d) MAXIMUM BONUS AMOUNTS.—

(1) MAXIMUM BONUS AMOUNTS FOR DENTISTS.—A multiyear retention bonus authorized for a dental officer who meets the requirements of subsection (c)(1) shall not exceed—

(A) $14,000 for a 4-year written agreement;

(B) $8,000 for a 3-year written agreement; or

(C) $4,000 for a 2-year written agreement.

(2) MAXIMUM BONUS AMOUNTS FOR DENTAL HYGIENISTS.—A multiyear retention bonus authorized for a dental officer who meets the requirements of subsection (c)(2) shall not exceed—

(A) $4,000 for a 4-year written agreement;

(B) $2,000 for a 3-year written agreement; or

(C) $1,000 for a 2-year written agreement.

(e) DISCRETION IN SELECTION PROCESS.—The Director may, based on the requirements of the Indian Health Service, decline to offer a multi-year retention bonus to any specialty that is otherwise eligible, or to restrict the length of such a retention bonus contract for a specialty to less than 4 years.

(f) TERMINATION OF ENTITLEMENT TO MULTIYEAR RETENTION BONUS.—

(1) IN GENERAL.—The Director may terminate, with cause, a dental officer multiyear retention bonus agreement with a dental officer under this section at any time.

(2) PRO RATA RECOUPMENT.—If a dental officer multiyear retention bonus agreement is terminated under paragraph (1), the unserved portion of the retention bonus agreement shall be recouped on a pro rata basis.

(3) REGULATIONS.—The Director shall establish regulations that—

(A) specify the conditions and procedures under which termination may take place; and

(B) shall be included in the dental officer multiyear retention bonus agreement under subsection (b).

(g) REFUNDS.—

(1) IN GENERAL.—Prorated refunds shall be required for sums paid under a retention bonus contract under this section if a dental officer who has received the retention bonus fails to complete the total period of service specified in the dental officer multiyear retention bonus agreement, as conditions and circumstances warrant.

(2) DEBT TO UNITED STATES.—An obligation to reimburse the United States imposed under paragraph (1) is a debt owed to the United States.

(3) NO DISCHARGE IN BANKRUPTCY.—Notwithstanding any other provision of law, a discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of a dental officer multiyear retention bonus agreement under this section does not discharge the dental officer who signed such a contract from a debt arising under the contract or under paragraph (1).

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2005 through 2009.

SEC. 302. INCREASE IN NATIONAL HEALTH SERVICE CORPS DENTAL TRAINING POSITIONS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the ''Secretary'') shall increase the number of dentists in the National Health Service Corps (referred to in this section as the ''Corps''), as designated in subpart II of part D of title III of the Public Health Service Act (42 U.S.C. 254d et seq.), by not less than 100 in each of fiscal years 2005, 2006, and 2007.

(b) AVAILABILITY OF LOAN REPAYMENT AND SCHOLARSHIP PROGRAMS FOR DENTISTS.—The Secretary shall increase the number of Corps dentists selected for the loan repayment and scholarship programs under subpart III of part D of title III of the Public Health Service Act (42 U.S.C. 254l et seq.) in a sufficient number to address the demand for such programs by qualified individuals.

(c) REPORT ON CORPS.—The Secretary shall annually report to Congress concerning how the Corps is meeting the oral health needs in underserved areas, including rural, frontier, and border areas.

SEC. 303. AVAILABILITY OF SCHOLARSHIP AND LOAN REPAYMENT PROGRAMS FOR NATIONAL HEALTH SERVICE CORPS DENTAL HYGIENISTS.

Section 338A of the Public Health Service Act (42 U.S.C. 254l) is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following:

''(h) Of the total number of contracts under this section and section 338B for each school year that are dedicated to dental hygienists, not less than 20 percent of such contracts for each such school year shall be entered into under this section.''.

By Mr. DASCHLE:

S. 2741. A bill to amend the Public Health Service Act to reauthorize and extend the Fetal Alcohol Syndrome prevention and services program, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. DASCHLE. Mr. President, I am pleased to introduce today the Advancing FASD Research, Prevention, and Services Act. For many years now, I have met and worked with people whose lives have been profoundly affected by the consumption of alcohol during pregnancy. Prenatal exposure to alcohol can cause a wide range of serious, life-long problems known as Fetal Alcohol Syndrome Disorders. Individuals with FASD can have a low IQ, behavioral impairments, growth retardation, facial abnormalities, and birth defects. About 40,000 children are born with FASD each year.

A great deal of progress has been made in raising awareness of the dangers of alcohol consumption during pregnancy, but much more needs to be done. The bill I am introducing today addresses the need for more research, better screening systems to identify children with FASD, effective prevention programs, and enhanced access to treatment and support services. It is my sincere hope that this bill—when combined with the tireless efforts of parents, health professionals, teachers, and countless others—will help prevent FASD and support the children and families who are living with its consequences. I ask unanimous consent that a fact sheet containing a description of the bill be printed in the RECORD.

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

S. 2741

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 ''Advancing FASD Research, Prevention, and Services Act''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Fetal Alcohol Spectrum Disorders are the spectrum of serious, life-long disorders caused by prenatal exposure to alcohol, which include Fetal Alcohol Syndrome, Alcohol-Related Neurodevelopmental Disorder, and Alcohol-Related Birth Defects.

(2) In the decades that have passed since Fetal Alcohol Syndrome was first recognized in the United States, this fully preventable condition has continued to affect American children and families.

(3) Prenatal alcohol exposure can cause brain damage that produces cognitive and behavioral impairments. Prenatal alcohol exposure can cause mental retardation or low IQ and difficulties with learning, memory, attention, and problem-solving. It can also create problems with mental health and social interactions.

(4) Prenatal alcohol exposure also can cause growth retardation, birth defects involving the heart, kidney, vision and hearing, and a characteristic pattern of facial abnormalities.

(5) About 13 percent of women report using alcohol during pregnancy even though there is no known safe level of alcohol consumption during pregnancy.

(6) Estimates of individuals with Fetal Alcohol Syndrome vary but are estimated to be between 0.5 and 2.0 per 1,000 births. The prevalence rate is considerably higher for all Fetal Alcohol Spectrum Disorders: about 10 out of 1,000 births (1 percent of births).

(7) Prevalence of Fetal Alcohol Spectrum Disorders can be even higher in certain populations, such as Native Americans, and in certain areas, such as those characterized by low socioeconomic status.

(8) Fetal Alcohol Spectrum Disorders pose extraordinary financial costs to the Nation, including the cost of specialized health care, education, foster care, incarceration, job training, and general support services for individuals affected by Fetal Alcohol Spectrum Disorders.

(9) Lifetime health costs for an individual with Fetal Alcohol Syndrome average $860,000, and can run as high as $4,200,000. The direct and indirect economic costs of Fetal Alcohol Syndrome in the United States were $5,400,000,000 in 2003. Total economic costs would be even higher for all Fetal Alcohol Spectrum Disorders.

(10) There is a great need for research, surveillance, prevention, treatment, and support services for individuals with Fetal Alcohol Spectrum Disorders and their families.

SEC. 3. PROGRAMS FOR FETAL ALCOHOL SPECTRUM DISORDERS.

Section 399H of the Public Health Service Act (48 U.S.C. 280f) is amended—

(1) by striking the section heading and inserting the following:

''SEC. 399H. PROGRAMS FOR FETAL ALCOHOL SPECTRUM DISORDERS.'';

(2) by redesignating subsections (a) through (d) as subsections (h) through (k), respectively;

(3) by inserting after the section heading, the following:

''(a) RESEARCH ON FAS AND RELATED DISORDERS.—

''(1) IN GENERAL.—The Secretary, acting through the Director of the National Institutes of Health and in coordination with the Interagency Coordinating Committee on Fetal Alcohol Syndrome, shall—

''(A) establish a research agenda for Fetal Alcohol Spectrum Disorders; and

''(B) award grants, contracts, or cooperative agreements to public or private nonprofit entities to pay all or part of carrying out research under such agenda.

''(2) TYPES OF RESEARCH.—In carrying out paragraph (1), the Secretary, acting through the Director of the National Institute of Alcohol Abuse and Alcoholism, shall conduct national and international research in coordination with other Federal agencies that includes—

''(A) the identification of the mechanisms that produce the cognitive and behavioral problems associated with fetal alcohol exposure;

''(B) the development of a neurocognitive phenotype for Fetal Alcohol Syndrome and Alcohol-Related Neurodevelopmental Disorder;

''(C) the identification of biological markers that can be used to indicate fetal alcohol exposure;

''(D) the identification of fetal and maternal risk factors that increase susceptibility to Fetal Alcohol Spectrum Disorders;

''(E) the investigation of behavioral and pharmacotherapies for alcohol-dependent women to determine new approaches for sustaining recovery;

''(F) the development of scientific-based therapeutic interventions for individuals with Fetal Alcohol Spectrum Disorders;

''(G) the development of screening instruments to identify women who consume alcohol during pregnancy and the development of standards for measuring, reporting, and analyzing alcohol consumption patterns in pregnant women; and

''(H) other research that the Director determines to be appropriate.

''(3) STUDY.—The Secretary, acting through the Director of the National Institute of Mental Health, shall—

''(A) conduct a study on the behavioral disorders that may be associated with prenatal alcohol exposure;

''(B) not later than 1 year after the date of enactment of the Advancing FASD Research, Prevention, and Services Act, submit to Congress a report on the appropriateness of characterizing Fetal Alcohol Spectrum Disorders and their secondary behavioral disorders as mental health disorders; and

''(C) conduct additional research on the epidemiology of behavior disorders associated with Fetal Alcohol Spectrum Disorders in collaboration with the Centers for Disease Control and Prevention.

''(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection, such sums as may be necessary for each of fiscal years 2005 through 2009.

''(b) SURVEILLANCE, IDENTIFICATION, AND PREVENTION ACTIVITIES.—

''(1) IN GENERAL.—The Secretary, acting through the Director of the National Center on Birth Defects and Developmental Disabilities, shall facilitate surveillance, identification, and prevention of Fetal Alcohol Spectrum Disorders as provided for in this subsection.

''(2) SURVEILLANCE, IDENTIFICATION, AND PREVENTION.—In carrying out this subsection, the Secretary shall—

''(A) develop and implement a uniform surveillance case definition for Fetal Alcohol Syndrome and a uniform surveillance case definition for Alcohol Related Neurodevelopmental Disorder;

''(B) develop a comprehensive screening process for Fetal Alcohol Spectrum Disorders that covers different age, race, and ethnic groups and is based on the uniform surveillance case definitions developed under subparagraph (A);

''(C) disseminate and provide the necessary training and support for the screening process developed under subparagraph (B) to—

''(i) hospitals, community health centers, outpatient programs, and other appropriate health care providers;

''(ii) incarceration and detainment facilities;

''(iii) primary and secondary schools;

''(iv) social work and child welfare offices;

''(v) foster care providers and adoption agencies;

''(vi) State offices and others providing services to individuals with disabilities; and

''(vii) other entities that the Secretary determines to be appropriate;

''(D) conduct activities related to risk factor surveillance including the annual monitoring and reporting of alcohol consumption among pregnant women and women of child bearing age; and

''(E) conduct applied public health prevention research and implement strategies for reducing alcohol-exposed pregnancies in women at high risk for alcohol-exposed pregnancies.

''(3) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated to carry out this subsection, such sums as may be necessary for each of fiscal years 2005 through 2009.

''(c) BUILDING STATE FASD SYSTEMS.—

''(1) IN GENERAL.—The Secretary, acting through the Administrator of the Substance Abuse and Mental Health Services Administration, shall award grants, contracts, or cooperative agreements to States for the purpose of establishing or expanding statewide programs of surveillance, prevention, and treatment of individuals with Fetal Alcohol Spectrum Disorders.

''(2) ELIGIBILITY.—To be eligible to receive a grant, contract, or cooperative agreement under paragraph (1) a State shall—

''(A) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may reasonably require;

''(B) develop and implement a statewide strategic plan for preventing and treating Fetal Alcohol Spectrum Disorders;

''(C) consult with public and private nonprofit entities with relevant expertise on Fetal Alcohol Spectrum Disorders within the State, including—

''(i) parent-led groups and other organizations that support and advocate for individuals with Fetal Alcohol Spectrum Disorders; and

''(ii) Indian tribes and tribal organizations; and

''(D) designate an individual to serve as the coordinator of the State's Fetal Alcohol Spectrum Disorders program.

''(3) STRATEGIC PLAN.—The statewide strategic plan prepared under paragraph (2)(B) shall include—

''(A) the identification of existing State programs and systems that could be used to identify and treat individuals with Fetal Alcohol Spectrum Disorders and prevent alcohol consumption during pregnancy, such as—

''(i) programs for the developmentally disabled, the mentally ill, and individuals with alcohol dependency;

''(ii) primary and secondary educational systems;

''(iii) judicial systems for juveniles and adults;

''(iv) child welfare programs and social service programs; and

''(v) other programs or systems the State determines to be appropriate;

''(B) the identification of any barriers for individuals with Fetal Alcohol Spectrum Disorders or women at risk for alcohol consumption during pregnancy to access the programs identified under subparagraph (A); and

''(C) proposals to eliminate barriers to prevention and treatment programs and coordinate the activities of such programs.

''(4) USE OF FUNDS.—Amounts received under a grant, contract, or cooperative agreement under paragraph (1) shall be used for one or more of the following activities:

''(A) Establishing a statewide surveillance system.

''(B) Collecting, analyzing and interpreting data.

''(C) Establishing a diagnostic center.

''(D) Developing, implementing, and evaluating population-based and targeted prevention programs for Fetal Alcohol Spectrum Disorders, including public awareness campaigns.

''(E) Referring individuals with Fetal Alcohol Spectrum Disorders to appropriate support services.

''(F) Developing and sharing best practices for the prevention, identification, and treatment of Fetal Alcohol Spectrum Disorders.

''(G) Providing training to health care providers on the prevention, identification, and treatment of Fetal Alcohol Spectrum Disorders.

''(H) Disseminating information about Fetal Alcohol Spectrum Disorders and the availability of support services to families of individuals with Fetal Alcohol Spectrum Disorders.

''(I) Other activities determined appropriate by the Secretary.

''(5) MULTI-STATE PROGRAMS.—The Secretary shall permit the formation of multi-State Fetal Alcohol Spectrum Disorders programs under this subsection.

''(6) OTHER CONTRACTS AND AGREEMENTS.—A State may carry out activities under paragraph (4) through contacts or cooperative agreements with public and private non-profit entities with a demonstrated expertise in Fetal Alcohol Spectrum Disorders.

''(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection, such sums as may be necessary for fiscal years 2005 through 2009.

''(d) PROMOTING COMMUNITY PARTNERSHIPS.—

''(1) IN GENERAL.—The Secretary shall award grants, contracts, or cooperative agreements to eligible entities to enable such entities to establish, enhance, or improve community partnerships for the purpose of collaborating on common objectives and integrating the services available to individuals with Fetal Alcohol Spectrum Disorders, such as surveillance, prevention, treatment, and provision of support services.

''(2) ELIGIBLE ENTITIES.—To be eligible to receive a grant, contract, or cooperative agreement under paragraph (1), an entity shall—

''(A) be a public or private nonprofit entity, including—

''(i) a health care provider or health professional;

''(ii) a primary or secondary school;

''(iii) a social work or child welfare office;

''(iv) an incarceration or detainment facility;

''(v) a parent-led group or other organization that supports and advocates for individuals with Fetal Alcohol Spectrum Disorders;

''(vi) an Indian tribe or tribal organization;

''(vii) any other entity the Secretary determines to be appropriate; or

''(viii) a consortium of any of the entities described in clauses (i) through (vii); and

''(B) prepare and submit to the Secretary an application at such time, in such manner,

and containing such information as the Secretary may reasonably require, including assurances that the entity submitting the application does, at the time of application, or will, within a reasonable amount of time from the date of application, include substantive participation of a broad range of entities that work with or provide services for individuals with Fetal Alcohol Spectrum Disorders.

''(3) ACTIVITIES.—An eligible entity shall use amounts received under a grant, contract, or cooperative agreement under this subsection shall carry out 1 or more of the following activities:

''(A) Identifying and integrating existing programs and services available in the community for individuals with Fetal Alcohol Spectrum Disorders.

''(B) Conducting a needs assessment to identify services that are not available in a community.

''(C) Developing and implementing community-based initiatives to prevent, diagnose, treat, and provide support services to individuals with Fetal Alcohol Spectrum Disorders.

''(D) Disseminating information about Fetal Alcohol Spectrum Disorders and the availability of support services.

''(E) Developing and implementing a community-wide public awareness and outreach campaign focusing on the dangers of drinking alcohol while pregnant.

''(F) Providing mentoring or other support to families of individuals with Fetal Alcohol Spectrum Disorders.

''(G) Other activities determined appropriate by the Secretary.

''(4) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated to carry out this subsection, such sums as may be necessary for each of fiscal years 2005 through 2009.

''(e) DEVELOPMENT OF BEST PRACTICES.—

''(1) IN GENERAL.—The Secretary, in coordination with the National Task Force on Fetal Alcohol Spectrum Disorders, shall award grants to States, Indian tribes and tribal organizations, and nongovernmental organizations for the establishment of pilot projects to identify and implement best practices for—

''(A) educating children with fetal alcohol spectrum disorders, including—

''(i) activities and programs designed specifically for the identification, treatment, and education of such children; and

''(ii) curricula development and credentialing of teachers, administrators, and social workers who implement such programs;

''(B) educating judges, attorneys, child advocates, law enforcement officers, prison wardens, alternative incarceration administrators, and incarceration officials on how to treat and support individuals suffering from Fetal Alcohol Spectrum Disorders within the criminal justice system, including—

''(i) programs designed specifically for the identification, treatment, and education of those with Fetal Alcohol Spectrum Disorders; and

''(ii) curricula development and credentialing within the justice system for individuals who implement such programs; and

''(C) educating adoption or foster care agency officials about available and necessary services for children with fetal alcohol spectrum disorders, including—

''(i) programs designed specifically for the identification, treatment, and education of those with Fetal Alcohol Spectrum Disorders; and

''(ii) education and training for potential parents of an adopted child with Fetal Alcohol Spectrum Disorders.

''(2) APPLICATION.—To be eligible for a grant under paragraph (1), an entity shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

''(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection, such sums as may be necessary for each of fiscal years 2005 through 2009.

''(f) TRANSITIONAL SERVICES.—

''(1) IN GENERAL.—The Secretary shall award demonstration grants, contracts, and cooperative agreements to States, Indian tribes and tribal organizations, and nongovernmental organizations for the purpose of establishing integrated systems for providing transitional services for those affected by prenatal alcohol exposure and evaluating their effectiveness.

''(2) APPLICATION.—To be eligible for a grant, contract, or cooperative agreement under paragraph (1), an entity shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

''(3) ALLOWABLE USES.—An entity shall use amounts received under a grant, contract, or cooperative agreement under paragraph (1) to—

''(A) provide housing assistance to adults with Fetal Alcohol Spectrum Disorders;

''(B) provide vocational training and placement services for adults with Fetal Alcohol Spectrum Disorders;

''(C) provide medication monitoring services for adults with Fetal Alcohol Spectrum Disorders; and

''(D) provide training and support to organizations providing family services or mental health programs and other organizations that work with adults with Fetal Alcohol Spectrum Disorders.

''(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection, such sums as may be necessary for each of fiscal years 2005 through 2009.

''(g) COMMUNITY HEALTH CENTER INITIATIVE.—

''(1) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall award grants to community health centers acting in collaboration with States, Indian tribes, tribal organizations, and nongovernmental organizations, for the establishment of a 5-year demonstration program under the direction of the Interagency Coordinating Committee on Fetal Alcohol Syndrome to implement and evaluate a program to increase awareness and identification of Fetal Alcohol Spectrum Disorders in community health centers and to refer affected individuals to appropriate support services.

''(2) APPLICATION.—To be eligible to receive a grant under paragraph (1), a community health center shall prepare and submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may reasonably require.

''(3) ACTIVITIES.—A community health center shall use amounts received under a grant under paragraph (1) to—

''(A) provide training for health care providers on identifying and educating women who are at risk for alcohol consumption during pregnancy;

''(B) provide training for health care providers on screening children for Fetal Alcohol Spectrum Disorders;

''(C) educate health care providers and other relevant community health center workers on the support services available for those with Fetal Alcohol Spectrum Disorders and treatment services available for women at risk for alcohol consumption during pregnancy; and

''(D) implement a tracking system that can identify the rates of Fetal Alcohol Spectrum Disorders by racial, ethnic, and economic backgrounds.

''(4) SELECTION OF PARTICIPANTS.—The Administrator shall determine the number of community health centers that will participate in the demonstration program under this subsection and shall select participants, to the extent practicable, that are located in different regions of the United States and that serve a racially and ethnically diverse population.

''(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection, such sums as may be necessary for each of fiscal years 2005 through 2009.

''(6) REPORT TO CONGRESS.—Not later than 1 year after completion of the demonstration program under this subsection, the Administrator shall prepare and submit to Congress a report on the results of the demonstration program, including—

''(A) changes in the number of women screened for and identified as at risk for alcohol consumption during pregnancy;

''(B) changes in the number of individuals identified as having a Fetal Alcohol Spectrum Disorder; and

''(C) changes in the number of alcohol-consuming pregnant women and individuals with Fetal Alcohol Spectrum Disorders who were referred to appropriate services.'';

(4) in subsection (h)(1) (as so redesignated).

(A) in subparagraph (C), by striking ''and'' after the semicolon;

(B) in subparagraph (D), by adding ''and'' after the semicolon; and

(C) by adding at the end the following:

''(E) national public service announcements to raise public awareness of the risks associated with alcohol consumption during pregnancy with the purpose of reducing the prevalence of Fetal Alcohol Spectrum Disorders, that shall—

''(i) be conducted by relevant Federal agencies under the coordination of the Interagency Coordinating Committee on Fetal Alcohol Syndrome;

''(ii) be developed by the appropriate Federal agencies, as determined by the Interagency Coordinating Committee on Fetal Alcohol Syndrome taking into consideration the expertise and experience of other relevant Federal agencies, and shall test and evaluate the public service announcement's effectiveness prior to broadcasting the announcements nationally;

''(iii) be broadcast through appropriate media outlets, including television or radio, in a manner intended to reach women at risk of alcohol consumption during pregnancy; and

''(iv) be measured prior to broadcast of the national public service announcements to provide baseline data that will be used to evaluate the effectiveness of the announcements.''; and

(5) in subsection (k) (as so redesignated)—

(A) in paragraph (1), by striking ''National Task Force on Fetal Alcohol Syndrome and Fetal Alcohol Effect'' and inserting ''National Task Force on Fetal Alcohol Spectrum Disorders'';

(B) in paragraph (3)—

(i) in subparagraph (B), by striking ''and'' after the semicolon;

(ii) in subparagraph (C), by adding ''and'' after the semicolon; and

(iii) by adding at the end the following:

''(D) develop, in collaboration with the Interagency Coordinating Committee on Fetal Alcohol Syndrome, a report that identifies and describes the 10 most important

actions that must be taken to reduce prenatal alcohol exposure and all its adverse outcomes, and that shall—

''(i) describe the state of the current epidemiology of Fetal Alcohol Spectrum Disorders, risk factors, and successful approaches in policy and services that have reduced alcohol-exposed pregnancies and outcomes;

''(ii) identify innovative approaches that have worked in related areas such as tobacco control or HIV prevention that may provide models for Fetal Alcohol Spectrum Disorders prevention;

''(iii) recommend short-term and long-term action plans for achieving the Healthy 2010 Objectives for the United States, such as increasing abstinence from alcohol among pregnant women and reducing the occurrence of Fetal Alcohol Syndrome; and

''(iv) recommend in coordination with the National Institute on Mental Health whether Fetal Alcohol Syndrome and other prenatal alcohol disorders, or a subset of these disorders, should be included in the Diagnostic and Statistical Manual of Mental Disorders.''; and

(C) by striking ''Fetal Alcohol Syndrome and Fetal Alcohol Effect'' each place that such appears and inserting ''Fetal Alcohol Spectrum Disorders''.

SEC. 4. COORDINATION AMONG FEDERAL ENTITIES.

Part O of title III of the Public Health Service Act (42 U.S.C. 280f et seq.) is amended by adding at the end the following:

''SEC. 399K–1. COORDINATION AMONG FEDERAL ENTITIES.

''(a) INTERAGENCY COORDINATING COMMITTEE ON FETAL ALCOHOL SYNDROME.—The Secretary, acting through the Director of the National Institute on Alcohol Abuse and Alcoholism, shall provide for the continuation of the Interagency Coordinating Committee on Fetal Alcohol Syndrome so that such Committee may—

''(1) coordinate activities conducted by the Federal Government on Fetal Alcohol Spectrum Disorders, including convening meetings, establishing work groups, sharing information, and facilitating and promoting collaborative projects among Federal agencies; and

''(2) develop, in consultation with the National Task Force on Fetal Alcohol Spectrum Disorders, priority areas for years 2006 through 2010 to guide Federal programs and activities related to Fetal Alcohol Spectrum Disorders.

''(b) COORDINATION AMONG FEDERAL ENTITIES.—

''(1) IN GENERAL.—The Comptroller General of the United States shall evaluate and make recommendations regarding the appropriate roles and responsibilities of Federal entities with respect to programs and activities related to Fetal Alcohol Spectrum Disorders.

''(2) COVERED ENTITIES.—The Federal entities under paragraph (1) shall include entities within the National Institutes of Health, the Centers for Disease Control and Prevention, the Substance Abuse and Mental Health Services Administration, the Health Resources and Services Administration, the Indian Health Service, the Agency for Healthcare Research and Quality, the Interagency Coordinating Committee on Fetal Alcohol Syndrome, the National Task Force on Fetal Alcohol Spectrum Disorders, as well as the Office of Special Education and Rehabilitative Services in the Department of Education and the Office of Juvenile Justice and Delinquency Prevention in the Department of Justice.

''(3) EVALUATION.—The evaluation conducted by the Comptroller General under paragraph (1) shall include—

''(A) an assessment of the current roles and responsibilities of Federal entities with programs and activities related to Fetal Alcohol Spectrum Disorders; and

''(B) an assessment of whether there is duplication in programs and activities, conflicting roles and responsibilities, or lack of coordination among Federal entities.

''(4) RECOMMENDATION.—The Comptroller General shall provide recommendations on the appropriate roles and responsibilities of the Federal entities described in paragraph (2) in order to maximize the effectiveness of Federal programs and activities related to Fetal Alcohol Spectrum Disorders.

''(5) COMPLETION.—Not later than 1 year after the date of enactment of the Advancing FASD Research, Prevention, and Services Act, the Comptroller General shall complete the evaluation and submit to Congress a report on the findings and recommendations made as a result of the evaluation.''.

SEC. 5. SERVICES FOR INDIVIDUALS WITH FETAL ALCOHOL SYNDROME.

Section 519C(b) of the Public Health Service Act (42 U.S.C. 290bb-25c(b)) is amended—

(1) in paragraph (11), by striking ''and'' after the semicolon;

(2) by redesignating paragraph (12) as paragraph (15); and

(3) by inserting after paragraph (11), the following:

''(12) provide respite care for caretakers of individuals with Fetal Alcohol Syndrome and other prenatal alcohol-related disorders;

''(13) recruit and train mentors for adolescents with Fetal Alcohol Syndrome and other prenatal alcohol-related disorders;

''(14) provide educational and supportive services to families of individuals with Fetal Alcohol Spectrum Disorders; and''.

SEC. 6. PREVENTION, INTERVENTION, AND SERVICES IN THE EDUCATION SYSTEM.

The Secretary of Education shall direct the Office of Special Education and Rehabilitative Services to—

(1) implement screening procedures and conduct training on a nationwide Fetal Alcohol Spectrum Disorders surveillance campaign for the educational system in collaboration with the efforts of the National Center on Birth Defects and Developmental Disabilities under section 399H(b) of the Public Health Service Act (as added by this Act);

(2) introduce curricula previously developed by the National Center on Birth Defects and Developmental Disabilities and the Substance Abuse and Mental Health Services Administration on how to most effectively educate and support children with Fetal Alcohol Spectrum Disorders in both special education and traditional education settings, and investigate incorporating information about the identification, prevention, and treatment of the Disorders into teachers' credentialing requirements;

(3) integrate any special techniques on how to deal with Fetal Alcohol Spectrum Disorders children into parent-teacher or parent-administrator interactions, including after-school programs, special school services, and family aid programs;

(4) collaborate with other Federal agencies to introduce a standardized educational unit within schools' existing sexual and health education curricula, or create one if needed, on the deleterious effects of prenatal alcohol exposure; and

(5) organize a peer advisory network of adolescents in schools to discourage the use of alcohol while pregnant or considering getting pregnant.

SEC. 7. PREVENTION, INTERVENTION, AND SERVICES IN THE JUSTICE SYSTEM.

The Attorney General shall direct the Office of Juvenile Justice and Delinquency Prevention to—

(1) implement screening procedures and conduct training on a nationwide Fetal Alcohol Spectrum Disorders surveillance campaign for the justice system in collaboration with the efforts of the National Center on Birth Defects and Developmental Disabilities under section 399H(b) of the Public Health Service Act (as added by this Act);

(2) introduce training curricula, in collaboration with the National Center on Birth Defects and Developmental Disabilities and the Substance Abuse and Mental Health Services Administration, on how to most effectively identify and interact with individuals with Fetal Alcohol Spectrum Disorders in both the juvenile and adult justice systems, and investigate incorporating information about the identification, prevention, and treatment of the disorders into justice professionals' credentialing requirements;

(3) promote the tracking of individuals entering the juvenile justice system with at-risk backgrounds that indicates them as high probability for having a Fetal Alcohol Spectrum Disorder, especially those whose individuals mothers have a high record of drinking during pregnancy as reported by the appropriated child protection agency;

(4) educate judges, attorneys, child advocates, law enforcement officers, prison wardens, alternative incarceration administrators, and incarceration officials on how to treat and support individuals suffering from Fetal Alcohol Spectrum Disorders within the criminal justice system, including—

(A) programs designed specifically for the identification, treatment, and education of such children; and

(B) curricula development and credentialing of teachers, administrators, and social workers who implement such programs;

(5) conduct a study on the inadequacies of how the current system processes children with certain developmental delays and subsequently develop alternative methods of incarceration and treatment that are more effective for youth offenders identified to have a Fetal Alcohol Spectrum Disorder; and

(6) develop transition programs for individuals with Fetal Alcohol Spectrum Disorders who are released from incarceration.

SEC. 8. MISCELLANEOUS PROVISIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 399J of the Public Health Service Act (42 U.S.C. 280f-2) is amended by striking ''the part'' and all that follows through the period and inserting ''subsections (h) thorough (k) of section 399H, $27,000,000 for each of fiscal years 2005 through 2009''.

(b) REPEAL OF SUNSET.—Section 399K of the Public Health Service Act (42 U.S.C. 280f-3) is repealed.

THE ADVANCING FASD RESEARCH, PREVENTION, AND SERVICES ACT

RESEARCH

The adverse affects of alcohol consumption during pregnancy are better understood today than they were when Fetal Alcohol Syndrome (FAS) was first described in the medical literature in 1968. But more research is needed. The bill would require the National Institutes of Health to develop a research agenda for Fetal Alcohol Spectrum Disorders (FASD) that would include research related to:

Identifying the mechanisms that produce the cognitive and behavioral problems associated with fetal alcohol exposure; development of a neurocognitive phenotype for FAS and Alcohol-Related Neurodevelopmental Disorder (ARND); identifying biological markers that indicate fetal alcohol exposure; identifying risk factors that increase susceptibility to FASD; investigating new approaches for sustaining recovery from alcohol dependence; developing therapeutic

interventions for individuals with FASD; developing screening instruments to identify women who consume alcohol during pregnancy; and understanding the behavioral disorders associated with FASD.

SURVEILLANCE, IDENTIFICATION, AND PREVENTION

FASD is often difficult to identify, which complicates efforts to accurately estimate its prevalence. Improved surveillance of FASD is needed to better understand the scope of the problem and to effectively deploy public health resources. The bill would improve surveillance and prevention by:

Developing a comprehensive screening process for FASD; monitoring risk factors for FASD such as alcohol consumption among pregnant women and women of childbearing age; and conducting research on prevention and implementing strategies for reducing alcohol-exposed pregnancies.

STATE FASD SYSTEMS

To improve surveillance, prevention, and treatment of individuals with FASD, the bill would facilitate the development of statewide FASD systems. To be eligible for federal grants, a state would have to develop a strategic plan for preventing and treating FASD, consult with public and non-profit private organizations with relevant expertise, including family organizations, and designate an individual as the state's FASD program coordinator.

States would be required to identify existing state programs that could be used for identification, prevention, and treatment of FASD and to identify barriers that individuals with FASD may now experience when trying to access those programs. States could use the federal funds for a number of activities, including:

Establishing statewide surveillance systems and diagnostic centers; developing and implementing prevention programs, including public awareness campaigns; referring individuals with FASD to appropriate support services; developing and sharing best practices; training health care providers; and disseminating information about FASD and the availability of support services.

COMMUNITY PARTNERSHIPS

Responding to FASD at the community level is also important. The bill would provide federal grants to partnerships of health professionals, school systems, child welfare offices, incarceration facilities, parent organizations, Indian tribes and others within a community. These community partnerships would collaborate on common objectives and integrate services. Federal funds could be used to:

Identify and integrate existing services; identify services not available in a community; develop community-based initiatives to prevent, diagnose, treat and provide support services to individuals with FASD; disseminate information; develop community-wide public awareness and outreach campaigns; and provide mentoring or other support for families of individuals with FASD.

BEST PRACTICES

Individuals with FASD can find themselves in a number of settings and under the supervision of individuals not trained to work with them. The bill would provide federal grants for pilot projects to identify and implement best practices for:

Educating children with FASD within the school system; educating judges, attorneys, child advocates, law enforcement officers, prison wardens, and others on how to treat and support individuals with FASD within the criminal justice system; and educating adoption or foster care agency officials about available and necessary services for children with FASD.

SUPPORT SERVICES

Individuals with FASD often need special support services as they transition from adolescence to adulthood. The bill would provide federal grants that could be used to:

Provide housing assistance to adults with FASD; provide vocational training and placement services to adults with FASD; provide medication monitoring services to adults with FASD; and provide training and support to organizations providing family services or mental health programs and other organizations that work with adults with FASD.

The bill would also allow federal funds to be used to provide respite care to caregivers of individuals with FASD, recruit and train mentors for adolescents with FASD, and provide education and support services to families of individuals with FASD.

COMMUNITY HEALTH CENTER INITIATIVE

Community health centers provide primary and preventive health care services in rural and urban communities that are medically underserved. The bill would provide federal grants to implement and evaluate a program to increase awareness and identification of FASD in community health centers. Participating health centers would:

Provide training to health care providers on identifying and educating women who are at risk for alcohol consumption during pregnancy; provide training to health care providers on screening children for FASD; and educate health care providers and other health center workers on the availability of support services for individuals with FASD and treatment services for women at risk for alcohol consumption during pregnancy.

PUBLIC AWARENESS AND EDUCATION

Even though FASD is completely preventable, many continue to consume alcohol during pregnancy. The bill would authorize the development and broadcast of national public service announcements to raise public awareness of the risks associated with alcohol consumption during pregnancy.

NATIONAL TASK FORCE ON FASD

The bill would require the National Task Force on FASD to identify and report on the ten most important actions that should be taken to reduce prenatal alcohol exposure and its adverse outcomes, current epidemiological information, innovative prevention models, short-term and long-term recommendations for achieving the Healthy 2010 Objectives for the Nation related to FASD, and a recommendation on whether FAS and other prenatal alcohol disorders should be included in the Diagnostic and Statistical Manual of Mental Disorders.

COORDINATION AMONG FEDERAL ENTITIES

The bill provides statutory authority for the Interagency Coordinating Committee on FAS and instructs the Comptroller General of the United States to evaluate and make recommendations regarding the appropriate roles and responsibilities of federal entities with programs and activities related to FASD.

PREVENTION, INTERVENTION, AND SERVICES IN THE EDUCATION SYSTEM

The education system must be involved in efforts to address FASD. The bill would have the Department of Education implement screening procedures, introduce curricula on how to effectively educate and support children with FASD, include information on the danger of alcohol consumption during pregnancy in existing sexual and health education curricula, and adopt other strategies to assist students with FASD.

PREVENTION, INTERVENTION, AND SERVICES IN THE JUSTICE SYSTEM

Many FASD adolescents and adults are incarcerated or otherwise involved in the justice system. The bill would have the Attorney General implement screening procedures, introduce training curricula on how to effectively identify and interact with individuals with FASD, track individuals entering the juvenile justice system whose background indicates they have a high probability of having FASD, and develop transition programs for individuals with FASD who are released from incarceration.

By Mr. HATCH (for himself and Mr. LEAHY):

S. 2742. A bill to extend certain authority of the Supreme Court Police, modify the venue of prosecutions relating to the Supreme Court building and grounds, and authorize the acceptance of gifts to the United States Supreme Court; to the Committee on the Judiciary.

Mr. HATCH. Mr. President, the Federal courts propose legislation to improve their operational efficiency. Today, joined by Senator LEAHY, I am introducing legislation requested by the Supreme Court of the United States. This bill is non-controversial and I hope the Senate can complete action on it in a timely manner after we return from our August recess.

There are three sections to this bill which I will describe for the benefit of my colleagues.

Section 1. Supreme Court Police Authority to Protect Court Officials Off of Court Grounds. This section would extend, for an additional four years, a ''sunset'' provision on authority of the Supreme Court Police to protect the Justices and other Court officials and official guests away from the Court building and grounds.

This authority was established by Public Law 97–390 (12/29/82) and was for a three-year period. Since 1985, the authority has been renewed regularly, generally with three or four year extensions and now expires at the end of 2004. The extension of the sunset provision would permit the Court Police to carry out this function until 2008. The Court Police regularly provide protection for the Justices away from the Court, and in light of the heightened security threats to symbols of our government, it is vital that the Police's authority to carry out this function continue without interruption.

Section 2. Venue for violations of Chapter 61 of Title 40. This section would add the United States District Court for the District of Columbia to the existing statute establishing venue for the prosecution of violations of statutes or regulations governing the Supreme Court building and grounds under 40 USCS §§ 6131 et seq.

Section 6137(b) currently permits prosecutions only in Superior Court. The amendment would provide an additional alternative, in light of the fact that there are prosecutions under these statutes where distinctly Federal interests are at stake.

Prosecutions under this chapter include the following: Sale of articles, signs, and solicitation in Supreme Court Building and grounds; destruction of property in the Supreme Court

Building and grounds; possession of firearms, fireworks, unauthorized speeches, and objectionable language in the Supreme Court Building and grounds; and unauthorized parades, assemblages, and display of flags in the Supreme Court Building and grounds.

Section 3. Gifts to the Supreme Court. This section would authorize the Chief Justice or his designee to accept, hold, administer and use gifts of personal property for official Court purposes. Monetary bequests would be turned over to the treasury.

In 1978, Congress authorized the Director of the Administrative Office for United States Courts to receive gifts on behalf of the judiciary, recognizing at the time that the judiciary had already received gifts under its implied powers. [See 28 U.S.C. §604(a)(17)(B).] Generally, the Director does not have authority with respect to the Supreme Court, and this provision is intended to recognize that the Supreme Court has the authority to receive non-monetary gifts on its own behalf. The language of the provision closely tracks the 1978 legislation authorizing the Director to receive gifts for the judiciary.

Mr. President, I appreciate the cooperative effort that Senator LEAHY and I have been able to undertake to bring this legislation to the Senate and am confident we can work together to ensure timely passage of this measure.

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. 2742

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

SECTION 1. EXTENSION OF AUTHORITY FOR THE UNITED STATES SUPREME COURT POLICE TO PROTECT COURT OFFICIALS OFF THE SUPREME COURT GROUNDS.

Section 6121(b)(2) of title 40, United States Code, is amended by striking ''2004'' and inserting ''2008''.

SEC. 2. VENUE FOR PROSECUTIONS RELATING TO THE UNITED STATES SUPREME COURT BUILDING AND GROUNDS.

Section 6137 of title 40, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) VENUE AND PROCEDURE.—Prosecution for a violation described in subsection (a) shall be in the United States District Court for the District of Columbia or in the Superior Court of the District of Columbia, on information by the United States Attorney or an Assistant United States Attorney.''.

SEC. 3. GIFTS TO THE UNITED STATES SUPREME COURT.

The Chief Justice or his designee is authorized to accept, hold, administer, and utilize gifts and bequests of personal property for the purpose of aiding or facilitating the work of the United States Supreme Court, but gifts or bequests of money shall be covered into the Treasury.

By Mr. FITZGERALD (for himself, Ms. CANTWELL, Mr. HOLLINGS, Mrs. FEINSTEIN, and Mr. SESSIONS):

S. 2743. A bill to amend title 38, United States Code, to provide that only licensed medical doctors, licensed doctors of osteopathy, and certain licensed dentists may perform eye surgery at Department of Veterans Affairs facilities or under contract with the Department; to the Committee on Veterans' Affairs.

Mr. FITZGERALD. Mr. President, I rise today to introduce the Veterans Eye Treatment Safety Act of 2004, or VETS Act, which will protect the eye care of our veterans by providing that only licensed physicians may perform eye surgery at Department of Veterans Affairs (VA) facilities or under contract with the VA.

Presently, 49 out of 50 States prohibit optometrists from performing surgery. Oklahoma is the only State that allows optometrists to perform laser surgical procedures. Recently, Oklahoma enacted a law expanding existing law to allow optometrists to perform nonlaser surgical procedures such as cataract surgery.

Under the VA credentialing practice, optometrists have been granted laser surgery clinical privileges within the VA Medical Center. The VA's credentialing practice allows medical practitioners to be granted privileges to perform procedures within the VA system that they are authorized to perform in the State in which they are licensed. Thus, an optometrist licensed in Oklahoma can be granted clinical privileges to perform laser surgery at the VA. In 2003, the VA allowed at least three optometrists to perform laser eye surgery at multiple VA hospitals throughout the Nation.

This practice is inconsistent with the policies of the Army, Navy, and Air Force, which do not allow optometrists to perform eye surgery. The VA, which also treats TRICARE beneficiaries, is the outlier. If a military retiree, a TRICARE beneficiary, needs laser eye surgery, only a licensed medical doctor or doctor of osteopathy could perform it, as required by the Army, Navy, and Air Force. However, if that same TRICARE beneficiary seeks treatment at a VA facility—as is his or her right—it is possible that an optometrist could perform the surgery. In this case, such person would receive a lower standard of care than the Department of Defense would allow in a military treatment facility. This VA credentialing practice regarding eye surgery creates two standards of care: a high standard of care for active duty personnel, dependents, and TRICARE beneficiaries when seen in a military treatment facility, and a lower standard of care for TRICARE beneficiaries and veterans if treated in the VA system.

The VA's practice is questionable. Optometrists typically do not have the requisite training and experience to perform eye surgery. Only one school of optometry in the United States offers courses in laser eye surgery. To become certified, optometrists must complete two courses at this school, with less than 40 hours of training, and perform only four supervised surgeries. In contrast, ophthalmologists during medical school, internship, and residency complete between 9,000 to 12,000 hours of training and education before practicing without supervision.

The Veterans Eye Treatment Safety Act of 2004 provides that only licensed medical doctors, licensed doctors of osteopathy, or licensed dentists whose practice is limited to oral or maxillofacial surgery may perform eye surgery at Department of Veterans Affairs facilities or under contract with the department. This legislation is narrowly targeted and does not prevent optometrists from performing noninvasive, nonsurgical procedures—the procedures that optometrists are trained and qualified to perform. The bill simply ensures that only licensed physicians can perform invasive, surgical procedures on our veterans.

The VETS Act has been endorsed by the Vietnam Veterans of America, the National Gulf War Resource Center, the American Medical Association, the American Academy of Ophthalmology, the American Osteopathic Association, and the American College of Surgeons. Additionally, the Veterans of Foreign Wars and the Blinded Veterans Association have written letters to the Department of Veterans Affairs opposing allowing optometrists to perform surgery.

This bill is a patient safety measure that protects our veterans. It protects the law of 49 States, preventing the will of one from becoming the law of the land. We must send a clear message to the VA that veterans should receive the same quality eye care that ordinary citizens receive.

I would like to thank Senator CANTWELL, Senator HOLLINGS, Senator FEINSTEIN, and Senator SESSIONS for cosponsoring this important legislation. I urge all of my colleagues to join me in supporting this bill that will protect the ocular safety of our veterans—ensuring that they receive the same high level of care that almost all Americans and members of the armed forces receive.

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

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

S. 2743

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 ''Veterans Eye Treatment Safety (VETS) Act of 2004''.

SEC. 2. LIMITATION AS TO PERSONS WHO MAY PERFORM EYE SURGERY FOR DEPARTMENT OF VETERANS AFFAIRS.

Section 1707 of title 38, United States Code, is amended by adding at the end the following new subsection:

''(c)(1) Eye surgery at a Department facility or under contract with the Department may be performed only by an individual who is a licensed medical doctor, a licensed doctor of osteopathy, or a licensed dentist whose practice is limited to the specialty of oral or maxillofacial surgery.

''(2) For purposes of this subsection, the term 'eye surgery' means any procedure involving the eye or the adnexa in which human tissue is cut, burned, frozen, vaporized, ablated, probed, or otherwise altered or penetrated by incision, injection, laser, ultrasound, ionizing radiation, or by other means, in order to treat eye disease, alter or correct refractive error, or alter or enhance cosmetic appearance. Such term does not include the following noninvasive, nonsurgical procedures: removal of superficial ocular foreign bodies from the conjunctival surface, from the eyelid epidermis, or from the corneal epithelium; corneal debridement and scraping; forceps epilation of misaligned eyelashes; the prescription and fitting of contact lenses; insertion of punctal plugs, diagnostic dilation or irrigation of the lacrimal system; the use of diagnostic ultrasound; orthokeratology; or the treatment of emergency cases of anaphylactic shock (with subcutaneous epinephrine, such as that included in a bee sting kit).''.

By Mr. SUNUNU (for himself, Mr. REID, Mrs. DOLE, and Mr. HARKIN):

S. 2744. A bill to authorize the minting and issuance of a Presidential $1 coin series; to the Committee on Banking, Housing, and Urban Affairs.

Mr. SUNUNU. Mr. President, I rise today with the Senator from Nevada, Senator REID, to introduce the Presidential $1 Coin Act of 2004. This legislation, which is modeled after the successful 50-State quarter program, would add the image of U.S. Presidents to the circulating dollar coin. I believe this bill, when enacted, will prompt more widespread usage of the dollar coin, earn significant funds for the U.S. government and spark new interest in the history of the leaders of our Nation.

The United States Government currently issues a dollar coin. Unfortunately, many Americans don't know about the coin and most don't use them. In fact, the dollar coin has never lived up to its promise to become a primary component of the American economy. I believe as policy makers, it is our job to ask what this costs our economy and our government, why the dollar coin is not widely used, and what can be done to remedy it.

With a one-dollar coin in general circulation, our economy will be more efficient, and our government will reap the significant benefits that a fully circulating coin will generate. To illustrate, millions of low-dollar transactions occur in our country every day. Bringing even the smallest efficiency to each would result in significant savings to the economy. For example, the vending machine industry estimates that the effect of a widely circulated dollar coin in its sector alone could be as much as $1 billion in savings: $300 million in increased sales and $700 million in reduced maintenance costs. Add to that the savings that businesses would realize by experiencing lower handling costs—it's simply much more expensive to sort and count bills than coins—and one begins to get a sense of the economies that could be achieved if our dollar coin program were more of a success.

In the public sector, the savings are hardly less dramatic. Informed estimates put the effect of a fully circulating dollar coin at as much as a $500 million annual infusion to the Treasury general fund. These funds are created by the difference between what it costs to make a coin or bill and what it's worth. For a dollar coin, the difference, which is called seigniorage, is about 80 cents. While there is no direct comparison for a dollar bill, as the accounting methods are different, the gain to the general fund is much less. Another savings comes from the fact that a coin can do its work for 30 years, while a dollar bill has a lifespan of only about 18 months before it wears out and needs to be replaced.

With such clear advantages on the side of the dollar coin why doesn't the American public use the coin? The answers are fairly well known and were documented by the GAO in a 2002 report to Congress. Let me address some of the problems outlined by the GAO.

First, there is the so-called ''network effect.'' This interdependency of demand is described by the GAO this way—''Increasing the use of the coin is especially difficult because retailers will not stock the dollar coin until they see the public using it, the public is unlikely to use the coin until they see retailers stocking it, and banks and armored carriers are reluctant to invest in new equipment to handle the coin until there is wide demand for it.'' Second, there is a lack of public information about the savings to the government from using the dollar coin. Third, business users found difficulty in getting the newer ''golden'' dollar coins in a useable form—they are not rolled like other coins and because they are generally commingled with the older Susan B. Anthony dollars. Fourth, design mistakes made with the Susan B. Anthony dollar led many to confuse the coin with the quarter and spend it at a 75-cent loss. Finally, the most difficult problem of all, Americans prefer the dollar bill to the dollar coin because they can get an adequate supply of them, and they are readily accepted everywhere.

The GAO summed it up with this conclusion in its 2002 report, ''. . . until individuals can see that the coin is widely used by others and that the government intends to replace the dollar bill with the dollar coin, they will be unlikely to use the coin in everyday transactions.''

The bill I am introducing today will address many of these problems. It will do so by getting the dollar coin in people's hands and pockets. It will provide the information that Americans need to make rational decisions and it takes steps to eliminate other barriers to circulation of the coin. Although this legislation does not take the dollar bill out of circulation, it is well known that continued circulation of the dollar bill is expensive to businesses and consumers alike. Therefore, I am today writing the GAO asking that it carefully examine this issue and update its findings from its last comprehensive review made in 1990.

Now, I turn to the specifics of my legislative proposal. Beginning in 2006, the bill would cause the images of four U.S. Presidents to appear on the dollar coin a year, each in the order of their service, until all are so honored. The reverse of the coin would feature the Statue of Liberty. The edge of the coin would hold important information, such as the date and the so-called mintmark. It is important to note that coins bearing the image of Sacagawea, who currently appears on the face of the dollar coin, will continue to be issued during the period of the Presidential Coin Program established by this bill. I draw my colleague's attention to the fact that her image will be joined by the images of U.S. Presidents, not displaced by them. This is only appropriate, especially as we celebrate the bicentennial of the Lewis and Clark Expedition of which she was such an important part.

To complement the Presidential Coin Program, my bill would also create a new puregold bullion coin to honor presidential spouses. At the same time each president's image appears on the circulating dollar coin, the spouse's image would appear on a one-half ounce pure gold coin. It is my hope that together the Presidential coin and the Spouse coin will spark excitement and interest in the dollar coin and get it into circulation. These coins will appeal both to collectors and to investors.

As I mentioned earlier, the Presidential Coin Program is modeled after the wildly successful 50-state quarter program. As all my colleagues know, that program has aroused new interest in coins, coin collecting and the history of our nation's states. Before it began, the U.S. Mint was producing about $400 million in quarters a year. Demand in the first year of the quarter program shot up to $1.2 billion in quarters that year. Seigniorage from the quarter halfway through the 50-state program has surpassed all expectations, amounting to more than $4 billion, close to the $5 billion that was predicted for the whole 10-year program. I believe that the Presidential Coin Program will have a similar effect on the dollar coin, creating interest and familiarity with the dollar coin and revenues for the U.S. government.

The bill I am introducing with Senator REID would also take other important steps toward getting Americans used to the dollar coin and removing barriers to its circulation. For example, it would cause the Federal Government to use the dollar coin in all its retail operations. Incredibly, this is not the case now. Except for the U.S. Postal Service, few other Federal agencies make use of the coin. Also, the bill would take the Susan B. Anthony dollar coin out of circulation, ending the problem—identified by many business owners—of commingling of the new and

old dollar coins. There would be, however, no problem for the Sacagawea and Presidential dollars to circulate at the same time, as they both would be of the attractive ''golden'' color. The bill also would cause the dollar coins to be available in convenient forms, including rolls and small bags, so that businesses can use them easily. Now, it's hard to get dollar coins except in pillow-sized bags, from which they must be counted before they can go into cash registers.

Finally, this legislation will create a new, pure-gold bullion, one-ounce coin with the image of the so-called ''Indian Head'' or ''Buffalo'' nickel. Here, I must note that the design is so popular that when our colleague Senator CAMPBELL, authored legislation to re-create that design as a limited-edition silver dollar to benefit the National Museum of the American Indian now under construction on the Mall, all half-million copies allowed sold out within two weeks. This will be an opportunity for collectors to get a pure-gold copy of the coin, but it will also be an opportunity for investors to buy an investment-grade coin. Other countries, including the People's Republic of China, make this kind of pure-gold investment vehicle available to their citizens, but to date the U.S. Mint gold investment-grade coins have only been about 90 percent pure. I'm certain that with the quality work of the Mint and the imprimatur of the United States Government, this coin will be well-accepted into the market.

Let me conclude, by saying that I believe the bill I am introducing today will put the dollar coin on the map and in the pockets of Americans. That's good for commerce and it's good government.

Mr. REID. Mr. President, I rise today with my good friend Senator SUNUNU to cosponsor the Presidential One Dollar Coin Act of 2004. When enacted, this measure will provide a valuable educational tool to help children and adults alike learn about our presidents, will lead to substantial savings for consumers, and earn billions of dollars for the government.

Let me begin by describing in detail how the program established by this legislation will work. Beginning in 2006, four presidents would be honored each year on dollar coins in the order of service, with their name, dates of service, and a number indicating the order in which they served on the front of the coin.

The Statute of Liberty will appear on the reverse side of the coin, while the date and mintmark will appear on the edge of the coin, leaving room for dramatic images on the faces.

The bill also continues the tradition that no image of a living president appear on coins and also seeks to address the several barriers to circulation that have in the past hindered more widespread use of the dollar coin.

The educational benefits of this program are clear. We all know that Thomas Jefferson wrote the Declaration of Independence in 1776, but how many know the dates of his presidential service to our country? Those were momentous years for our young nation, and this program will put that kind of information in the pockets of every consumer and in the hands of every school child in the nation.

This bill also will provide financial benefits to consumers and the government. The cost of counting and handling change is much lower than that of counting and handling currency. The widespread availability and use of a dollar coin will help lower costs for consumers in sectors of the economy that rely on regular low-dollar-value transactions, such as vending machines and transit systems.

The Department of Treasury also estimates that the dollar coin, if in full circulation, would create as much as $500 million each year for the government. This money, which goes directly to the general fund, arises from the difference between the costs of making the coin and the amount of worth it carries in commerce. While this amount varies depending on a number of factors, for the Golden Dollar, it averages about $0.80 for each coin.

It should be noted that the Department of Treasury estimated that the 50 State Quarter Program would produce $2.6 billion to $5 billion in revenues for the government; halfway through, the program already has earned more than $4 billion.

The second part of this bill would establish a program to honor presidential First Spouses with a nearly pure gold coin. Each coin would bear the likeness of a presidential spouse on one side and an image symbolic of the spouse's works or interests on the other. In the five cases in which presidents had no spouse during their term of office, the measure provides for an image of ''Liberty'' as was used on a coin during the president's term, with the reverse having an image related to the period of the president's term. I believe the presidential spouse program will build on the benefits— both educational and financial—of the presidential series.

Finally, my bill directs the U.S. Mint to produce a new, one-ounce, pure gold bullion coin with the famous image of the ''Indian Head'' or ''Buffalo'' nickel. This fine looking coin is so well known and popular that when it was struck as a silver dollar to help finance the National Museum of the American Indian, all 500,000 were snapped up by consumers and collectors in just two weeks.

While other countries have made coins like these, the Mint has never made a pure gold coin for investors and collectors, and I believe it is time to do so. Not only will these coins increase investment opportunities, they will produce earnings for the government. As my home state of Nevada is a principle gold producing state in the nation, it will also create jobs for my constituents.

I conclude my statement by addressing an important issue that relates to this proposal. I understand that there are those in this body and elsewhere who do not wish to see the image of Sacagawea, which is now on the dollar coin, removed for any reason. It is their view that to do so shows disrespect to her and to all Native Americans. I share their commitment to honoring the memory of Sacagawea, which is why my bill provides for the continued release of Sacagawea dollar coins throughout the Presidential coin program and beyond. Furthermore, I believe this program will actually honor Sacagawea by ensuring that the dollar coin with her image and the images of U.S. Presidents is widely circulated and used by all Americans.

Mr. President, I look forward to working with the Committee on Banking, Housing, and Urban Affairs and the rest of my colleagues to ensure this measure's review and passage.

By Mr. CAMPBELL:

S. 2745. A bill to amend the Colorado Canyons National Conservation Area and Black Ridge Canyons Wilderness Act of 2000 to rename the Colorado Canyons National Conservation Area as the McInnis Canyons National Conservation Area; to the Committee on Energy and Natural Resources.

Mr. CAMPBELL. Mr. President, I am honored to rise and introduce legislation that would rename the Colorado Canyons National Conservation Area as the McInnis Canyons National Conservation Area.

I do this in recognition of my colleague in the House, SCOTT MCINNIS, who will join me this year in returning home to private life after years of dedicated public service to the people of Colorado. For the past two decades, Congressman MCINNIS has been a true champion in the fight to protect Colorado's public lands. In fact, no sitting Member of Congress has passed more legislation for the designation and protection of Wilderness areas.

As Congressman MCINNIS nears the end of his tenure in office, I thought it appropriate to create a lasting symbol of Colorado's appreciation for his many achievements on behalf of our great State. The Colorado Canyons National Conservation Area is located near Congressman MCINNIS' home in Grand Junction. The site is one of America's most beautiful natural treasures. These canyons are preserved today because of the work of Congressman MCINNIS, who began his quest to protect the Colorado Canyons by seeking the input of local citizens and landowners. He then took this input and sought the advice of land managers and non-profit conservation organizations. Upon completing the plan, Congressman MCINNIS drafted the legislation to create the area and shepherded it through Congress.

Simply put, the creation of the Colorado Canyons National Conservation

Area would not have been possible absent the tireless efforts of SCOTT MCINNIS. Recognizing the sizable McInnis legacy on behalf of all Coloradans, I think it only fitting and appropriate to introduce this lasting tribute to recognize SCOTT's hard work and abiding love of Colorado's public lands.

By Mr. LIEBERMAN:

S. 2747. A bill to establish a Commission on the Future of the United States Economy to make recommendations on public policy and the reorganization of the Federal Government to promote efficiency and economy of operation, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. LIEBERMAN. Mr. President, in the mid-1980's President Reagan joined with Democrats and Republicans to fashion an effective strategy to confront the challenges we then faced from the Japanese. It's time to reconsider our competitiveness strategy, this time in response to the Chinese and many other emerging free enterprise economies. The Reagan approach—appointing a bipartisan commission on industrial competitiveness, chaired by John A. Young, president of Hewlett Packard Co., and supported by the Democratic Congress—remains the most effective way to proceed, and today I am introducing legislation to do just that.

Still known as the Young Commission, this distinguished group of leaders from large and small businesses, labor, and academia led the nation in a dialog on ways to strengthen the competitiveness of the U.S. industry in both domestic and foreign markets. Its recommendations and remedies were widely adopted in the late 1980's and 1990's and account for the unprecedented growth we experienced—much coming from America's high tech sector. But our competitive circumstances have changed and the Young Commission vision needs to be reconsidered and refreshed.

The 2.7 million jobs we've lost since 2000 is a bitter reminder of the economic crisis we faced in the early 1980's. Back then Japan had emerged as a major competitor invading our markets with advanced products at lower prices. Sony, Hitachi, Nikon, Toyota, Honda and other rising Japanese industrial giants had cast a shadow of anxiety over the American public. Plant closings and layoffs became widespread as our trade deficit with Japan ballooned and production shrank with rising imports. And the Paul Volcker interest rates imposed to break the back of inflation had crushed the weaker American firms. We had two choices: succumb or fight.

Fortunately, led by the kind of practical vision espoused by the Young Commission, the United States learned how to fight and rose to the challenge with objective analysis of our strengths and weaknesses, hard decisions about government's role, and investments in entrepreneurs and high technology fostering the longest expansionary period in our 200 year history. Wise decisions were made in the 1980s and we cashed in on them in the 1990's. The strategy that worked then is not sufficient now. World markets are now undergoing a momentous change that requires a re-assessment of our competitiveness strategy for this new century.

As the Japanese challenge developed in the early 1980s, the response of our two political parties became a polarized debate about ''industrial policy.'' Republicans favored deeper and deeper tax cuts to stimulate job growth which—together with massive defense spending—sent the deficits through the roof. Some Democrats pushed for an Industrial Development Bank to rescue failing firms and protectionist policies. Neither side thought it could compromise without risking the support of its political base, and we faced a political deadlock on economic policy. Twenty years later, does all of this sound quite familiar?

The Young Commission brought all sides to the table and enabled each to acknowledge the hard facts that shaped the debate. It proposed the first generation of reforms that became a bipartisan competitiveness agenda. Public-private collaborations instead of industrial supports, and research and development investments in information technology became a foundation for the economic boom of the 1990's. Their recommendations provided the roadmap that led to the longest period of economic growth in our history.

Today, the challenges we face are exponentially larger and more complex. We've entered an information age where intangible assets such as innovation and knowledge are the new keys to competitive advantage. These intangibles—including worker skills and knowledge, informal relationships that feed creativity, new business methods, and intellectual property—are driving worldwide economic prosperity. According to a 1998 study by the Brookings Institution 85 percent of company assets are now considered intangible, a significant jump from 38 percent in 1982.

In an age where these knowledge-based assets are difficult to patent or copyright, intellectual property rights are difficult to enforce, and information crosses borders freely and instantaneously, the first Young Commission doesn't give us all the answers. We need a strategy where change is both inevitable and necessary, as companies leapfrog their own technology and continuously reap the rewards that go to innovators. This 21st century rat race—constant insecurity, constant competition, and constant change—presents an opportunity for all, yet it will be a nightmare for the unprepared.

This is our fate for a good reason—the United States won the cold war's battle of ideas. The outcome is what we wished for—free enterprise is on the march, socialist state planning is discredited, and new competitors (principally China and India, but also Canada, Mexico, Ireland, Malaysia, and Taiwan) can deploy world class talent not fearful of international competition. American economic supremacy—our seeming birthright since the Second World War—has come to an end. Now we have to fight for every morsel on our economic table.

The competitors we now face have world class engineering and science talent as well as low wages. The challenge now extends beyond a concern over foreign competition on manufacturing to ominous trends in favor of global outsourcing of the services sector, including high end technology jobs. The drive for increased customization, speed, and responsiveness to customer needs has multiplied the pressures for productivity and quality. Our entire innovation ecosystem is under stress, including the ties between basic research and commercialization, competition for capital and technology, and adaptive business models. As we have done in building fighter aircraft that puts unheard of G force stress on pilots, we now need workers who can thrive on knowledge overload. Because our workforce no longer has the security of certainty and stability, we need to give it the confidence and tools to adapt continuously to innovation and change—in a global melee of shifting upstart competitors.

The American economy is the most adaptable in the world—with a well educated workforce, efficient capital markets, and the zeal of generations of entrepreneurial immigrants. But we seem not to have noticed that the rate of global change is accelerating. The warning signs are everywhere. We are not just losing some high wage jobs—we may be losing critical parts of our innovation infrastructure, and with them, our long-term competitive edge in the global marketplace. As long as emerging nations such as China and India continue to produce more and more science and engineering graduates, invest in their infrastructure, and implement targeted industrial and trade policies to strengthen their research and development and attract foreign investment, doing nothing will slowly and silently erode our economic and national security. As our own giants like GE, TI, Intel, HP, and Microsoft cast a shadow of anxiety over American workers by going offshore, we must proceed with a coordinated and sustainable vision to strengthen our innovation infrastructure. America's dependence on foreign capital to finance excessive government and consumer debt is an ominous trend which threatens our future innovation. The much higher savings rate of many of our competitors gives them ready access to capital necessary for investing in productivity-enhancing research and technologies.

To meet these challenges, we first need an injection of bipartisan political will and that's not easy to find in

Washington these days. It is time to unleash a new, bipartisan and updated Young Commission, charged with analyzing the impact of global economic changes on the American economy, including the offshore outsourcing problem, and offering nonpartisan proposals to preserve our innovation infrastructure and create more high-wage American jobs.

The legislation I am introducing today creates a 22-member bipartisan Commission on the Future of the U.S. Economy to make specific recommendations on a broad range of issues related to the development of our Nations' skill-base, innovation capacity and the other factors needed for the knowledge and information economy. The Commission is to report back to Congress within 18 months.

Numerous groups concerned about the future of the United States economy have begun to address the rising challenge of sustaining our competitive advantage in this new global economy. I first would like to thank Dr. Kenan Patrick Jarboe from Athena Alliance for helping to develop key ideas and providing invaluable advice as my office considered this legislation. I would also like to acknowledge the significant and thoughtful work the Electronic Industries Alliance has provided in formulating ideas for a new competitiveness agenda. I also trust that the major effort in progress under the National Innovation Initiative of the Council on Competitiveness will provide a creative groundwork for this important Commission.

I request unanimous consent that a section-by-section summary of the bill and the text of the bill itself appear in the RECORD following my remarks.

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

THE COMMISSION ON THE FUTURE OF THE U.S. ECONOMY ACT

SECTION-BY-SECTION

SECTION 1. SHORT TITLE.

This section cites the title of the Act as the ''Commission on the Future of the U.S. Economy Act of 2004''.

SEC. 2. FINDINGS.

This section lays out a number of findings which include:

(1) The U.S. economy has entered an information age where innovation and knowledge are the new keys to competitive advantage and are creating new challenges for American workers and companies.

(2) In 1984, at the height of concerns over the condition of the manufacturing sector in the U.S., President Reagan appointed the bipartisan President's Commission on Industrial Competitiveness (the Young Commission) that addressed the issue of U.S. competitiveness in a new way and developed a framework that has guided policymaking for the past two decades.

(3) There is a need for an independent, bipartisan undertaking comparable to the Young Commission to review the new competitive challenges facing the United States and to recommend a framework to guide the making of responsive public policy.

SEC. 3. ESTABLISHMENT AND PURPOSE.

This section establishes the Commission on the Future of the U.S. Economy with the purpose of undertaking an analysis of the competitive challenges to American companies and workers and making recommendations for public policy, including reorganization of the Federal government, to promote efficiency and economy of operation, to foster the skills and knowledge Americans need to prosper in the 21st century, strengthen the entire innovation system, and stimulate the creation of knowledge, inventions, partnerships and other intangibles so as to maintain economic growth, income generation and job creation.

SEC. 4. COMPOSITION AND MEETINGS.

This section sets the membership at 17 voting members; nine appointed by the President and two each appointed by the Senate Majority Leader, the Senate Minority Leader, the Speaker of the House and the House Minority Leader. In addition, the President shall appoint five non-voting ex officio members from among the following officials: the Secretaries of the Treasury, Commerce, Labor and Defense, the United States Trade Representative, the Chairman of the Council of Economic Advisers, and the Director of the Office of Science and Technology Policy. The President shall designate one regular appointee as Chairperson. The voting members shall elect a Vice Chairperson who is not affiliated with the same political party as the Chairman. Members shall be appointed not later than 60 days after the date of enactment of an Act making the appropriations, and any vacancies shall be filled in the same manner as the original appointment.

Regular members shall be persons who are leaders or recognized experts from industry, labor unions, research institutions, academia and other important social and economic institutions, and have expertise in economics, international trade, services, manufacturing, labor, science and technology, education, business, or have other pertinent qualifications or experience. Regular members may not be officers or employees of the United States. Every effort shall be made to ensure that the regular members are those who can provide new insights to analyzing the nature and consequences of a knowledge-based economy.

The Commission shall hold its first meeting no later than 30 days after all voting members have been appointed.

SEC. 5. DUTIES OF THE COMMISSION.

This section describes the duties of the Commission which shall—

(A) review the findings and recommendations of previous studies and commissions (including the Young Commission and the National Innovation Initiative of the Council on Competitiveness);

(B) analyze the current economic environment and competitive challenges facing the U.S. workers and companies;

(C) review the strategies of other nations for responding to the competitive challenges of the new economic environment, and analyze the impact of those strategies on the future of the U.S. economy;

(D) formulate specific recommendations on a broad range of issues related to the development of the nations' skill-base and innovative capacity within the private and public sectors of the U.S. economy. By March 1, 2006 or 18 months after appointment of members, whichever is later, the Commission shall submit to Congress and the President a report regarding the competitive challenges facing the United States, along with conclusions and specific recommendations for legislative and administrative actions for maintaining economic growth, income generation and job creation. The Commission may also submit an interim or any special reports it feels may be necessary.

SEC. 6. POWERS OF THE COMMISSION.

This section describes the powers of the Commission, which include holding hearings, taking testimony, and receiving evidence. The Commission may request information from any Federal department or agency; may accept, use, and dispose of gifts or donations of services or property; may procure analysis, reports and studies from organizations or individuals other than Commission staff analysis; and may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government. The Commission may also receive administrative support from the Administrator of General Services on a reimbursable basis.

SEC. 7. COMMISSION PERSONNEL MATTERS.

This section describes personnel matters for the Commission. Regular members of the Commission shall be allowed travel expenses and shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule for each day of service. The Commission may hire an Executive Director and staff, without regard to the civil service laws and regulations, not to exceed the rate payable for level V of the Executive Schedule. Federal Government employees may be detailed to the Commission without reimbursement and the Commission may procure temporary and intermittent services to support and supplement Commission staff at a rate not to exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule. Regular members of the Commission do not lose any Federal retirement benefits by virtue of service on the Commission.

SEC. 8. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which it submits the final report.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

This section authorized $10,0000,000 to be appropriated to the Commission, to remain available until expended.

S. 2747

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 ''Commission on the Future of the United States Economy Act of 2004''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The United States economy has entered an information age in which innovation and knowledge, including worker skills and creativity, are the keys to competitive advantage.

(2) The need for bold innovation and ever-increasing knowledge imposes increasingly demanding competitive challenges for United States workers and companies.

(3) In 1984, in response to concerns over the condition of the manufacturing sector in the United States, President Ronald Reagan appointed the bipartisan President's Commission on Industrial Competitiveness (hereafter in this Act referred to as the ''Young Commission'') that addressed the issue of United States competitiveness in a new way and developed a framework that has guided policymaking for the past 2 decades.

(4) The Young Commission proposed a reorganization of the performance of the economic and trade functions of the Federal Government, which was never implemented.

(5) The striking changes in world economic circumstances over the 20 years since reorganization was proposed by the Young Commission necessitate reevaluation of the proposal in light of those changes.

(6) Because the challenges facing the United States economy are different in many ways from those of 20 years ago, there is a need to renew the Young Commission's mandate to reexamine America's competitiveness.

(7) Many studies and reports by governmental and nongovernmental organizations, such as the National Innovation Initiative of the Council on Competitiveness, have laid the groundwork for this reexamination.

(8) The changed competitive challenges facing the United States today—

(A) extend beyond a concern over global competition in goods and the loss of domestic manufacturing to the challenges presented by the fusion of manufacturing and services into complex networks and the opening of more service sectors earlier to international competition;

(B) extend beyond concerns over productivity and quality to the challenges presented by the need for increased customization, speed, and responsiveness to customer needs;

(C) extend beyond issues of competitiveness of individual manufacturing firms and industries and to the challenges of ensuring robustness in the networks of manufacturing and service firms and development of new forms of business models;

(D) extend beyond a concern over high-technology research and development and to the challenges of nurturing the entire innovation system, including basic research, technological development, venture capital, new product development, design and aesthetics, new business models, and the development of new markets;

(E) shift attention from concern over raising awareness of trade to a refocusing on the problems of managing the increasing complexity of globalization;

(F) extend beyond the challenges of sustaining a flexible and educated workforce to the challenges of exploring new or better ways to foster the types of skills needed in a knowledge and information economy;

(G) extend beyond concern over cost of capital to the challenges of achieving the dual objectives of unlocking the value of underutilized knowledge assets and insuring the efficiency and stability of the global financial system;

(H) extend beyond a concern over competition from Japan and the Southeast Asian Newly Industrializing Countries (NICs) to the challenges of integrating many countries, such as India, China, and Eastern European nations, into the global economy; and

(I) include the challenges of new demographic dynamics, including the aging of the so-called ''baby boom'' generation, increased life expectancy, below replacement fertility rates in most of the developed world, and increasing populations in the developing world.

(9) In this information age, new ideas, business models, and technologies, including computer and telecommunications, the Internet, and the digital revolution, have combined to alter the economy structurally.

(10) Information, knowledge, and other intangible assets now power our innovation process, which is based both on science-based research and informal creativity and produces the productivity and improvement gains needed to maintain prosperity.

(11) The range of knowledge, information, and intellectual capital-based intangible assets driving economic prosperity include worker skills and know-how, informal relationships that feed creativity and new ideas, high-performance work organizations, new business methods, intellectual property such as patents and copyrights, brand names, and innovation and creativity skills.

(12) Economic statistics and accounting principles have not caught up with this new economic environment.

(13) All sectors of the economy are affected by this new economic environment.

(14) Small and medium-size firms are especially in need of ways to better develop and utilize their information, knowledge, and other intangible assets.

(15) It is vital to the future strength of the United States economy that, as new ideas, scientific discoveries, and knowledge pervade the domestic and international economies, United States firms be able to assess, absorb, and deploy these opportunities quickly for competitive advantage.

(16) While United States firms and workers lead the world in creating and using information, knowledge, and other intangible assets, increasing global competition means that the United States Government and the private sector must continue to develop the information economy in the United States in order to ensure that the people of the United States prosper in this new economic environment.

(17) There is a need for an independent, bipartisan undertaking comparable to the Young Commission to review the new competitive challenges facing the United States and to recommend a framework to guide the making of responsive public policy, including the reorganization of the Federal Government to promote efficiency and economy of operation, to promote private initiatives, and to guide individual decisionmaking about the future of the United States economy as governments, business, labor unions, and the people of the United States struggle with ways to utilize information, foster the development of intangible assets, and promote innovation and competitiveness in the new global information economy.

SEC. 3. ESTABLISHMENT AND PURPOSE.

(a) ESTABLISHMENT.—There is established the Commission on the Future of the United States Economy (hereafter referred to as the ''Commission'').

(b) PURPOSES.—The purpose of the Commission are as follows:

(1) To analyze the worldwide competitive challenges to United States companies and workers.

(2) To make recommendations in accordance with this Act, for the making of responsive public policy, including the reorganization of the Federal Government—

(A) to promote efficiency and economy of operation;

(B) to foster the skills and knowledge the people of the United States need to prosper in the 21st century;

(C) to strengthen the entire innovation system undergirding the United States economy; and

(D) to stimulate the creation of knowledge, inventions, partnerships, and other intangible assets in order to maintain economic growth, income generation, and job creation.

SEC. 4. COMPOSITION AND MEETINGS.

(a) COMPOSITION.—The Commission shall be composed of 22 members as follows:

(1) 17 voting members of whom—

(A) 9 members shall be appointed by the President;

(B) 2 members shall be appointed by the majority leader of the Senate;

(C) 2 members shall be appointed by the minority leader of the Senate;

(D) 2 members shall be appointed by the Speaker of the House of Representatives; and

(E) 2 members shall be appointed by the minority leader of the House of Representatives.

(2) 5 non-voting ex officio members appointed by the President from among the following officials:

(A) The Secretary of the Treasury.

(B) The Secretary of Commerce.

(C) The Secretary of Labor.

(D) The Secretary of Defense.

(E) The United States Trade Representative.

(F) The Chairman of the Council of Economic Advisors.

(G) The Director of the Office of Science and Technology Policy.

(b) QUALIFICATIONS FOR VOTING MEMBERS.—

(1) REQUIREMENTS.—Persons appointed as voting members under subsection (a)(1) shall be selected from among persons who—

(A) are leaders or recognized experts in industry, labor unions, research institutions, academia, and other important social and economic institutions;

(B) have expertise in economics, international trade, services, manufacturing, labor, science and technology, education, business, or have other qualifications or experience pertinent to the duties of the Commission; and

(C) are not officers or employees of the United States Government.

(2) ADDITIONAL CONSIDERATION.—To the maximum extent practicable, persons who are appointed as voting members shall be persons who can provide new insights into analysis of the nature and consequences of a knowledge-based economy.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The President shall designate one voting member of the Commission as Chairperson. The voting members of the Commission shall elect a Vice Chairperson from among the voting members of the Commission appointed by the majority leader of the Senate, the minority leader of the Senate, the Speaker of the House of Representatives, and the minority leader of the House of Representatives. The Vice Chairman shall not be affiliated with the same political party as the Chairman.

(d) INITIAL APPOINTMENTS; VACANCIES.—

(1) INITIAL APPOINTMENTS.—Members shall be appointed not later than 60 days after the date of the enactment of an Act making appropriations authorized under section 9.

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

(e) MEETINGS.—

(1) IN GENERAL.—The Commission shall meet at the call of the Chairperson.

(2) INITIAL MEETING.—The Commission shall hold its first meeting not later than 30 days after all voting members of the Commission have been appointed under subsection (a).

(f) QUORUM.—A majority of the voting members of the Commission shall constitute a quorum.

(g) VOTING.—Each voting member of the Commission shall be entitled to 1 equal vote.

SEC. 5. DUTIES OF THE COMMISSION.

(a) STUDY.—

(1) IN GENERAL.—The Commission shall conduct a study of the United States economy and the competitiveness of United States companies and workers.

(2) SCOPE.—In conducting the study under this subsection, the Commission shall—

(A) review the findings and recommendations of previous commissions, including the Young Commission, and the studies (including resulting findings and recommendations) of others that are relevant to the work of the Commission, including the National Innovation Initiative of the Council on Competitiveness;

(B) analyze the current economic environment and competitive challenges facing United States workers and companies;

(C) review the strategies of other nations for responding to the competitive challenges

of the new economic environment, and analyze the impact of those strategies on the future of the United States economy;

(D) formulate specific recommendations on a broad range of issues related to the development of the skill-base and innovative capacity within the private and public sectors of the United States economy and other priorities related to the knowledge and information economy, including recommendations regarding—

(i) the reorganization of the Federal Government to promote efficiency and economy of operation;

(ii) education and training policy;

(iii) labor policy;

(iv) economic development;

(v) science and technology policy and organization;

(vi) intellectual property rights;

(vii) telecommunications policy;

(viii) international economic policy, including trade and finance and the management of globalization;

(ix) macroeconomic policy;

(x) financial regulation and accounting policy;

(xi) antitrust policy;

(xii) public and private infrastructure development and entrepreneurship; and

(xiii) small business development;

(E) formulate recommended policies and actions for—

(i) transforming the education and training process in the United States as necessary to ensure effectiveness for facilitating life-long learning;

(ii) upgrading the skills of the United States workforce to compete effectively in the new economic environment, including mathematics and science skills, critical thinking skills, communication skills, language and intercultural awareness, creativity, and interpersonal relations essential for success in the information age;

(iii) promoting a broad system of innovation and knowledge diffusion, including nontechnological ingenuity and creativity as well as science-based research and development;

(iv) fostering the development of knowledge and information assets in all sectors of the United States economy, particularly those sectors of the economy in which rates of productivity and innovation have lagged, and in United States companies of all sizes, particularly small and medium-size companies;

(v) developing jobs that are rooted in local skills and local knowledge assets in order to lessen displacement resulting from ongoing global competition;

(vi) improving access to, and lowering the cost of, capital by unlocking the value to financial markets of underutilized knowledge assets;

(vii) strengthening the efficiency and stability of the international financial system (taking into account the roles of foreign capital and domestic savings in economic growth);

(viii) developing policies and mechanisms for managing the increasing complexity of globalization;

(ix) adjusting to the impacts of global demographic changes in the United States, other developed countries, and developing countries;

(x) improving economic statistics and accounting principles to adequately measure all sectors of the new economic environment, including the value of information, innovation, knowledge, and other intangible assets; and

(xi) improving understanding of how the Federal Government supports and invests in knowledge and other intangible assets;

(b) REPORTS.—

(1) REQUIRED REPORT.—

(A) IN GENERAL.—The Commission shall submit to Congress and the President a report regarding the competitive challenges facing the United States. The report shall include conclusions and specific recommendations for legislative and executive actions.

(B) TIME FOR REPORT.—The report under this paragraph shall be submitted not later than the later of—

(i) March 1, 2006; or

(ii) the date that is 18 months after the date of the initial meeting of the Commission.

(2) OPTIONAL REPORTS.—The Commission may submit to Congress and the President interim or special reports as the Commission determines appropriate.

SEC. 6. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission or, at its direction, any panel or regular member of the Commission, may hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers advisable to carry out this Act.

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

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

(d) ANALYSIS, REPORTS, AND STUDIES.—The Commission may procure analyses, reports, and studies from organizations or individuals other than Commission staff, notwithstanding the restrictions under section 7(e) of this Act.

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

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

SEC. 7. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

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

(c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Commission 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 Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of 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.

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

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services to support and supplement Commission staff under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(f) APPLICABILITY OF CERTAIN PAY AUTHORITIES.—An individual who is a member of the Commission and is an annuitant or otherwise covered by section 8344 or 8468 of title 5, United States Code, by reason of membership on the Commission shall not be subject to the provisions of section 8344 or 8468, as the case may be, with respect to such membership.

SEC. 8. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which the Commission submits the report required under section 5(b)(1).

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Commission $10,000,000 to carry out activities under this Act, to remain available until expended.

By Mrs. CLINTON:

S. 2748. A bill to prohibit the giving or acceptance of payment for the placement of a child, or obtaining consent to adoption; to the Committee on the Judiciary.

Mrs. CLINTON. Mr. President, I rise today to introduce legislation that will create a national penalty for baby selling and help ensure that all families experience safe and legal adoptions.

Although the majority of adoptions are handled by reputable and ethical agencies, each year around the world, hundreds of thousands of children are sold illegally. In these tragic instances, birth mothers and prospective adoptive families alike are victimized by individuals who treat children as commodities. Baby brokers exploit couples who are eager, if not desperate, to adopt a child, and vulnerable women who are unable or unwilling to raise their children. In too many States baby brokering constitutes only a misdemeanor offense. The Baby Selling Prohibition Act of 2004 will make this horrific crime a felony.

I am pleased to partner with Lifetime Television to help raise awareness about this issue and to change public policy. Lifetime's original movie, ''Baby for Sale,'' which is based on the troubling true story of a couple who

tried to adopt a child and got caught up in a baby selling ring, will go a long way toward raising the Nation's consciousness of this issue, and, I hope, generate support for my legislation.

The movie ''Baby for Sale'' highlights the story of a prospective adoptive couple, William and Lauren Schneider, who registered with an online agency called ''Adoption Online.'' Through this agency, they met a lawyer who introduced them to a baby, Nikolett, who they were told was available for adoption. The Schneiders fell in love with Nikolett at once and wanted to begin the adoption procedures so that they could begin their life as a family together. However, when the lawyer asked them for $60,000 under-the-table to process the adoption the couple alerted the authorities, and ultimately uncovered a bidding war between multiple couples for this little girl. The public outrage surrounding this case led to a change in New York law last year. Under New York's new law, baby selling is considered a felony instead of a misdemeanor.

The Baby Selling Prohibition Act of 2004 is modeled after New York's law. It makes profiting from the sale of a child, defined as charging fees beyond those that are reasonable and allowable, a felony, punishable by up to 10 years in prison.

This critical legislation will prevent families from enduring the same agony that the Schneider's went through and will ensure that every adoptive child's safety and best interest is strictly maintained in all adoption cases.

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. 2478

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 ''Baby Selling Prohibition Act of 2004''.

SEC. 2. PROHIBITION.

(a) IN GENERAL.—Chapter 77 of title 18, United States Code, is amended by adding at the end the following:

''§ 1596. Accepting or charging excess amounts in connection with the placement of a child or obtaining consent to adoption

''(a) DEFINITION OF MINOR.—In this section, the term 'minor' has the same meaning as in section 25(a)(2).

''(b) IN GENERAL.—Whoever, in connection with the adoption of a minor, knowingly accepts or charges any fee in excess of the allowable costs for adoption, as those costs are defined under the law of the State in which the adoption is finalized, shall be imprisoned for not more than 10 years.

''(c) ALLOWABLE COSTS.—If, under the law of any State in which an adoption is finalized, the allowable costs associated with the adoption of a minor are not defined, the allowable costs for purposes of this section shall be—

''(1) maternity-related medical and costs;

''(2) travel, meal, and lodging costs accrued when necessary for court appearances;

''(3) counseling fees;

''(4) fees to cover pre- and post-adoption counseling provided by a licensed health practitioner;

''(5) attorney and legal fees associated with the adoption;

''(6) foster care for the child to be adopted; and

''(7) foster care for the child to be adopted, and costs associated with medical care, routine care, travel, and living expenses of the child to be adopted.

''(d) LIMITATION.—All costs described under subsection (b) or (c) shall be reasonable and customary within the State in which the adoption is finalized.

''(e) APPLICABILITY.—This section shall apply to all individuals, intermediaries, or entities involved in the adoption of a minor.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 77 of title 18, United States Code, is amended by adding at the end the following:

''1596. Accepting or charging excess amounts in connection with the placement of a child or obtaining consent to adoption.''.

By Mr. SARBANES:

S. 2749. A bill to establish a grant program to provide comprehensive eye examinations to children, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. SARBANES. Mr. President, today I am introducing legislation to provide financial support to ensure that uninsured children who have failed vision screenings are able to obtain the glasses or eye treatments they need.

Almost every State in the Union has a system in place to detect vision problems at an early age. Indeed, 30 states and the District of Columbia require vision screening for children beginning with their entry into the school system and eleven additional states recommend such screenings for preschool children. But this system is incomplete. When children fail the screen, there is no requirement that they receive treatment of any kind. And if they are uninsured, their families often cannot afford a visit to the ophthalmologist and obtain the treatment they need to address the problem identified by the screening.

Mr. President, taking steps to identify a problem, but to then fail to address it doesn't make sense; in particular when delay in treatment can have lifelong consequences. For example, one of the most common eye diseases of early childhood, amblyopia or ''lazy eye,'' responds to treatment 95 percent of the time when it is addressed by the age of three. If treatment is delayed until the age of five, however, the likelihood that the problem can be corrected is reduced to 10 percent. Children who cannot correct these refractive vision problems start school at an enormous disadvantage in terms of their ability to learn.

The legislation I am introducing today would help to obviate this deficit. Simply put, it would authorize the Secretary of Health and Human Services, acting through the Center for Disease Control Director, to provide $75 million worth of grants to states for exams and necessary treatment for uninsured children who have failed a vision screening and cannot afford follow-on treatment.

Ample evidence underscores the need for this type of legislation. A study conducted by Dr. Mark Preslan and Audrey Novak of the Maryland Center for Sight, entitled The Baltimore Vision Screening Project found that strabismus—also known as cross-eyes—amblyopia and refractive errors, occurred in higher frequencies and remained untreated for a population sample of youth in schools in lower income areas. The study's main conclusion stated, ''Children with limited access to specialized eye care must be provided with a mechanism for obtaining these services.''

This disparity exists at the national level as well, and our minority populations are especially underserved. A team of researchers from the University of Michigan documented a national example of differential access to vision treatment. Their research showed that minority children and uninsured children are far less likely to get complete eye exams or glasses. A study in January's Optometry and Vision Sciences demonstrated that uninsured African American and Hispanic children were far less likely to receive vision correction, and that this disparity results from lack of services as opposed to less frequent occurrences of eye problems in these populations.

A study by the Kaiser Commission on the Uninsured reveals that uninsured children are over five times more likely to have an unmet need for medical care. According to a report by the Caring Foundation for Children, 20 percent of uninsured children have untreated vision problems. According to Prevent Blindness America data, 12.1 million school-aged children have vision impairment. Among preschool-aged children, more than 5 percent have a problem that can cause permanent sight loss if left untreated, and almost 80 percent of that 5 percent never get an exam. Another study by the Vision Council of America reported that 40 percent of children who fail a vision screen do not receive the recommended follow-up care. The same study found the average delay between a failed screening and follow-up evaluation by an eye-care professional was 4.1 years.

Most of our States are taking the important first step of identifying young children with vision problems through mandatory vision screening. This legislation simply takes the next step to help provide a remedy for those children who cannot afford treatment.

By Mr. SANTORUM (for himself and Mr. CORZINE):

S. 2751. A bill to encourage savings, promote financial literacy, and expand

opportunities for young adults by establishing KIDS Accounts; to the Committee on Finance.

Mr. SANTORUM. Mr. President, today, I am introducing ''The America Saving for Personal Investment, Retirement, and Education (ASPIRE) Act of 2004'' along with Senator CORZINE. A bipartisan group of members is introducing companion legislation in the House of Representatives. The bill creates a Kids Investment and Development Savings (KIDS) Account for every child at birth and creates a new opportunity for the children of low-income Americans to build assets and wealth.

This country has seen a growing number of Americans investing in the stock market and has witnessed an historic boom in homeownership, which has increased to a record high 68 percent. However, this growth in assets has not reached every American. While many middle- and upper-income families have increased their assets in the past decade, many low-income families have not had the same financial success. A recent study conducted by the Federal Reserve found that the median net worth of families in the bottom 20 percent of the nation's income level was a mere $7,900 an amount that is far too low to ensure a comfortable economic future for their family. This challenge needs to be addressed to ensure that lower income families have a significant opportunity to accrue wealth and expand opportunities for their families.

Under this legislation, KIDS Accounts would be created after a child is born and a Social Security number issued. A one-time $500 deposit would automatically be placed into a KIDS account. Children from households below the national median income would receive an additional deposit of $500 at birth and would be eligible to receive dollar-for-dollar matching funds up to $500 per year for voluntary contributions to the account, which cannot exceed $1,000 per year. All funds grow tax-free. Access to the account prior to age 18 would not be permitted, but kids—in conjunction with their parents—would participate in investment decisions and watch their money grow. When the young person turns 18, he or she can use the accrued money for asset building purposes such as education, homeownership, and retirement planning. Accrued funds could also be rolled over into Roth IRA accounts to expand investment options.

I would like to highlight what I view as the two major benefits of this legislation. The first, and most apparent, is that this bill will help give younger individuals, especially low-income Americans, a sound financial start to begin their adult life. For example, a typical low-income family making modest but steady contributions can create a KIDS Account worth over $20,000 in 18 years. Second, and perhaps more important, is that KIDS Accounts creates opportunities for all Americans to become more financially literate. The account holders and their guardians will choose from a list of possible investment funds and will be able to watch their investment grow over time. All Americans will have the opportunity to see first hand that a smart investment now can grow over time into considerable wealth.

I believe that this bill could be a significant step forward in the effort to expand asset opportunities to all Americans and encourage my colleagues to support this bipartisan effort.

Mr. CORZINE. Mr. President, I am pleased to join with Senator SANTORUM in introducing the ASPIRE Act of 2004, which would expand opportunities for young adults, encourage savings, and promote financial literacy, by establishing investment accounts, known as KIDS Accounts, for every child in America.

ASPIRE is based largely on a similar initiative in the United Kingdom developed by Prime Minister Tony Blair. Yet despite its British roots, the proposal is based on the most basic of American values. By giving every young person resources with which to get a start in life, ASPIRE will help realize the American ideal of equal opportunity. And by making every young person an investor, the proposal would encourage self reliance, promote savings, and give every family a personal stake in America's economy.

Under ASPIRE, an investment account would be established for every American child upon receiving a Social Security number. Each account would be funded initially with $500. Those with incomes less than the national median would receive an additional contribution of up to $500, and would receive a one-for-one government match for their first $500 of private contributions each year. Up to $1000 of after-tax private contributions would be allowed annually from any source.

Funds would accumulate tax-free and could not be withdrawn for purposes other than higher education until the child reaches the age of 18. At that point, funds could be withdrawn either for higher education or for the purchase of a home. Funds left unspent would be saved for retirement under rules similar to those that apply to Roth IRAs. Once the account holder reaches the age of 30, the initial $500 government contribution would have to be repaid, though exceptions could be made to avoid undue hardship.

Accounts initially would be held by a government entity that would be based on the successful Thrift Savings Plan, or TSP, which now manages retirement accounts for Federal employees with relatively low administrative costs. As with the TSP, investors would have a range of investment options, such as a government securities fund, a fixed income investment fund, and a common stock fund. However, once an account holder reaches the age of 18, funds could be rolled over to a KIDS Account held at a private institution.

It is difficult to understate the potential impact of giving every American child a fun investment account of their own. For the first time, every child will have a meaningful incentive to learn the basics of investing, because they will have real resources to invest. For the first time, even families with modest incomes will have a significant incentive to save, to earn the government match. And, perhaps most fundamentally, for the first time, every American child will grow up knowing that when they reach adulthood, they will have the ability to invest in themselves and in their own education. In short, every child will have hope for a real future.

Considering its potentially significant social and individual benefits, the ASPIRE Act requires an investment that is relatively modest. It has been estimated that, when it becomes effective, the bill's cost would represent only about one tenth of one percent of the Federal budget. Yet the proposal differs from other proposals for new spending or tax cuts because, for the first 18 years, it would not reduce overall national savings at all. In that period, virtually every dollar of outlays would be saved, and would be available to expand long-term economic growth. In fact, the proposal would lead to an increase in national savings because of its incentives for families to save more. This would help create the economic growth we need to handle the added burdens associated with the impending retirement of the baby boomers.

Senator SANTORUM and I have been working on this legislation for many months, along with sponsors of identical legislation in the House, Congressmen HAROLD FORD, PATRICK KENNEDY, THOMAS PETRI and PHIL ENGLISH. In that process, we have been assisted by a broad range of experts and other interested parties, for which I am very grateful. However, I want to especially thank Ray Boshara and Reid Cramer of the New America Foundation, who have been extraordinarily helpful in the development of the legislation, and who have taken the lead in efforts to promote this and other asset building initiatives.

I recognize that given the lateness of the session, it is unlikely that this legislation will see action in the 108th Congress. However, Senator SANTORUM and I are hopeful that those with an interest in the proposal will review the language of the bill and give us feedback in the coming months. We are open to suggestions for improvements and expect to introduce a revised version of the legislation in the next Congress.

The ASPIRE Act is a big new idea based on simple, old time American values. It already enjoys strong bipartisan support from conservatives and progressives, alike, in both houses of Congress. I look forward to working with colleagues on both sides of the aisle to secure its prompt enactment.

By Mr. HATCH:

S. 2752. A bill to reform Federal budget procedures, to impose spending safeguards, to combat waste, fraud, and abuse, to account for accurate Government agency costs, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

Mr. HATCH. Mr. President, I rise today to introduce the Family Budget Protection Act of 2004, legislation to help bring our Federal spending under control. The companion to this bill, H.R. 3800, was introduced in the House of Representatives earlier this year by Congressman JEB HENSARLING of Texas, who has been joined by 103 cosponsors.

As all of our colleagues know, our Federal budget situation has been under tremendous strain during the past several years. After enjoying several years of actual and projected surpluses in the later part of the last decade, we have unfortunately suffered a near perfect storm of events that has drastically turned the budget situation from one of sunny optimism to one of great concern. These events, of course, include the recession that followed the bursting of the high tech bubble and stock market adjustment, the corporate scandals, the tragic events of September 11, 2001, and the subsequent expenditures for the wars in Afghanistan and Iraq, and the need for increased spending for homeland security.

The result of these events, combined with the tax cuts that were necessary to get the economy back on a solid path of growth, have had a devastating effect on the Federal budget and its outlook. While I fully support President Bush's initiatives for pursuing the war on terror and protecting our homeland, along with his plan for helping the economy recover, which has obviously worked, I am very concerned about our Federal budget and in finding a way to get it back to balance.

Much of what has happened to our budget has been unavoidable, given the events of the past few years. In my view, we have simply had no choice but to spend the money necessary to fight the war on terror and improve our homeland security. Moreover, we will have to keep spending significant sums for these purposes. After all, providing for our national security has to be our first and highest priority.

I also believe that the tax cuts of 2001, 2002, and 2003 were all necessary to our future prosperity. In order to get our economy growing again and get our people back to work, we needed the economic stimulus that these tax cuts provided.

Not surprisingly, some of my colleagues point the finger solely at these tax cuts as the culprit for our Federal deficits. In fact, according to reports recently released by the Congressional Budget Office, the tax cuts accounted for only 24 percent of CBO's $2.9 billion deficit projection between 2002 and 2011. CBO also estimated that increased spending on entitlement programs and legislated spending increases, particularly homeland security measures, accounted for 76 percent of the deficit projection over this same period. The tax cuts did contribute to the deficit; however, they were crucial to the recent economic recovery we are experiencing.

However, there are other factors that have been and are continuing to contribute to growing deficits that are not vital to our national security or future prosperity. What I am talking about here is the growing tendency for Congress to spend money unnecessarily on various other projects that have far less merit. And, I am talking about the fraud and waste that continues to plague our government.

It seems that just about every time I return home to the State of Utah, I talk with Utah taxpayers who want to know why, given our deteriorating budget circumstances, Congress is not doing more to rein in excess spending. I find that Utahns, like other Americans, are generally willing to pay the high price of fighting the war on terror and of protecting our homeland. But no one wants to pay for wasteful spending or projects that are not necessary. Utahns are increasingly wondering why more cannot be done to ensure that their hard-earned dollars are not going to be wasted or misspent. I believe this bill goes a long ways toward addressing these concerns.

I recognize that it is always tempting to buy now and pay later, extend budget deficits, and increase the size and scope of our government. And, I realize that a government the size of ours is always going to have some fraud and waste associated with it. However, this irresponsible spending and this fraud and waste in government are mortgaging our children's future and shrinking our Nation's dynamic private sector. High deficits and the mountain of Federal debt represent real obligations that hurt our economic security and our ability to prosper, both now and in the future.

I believe that a large part of the problem with this unwarranted spending, and with this fraud and waste, is rooted in the Federal budget process itself. The current budget process is overly complicated, and in many respects, largely incomprehensible. More importantly, it encourages overspending. There is no doubt that its systemic problems contribute largely to our budget deficits.

The Family Budget Protection Act is an opportunity to overhaul a Federal budget process that desperately needs revision. It is an opportunity to tilt the process away from more spending and fraud and waste toward a more responsible way of determining where the taxpayers hard-earned tax dollars are to be spent.

I think Congressman HENSARLING may have said it best when he noted that Washington clearly has a spending problem, not a taxing problem. It is irresponsible for us to continue to demand more money from taxpayers when we continue to flush much of that money straight down the drain by funding wasteful, useless, antiquated, or unnecessary government projects.

I recognize that it is very late in the second session of the 108th Congress and that in this very partisan election year, not much more legislation is likely to be approved. I also recognize that some of the provisions of this bill are controversial and that the House of Representatives recently defeated a bill that included some of these provisions. However, I believe it is important to lay before the Senate this year a comprehensive set of budget reform provisions, and to introduce in this body a budget reform concept bill that can be debated, discussed, examined over the next few months, and built upon in the 109th Congress.

Some of the major features of this legislation would accomplish the following:

Provide a Joint Budget Resolution. The Family Budget Protection Act would change the concurrent budget resolution into a joint budget resolution that is signed by the President and has the force of law. This provision would enable both the President and Congress to commit to the same budget before spending any money that year. Our current budget procedure does not bring Congress and the President to settle on even a basic budget framework until the very end of the process when the government is on the verge of shutting down.

Simplify the Budget. This bill would simplify the current budget into a one-page budget by replacing the current 20 budget functions with established spending levels for only four broad categories—mandatory spending, non-defense and defense discretionary spending, and a rainy day fund for emergencies.

Establish a Rainy Day Fund. This bill would abolish the practice of designating spending as ''emergency spending,'' which is a practice often used to avoid spending safeguards. Spending for true emergencies would be paid for through a ''rainy day'' fund. All spending that is incurred through the ''rainy day'' fund must be defined as sudden, urgent, unforeseen, and temporary. Emergencies that exhaust the rainy day fund would be permissible if they were able to overcome a supermajority point of order lying against them.

Set Up Government Shut-Down Protections. The Family Budget Protection Act would provide government shutdown protection through an automatic continuing resolution in the event that an agreement between Congress and the President on spending levels was not reached by the legal deadline. In order to avoid simple inaction by Congress, Federal agencies would receive one percent less funding each quarter the government operated under a continuing resolution.

Provide a Two-Thirds Supermajority Vote. New pay-go rules would be established setting up points of order against spending not included in the budget. This bill would raise the bar for points of order to require a two-thirds supermajority vote (rather than the current three-fifths), in both the House and the Senate, to sanction over-budget spending and spending in violation of the caps.

Set Up Spending Caps. The bill would limit growth in entitlement spending to the current inflationary adjustment for each program and growth in population. The bill would also set discretionary spending caps that would allow spending to grow for inflation, with a firewall separating defense, nondefense, and emergency spending. These spending caps would be protected by points of order and enforced with an across-the board sequester if breached.

Establish Family Budget Protection Accounts. Perhaps one of the most common-sense provisions of the Family Budget Protection Act would be the establishment of Family Budget Protection Accounts. These accounts would allow Congress to target spending during the appropriations process and redirect that spending for family tax relief or deficit reduction at the end of the fiscal year.

Combat Waste, Fraud, and Abuse. Under the Family Budget Protection Act, every voluntary entitlement program and all discretionary programs would be sunset in fiscal year 2008 and 2009 to allow for a thorough cost-benefit analysis to see whether they still merit Federal funding. Entitlement programs such as Social Security, Medicare Part A, and Federal retiree benefits would be exempt from this sunset. The bill would also set up a commission to submit recommendations on how to eliminate waste, fraud, and abuse. The commission's recommendation would either be approved or rejected by Congress as a package, eliminating votes on changes to individual programs. Unlike past proposals, this provision would include defense and entitlement spending in its assessment. The bill would also initiate enhanced rescission authority for the President to propose the elimination of wasteful spending identified in any appropriations bill. The President's proposal would be transmitted to Congress and provided expedited consideration through the legislative process.

The runaway freight train mentality of our Federal government spending simply cannot continue. It is imperative that we move to make these common-sense budget reforms while we are still in a position to do so—rather than continuing to let it control us.

I believe that strong economic growth, combined with tightly controlled spending, are the keys to reducing the deficit and getting the Federal budget in balance again. Although much more needs to be done, we have made great strides in restoring strong economic growth. Along with our continued focus on providing for our national security and fighting the war on terror, I suggest to my colleagues that now is the time to turn our attention to controlling spending. I have no doubt that the reforms included in the Family Budget Protection Act can make a significant contribution to this goal, and I recommend it to my fellow senators for their study and consideration.

By Mr. SMITH:

S. 2753. A bill to authorize the Secretary of Housing and Urban Development to insure zero-downpayment mortgages; to the Committee on Banking, Housing, and Urban Affairs.

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

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

S. 2753

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

SEC. 1. SHORT TITLE.

This Act may be cited as the ''Zero Downpayment Act of 2004''.

SEC. 2. INSURANCE FOR ZERO-DOWNPAYMENT MORTGAGES.

(a) MORTGAGE INSURANCE AUTHORITY.—Section 203 of the National Housing Act (12 U.S.C. 1709) is amended by inserting after subsection (k) the following:

''(l) ZERO-DOWNPAYMENT MORTGAGES.—

''(1) INSURANCE AUTHORITY.—The Secretary may insure, and commit to insure, under this subsection any mortgage that meets the requirements of—

''(A) this subsection; and

''(B) except as otherwise specifically provided in this subsection, subsection (b).

''(2) ELIGIBLE SINGLE FAMILY PROPERTY.—To be eligible for insurance under this subsection, a mortgage shall involve a property upon which there is located a dwelling that is designed principally for a 1- to 4-family residence, and that, notwithstanding subsection (g), is to be occupied by the mortgagor as his or her principal residence, which shall include—

''(A) a 1-family dwelling unit in a multifamily project and an undivided interest in the common areas and facilities which serve the project;

''(B) a 1-family dwelling unit of a cooperative housing corporation, the permanent occupancy of the dwelling units of which is restricted to members of such corporation and in which the purchase of stock or membership entitles the purchaser to the permanent occupancy of such dwelling unit; and

''(C) a manufactured home, or a manufactured home together with a suitably developed lot on which to place the manufactured home.

''(3) MAXIMUM PRINCIPAL OBLIGATION.—

''(A) LIMITATION.—To be eligible for insurance under this subsection, a mortgage shall involve a principal obligation in an amount not in excess of 100 percent of the appraised value of the property, plus any initial service charges, appraisal, inspection, and other fees in connection with the mortgage as approved by the Secretary.

''(B) INAPPLICABILITY OF OTHER LOAN-TO-VALUE REQUIREMENTS.—A mortgage insured under this subsection shall not be subject to subsection (b)(2)(B), or to the undesignated matter that follows such subsection.

''(4) ELIGIBLE MORTGAGORS.—The mortgagor under a mortgage insured under this subsection shall meet the following requirements:

''(A) FIRST-TIME HOMEBUYER.—The mortgagor shall be a first-time homebuyer. The program for mortgage insurance under this subsection shall be considered a Federal program to assist first-time homebuyers for purposes of section 956 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12713).

''(B) COUNSELING.—

''(i) REQUIREMENT.—The mortgagor shall have received counseling, by a third party (other than the mortgagee or any party related directly or indirectly to the mortgagee) who is approved by the Secretary, with respect to the responsibilities and financial management involved in homeownership.

''(ii) TOPICS.—Counseling required under clause (i) shall include providing to, and discussing with, the mortgagor—

''(I) information regarding homeownership options other than a mortgage insured under this subsection, other zero- or low-downpayment mortgage options that are or may become available to the mortgagor, the financial implications of entering into a mortgage (including a mortgage insured under this subsection), and any other information that the Secretary may require; and

''(II) a document that sets forth the amount and the percentage by which the property subject to the mortgage must appreciate for the mortgagor to recover the principal amount of the mortgage, the costs financed under the mortgage, and the estimated costs involved in selling the property, if the mortgagor were to sell the property on each of the second, fifth, and tenth anniversaries of the mortgage.

''(iii) 2- TO 4-FAMILY RESIDENCES.—In the case of a mortgage involving a 2- to 4-family residence, counseling required under clause (i) shall include (in addition to the information required under clause (ii)) information regarding the rights and obligations of landlords and tenants.

''(5) OPTION FOR NOTICE OF FORECLOSURE PREVENTION COUNSELING AVAILABILITY.—

''(A) OPTION.—To be eligible for insurance under this section, the mortgagee shall provide the mortgagor, at the time of the execution of the mortgage, an optional written agreement which, if signed by the mortgagor, allows, but does not require, the mortgagee to provide notice in accordance with subparagraph (B) to a housing counseling entity, approved by the Secertary, that has agreed to provide the notice and counseling required under subparagraph (C).

''(B) NOTICE TO COUNSELING AGENCY.—Notice provided under subparagraph (A) shall—

''(i) be provided at the earliest time practicable after the mortgagor becomes 60 days delinquent with respect to any payment due under the mortgage;

''(ii) state that the mortgagor is delinquent and set forth how to contact the mortgagor; and

''(iii) be provided once with respect to each delinquency period for a mortgage.

''(C) NOTICE TO MORTGAGOR.—Upon notice from a mortgagee that a mortgagor is 60 days delinquent with respect to payments due under the mortgage, the housing counseling entity shall immediately notify the mortgagor of such delinquency, that the entity makes available foreclosure prevention counseling that may assist the mortgagor in resolving the delinquency, and of how to contact the entity to arrange for such counseling.

''(D) ABILITY TO CURE.—Failure to provide the optional written agreement required under subparagraph (A) may be corrected by sending such agreement to the mortgagor at

the earliest time practicable after the mortgagor first becomes 60 days delinquent with respect to payments due under the mortgage. Insurance provided under this subsection may not be terminated and penalties for such failure may not be prospectively or retroactively imposed if such failure is corrected in accordance with this subparagraph.

''(E) PENALTIES FOR FAILURE TO PROVIDE AGREEMENT.—The Secretary may establish appropriate penalties for failure of a mortgagee to provide the optional written agreement required under subparagraph (A).

''(F) LIMITATION ON LIABILITY OF MORTGAGEE.—A mortgagee shall not incur any liability or penalties for any failure of a housing counseling entity to provide notice under subparagraph (C).

''(G) NO PRIVATE RIGHT OF ACTION.—This section shall not create any private right of action on behalf of the mortgagor.

''(H) DELINQUENCY PERIOD.—For purposes of this paragraph, the term 'delinquency period' means, with respect to a mortgage, a period that begins upon the mortgagor becoming delinquent with respect to payments due under the mortgage, and ends upon the first subsequent occurrence of such payments under the mortgage becoming current or the property subject to the mortgage being foreclosed or otherwise disposed of.

''(6) INAPPLICABILITY OF DOWNPAYMENT REQUIREMENT.—A mortgage insured under this subsection shall not be subject to subsection (b)(9) or any other requirement to pay on account of the property, in cash or its equivalent, any amount of the cost of acquisition.

''(7) PREMIUMS.—In conjunction with the credit subsidy estimation calculated each year pursuant to the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.), the Secretary shall review the program performance for mortgages insured under this subsection and make any necessary adjustments to ensure that the Mutual Mortgage Insurance Fund shall continue to generate a negative credit subsidy which may include—

''(A) altering mortgage insurance premiums subject to subsection (c)(2);

''(B) reviewing underwriting policies; and

''(C) limiting the availability of mortgage insurance under this subsection.

''(8) UNDERWRITING.—For a mortgage to be eligible for insurance under this subsection, the mortgagor's credit and ability to pay the monthly mortgage payments shall have been evaluated using the Federal Housing Administration's Technology Open To Approved Lenders (TOTAL) Mortgage Scorecard, or a similar standardized credit scoring system approved by the Secretary, and in accordance with procedures established by the Secretary.

''(9) APPROVAL OF MORTGAGEES.—To be eligible for insurance under this subsection, a mortgage shall have been made to a mortgagee that meets such criteria as the Secretary shall establish to ensure that mortgagees meet appropriate standards for participation in the program authorized under this subsection.

''(10) DISCLOSURE OF INCREMENTAL COSTS.—For a mortgage to be eligible for insurance under this subsection, the mortgagee shall provide to the mortgagor, at the time of the application for the loan involved in the mortgage, a written disclosure, as the Secretary shall require, that specifies the effective cost to a mortgagor of borrowing the amount by which the maximum amount that could be borrowed under a mortgage insured under this subsection exceeds the maximum amount that could be borrowed under a mortgage insured under subsection (b), based on average closing costs with respect to such amount, as determined by the Secretary. Such cost shall be expressed as an annual interest rate over the first 5 years of a mortgage.

''(11) LOSS MITIGATION.—

''(A) IN GENERAL.—Upon the default of any mortgage insured under this subsection, the mortgagee shall engage in loss mitigation actions for the purpose of providing an alternative to foreclosure to the same extent as is required of other mortgages insured under this title pursuant to the regulations issued under section 230(a).

''(B) ANNUAL REPORTING.—Not later than 90 days after the end of each fiscal year, the Secretary shall submit a report to Congress that compares the rates of default and foreclosure during such fiscal year for mortgages insured under this subsection, for single-family mortgages insured under this title (other than under this subsection), and for mortgages for housing purchased with assistance provided under the downpayment assistance initiative under section 271 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12821).

''(12) ADDITIONAL REQUIREMENTS.—The Secretary may establish any additional requirements for mortgage insurance under this subsection as may be necessary or appropriate.

''(13) LIMITATION.—The aggregate number of mortgages insured under this section in any fiscal year may not exceed 30 percent of the aggregate number of mortgages and loans insured by the Secretary under this title during the preceding fiscal year.

''(14) PROGRAM SUSPENSION.—

''(A) IN GENERAL.—Subject to subparagraph (C), the authority under paragraph (1) to insure mortgages shall be suspended if at any time the claim rate described in subparagraph (B) exceeds 3.5 percent. A suspension under this subparagraph shall remain in effect until such time as such claim rate is 3.5 percent or less.

''(B) FHA TOTAL SINGLE-FAMILY ANNUAL CLAIM RATE.—The claim rate under subparagraph (A), for any particular time, shall be the ratio of the number of claims during the 12 months preceding such time on mortgages on 1- to 4-family residences insured pursuant to this title, to the number of mortgages on such residences having such insurance inforce at that time.

''(C) APPLICABILITY.—A suspension under subparagraph (A) shall not preclude the Secretary from endorsing or insuring any mortgage that was duly executed before the date of such suspension.

''(15) SUNSET.—No mortgage may be insured under this section after September 30, 2011, except that the Secretary may endorse or insure any mortgage that was duly executed before such date.

''(16) GAO REPORTS.—Not later than 2 years after the date of enactment of the Zero Downpayment Act of 2004, and annually thereafter, the Comptroller General of the United States shall submit a report to Congress regarding the performance of mortgages insured under this subsection.

''(17) IMPLEMENTATION.—The Secretary may implement this subsection on an interim basis by issuing interim rules, except that the Secretary shall solicit public comments upon publication of such interim rules and shall issue final rules implementing this subsection after consideration of the comments submitted.''.

(b) MORTGAGE INSURANCE PREMIUMS.—The second sentence of subparagraph (A) of section 203(c)(2)(A) of the National Housing Act (12 U.S.C. 1709(c)(2)(A)) is amended by striking ''In'' and inserting ''Except with respect to a mortgage insured under subsection (l), in''.

By Mr. DASCHLE (for himself, Mr. REED, Mrs. MURRAY, Mr. JOHNSON, Ms. MIKULSKI, Ms. CANTWELL, Ms. STABENOW, and Mr. LEAHY):

S. 2754. A bill to amend the Social Security Act to protect social security cost-of-living adjustments (COLA); to the Committee on Finance.

Mr. DASCHLE. Mr. President, 8 months ago, the Republican leadership pushed through Congress a lemon of a Medicare prescription drug bill that has been breaking down part by part since the day it was passed.

First, we learned drug companies were raising the prices of many drugs, erasing what little discounts the administration's drug card program might have offered.

Next, we learned the administration concealed its cost estimates, misled Congress, and threatened the Medicare actuary with termination for trying to respond to Congressional requests for information.

Then, we heard that some seniors who enrolled in the program were going to see reductions in other benefits, such as food stamps.

Later, days after the Drug Card program began, seniors from across the country began to report that it was too confusing and studies revealed there were lower prices available from major online pharmacies.

Finally, we learned that the HHS website established to help seniors navigate their way through the labyrinth of the myriad cards was riddled with false information.

The most recent discovery, however, is the most troubling of all, because what we're talking about is not policy breakdown, but policy sabotage.

Let me explain: Every senior has his or her Medicare Part B premium withdrawn from their Social Security check. But when the increase in health care inflation began to outpace seniors' Social Security cost of living adjustments, Congress protected seniors by making it impossible for a senior's Medicare premiums to go up more than the value of his or her Social Security COLA. It's called the ''hold harmless'' protection, and it makes a simple promise to seniors: The cost of health care will not come at the expense of the cost of living.

We have now learned that behind closed doors and in the dark of night, Republican leaders undermined this promise. Like Part B premiums, the new prescription drug premiums will come out of a senior's Social Security check. But unlike in traditional Medicare, the new drug bill does not protect seniors with a ''hold harmless'' provision.

It was never mentioned in the debate and no one has stepped forward to take responsibility in the months since. But if we don't fix the problem, it will eventually result in the decimation of seniors' Social Security annual cost of living adjustment.

Never have these protections been more important. In the past several years, the consumer price index, on

which Social Security COLAs are pegged, has remained very low. At the same time, the cost of health care has been skyrocketing by double-digit percentages. In the 4 years of this administration, the cumulative increase in the Medicare monthly premiums will be at least $26, nearly twice as much as in the prior eight years under the Clinton administration. In addition, the Medicare Part B premium increase for 2005 is projected to be $114, the largest ever.

For seniors on a fixed income, every dollar counts. The hold harmless protection is the only thing standing in the way of lower and lower Social Security checks.

But the Republican leadership chose not to protect seniors in this drug bill, despite the fact that the cost of pharmaceuticals is increasing even faster than the cost of health care overall. Medicare Part D premiums are expected to rise 7.5 percent per year. The result will be a steady erosion of Social Security checks, and real damage to seniors' ability to pay their bills and keep up with inflation.

According to a new report by the Joint Economic Committee, one in four seniors will lose a quarter of their COLA just on Medicare premium increases by 2007. In 2014, nearly two in three seniors will see the same level of loss. And those most vulnerable will be the ones most severely harmed. For an elderly woman with a monthly benefit of $500, the increase in Medicare premiums will take an average of 60 percent of her COLA from 2007 to 2010, and an average of 66 percent from 2011 to 2014.

Let's not mince words. This is the worst kind of bait and switch. We cannot stand by and allow seniors to be cheated out of their cost of living increases in exchange for a confusing drug benefit that fails to bring down the cost of drugs.

Today, I am introducing the Social Security COLA Protection Act of 2004 to make sure that senior citizens continue to receive a COLA that helps them keep pace with inflation. This bill would restore seniors' protections and ensure that no more than 25 percent of their annual COLAs could be taken away by increases in Medicare premiums. The remaining 75 percent would be secure. For a senior citizen receiving a $600 monthly benefit, this bill would protect more than $2,200 over the next 10 years. That's money seniors will need to cover increases in clothing, food, housing and energy prices.

We're not talking about adding an extra benefit to Social Security. We're talking about protecting seniors' existing benefit from a drug plan that appears now to be little more than a wolf in sheep's clothing.

This wasn't the prescription drug bill seniors were promised. Upon the passage of this bill, President Bush said, ''Some older Americans spend much of their Social Security checks just on their medications. . . . Elderly Americans should not have to live with those kinds of fears and hard choices. This new law will ease the burden on seniors and will give them the extra help they need.''

As we have seen so often, there has been a gap between what this administration promised, and what it delivered. In the guise of easing one burden on seniors, the administration has added yet another.

I wish the White House and the Republican leadership in Congress had listened more closely to some of the voices of seniors during the debate last Fall. One man from Nashville, Tennessee looked at the details of this bill and asked, ''Do you think anybody in Washington has any idea what people on a limited income have to do to live?''

If the authors of the prescription drug bill truly understood what seniors on fixed incomes must go through, they never would have passed it.

Democrats are fighting to make things right again. We do understand the struggles of America's seniors and the burden drug costs put on their finances. Seniors were promised a real prescription drug benefit for Medicare. The Republicans' prescription drug bill has proven to be tragically inadequate. The COLA protection bill we are introducing today represents an important step in repairing the damage, and Democrats will keep fighting until seniors get the help they were promised and the benefit they deserve.

I want to thank the Joint Economic Committee Democrats for their efforts to identify and highlight this problem. Senator JACK REED is the senior Democratic Senator on the Committee, and the lead cosponsor of the COLA protection bill. Senator PATTY MURRAY joined us in highlighting the problem yesterday. She is also a cosponsor, along with five other Senate Democrats.

This is truly a bicameral effort. My South Dakota colleague, STEPHANIE HERSETH, is sponsoring the House bill. This is the first bill she is introducing in Congress, and I am proud that she is helping lead this fight for seniors in South Dakota and across the country. Many other House Democrats are joining her in this effort.

Senator REED will be inserting the JEC report into the RECORD. I encourage my colleagues to read it. I ask unanimous consent to print in the RECORD a fact sheet on the bill that was prepared by Representative PELOSI's office, as well as a document prepared by the House Ways and Means Committee staff that provides several illustrative examples of how the bill would work, how much retirees would save if it becomes law, and what percentage of Medicare enrollees will benefit. I also ask unanimous consent that the text of the bill be printed in the RECORD.

We will continue our effort to protect America's seniors and address the problems created by last year's prescription drug bill when Congress returns in the fall.

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

S. 2754

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 ''Social Security COLA Protection Act of 2004''.

SEC. 2. PROTECTION OF SOCIAL SECURITY COLA INCREASES AGAINST EXCESSIVE MEDICARE PREMIUM INCREASES.

(a) APPLICATION TO PART B PREMIUMS.—Section 1839(f) of the Social Security Act (42 U.S.C. 1395r(f)) is amended—

(1) by striking ''(f) For any calendar year after 1988'' and inserting ''(f)(1) For any calendar year after 1988 and before 2005''; and

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

''(2) For any calendar year (beginning with 2005), if an individual is entitled to monthly benefits under section 202 or 223 or to a monthly annuity under section 3(a), 4(a), or 4(f) of the Railroad Retirement Act of 1974 for November and December of the preceding year, if the monthly premium of the individual under this section for December of the preceding year and for January of the year involved is deducted from those benefits under section 1840(a)(1) or section 1840(b)(1), and if the amount of the individual's premium is not adjusted for January of the year involved under subsection (i), the monthly premium otherwise determined under this section for the individual for that year shall not be increased pursuant to subsection (a)(3) to an amount that exceeds 25 percent of the amount of the increase in such monthly benefits for that individual attributable to section 215(i).''.

(b) APPLICATION TO PART D PREMIUMS.—

(1) IN GENERAL.—Section 1860D–13(a)(1) of such Act (42 U.S.C. 1395ww-113(a)(1)) is amended—

(A) in subparagraph (F), by striking ''(D) and (E),'' and inserting ''(D), (E), and (F),'';

(B) by redesignating subparagraph (F) as subparagraph (G); and

(C) by inserting after subparagraph (E) the following new subparagraph:

''(F) PROTECTION OF SOCIAL SECURITY COLA INCREASE.—For any calendar year, if an individual is entitled to monthly benefits under section 202 or 223 or to a monthly annuity under section 3(a), 4(a), or 4(f) of the Railroad Retirement Act of 1974 for November and December of the preceding year and was enrolled under a PDP plan or MA–PD plan for such months, the base beneficiary premium otherwise applied under this paragraph for the individual for months in that year shall be decreased by the amount (if any) by which the sum of the amounts described in the following clauses (i) and (ii) exceeds 25 percent of the amount of the increase in such monthly benefits for that individual attributable to section 215(i):

''(i) PART D PREMIUM INCREASE FACTOR.—

''(I) IN GENERAL.—Except as provided in this clause, the amount of the increase (if any) in the adjusted national average monthly bid amount (as determined under subparagraph (B)(iii)) for a month in the year over such amount for a month in the preceding year.

''(II) NO APPLICATION TO FULL PREMIUM SUBSIDY INDIVIDUALS.—In the case of an individual enrolled for a premium subsidy under section 1860D–14(a)(1), zero.

''(III) SPECIAL RULE FOR PARTIAL PREMIUM SUBSIDY INDIVIDUALS.—In the case of an individual enrolled for a premium subsidy under

section 1860D–14(a)(2), a percent of the increase described in subclause (I) equal to 100 percent minus the percent applied based on the linear scale under such section.

''(ii) PART B PREMIUM INCREASE FACTOR.—If the individual is enrolled for such months under part B—

''(I) IN GENERAL.—Except as provided in subclause (II), the amount of the annual increase in premium effective for such year resulting from the application of section 1839(a)(3), as reduced (if any) under section 1839(f)(2).

''(II) NO APPLICATION TO INDIVIDUALS PARTICIPATING IN MEDICARE SAVINGS PROGRAM.—In the case of an individual who is enrolled for medical assistance under title XIX for medicare cost-sharing described in section 1905(p)(3)(A)(ii), zero.''.

(2) APPLICATION UNDER MEDICARE ADVANTAGE PROGRAM.—Section 1854(b)(2)(B) of such Act (42 U.S.C. 1395w-24(b)(2)(B)), as in effect as of January 1, 2006, relating to MA monthly prescription drug beneficiary premium, is amended by inserting after ''as adjusted under section 1860D–13(a)(1)(B)'' the following: ''and section 1860D–13(a)(1)(F)''.

(3) PAYMENT FROM MEDICARE PRESCRIPTION DRUG ACCOUNT.—Section 1860D–16(b) of such Act (42 U.S.C. 1395w-116(b)) is amended—

(A) in paragraph (1)—

(i) by striking ''and'' at the end of subparagraph (C);

(ii) by striking the period at the end of subparagraph (D) and inserting ''; and''; and

(iii) by adding at the end the following new subparagraph:

''(E) payment under paragraph (5) of premium reductions effected under section 1860D–13(a)(1)(F).''; and

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

''(5) PAYMENT FOR COLA PROTECTION PREMIUM REDUCTIONS.—

''(A) IN GENERAL.—In addition to payments provided under section 1860D–15 to a PDP sponsor or an MA organization, in the case of each part D eligible individual who is enrolled in a prescription drug plan offered by such sponsor or an MA–PD plan offered by such organization and who has a premium reduced under section 1860D–13(a)(1)(F), the Secretary shall provide for payment to such sponsor or organization of an amount equivalent to the amount of such premium reduction.

''(B) APPLICATION OF PROVISIONS.—The provisions of subsections (d) and (f) of section 1860D–15 (relating to payment methods and disclosure of information) shall apply to payment under subparagraph (A) in the same manner as they apply to payments under such section.''.

(c) DISREGARD OF PREMIUM REDUCTIONS IN DETERMINING DEDICATED REVENUES UNDER MMA COST CONTAINMENT.—Section 801(c)(3)(D) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173) is amended by adding at the end the following: ''Such premiums shall also be determined without regard to any reductions effected under section 1839(f)(2) or 1860D–13(a)(1)(F) of such title.''.

(d) EFFECTIVE DATES.—

(1) PART B PREMIUM.—The amendments made by subsection (a) apply to premiums for months beginning with January 2005.

(2) PART D PREMIUM.—The amendments made by subsection (b) apply to premiums for months beginning with January 2007.

(3) MMA PROVISION.—The amendment made by subsection (c) shall take effect on the date of the enactment of this Act.

DEMOCRATS FIGHT TO PROTECT SOCIAL SECURITY COLA: REPORT SHOWS GOP RX DRUG LAW WOULD LEAD TO SOCIAL SECURITY CUTS

Approximately 30 million middle income seniors are enrolled in Social Security and Medicare, and rely on the annual Social Security cost of living increases (COLAs) that help them keep up with the rising cost of groceries, food and housing. Yet medical inflation is rising rapidly, and Medicare premium increases will soon consume the entire Social Security COLA. If nothing is done, escalating drug prices will lead to real cuts in the Social Security benefit as a result of new Part D premium increases in 2007 and beyond. Today, Democrats are unveiling a bill to limit how much rising Medicare premiums can impact seniors' COLAs.

Social Security COLAs are vital to seniors and the disabled. Millions of Americans rely on their Social Security check each month to make ends meet. Each fall, millions of retirees wait anxiously to learn what the Social Security COLA will be for the coming year—because each dollar is needed to balance their budget.

Republican Medicare bill will dramatically reduce Social Security COLAs. Under the GOP Rx drug law, some seniors will have an additional Medicare premium (''Part D'') deducted from their Social Security check. With both the new Medicare Part D premium (for prescription drugs) and the existing Part B premiums (for physician and other outpatient care) deducted from a retiree's Social Security check, Social Security COLAs will be significantly eroded. According to a new report by the Democratic staff of the Joint Economic Committee, when the new drug benefit is in place in 2007 almost one-quarter of Social Security beneficiaries will spend over 25 percent of their COLA just on increases in Medicare premiums—and the number will increase to 64 percent (22 million seniors and people with disabilities) in 2014. For an elderly woman with a monthly benefit of $500, the increase in Medicare premiums will absorb almost 60 percent of the COLA from 2007–2010, and 69 percent from 2011–2014.

Making a bad problem worse. The goal of the Social Security COLA is to maintain the purchasing power of the benefit check in the face of rising prices. But that objective is undermined if Medicare premiums, which are typically deducted from Social Security checks, increase rapidly. Medical inflation and increased utilization of outpatient services is already increasing Part B premiums, but current law ensures at least that total Social Security benefits do not go down. By refusing to extend this same protection to the new Part D premiums, and refusing to control drug prices, Republicans have made a difficult situation even worse. While the Social Security COLA only increases at the rate of inflation, the premiums beneficiaries face under Part D will increase by the rate of increase in drug prices. According to CBO projections, Part D premiums will increase by an average of 7.5 percent a year from 2006 to 2014—a far greater rate of increase than that expected for Part B or the Social Security COLA.

Current protection needs improvement. The 2004 Medicare Trustees Report projects that monthly Part B premiums will rise by a record $11.50 for 2005—a one-year increase of more than 17 percent. Given the increased pressures to increase physician payments and the trend of shifting more services to outpatient settings, which increase Part B premiums—and the new costs of Part D—it is important to act now to protect a portion of the COLA for seniors' basic needs.

Democrats' bill will protect Social Security. Democrats' ''Social Security COLA Protection Act of 2004'' would ensure that no more than 25 percent of a beneficiary's annual COLA could be taken away by increases in Medicare premiums. Doing so would guarantee that seniors and the disabled retain at least 75 percent of the COLA to cover price increases in other goods and services, such as food, clothing, housing and energy costs. In 2007, the legislation would help over 14 million Social Security recipients. By 2014, it will help more than two-thirds of seniors and people with disabilities, approximately 23 million Americans.

HOW THE COLA PROTECTION BILL WORKS

Example 1. Widow with $500 in monthly Social Security benefits in 2004

Her annual Social Security benefit is $6,000, and the COLA will increase her income by $162 in 2005 (a 2.7 percent increase).

However, Medicare Part B premiums are projected to rise by at least $114 that year. Without the bill's protection, a premium increase of $114 will eat up 70 percent of her COLA.

With the bill's protection, only 25 percent of her COLA will be absorbed by Medicare premium increases, leaving 75 percent ($122 per year) to cover other increases in her cost of living. The bill preserves an additional $74 of COLA to be used for other expenses.

By 2009, the bill will save $197 of her COLA. In 2014, $545 of her COLA will be protected. Over 10 years, the projected total savings for this beneficiary will reach $2,615.

Example 2. Retired couple with $1,100 in combined monthly Social Security benefits in 2004.

Their annual benefits are $13,200: $8,400 for the husband and $4,800 for the wife. A 2.7 percent COLA would increase their income by $356 in 2005.

However, the Medicare Part B premiums paid by this couple are projected to rise by at least $228 in 2005. Without the bill's protection, a premium increase of $228 will eat up 64 percent of their combined COLA.

With the bill's protection, only 25 percent of their COLAs will be absorbed by Medicare premium increases, leaving 75 percent ($267 per year) to cover other increases in their cost of living. The bill preserves an additional $139 of COLA to be used for other expenses.

By 2009, the bill will protect $358 of their COLA. In 2014, $1,016 of their COLA will be protected. Over 10 years, the projected total savings for this couple will reach $4,829.

How much would others save?

Annual benefit amount	Savings over 10 years	Average annual savings[1]
$7,200 ($600 per month)	$2,213	$221
$9,000 ($750 per month)	1,611	161
$9,600 ($800 per month)	1,410	140

[1] The particular amount in each year could differ from this average because each year, the amount of protection provided by the bill would depend on the interaction between the Medicare premium increase and that individual's COLA increase. If the premium increase is large while the COLA is small, savings would be larger. If the premium increase is modest while the COLA is large, then savings would be smaller.

What fraction of those who pay Medicare premiums would benefit from the bill?

2005: 90 percent (This is a year when many beneficiaries will need protection to prevent their COLA from being swallowed by Medicare premium increases, because the premium increase is projected to be the largest ever); 2007: 47 percent; 2009: 64 percent; 2011: 68 percent; 2014: 67 percent.

Ways and Means Democratic Staff
July 20, 2004, 10 a.m.

JOINT ECONOMIC COMMITTEE DEMOCRATS

Representative Pete Stark (D–CA)—Senior Democrat

RISING MEDICARE PREMIUMS UNDERMINE THE SOCIAL SECURITY COLA

NEW MEDICARE LAW COULD CUT BENEFITS FOR SOME

(Economic Policy Brief—July 2004)

Unlike most private pensions and other forms of retirement annuity income, Social

Security, benefits include an annual cost-of-living adjustment (COLA) that is designed to prevent an erosion of benefits due to inflation. Unfortunately, rising health care costs and last year's Medicare law threaten this valuable cost-of-living protection.

BACKGROUND

In 1975 Congress replaced ad hoc increases in Social Security benefits with an automatic COLA based on the previous year's change in the consumer price index (CPI). The CPI is an index of prices paid by the typical consumer for a representative bundle of goods and services. The goal of the COLA is to ensure that Social Security benefits keep pace with increases in the price of food, clothing, and other necessities—including medical care—so that seniors and other beneficiaries can maintain a stable quality-of-life.

Participants in Medicare Part B, which covers doctors' services, pay a monthly premium that is deducted from their Social Security check. So too will most participants in Medicare Part D, the new prescription drug program. The size of the premiums is based on projected costs for those respective programs. During periods of rapidly rising health care costs, increases in Medicare premiums can represent a significant fraction of the overall Social Security COLA for many Social Security beneficiaries. With the latest Medicare changes, some may even see their benefits cut as their premium increases outpace their COLAs.

Current law puts a limit on the extent to which growth in Medicare Part B premiums can erode the purchasing power of an individual's Social Security benefit. The ''hold harmless'' provision guarantees that the increase in a person's Part B premium will not be larger than that person's COLA. This ensures that the dollar amount of the benefit received after deducting the Part B premium will never be reduced, but it does not guarantee that the purchasing power of that benefit will not fall. In fact, the entire COLA could be consumed. The latest Medicare legislation does not apply even this ''hold harmless'' protection to the Part D prescription drug premium. Thus, seniors are exposed to the possibility that large increases in medical costs, especially unchecked prescription drug costs, could eat up a large piece of their Social Security COLA and even cut their Social Security benefit.

RECENT EXPERIENCE WITH COLAS AND MEDICARE PART B PREMIUM INCREASES

During the past three years, rapidly rising health expenditures have been accompanied by large increases in Medicare premiums. Based on current projections, the cumulative increase in the monthly Part B Medicare premium during the four years of the Bush Administration will be at least $26, nearly twice as much as the total increase of $13.40 over the entire eight years of the Clinton Administration. At the same time that Medicare premiums have been rising rapidly, inflation has been very low. As a result, Social Security COLAs have been relatively modest, and many beneficiaries have seen a substantial portion of their COLA consumed by the increases in Medicare premiums.

In 2004, for example, Social Security beneficiaries received a COLA of 2.1 percent ($2.10 for each $100 of monthly benefit). At the same time, the monthly premium for Medicare Part B increased from $58.70 to $66.60, an increase of $7.90 or 13.5 percent. Table 1 shows what part of the COLA was consumed by the increase in the Part B premium for individuals receiving different levels of monthly benefit.

TABLE 1.—IMPACT OF MEDICARE PREMIUM INCREASES ON SOCIAL SECURITY COLAS, 2004

Monthly Social Security benefit in 2004 (dollars)	2004 Social Security COLA (dollars)	COLA after deducting increase in medicare premiums (dollars)	Fraction of COLA absorbed by Medicare premium increases (percent)
384	7.90	0.00	100
500	10.28	2.38	77
750	15.43	7.53	51
1,000	20.57	12.67	38
1,250	25.71	17.81	31
1,500	30.85	22.95	26

Source: JEC Democratic staff, based on Congresssional Budget Office projections.

Individuals with 2004 monthly Social Security benefits of less than $384 received a COLA in 2004 that was less than the increase in Medicare premiums. Because of the ''hold harmless'' provision, their premium increase was limited to the amount of their COLA. Still, for these individuals (an estimated 1.4 million people), their entire Social Security COLA was wiped out, leaving them nothing to pay for increases in all other goods and services they consume.

Individuals with a monthly benefit of $1,000 (roughly the average benefit of retired men) had to devote nearly 40 percent of their COLA to the increase in their Medicare premium. Those with a monthly benefit of $750 (roughly the average benefit of retired women) needed half their COLA to cover the increase in Medicare premiums. And those with a monthly benefit of $500 (roughly the average benefit of wives of retired workers) needed more than three-quarters of their COLA to pay for the increase in their Medicare premium.

THE IMPACT OF PART D PRESCRIPTION DRUG PREMIUMS

Current forecasts indicate that the Medicare Part B premium increase in 2005 will be the largest dollar amount ever.[1] As a result, seniors can expect another year like 2004, when increases in Medicare premiums will absorb a large percentage of their COLA. CBO's current projections call for the rate of increase in Medicare premiums to abate after 2005, but those projections do not reflect possible legislative changes that would increase physician payments, resulting in higher premiums. Furthermore, beginning in 2006, seniors participating in the Part D prescription drug program will have an additional Medicare premium for that program deducted from their Social Security check.

Using CBO's projections of the Social Security COLA and Medicare premium costs, the Joint Economic Committee Democratic staff has estimated the portion of the COLA that will be absorbed by increases in Medicare premiums incoming years. For a person with a monthly benefit of $500 (in 2004 dollars), the annual increase in combined Part B and Part D premiums will absorb almost three-fifths of the annual COLA, on average, during the 2007–2010 period. Medicare premiums will absorb over two-thirds of the COLA in the 2011–2014 period. Increases in Medicare premiums will absorb a lesser but still significant fraction of the COLA for individuals with larger monthly benefits (Table 2). Because there is no ''hold harmless'' protection, up to 2 percent of beneficiaries could experience benefit cuts.

TABLE 2.—AVERAGE IMPACT OF MEDICARE PREMIUM INCREASES ON SOCIAL SECURITY COLAS, 2007–2010 AND 2011–2014

Monthly Social Security benefit (2004 dollars)	Average fraction of COLA absorbed by Medicare Part B and Part D premium increases (percent)	
	2007–2010	2011–2014
500	59	69
1,000	24	34
1,500	16	23

Source: JEC Democratic staff, based on Congressional Budget Office projections.

Although the rising cost of Medicare Part B and Part D premiums can absorb a very large fraction of the annual Social Security COLA for those with modest benefit checks, the problem is not confined to them. CBO estimates that in 2007, the first year that increases in Part D premiums will have an impact, 6.9 million people, or nearly 25 percent of those who have Medicare premiums withheld from their Social Security benefit will see at least one-quarter of their COLA absorbed by increases in combined Part B and Part D premiums. By 2014, 64 percent of beneficiaries, or 22.2 million people, will lose at least 25 percent of their COLA to increases in their Medicare premium.

CONCLUSION

For Social Security beneficiaries, the annual COLA is an important protection against rising prices eroding the real purchasing power of their benefit. In the past three years, however, rapidly rising health care costs have undermined this protection by driving up Medicare Part B premiums, which are automatically deducted from participants' monthly Social Security check.For many participants, the increase in Medicare premiums has absorbed a large fraction of their annual COLA, leaving little to deal with the rising costs of all the other goods and services the COLA is meant to cover. That problem will be aggravated when the new premiums for Part D prescription drug coverage take effect, unless policymakers take action to address this gutting of Social Security COLA protection.

ENDNOTE

1. If past practice is followed, the Social Security COLA percentage increase and the increase for Medicare premiums will be announced in mid-October. Me calculations used in this paper assume an increase in the 2005 monthly Part B premium of $9.50. That is higher than the current CBO baseline estimate of $8.70, but the JEC Democratic staff believes that CBO's estimate will increase when it updates its baseline in August. The Medicare actuaries are currently predicting an even higher increase of $11.50 in the monthly premium.

Mr. REED. Mr. President, I rise to join with the distinguished Democratic Leader and Senator MURRAY in introducing the ''Social Security COLA Protection Act of 2004.'' I would also ask unanimous consent to submit for the RECORD the report by the Joint Economic Committee Democratic staff entitled, ''Rising Medicare Premiums Undermine the Social Security COLA.''

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

Mr. REED. Thank you. Mr. President, Social Security is the bedrock of this country's social safety net and our most effective antipoverty program for seniors and the disabled. A valuable feature of Social Security is the annual cost of living adjustment, or COLA, which was enacted to ensure that the

real purchasing power of beneficiaries' checks would be preserved, and not eaten away by inflation. I would also point out that such COLA protection is missing from most private pensions.

Sadly, what the JEC Democrats' report has revealed is that large increases in health care costs and the poor design of the new Medicare prescription drug plan have created a situation in which rising Medicare premiums are undermining the Social Security COLA. The problem is already serious, and we have not even begun to experience the impact of the prescription drug premium of the new Medicare Part D program that will take effect in 2006.

The study shows, for example, that in the years 2011–2014, a person with a monthly Social Security benefit of $500 (in today's dollars) would see 69 percent of her COLA consumed by increases in Medicare Part B and Part D premiums. That leaves far too little of the COLA to cover increases in prices of other necessities such as food, energy, and other medical expenses. Even people with larger monthly benefits would see their COLAs substantially eroded by the increases in Medicare premiums.

Finally, the study shows that by 2014, if there is no legislation to address this problem, 64 percent of beneficiaries who have their Medicare premiums deducted from their Social Security checks will lose at least 25 percent of their Social Security COLA to increases in those premiums.

The JEC Democratic staff study makes a compelling case that we have a serious problem on our hands. That is why I am happy to cosponsor ''The Social Security COLA Protection Act of 2004.'' This legislation will preserve the essential safety net Social Security provides seniors, by making sure that at least 75 percent of their Social Security COLA is protected from increases in Medicare premiums and available to offset increasing cost of other goods and services seniors need in order to maintain an adequate quality-of-life.

By Mr. DODD:

S. 2755. A bill to amend the Consumer Credit Protection Act to ban abusive credit practices, enhance consumer disclosures, protect underage consumers, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DODD. Mr. President, it is often said that small things can make a very large difference in our society. That saying certainly fits the subject I have come to speak briefly about this afternoon. That little thing in question that I am talking about is 3⅛ inches wide, 2⅛ inches long, and no thicker than one's fingernail. But it has a monumental impact on how millions of Americans live their lives each and every day. The object to which I am referring, of course, is the credit card.

We have come a long way from the day in 1950 when the Diner's Club issued the first universal credit card that allowed its holders to use credit at certain very select restaurants in New York City. Today, the credit card has become an indispensable part of how we do business in the United States, and across the globe, for that matter.

For many Americans, the main appeal of the credit card is convenience and flexibility. They allow us to go out and eat, go to a shopping mall, to the movies, and stop off at the grocery store on the way home, without folding a single bill or fumbling for loose change in their pockets. Credit cards allow people to shop for products on the Internet in a matter of seconds.

But for more and more Americans, credit cards serve a very different purpose. As the name implies, these cards provide access to credit. We are living in a time when real wages are failing to keep up with price increases, when health care costs and college tuition are on the rise. Millions of Americans are having difficulty making ends meet. For Americans who are strapped for cash, credit cards are much more than a convenience. They have become the only way they can afford basic necessities, such as food, gas, clothing, and medical care.

These Americans are not paying by credit card because they want to; they are doing so because they have no other choice. It is this function of credit cards that make them so appealing to American consumers, but I must also say it is this function that presents the greatest danger to them as well.

Today, the level of credit card debt in the United States is at record heights. Total consumer debt in America is over $2 trillion. Out of that, $735 billion is credit card debt. The average American household has over $9,000 worth of credit card debt. Let me repeat that. The average family living in the United States has over $9,000 of credit card debt. In comparison, the average family household income is just above $40,000.

Due in large part to credit card debt, more Americans are filing for bankruptcy. Last year, over 1.6 million families declared they were bankrupt. For every one family that actually does file for bankruptcy, there are seven more whose debt suggests that they, in fact, should do the same.

Credit card debt does not affect all Americans equally. It is a growing burden that is disproportionately being borne by middle-income, low-income, and working-poor families. According to a recent report, during the 1990s, on average, the American family saw its credit card debt go up by 53 percent. The debt of middle-class families, those earning between $50,000 and $100,000 a year, went up 75 percent. For the older Americans, senior citizens, their average credit card debt went up 149 percent. Finally, for very low-income families, those making less than $10,000 a year, credit card debt grew by a shocking 184 percent.

Why is this happening? Why are millions of Americans drowning in credit card debt? There are some who would describe the numbers I just quoted as a matter of personal responsibility, that some Americans are spending way beyond their means and ultimately are paying the price.

I do believe personal responsibility is extremely important, but many of the victims of credit card debt today are not in that state because they bought a home entertainment system, an expensive vacation, or a plasma TV set.

Take Roberto Towler. Roberto was a professional accountant who was very careful to always pay his bills on time. In early 2000 he was forced to take 2 months off from work because of a back injury. The lost salary meant he had much less cash on hand than before. He had no alternative but to use his credit card for toiletries, clothes for his children, and groceries. He eventually was able to return to work and scale back the use of his credit card, but he found himself barely able to pay back his debt. Eventually Roberto was forced to file bankruptcy with $22,000 of credit card debt.

Many Americans have stories just like Mr. Towler. They work hard, they play by the rules, but after a few twists of fate suddenly find themselves in a tremendous debt. For those caught in the quicksand of debt, a credit card appears to be a lifeline. But, in reality, it only pulls them in deeper and deeper.

We often speak of the ill and infirm as living on borrowed time. These people are living on borrowed money.

In the middle of all this are credit card companies. If we demand responsibility from individuals, and we should, and we do demand it, then we also ought to demand it from corporations as well. Responsibility is not limited to those who are consumers alone.

The reason I am here today is because a good deal of the blame for the crisis in credit card debt we are seeing in America lies in the practices of credit card companies.

I am not someone who takes regulatory reform lightly. I am not a believer in regulation that stifles innovation or efficiency. But at the same time, when we see practices that are truly hurting working families around the country, I believe we have an obligation to act. Just what kind of practices are we talking about? Let me spell it out.

Let's start with interest rates. I am not naive about this. I certainly do not expect credit card companies to be terribly benevolent when it comes to interest rates. But what I expect, and what all Americans deserve, is honesty and fairness.

We have all seen print ads and commercials that advertise fantastically low interest rates, sometimes as low as zero percent. But what these commercials don't tell you is that these teaser rates, as they are called, often expire and rise considerably only after a few months.

If you slip up even once by failing to make a minimum monthly payment, your interest rate may go up even faster. Just one mistake can be enough to drive an interest rate up by nearly 30 percentage points. Of course that information is usually hidden in the fine print of a lengthy disclosure statement.

Most Americans would assume that their interest rates will stay low as long as they make their minimum monthly payments. Not so. Today, credit card companies don't just look at the bill that you pay them, they look at your entire financial picture in deciding how high your interest rate ought to be, how high a rate they ought to charge you.

I learned of a doctor in Illinois who had always paid his credit card bills on time and stayed within his credit card limits. Then one day he took a look at his bill and discovered that the interest rate on his credit card had jumped from 6 percent to nearly 17 percent. He asked the credit card issuer, why? The company said that he was now a higher risk.

What was the reason?

He had taken out a mortgage on his new home.

This is incredible to me. There are few things more rewarding to a family than buying their first home. We celebrate home ownership here in America. Apparently for credit card companies it's a reason to celebrate as well, because it's an excuse to charge higher interest rates.

Interest rates, of course, are not the only way credit card companies make money. In recent years, more and more companies have found another way to increase their bottom lines, by assessing exorbitant fees for the most minor of offenses. Miss a payment by a single day and you may be charged $30 or even $40 for that mistake. Gone are the grace periods that gave consumers some reasonable leeway.

Over the past 2 years, the amount of money generated by credit card fees has simply skyrocketed. In fact, the term ''skyrocketed'' may be something of an understatement. In 1996, the fees raised $1.7 billion for credit card companies. That's 1996. Last year the credit card companies raised $11 billion in fees alone, only 8 years later.

You might think that if credit card companies know that someone is a risk they would take some action to limit that person's spending, such as lowering their credit line. Or perhaps they might not issue a card to that person in the first place.

But there is a little secret the credit card companies don't want Americans to know. They are actively soliciting and signing up customers who are tremendous credit risks. They are soliciting these people not in spite of the risk, but because of it.

Contrary to what one might think, customers who cannot afford to pay their bills on time are the credit card companies' best customers—not their worst. Unbelievably, these customers who do pay on time are known within the credit card industry as ''deadbeats.''

Let me repeat that. Those who pay their credit card bills on time are known within the industry as ''deadbeats.'' Why is this? Because when people fail to pay their bills on time, that means more profits for the credit card industry, in the form of more interest charges and penalty fees.

How much more of a profit? Let's say you are the average American, with $9,000 in credit card debt, which is the case today. Let's say you stopped accumulating any more debt and decided you would pay it off by making the minimum monthly payment of 2 percent. Let's say further that your interest rate is 15 percent—which is just about the average today, I might add.

How long would it take you to pay off that debt? Five years? Ten years? Twenty years? It would take 39 years to pay off your debt. Over the course of those 39 years, you would pay $14,000 in interest payments alone, in addition to the $9,000 you owe. This is all assuming, of course, that your interest rate wouldn't rise over those years and that you wouldn't be hit with unexpected fees.

Credit card companies know this. They know their greatest chance of financial profit lies in those customers who have the least chance of paying their bills on time. That is why they continue to solicit these customers and that is why those who do pay on time are known within the industry as the deadbeats.

Last year, credit card companies mailed out 5 billion solicitations to about 200 million individuals in the United States. The average person received about one offer every other week. The average household received more than one per week. I guarantee that a great many of these people do not have sparkling credit ratings, yet these companies continue to send out offer after offer, hoping that yet another customer will take the bait.

Mr. President, I ask unanimous consent to have printed in the RECORD an article from the July 6, 2004 edition of the Wall Street Journal entitled ''Growing Profit Source for Banks: Fees from Riskiest Card Holders.''

This goes into the topic in greater detail.

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

[From the Wall Street Journal Online, July 6, 2004]

GROWING PROFIT SOURCE FOR BANKS: FEES FROM RISKIEST CARD HOLDERS

(By Mitchell Pacelle)

When Jennifer Reid opened her credit-card statement in April, she discovered how expensive it was to make full use of her credit.

The 42-year-old X-ray technologist had run through $10,000 of her $12,000 credit line on an MBNA Corp. card. In April, her annual interest rate abruptly jumped to 24.98%, up from 19.98% the prior month and far above the initial single-digit rate.

''I don't understand,'' she recalls telling an MBNA customer-service representative on the phone, complaining that she hadn't been late with a single payment. The representative agreed but pointed out that she had run up more than $5,000 of debt on two other cards. Also, she was making only slightly more than the minimum suggested monthly payments on her MBNA card. He said the company now saw her as a credit risk and feared it would take her forever to pay off her debts. ''Isn't that what you want consumers to do?'' she snapped back.

That's a question more financially strapped bank customers are asking these days. For consumers who pay off their credit-card balances each month, shop aggressively for interest rates as low as 0%, and take advantage of generous credit-card rewards programs, consumer credit has never been cheaper. But for others like Ms. Reid, who went into debt so she could move to a better job in Florida from South Carolina, the trend is in the other direction.

Card users, consumer advocates and some industry experts complain that banks are attempting to squeeze more and more revenue from consumers struggling to make ends meet. Instead of cutting these people off as bad credit risks, banks are letting them spend—and then hitting them with larger and larger penalties for running up their credit, going over their credit limits, paying late and getting cash advances from their credit cards. The fees are also piling up for bounced checks and overdrawn accounts.

''People think they are being swindled,'' says industry consultant Duncan MacDonald, formerly a lawyer for the credit-card division of Citigroup Inc. Penalty fees aren't new, but they are becoming more important to the industry's bottom line and are being borne by the people who can least afford to pay them, he contends.

Cardweb.com, a consulting group that tracks the card industry, says credit-card fees, including those from retailers, rose to 33.4% of total credit-card revenue in 2003. That was up from 27.9% in 2000 and just 16.1% in 1996. The average monthly late fee hit $32.01 in May, up from $30.29 a year earlier and $13.30 in May 1996, the company said. In 2003, the credit-card industry reaped $11.7 billion from penalty fees, up 9% from $10.7 billion a year earlier, according to Robert Hammer, an industry consultant.

''As competitive pressure builds on the front-end pricing, it has pushed a lot of the profit streams to the back end of the card—to these fees,'' says Robert McKinley, chief executive of CardWeb.com. Over the past two years, he said, ''it's become much more aggressive.'' At industry conferences, he notes, talk often turns to ''what the market will bear.''

Banks say that penalties and fees are a necessary component of new models for pricing financial services. Gone are the days when banks collected hefty annual fees on all credit cards and charged fat interest rates to all customers. Now, the banks say, they must rely on risk-based pricing models under which customers with the shakiest finances pay higher rates and more fees.

''We look at teaser rates as an area that we have to be competitive in,'' said Richard Srednicki, a top credit-card executive at J.P. Morgan Chase & Co., during a conference call with investors last fall. He said the bank tries to ''mix and match how we compete'' on interest rates and fees ''in order to make the kinds of returns that we're looking for.''

An MBNA spokesman declined to comment on Ms. Reid's experience but noted that one of the most important considerations in setting a credit card's interest rate is ''how a customer manages his account.'' If a customer's financial circumstances change for

the worse, he said, the bank has to raise the rate ''as a way of balancing that greater risk.''

Such variable pricing has been embraced in recent years by airlines, mortgage lenders and others. What raises the hackles of bank customers, however, is that many don't discover the rate changes and penalty fees until they have already been hit with them. Those who complain are directed to disclosure statements that most consumers never read. These disclosures, says Mr. MacDonald, have ballooned from little more than a page 20 years ago to 30 pages or more of small print today.

Federal Comptroller of the Currency John D. Hawke Jr., one of the nation's top bank regulators, warned bankers at a conference last fall that ''no retail banking activity generates more consumer complaints'' than credit-card practices, ''and where there are persistent and serious complaints, there is a fertile seedbed for legislation.''

Mr. Hawke raised the case in which a customer presents a credit card at the cash register and the bank approves the transaction even though it knows that the purchase will push the customer over his credit limit. ''If, as a practical matter, the line has been increased, is it unfair or deceptive for the creditor to continue to impose an overline 'penalty'?'' he asked.

Until the early 1990s, most banks offered one main credit-card product. It typically carried an annual interest rate of about 18% and an annual fee of $25. Cardholders who paid late or strayed over their credit limit were charged modest fees. Profits from good customers covered losses from those who defaulted.

Then card issuers, in an effort to grab market share, began scrapping annual fees and vying to offer the lowest annual interest rates. They junked simple pricing models in favor of complex ones they say were tailored to cardholders' risk and behavior. Eager to sustain growth in a market approaching saturation, they began offering more cards to consumers with spotty credit.

By the late 1990s, banks were attracting consumers with low introductory rates, then subjecting some of them to a myriad of ''risk-related fees,'' such as late fees and over-limit fees. A 2001 survey by the Federal Reserve showed that 30% of general-purpose credit-card holders had paid a late fee in the prior year.

Like Ms. Reid, more customers are seeing red when they discover the penalties on bank statements. Credit-card late-payment charges have risen to as high as $39 for some customers of Bank of America Corp., MBNA, and Providian Financial Corp., and fewer banks grant grace periods. Cardholders who exceed their credit limits face ''over limit'' fees as high as $39 a month.

In a survey of 140 credit cards this year, the advocacy group Consumer Action said 85% of the banks make it a practice to raise interest rates for customers who pay late—often after a single late payment. Nearly half raise rates if they find out that a customer is in arrears with another creditor.

Since the banks disclose the fees in the fine print of their mailings, they have had little to fear from regulators and the courts. Consumer lawyers have lost a string of lawsuits challenging such practices. A little-noticed April ruling by the U.S. Supreme Court said credit-card companies don't have to include various penalty fees when they calculate the ''finance charge'' listed on a customer's monthly statement.

And bank regulators have been reluctant to promulgate new regulations. The Federal Reserve Board and four other regulatory groups recently disappointed consumer groups by failing to take a strong stand against ''bounce protection'' plans. These programs allow customers to overdraw their checking accounts in exchange for a fee each time they do it that can exceed $30. Critics call bounce protection little more than an expensive short-term loan since the overdrawn amount must be covered quickly.

Banks are charging as much as $32 per transaction when customers write a check or make a debit-card purchase without enough money in their accounts to cover the payment. Five years ago, $20 was more typical.

Alicia Flynn, who works in the billing department of a San Francisco hospital, used her Bank of America debit card on Jan. 28 of last year to make four small purchases, including a $2.27 cup of cafeteria soup. But several checks she and her husband had written also hit their account that day. When the bank tallied up the account later that day, it posted some of the checks before the debit-card charges, which had already been cleared at the register. That left the account overdrawn by $40.17. The Flynns were hit with separate $28 ''insufficient fund'' fees for two checks and all four debit-card transactions, hitting the maximum daily penalty of $140.

''It is somewhat like having a meter maid put five parking citations on your car for one parking violation,'' complains Mrs. Flynn's husband, Richard Flynn.

Mr. Flynn later learned that subtracting the biggest check first is standard procedure for Bank of America. In response to his complaint letter, a Bank of America representative enclosed a copy of a booklet she said every customer received when opening an account, and directed Mr. Flynn to page 54. It describes the policy and warns customers that ''this method may result in additional overdraft fees.''

A bank spokesman maintains that most customers want large checks to clear first because they tend to be for important items such as a rent payment. The $28 penalty fee, he said, is intended to ''make sure that customers don't run their balances so close to zero,'' and is priced ''to assign a cost of the risk it exposes the bank to.''

Banking fees have long been a subject of legislation and litigation. One decision that has helped banks boost their penalty fees came in 1996, when the Supreme Court said states can't regulate such charges if they're levied by out-of-state banks.

The 1968 federal Truth in Lending Act was enacted to promote ''awareness of credit costs on the part of consumers.'' It required ''meaningful disclosure of credit terms'' but didn't say anything specifically about credit-card fees. In the act, Congress directed the Federal Reserve Board to enact regulations. The Fed responded with Regulation Z, which requires credit-card issuers to disclose the cost of credit as a dollar amount, known as the ''finance charge,'' and as an annual percentage rate. Fees for late payments and the like were not to be included in either calculation.

As a college student in the mid–1990s, Sharon R. Pfennig signed up for a card with a $2,000 credit limit. In 1997, buying clothing at a mall, she blew past her credit limit by $192. Household International Inc. began tacking on a $20 over-limit fee each month. Ms. Pfennig stopped using the card and continued to make her $45 minimum monthly payments. But the monthly penalty fee, coupled with the $35 to $40 she paid each month as interest on her debt, caused her balance to continue climbing. Her monthly over-limit fee then jumped to $29, and her fee total eventually ballooned to about $700.

In 1999, Ms. Pfennig filed a lawsuit in Ohio federal court against Household and MBNA, which had purchased the Household credit-card portfolio that contained her account. The lawsuit accused Household of misrepresenting the true cost of credit by not including over-limit fees in its disclosed ''finance charges'' on her monthly statement. The suit said this practice, which adhered to Regulation Z, nonetheless violated the Truth in Lending Act.

An appeals court agreed with Ms. Pfennig but the Supreme Court, ruling April 21 of this year, sided with the credit-card company. It said Regulation Z is reasonable and companies that follow it are in compliance with the law.

''I'm getting completely disheartened,'' said Sandusky, Ohio, consumer lawyer Sylvia Goldsmith, who represented Ms. Pfennig before the high court.

In the Pfennig case, MBNA and Household defended the treatment of fees under current disclosure regulations as simpler for both consumers and banks. ''This bright-line rule ensures that creditors disclose over-limit fees in an understandable and consistent manner, permitting consumers to compare such fees across time and across credit-card issuers in a meaningful way,'' the two banks noted in a Supreme Court brief.

For now, the only way for consumers to know what they're getting into is to plow through the disclosure materials they receive when they open bank accounts or get new credit cards. Most never do—as Mr. Flynn, the disgruntled Bank of America customer, admits. ''We just opened a simple bank account, and they gave us a 78–page booklet, small print, and they expect us to read and understand it,'' he complains.

Ms. Reid, the Florida cardholder, says she is far more careful now about studying her credit-card mail. ''I read eve single solitary word now. I hope one of these days I won't have to have a credit card at all.''

Mr. DODD. What I find most troubling about this trend is that credit card companies have set their sights on the most vulnerable members of our society when it comes to debt—low-income individuals, the elderly, mentally retarded, and most recently, our children.

Go to any college campus in America and you are bound to come across a table where an enthusiastic sales person is offering free T-shirts, or sports bags, or Frisbees—almost anything in exchange for signing up as a credit card customer. According to a report on CBS News, the average college student is offered 8 cards in his or her first semester in college—8 credit cards. By the end of college, the average graduating senior has 6 credit cards in his or her name.

Why are credit card companies targeting college students so frequently? Because of their limited experience with financial matters, students tend to accumulate debt very quickly, and as a result, more and more of our young people are falling deeper and deeper into the financial hole from which they cannot escape.

In 1998, 67 percent of college students had a credit card. Today, 83 percent have credit cards. In 1998, the average college student graduated with $1,800 in credit card debt. Today the average college senior graduates with $3,000 in credit card debt.

I was shocked to learn that the fastest growing segment of our population that is forced to declare bankruptcy is people under the age of 25. Think of

that. The fastest growing group of people declaring bankruptcy are people under the age of 25.

When we think about bankruptcy, we generally envision middle-aged Americans with failed businesses, investments gone bad, perhaps medical bills that have spiraled out of control. The answer is not so. It's college kids, recent graduates.

Some time ago, a piece on ''60 Minutes II'' told a story of one student's circumstance, Sean Moyer. I have told the story on the floor before but I think it deserves being repeated.

Sean's life began to spin out of control as a result of huge debts racked up in 3 years of college. He could not get loans to go to law school, as he dreamed. His parents couldn't afford to pay his way.

Sean Moyer had 12 credit cards and more than $10,000 in debts. He had two jobs, one at the library, another as a security guard in a Holiday Inn, but he still could not pay the collectors who continually harassed him with letters and phone calls. In 1998, Sean Moyer took his own life.

Three years after his son's death, his mother still gets pre-approved credit card offers in Sean's name. According to his mother, one company preapproved Sean for a $100,000 credit card line.

How is the credit card industry doing as a result of these practices? These companies are thriving. Credit Card Management, an industry publication, reported that 2003 was the most profitable year for credit cards since the magazine began tracking the industry in 1992.

What makes matters even more astonishing is that this is happening when interest rates are at an all-time low. Yet, for millions of Americans, the interest rates they read about in the newspapers, those set by the Federal Reserve, bear absolutely no relationship whatsoever to interest rates that appear on their credit card bills.

Still, the industry wants more. In recent years, while they have been encouraging consumers to accumulate debt, credit card companies have simultaneously been lobbying Congress to change bankruptcy laws to make it harder and harder for people to have their debts forgiven. This amounts to a two pronged attack on working families in America—get people into as much debt as possible, and then change the rules of the game so they can't get rid of that debt.

It is time we stood up for consumers. It is time we restored a sense of responsibility to this industry.

I am here today to introduce the Credit Card Accountability, Responsibility, and Disclosure Act of 2004, also known as the Credit CARD Act. This bill takes aim at what I consider to be some of the more egregious abuses of consumers by credit card companies.

This bill takes some simple, common-sense steps to stop abusive practices, educate cardholders, and stiffen the penalties on corporations that violate the law.

First of all, I think we can all agree that it is reasonable for a consumer to be clearly notified if his or her interest rates are going up. That is not a radical idea, that is just common sense. My bill would require clear disclosure of any rate changes so there aren't any surprises for the average consumer.

I also don't believe a company should be able to retroactively change the interest rate on debt that already exists. If you want to raise interest rates, fine, but raise them on future debt, not existing debt. Our bill would prohibit any retroactive interest rate changes.

Second, I believe that companies should be rewarding people for responsible card use—not penalizing them. If you pay your bills on time, your interest rate shouldn't go up. If you pay off your balances in full, your company shouldn't be able to charge you any new fees. If you decide to cancel your card, your interest rate shouldn't go up. I am pointing out these facts because that is exactly what happens. My bill would codify all of these common-sense principles into law.

Third, my bill would protect some of the most vulnerable in our society—our Nation's youth—by implementing new requirements for issuing credit cards to people under the age of 21. We are not going to prohibit college students from getting cards, but we are going to make sure that companies can't simply give away cards to millions and millions of students who they know will rack up years and years worth of debt and potentially face bankruptcy and financial ruin before their working lives have barely begun.

If you apply for a credit card and you are under 21, under this bill you will need one of three things: A signature of a parent or guardian who is willing to take responsibility for your debt; information indicating that you have some other means of repaying any debt; or a certification that you have completed a credit counseling course. And if you are a credit card company that offers cards to students under 21, you will be required to comply with these requirements—or face serious penalties.

Finally, this bill requires companies to be honest with consumers by introducing some new disclosure requirements. The most important one is a box—prominently located on every single bill—containing four simple pieces of information: The total balance on your account; your minimum monthly payment; how long it will take to pay your bill if all you pay is the minimum monthly payment; and finally, how much you will have to pay over time—in both interest and principal—if you only make the minimum payments.

The reason for these disclosures is simple, and to many, probably obvious: To allow consumers to know exactly what it means to carry a debt, so they can decide whether or not to do so.

The Credit CARD Act also contains a number of additional disclosure requirements to bring more transparency to an industry that has clearly reaped benefits from the use of fine print and lengthy and confusing policy statements.

We are not asking for much here—only that companies be fair and straightforward with consumers. Let us see some real disclosures so Americans can understand what their bill means, how much they are being charged, and why.

No one wants credit cards to disappear. I certainly believe credit cards are tremendously valuable and worthwhile as long as they are handled responsibly. And no one wants people who need and deserve credit to have no way to get it. But we can't simply stand by as more and more Americans fall deeper and deeper into debt with no way out. We need to take some responsible action so that the credit card can still be a useful financial tool without being a ticket to financial ruin.

If we are going to pass bankruptcy bills in the Senate that demand more responsibility from consumers, shouldn't we demand more responsibility from creditors, as well? This bill, the Credit CARD Act, does just that, and I urge my colleagues in the Senate to adopt it.

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

By Mr. ALLARD (for himself and Mr. HAGEL):

S. 2756. A bill to extend a certain high priority corridor in the States of Colorado, Nebraska, South Dakota, and Wyoming; to the Committee on Environment and Public Works.

Mr. ALLARD. Mr. President, transportation is a key element of economic growth for rural Colorado. Providing access to the national highway system through a well developed transportation corridor will boost economic opportunity and bring new dollars to the area as the flow of commerce increases through traffic, tourism and, hopefully, new industry.

Previously, I introduced legislation to create the Heartland Expressway, a connecting highway of high priority roads on the national highway system. However, a few had concerns about this legislation, so the supporters went back to the drawing board. So, tonight I rise to introduce a bill that reflects the compromise that each of the impacted states have come to.

Through Ports-to-Plains and Heartland Expressway, we can bring greater prosperity through trade and industry to the State of Colorado, while improving the safety and condition of our highways.

Based on the recommendation of the Eastern Colorado Mobility Study, authored by the Colorado Department of Transportation, the corridor will serve a wide variety of trucks and autos, bringing new dollars and boosting the economy.

The Heartland Expressway will result in user cost savings to businesses, have

fewer environmental impacts than other corridor alternatives, and will enhance or improve existing—and may even promote the construction of new corridors and intermodal facilities—that will enhance the mobility of freight services within and through eastern Colorado.

The Heartland Expressway will penetrate and promote economic development in Denver, throughout north and southeast Colorado, into Wyoming, and through Scotsbluff, NE to Rapid City, SD.

By Mr. FITZGERALD:

S. 2757. A bill to provide for certain financial reporting requirements to apply to the judicial branch of the Federal Government, and for other purposes; to the Committee on the Judiciary.

By Mr. FITZGERALD.

S. 2758. A bill to provide for certain financial reporting requirements to apply to the legislative branch of the Federal Government, and for other purposes; to the Committee on Rules and Administration.

Mr. FITZGERALD. Mr. President, I rise today to introduce two bills that would ensure fiscal accountability throughout the Judicial and Legislative Branches of the Federal Government: the Judicial Branch Financial Accountability Act of 2004 and the Legislative Branch Financial Accountability Expansion Act of 2004. These bills would strengthen the financial management of both branches by requiring them to prepare annual financial statements and have them independently audited.

These bills also build on S. 2680, the Financial Accountability Expansion Act of 2004, that Senator AKAKA and I introduced on July 16, 2004, to expand independent audit requirements to the remainder of the executive branch that currently is not covered under the Chief Financial Officers Act or the Accountability of Tax Dollars Act. Taken together, this legislative package would ensure—for the first time—that all agencies and entities in the entire United States Government are subject to stringent financial audit requirements.

Congressional efforts to improve financial management and to reduce the waste, fraud and abuse of taxpayer dollars began almost 25 years ago with the enactment of the Federal Managers Financial Integrity Act of 1982, which intended to strengthen internal controls and accounting systems. Another important financial management reform initiative was the Chief Financial Officers Act (CFO) of 1990. Among other things, the CFO Act created 24 CFO and deputy CFO positions in cabinet departments and major executive branch agencies, and required the annual preparation and audit of financial statements.

I would briefly like to mention that the Department of Homeland Security, which has 180,000 employees and a budget of over $30 billion, is the only cabinet level department not now subject to the CFO Act. In order to address this problem, on August 1, 2003, I was joined by Senator AKAKA in introducing S. 1567, the Department of Homeland Security Financial Accountability Act, which would subject the department to the same financial management practices currently required of all other major Federal agencies. The Senate passed S. 1567 in November 2003, and the House of Representatives passed its version, H.R. 4259, on July 20, 2004. It is my hope and expectation that final congressional action on this legislation will occur in the near future.

The CFO Act improved the financial management of cabinet departments and major Federal agencies; however, it did not address the fiscal policies and practices of the rest of the executive branch. Therefore, in 2002, I was the Senate sponsor of the Accountability of Tax Dollars Act (ATDA). This legislation, which became law on November 7, 2002, amended the CFO Act to require agencies with budget authority of over $25 million to prepare annual financial statements and have them independently audited. Due to the enactment of the ATDA, an additional 76 agencies are now subject to requirements for annual audited financial statements.

The ATDA also provided authority to the Director of the Office of Management and Budget (OMB) to waive or exempt certain agencies from the act's requirements. The OMB director may waive these requirements during the first 2 years of implementation if an agency lacks the budgeted resources or requires additional time to develop financial management practices and systems. The OMB director may exempt agencies with budget authority under $25 million if it is determined that there is an absence of risk associated with the agency's operations.

To improve upon the legislative changes Congress enacted in 2002, the Financial Accountability Expansion Act of 2004, which I introduced last week, would further expand the requirements of the CFO Act to every remaining entity in the executive branch. Each executive branch agency or entity, regardless of its size or budget authority, would be subject to the financial oversight and accountability that annual, independently audited financial statements provide. In order to assist small agencies that may not have adequate financial resources or personnel to comply with these requirements, this bill would authorize the Secretary of the Treasury to enter into one or more contracts on behalf of the agency, or multiple agencies through ''bundling,'' for the preparation and independent audit of the financial statement.

To begin the process of expanding audit requirements through the Executive Branch, on July 19, 2004, I was joined by Senator AKAKA in introducing S. 2688, the Executive Branch Financial Accountability Reporting Act of 2004, which would require the Director of the Office of Management and Budget (OMB) to submit a report to the relevant congressional committees that lists all Federal entities not currently required to prepare annual, independently audited financial statements. We were pleased that the Governmental Affairs Committee favorably reported this bill on July 21, 2004, and we intend to work with our colleagues to expedite Senate passage of this important legislation.

Although significant progress has been made in strengthening financial accountability of the executive branch, similar audit requirements in the judicial and legislative branches are woefully inadequate or completely lacking. At a hearing held on July 8, 2004, by the Governmental Affairs Subcommittee on Financial Management, the Budget, and International Security, which I chair, we heard surprising testimony that the judicial branch does not conduct annual audits of its financial statements. Similarly, many entities in the legislative branch do not prepare annual financial statements, and many that do prepare financial statements do not have them independently audited.

As part of the Contract with America in the 104th Congress, the financial statements of the House of Representatives have been annually audited by an independent accounting firm. While several other legislative branch entities voluntarily comply with the requirements of the CFO Act—the Government Accountability Office and the Congressional Budget Office—these agencies of Congress are not statutorily required to do so. I find it disturbing that the United States Senate does not hold itself to the same standards of financial accountability that it imposes on the executive branch of government. The financial activities of all entities established by and within the legislative branch—such as the Senate Disbursing Office, the Capitol Police, the Library of Congress, the Government Accountability Office, the U.S. Botanic Garden, and the Architect of the Capitol—should be subject statutorily to the oversight provided by an independent financial statement audit.

In fiscal year 2004, the Congress appropriated over $3.5 billion for the legislative branch and approximately $5.2 billion for the judicial branch. To ensure that these two co-equal branches of government are subject to independent audit requirements similar to the executive branch, the legislative package I introduce today includes two bills to strengthen the financial management practices of the Federal courts and legislative entities.

The Judicial Branch Financial Accountability Act of 2004 that I introduce today would require the Federal judiciary to have independent audits of annual financial statements covering

all accounts and activities. In deference to a co-equal branch of government, the bill would require the Judicial Conference of the United States, the principal policy-making body for the administration of the U.S. Courts, to determine whether the U.S. Supreme Court, the U.S. Court of Appeals for the Federal Circuit, the U.S. Court of International Trade, and other judicial branch entities, should submit separate financial statements, or whether there should be a single consolidated statement that is independently audited.

To ensure that judicial branch entities have the procedures and resources in place to comply with the requirements of this act, this bill would require the submission of a report regarding the act's implementation to the appropriate committees in the Senate and House of Representatives. This report is to be submitted not later than 90 days after the date of the bill's enactment, and is to include any legislative recommendations that may be necessary to carry out the provisions of the act. Similar to the requirements imposed by OMB on executive branch entities, this bill would require the completion and public release of the audited financial statement not later than 45 days after the end of the fiscal year.

The second bill I introduce today—the Legislative Branch Financial Accountability Expansion Act of 2004—would require that each House of Congress and each legislative agency or other entity prepare financial statements that must be independently audited. In order to ensure that entities in the legislative branch have the procedures and resources in place that are necessary to fulfill this requirement, the bill requires each House of Congress and each legislative agency or other entity to submit a report to the appropriate committees in the Senate and House of Representatives regarding the implementation of the act. The report is to be submitted within 90 days of the date of enactment, and is to include whether the establishment of a special office is necessary to carry out the act's requirements, as well as any legislative recommendations that may be necessary.

Within 60 days after the submission of this report, each House of Congress is to establish an office to prepare the financial statement. Each legislative agency or other entity is also required to establish an office, or designate an individual if that is more appropriate, to prepare the financial statement. An independent audit of the financial statement is to be completed and made public within 45 days after the close of the applicable fiscal year.

I am sensitive to how other co-equal branches of the Federal Government conduct their fiscal affairs. Therefore, these bills defer to the leadership of these branches to determine the most appropriate means of implementing annual independent audits of financial statements. In light of these sensitivities, I recognize that these bills represent the first step toward improving the financial accountability of the entire Federal Government. I look forward to working with my colleagues to provide the best legislative solution to ensure full and equal accountability for the use of taxpayer dollars.

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

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

S. 2757

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 ''Legislative Branch Financial Accountability Act of 2004''.

SEC. 2. CONGRESS.

(a) IN GENERAL.—The Senate and the House of Representatives each shall annually have a financial statement prepared in accordance with United States generally accepted accounting principles, and have the statement independently audited, for the preceding calendar year covering all the accounts and associated activities of the Senate and the House of Representatives, respectively.

(b) FINANCIAL STATEMENT.—Each financial statement shall reflect the organizational structure of the Senate and House of Representatives, respectively, and shall cover accounts and financial information for all entities of the Senate and House of Representatives, respectively. Joint activities shall be reflected in the financial statement of a House of Congress to the extent that the House funds the activities.

SEC. 3. AGENCIES.

(a) IN GENERAL.—Each agency under subsection (b) shall annually have a financial statement prepared in accordance with United States generally accepted accounting principles, and have the statement independently audited, for the preceding fiscal year covering all the accounts and associated activities of the agency.

(b) The agencies referred to under subsection (a) are the—

(1) Library of Congress;

(2) Congressional Budget Office;

(3) General Accountability Office;

(4) Government Printing Office;

(5) United States Botanic Garden;

(6) Architect of the Capitol;

(7) United States Capitol Police; and

(8) any other entity of the legislative branch established by Congress and not required by statute to have annual financial statements independently audited.

SEC. 4. REPORT.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, a report described under subsection (b)—

(1) shall be submitted by the Committee on Rules and Administration of the Senate, with respect to the entities of the Senate, to the Committee on Governmental Affairs of the Senate;

(2) shall be submitted by the Committee on Administration of the House of Representatives, with respect to entities of the House of Representatives, to the Committee on Government Reform of the House of Representatives; and

(3) shall be submitted by each legislative agency or entity under section 3 to the—

(A) Committee on Rules and Administration of the Senate and the Committee on Governmental Affairs of the Senate; and

(B) Committee on Administration of the House of Representatives and the Committee on Government Reform of the House of Representatives.

(b) CONTENT.—Each report under subsection (a) shall include—

(1) a plan for implementation of this Act, including whether the establishment of an office is necessary to carry out this Act; and

(2) recommendations, including legislative actions and amendments to this Act, if necessary, to effectively carry out this Act.

SEC. 5. PREPARATION AND AUDIT OF STATEMENTS.

(a) PREPARATION.—

(1) CONGRESS.—Not later than 60 days after the submission of the report under section 4, the Majority Leader of the Senate in consultation with the Minority Leader of the Senate, and the Speaker of the House of Representatives in consultation with the Minority Leader of the House of Representatives, shall establish offices in the Senate and the House of Representatives, respectively, that shall prepare the financial statements for each House required by this Act in accordance with United States generally accepted accounting principles.

(2) LEGISLATIVE AGENCIES AND ENTITIES.—Not later than 60 days after the submission of the report under section 5, the head of each legislative agency or entity shall designate an individual or establish an office that shall prepare the financial statements required by this Act in accordance with United States generally accepted accounting principles.

(b) AUDIT.—With respect to the financial statements of each House of Congress and each legislative agency or other entity, the Majority Leader of the Senate in consultation with the Minority Leader of the Senate, the Speaker of the House of Representatives in consultation with the Minority Leader of the House of Representatives, and the head of each legislative agency or other entity, respectively, shall provide, by contract, for an independent audit of the financial statements required by this Act in accordance with generally accepted government auditing standards. Not later than 45 days after the end of the applicable fiscal year, whether calendar or fiscal, and each year thereafter, each House of Congress and head of legislative agency or entity shall complete and make available to the public the independently audited financial statement.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act in fiscal year 2005, and each fiscal year thereafter.

SEC. 7. EFFECTIVE DATES.

(a) IN GENERAL.—Sections 2 and 3 shall take effect in the applicable fiscal year, whether calendar or fiscal, during which the office referred to in section 5 is established.

(b) ADMINISTRATIVE PROVISIONS.—Sections 1, 4, 5, and 6 shall take effect on the date of enactment of this Act.

S. 2758

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 ''Judicial Branch Financial Accountability Act of 2004''.

SEC. 2. FEDERAL JUDICIARY.

(a) IN GENERAL.—The Federal Judiciary shall annually have independently audited financial statements prepared for fiscal year 2005, and each fiscal year thereafter, covering all the accounts and associated activities of the judicial branch.

(b) SEPARATE STATEMENTS.—The Judicial Conference of the United States shall determine whether to have separate financial statements for the—

(1) Supreme Court of the United States;

(2) United States Court of Appeals for the Federal Circuit;

(3) United States Court of International Trade;

(4) Administrative Office of the United States Courts;

(5) Federal Judicial Center;

(6) Judicial retirement funds;

(7) United States Sentencing Commission; or

(8) other courts or services paid from the appropriations for ''Courts of Appeals, District Courts, and Other Judicial Services''.

SEC. 3. PREPARATION AND AUDIT OF STATEMENTS.

(a) PREPARATION.—The Administrative Office of the United States Courts shall prepare the financial statements required by this Act in accordance with United States generally accepted accounting principles.

(b) AUDIT.—

(1) IN GENERAL.—The Judicial Conference of the United States shall provide, by contract, for an independent auditor to audit the financial statements required by this Act in accordance with generally accepted government auditing standards.

(2) REPORT.—Not later than 45 days after the end of the defined fiscal year, whether calendar or fiscal, and each year thereafter, the Administrative Office of the United States Courts shall complete and submit an independently audited financial statement that shall be—

(A) available to the public; and

(B) submitted to—

(i) the Committee on the Judiciary of the Senate and the Committee on Governmental Affairs of the Senate; and

(ii) the Committee on the Judiciary of the House of Representatives and the Committee on Government Reform of the House of Representatives.

SEC. 4. REPORT.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, a report described under subsection (b) shall be submitted by the Judicial Conference to—

(1) the Committee on the Judiciary of the Senate and the Committee on Governmental Affairs of the Senate; and

(2) the Committee on the Judiciary of the House of Representatives and the Committee on Government Reform of the House of Representatives.

(b) CONTENT.—The report under subsection (a) shall include—

(1) a plan for implementation of this Act; and

(2) recommendations, including legislative actions and amendments to this Act, if necessary, to effectively carry out this Act.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act in fiscal year 2005, and each fiscal year thereafter.

Mr. KENNEDY. Mr. President, I am pleased to introduce the Children's Health Improvement and Protection (CHIP) Act today, along with my fellow Senators ROCKEFELLER, CHAFEE, and SNOWE. This bill will ensure that children continue to receive health care coverage through the Children's Health Insurance Program, which is especially important as the Nation's economy struggles to recover and State budgets are stretched perilously thin.

The Children's Health Insurance Program, CHIP, has shown great success in reducing the number of children without health insurance. Last year, 5.8 million children were enrolled in CHIP, children who otherwise would have limited access to critical screening and diagnostic services and needed medical care. In 2003, 125,000 children in Massachusetts participated in CHIP and other Stats had similar success.

The need for CHIP has always been clear. We know that children without health insurance are more than three times less likely to have a regular source of health care than insured children. They are more than four times as likely to delay needed medical care because of cost. And they are more than twice as likely as insured children to forego needed prescription drugs and eyeglasses.

Despite the clear evidence that health insurance provides children with a healthier start, continued success of the CHIP program is in jeopardy. A number of States have budget shortfalls that will short-change CHIP programs over the next several years. Last year, the Congress acted to prevent $2.7 billion in Federal funding for CHIP from reverting to the Treasury. However, this funding was a short-term solution for long-term financing problems that will persist until CHIP is reauthorized in 2007. The Center on Budget and Policy Priorities has projected that over 200,000 children are still at risk for losing their health coverage if additional steps are not taken.

This bill will provide the needed steps to support and expand the CHIP program. The Children's Health Improvement and Protection Act of 2004 prevents $1.07 billion in Federal CHIP funds that are scheduled to expire from reverting to the Treasury. In addition, this bill reallocates some of these funds to States that most need them. Seventy percent of the expiring fiscal year 1998, 1999, and 2000 funds would be redistributed to needy States and the remaining 30 percent of the funds would be retained by the States that currently have them.

States that were unable to spend all of their fiscal year 2002, 2003, and 2004 CHIP allotments after 3 years would be able to keep half of the unspent funds. The other 50 percent would be redistributed to States that have fully spent their allotments during the 3-year period they were available. Any retained or redistributed funds would be available for 2 years. After that, our bill establishes a second redistribution for unspent funds, using the same 70–30 redistribution scheme I described previously.

Passage of CHIP was a great step forward in ensuring every child a healthy start in life. It would be a grave mistake and a misplaced set of priorities to weaken this program that so many of us worked to enact and that is helping so many children. It makes no sense to have funds expire and revert to the Treasury when we know that many States are still facing severe deficits that have led to waiting lists or ''freezes'' in their CHIP programs. This bill will allow States to maintain their CHIP programs and allow them to grow. The health of the Nation reflects the health of our children and I look forward to working with my colleagues in the Senate to get this very important legislation passed.

By Mr. ROCKEFELLER (for himself, Mr. CHAFEE, Mr. KENNEDY, and Ms. SNOWE):

S. 2759. A bill to amend title XXI of the Social Security Act to modify the rules relating to the availability and method of redistribution of unexpended SCHIP allotments, and for other purposes; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, I rise today with my friend and colleague from Rhode Island, Mr. CHAFEE, to introduce legislation that will protect the health and well-being of America's children by restoring funds to the Children's Health Insurance Program (CHIP). In 1997, Senator CHAFEE and I worked together to create the Children's Health Insurance Program as part of the Balanced Budget Act. I am proud of the work we have done over the years to make improvements to this critical program, which helps so many of our nation's children.

Since its inception, the CHIP program has been an unqualified success. It has directly contributed to the decline in the number of children without health insurance in recent years. Last year, 5.8 million children were enrolled in CHIP, including over 35,000 children in my home state of West Virginia.

However, the continued success of the CHIP program is in serious jeopardy. A number of States are projected to have insufficient Federal funding to sustain their existing CHIP programs over the next several years. On September 30, 2004, $1.07 billion in Federal CHIP funds are scheduled to expire and revert to the national treasury, despite growing unmet need in a number of States. If Congress does not act to preserve these funds, States will have no choice but to cut coverage for low-income children.

Last year, we acted to protect children's health care by passing legislation to prevent $2.7 billion in Federal funding for CHIP from reverting to the treasury. While this legislation went a long way to address immediate CHIP funding shortfalls, it did not address the long-term financing problems that will persist until CHIP is reauthorized in fiscal year 2007. The legislation we are introducing today would solve the current CHIP financing problems and preserve health care coverage for children through reauthorization, when Congress will have to consider a better Federal financing mechanism for the program.

I am pleased to be joined by Senators CHAFEE, KENNEDY, and SNOWE in introducing legislation that represents a comprehensive approach to shoring up CHIP financing through reauthorization, thereby preventing a devastating

enrollment decline and facilitating continued CHIP growth. Our bill would extend the availability of the $1.07 billion in expiring CHIP funds and target some of the funds to the States that need them the most. It would also establish redistribution rules that will keep CHIP money in the CHIP program through fiscal year 2007.

The Children's Health Protection and Improvement Act will allow States to continue offering health care to our Nation's children—the most vulnerable population among us. It will ensure that healthy children have access to preventative check-ups and exams and that sick children can get the medication and treatment they need. This legislation enjoys bipartisan support and is endorsed by the National Governor's Association (NGA).

I urge my colleagues to make enactment of this critical legislation a priority. Congress must act on this legislation this year. We must do this when we return. I recognize that we have very few legislative days left, but this must be at the top of our list because our children cannot afford to wait. We must guarantee the continued success of the CHIP program and sustain the significant progress CHIP has made over the years in reducing the ranks of uninsured children.

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. 2759

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 ''Children's Health Protection and Improvement Act of 2004''.

SEC. 2. CHANGES TO RULES FOR REDISTRIBUTION AND EXTENDED AVAILABILITY OF 1998 THROUGH 2004 SCHIP ALLOTMENTS.

Section 2104(g) of the Social Security Act (42 U.S.C. 1397dd(g)), as amended by Public Law 108–74 (117 Stat. 892), is amended—

(1) in the subsection heading by striking '', 1999, 2000, AND 2001'' and inserting ''THROUGH 2004''; and

(2) in paragraph (1)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i)—

(I) by inserting ''or for fiscal year 2002 by the end of fiscal year 2004, or for fiscal year 2003 by the end of fiscal year 2005, or for fiscal year 2004 by the end of fiscal year 2006,'' after ''fiscal year 2003,''; and

(II) by striking ''or 2001'' and inserting ''2001, 2002, 2003, or 2004'';

(ii) in clause (i)—

(I) in subclause (III), by striking ''or'' at the end;

(II) in subclause (IV), by striking the period at the end and inserting a semicolon; and

(III) by adding at the end the following:

''(V) the fiscal year 2002 allotment, the amount specified in subparagraph (E)(i) (less the total of the amounts under clause (ii) for such fiscal year), multiplied by the ratio of the amount specified in subparagraph (E)(ii) for the State to the amount specified in subparagraph (E)(iii);

''(VI) the fiscal year 2003 allotment, the amount specified in subparagraph (F)(i) (less the total of the amounts under clause (ii) for such fiscal year), multiplied by the ratio of the amount specified in subparagraph (F)(ii) for the State to the amount specified in subparagraph (F)(iii); or

''(VII) the fiscal year 2004 allotment, the amount specified in subparagraph (G)(i) (less the total of the amounts under clause (ii) for such fiscal year), multiplied by the ratio of the amount specified in subparagraph (G)(ii) for the State to the amount specified in subparagraph (G)(iii).''; and

(iii) in clause (ii), by striking ''or 2001'' and inserting ''2001, 2002, 2003, or 2004'';

(B) in subparagraph (B)—

(i) in clause (ii), by inserting ''but subject to paragraph (4)'' after ''subsection (e)'';

(ii) in clause (iii)—

(I) by inserting ''but subject to paragraph (4)'' after ''subsection (e)''; and

(II) by striking ''and'' at the end;

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

(iv) by inserting after clause (iii), the following:

''(iv) notwithstanding subsection (e) but subject to paragraph (4), with respect to fiscal year 2002, shall remain available for expenditure by the State through the end of fiscal year 2006;

''(v) notwithstanding subsection (e), with respect to fiscal year 2003, shall remain available for expenditure by the State through the end of fiscal year 2007; and

''(vi) with respect to fiscal year 2004, subsection (e) shall apply; and''; and

(C) by adding at the end the following:

''(E) AMOUNTS USED IN COMPUTING REDISTRIBUTIONS FOR FISCAL YEAR 2002.—For purposes of subparagraph (A)(i)(V)—

''(i) the amount specified in this clause is the amount specified in paragraph (2)(B)(i)(I) for fiscal year 2002, less the total amount remaining available pursuant to paragraph (2)(A)(v);

''(ii) the amount specified in this clause for a State is the amount by which the State's expenditures under this title in fiscal years 2002, 2003, and 2004 exceed the State's allotment for fiscal year 2002 under subsection (b); and

''(iii) the amount specified in this clause is the sum, for all States entitled to a redistribution under subparagraph (A) from the allotments for fiscal year 2002, of the amounts specified in clause (ii).

''(F) AMOUNTS USED IN COMPUTING REDISTRIBUTIONS FOR FISCAL YEAR 2003.—For purposes of subparagraph (A)(i)(VI)—

''(i) the amount specified in this clause is the amount specified in paragraph (2)(B)(i)(I) for fiscal year 2003, less the total amount remaining available pursuant to paragraph (2)(A)(vi);

''(ii) the amount specified in this clause for a State is the amount by which the State's expenditures under this title in fiscal years 2003, 2004, and 2005 exceed the State's allotment for fiscal year 2003 under subsection (b); and

''(iii) the amount specified in this clause is the sum, for all States entitled to a redistribution under subparagraph (A) from the allotments for fiscal year 2003, of the amounts specified in clause (ii).

''(G) AMOUNTS USED IN COMPUTING REDISTRIBUTIONS FOR FISCAL YEAR 2004.—For purposes of subparagraph (A)(i)(VII)—

''(i) the amount specified in this clause is the amount specified in paragraph (2)(B)(i)(I) for fiscal year 2004, less the total amount remaining available pursuant to paragraph (2)(A)(vii);

''(ii) the amount specified in this clause for a State is the amount by which the State's expenditures under this title in fiscal years 2004, 2005, and 2006 exceed the State's allotment for fiscal year 2004 under subsection (b); and

''(iii) the amount specified in this clause is the sum, for all States entitled to a redistribution under subparagraph (A) from the allotments for fiscal year 2004, of the amounts specified in clause (ii).'';

(3) in paragraph (2)—

(A) in the paragraph heading by striking ''2001'' and inserting ''2004''; and

(B) in subparagraph (A)—

(i) in clause (i), by striking ''Of'' and inserting ''Subject to paragraph (4), of'';

(ii) in clause (ii), by striking ''Of'' and inserting ''Subject to paragraph (4), of'';

(iii) in clause (iii), by striking ''Of'' and inserting ''Subject to paragraph (4), of'';

(iv) in clause (iv), by striking ''Of'' and inserting ''Subject to paragraph (4), of''; and

(v) by adding at the end the following:

''(v) FISCAL YEAR 2002 ALLOTMENT.—Subject to paragraph (4), of the amounts allotted to a State pursuant to this section for fiscal year 2002 that were not expended by the State by the end of fiscal year 2004, 50 percent of that amount shall remain available for expenditure by the State through the end of fiscal year 2006.

''(vi) FISCAL YEAR 2003 ALLOTMENT.—Of the amounts allotted to a State pursuant to this section for fiscal year 2001 that were not expended by the State by the end of fiscal year 2005, 50 percent of that amount shall remain available for expenditure by the State through the end of fiscal year 2007.

''(vii) FISCAL YEAR 2004 ALLOTMENT.—Of the amounts allotted to a State pursuant to this section for fiscal year 2004 that were not expended by the State by the end of fiscal year 2006, 50 percent of that amount shall remain available for expenditure by the State through the end of fiscal year 2007.'';

(4) in paragraph (3)—

(A) by striking ''or fiscal year 2001'' and inserting ''fiscal year 2001, fiscal year 2002, fiscal year 2003, or fiscal year 2004,''; and

(B) by striking ''or November 30, 2003,'' and inserting ''November 30, 2003, November 30, 2004, November 30, 2005, or November 30, 2006,''; and

(5) by adding at the end the following:

''(4) ADDITIONAL EXTENDED AVAILABILITY OF FISCAL YEARS 1998 THROUGH 2002 ALLOTMENTS.—

''(A) FISCAL YEAR 1998, 1999, AND 2000 ALLOTMENTS.—With respect to any amounts allotted to a State pursuant to this section for fiscal years 1998, 1999, or 2000 that were redistributed to a State under paragraph (1), or whose availability to a State was extended through the end of fiscal year 2004 under paragraph (2), that were not expended by the State by the end of fiscal year 2004, the following rules shall apply:

''(i) 30 percent of such amounts shall remain available for expenditure by the State through the end of fiscal year 2007.

''(ii) The remainder of such amounts shall be redistributed to States that have fully expended the amount of their fiscal year 2002 allotments under this section in the same ratio as unexpended fiscal year 2002 allotments are redistributed under paragraph (1)(A)(i)(V) to such States and the amounts redistributed under this clause shall remain available for expenditure through the end of fiscal year 2007.

''(B) FISCAL YEAR 2001 ALLOTMENTS.—With respect to any amounts allotted to a State pursuant to this section for fiscal year 2001 that were redistributed to a State under paragraph (1), or whose availability to a State was extended through the end of fiscal year 2005 under paragraph (2), that were not expended by the State by the end of fiscal year 2005, the following rules shall apply:

''(i) 30 percent of such amounts shall remain available for expenditure by the State through the end of fiscal year 2007.

''(ii) The remainder of such amounts shall be redistributed to States that have fully expended the amount of their fiscal year 2003 allotments in the same ratio as unexpended fiscal year 2003 allotments are redistributed under paragraph (1)(A)(i)(VI) to such States and the amounts redistributed under this clause shall remain available for expenditure through the end of fiscal year 2007.

''(C) FISCAL YEAR 2002 ALLOTMENTS.—With respect to any amounts allotted to a State pursuant to this section for fiscal year 2002 that were redistributed to a State under paragraph (1), or whose availability to a State was extended through the end of fiscal year 2006 under paragraph (2), that were not expended by the State by the end of such fiscal year, the following rules shall apply:

''(i) 30 percent of those amounts shall remain available for expenditure by the State through the end of fiscal year 2007.

''(ii) The remainder of such amounts shall be redistributed to States that have fully expended the amount of their fiscal year 2004 allotments in the same ratio as unexpended fiscal year 2004 allotments are redistributed under paragraph (1)(A)(i)(VII) to such States and the amounts redistributed under this clause shall remain available for expenditure through the end of fiscal year 2007.''.

SEC. 3. CONTINUED AUTHORITY FOR QUALIFYING STATES TO USE CERTAIN FUNDS FOR MEDICAID EXPENDITURES.

Section 2105(g)(1)(A) of the Social Security Act (42 U.S.C. 1397ee(g)(1)(A)), as added by Public Law 108–74 (117 Stat. 895) and amended by Public Law 108–127 (117 Stat. 134), is amended by striking ''or 2001'' and inserting ''2001, 2002, 2003 or 2004''.

Mr. CHAFEE. Mr. President, I am pleased to join Senator ROCKEFELLER and others today in introducing a bipartisan proposal to extend and redistribute expiring State Children's Health Insurance Program (SCHIP) funds.

This legislation will allow States to retain $1.07 billion in funds originally allocated for fiscal years 1998, 1999, and 2000, and currently scheduled to revert to the Federal Treasury on September 30, 2004. The bill also applies a 70–30 redistribution formula to the 1998–2000 allotments. States with surplus funds scheduled to revert in September will keep 30 percent of the money and cede 70 percent to States that have exhausted their allotments. Additionally, the bill will continue the current law redistribution rules through 2007. It allows States unable to spend all of their fiscal year 2002, 2003, and 2004 SCHIP allotments within the 3-year limit, to keep half of the unspent funds. The other 50 percent would be redistributed to States that have exhausted their allotments.

This proposal will prevent States from losing unexpended SCHIP allotments and allows States like Rhode Island, with efficient programs and a high-level of need, to receive redistributed money. Without this proposal, the overwhelming success of State SCHIP programs and quality health coverage to millions of uninsured children will be jeopardized.

Preserving the expiring funds is essential to guaranteeing that more than 200,000 children will not lose their health insurance coverage between now and 2007. At a time when our Nation's uninsured rate has climbed to 43.6 million, it makes little sense to take away Federal funding from States that are desperately trying to enroll needy children. This legislation is crucial to many States including my State of Rhode Island. Without this remedy, Rhode Island is set to run out of SCHIP funds by 2005. At 5 percent, Rhode Island currently has the third lowest uninsured rate of any State in the Nation for children. This bill will enable Rhode Island to continue offering health coverage to this vulnerable population.

I urge my colleagues to join Senator ROCKEFELLER and me in supporting this important legislation. It is a crucial step toward ensuring that our Nation's children will have long-term access to quality health insurance.

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

S. 2762. A bill to encourage the use of indigenous feedstock from the Caribbean Basin region with respect to ethyl alcohol for fuel use; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, I rise today to introduce legislation to close a loophole under the Caribbean Basin Initiative, CBI, trade preference program which could allow large quantities of Brazilian ethanol to be shipped to the United States duty-free. This loophole allows companies to use the CBI program as a passthrough to get duty-free treatment for Brazilian ethanol. This could end up displacing U.S. production and hurting Iowa's ethanol producers. I want to help make sure that does not happen.

Also, when the Caribbean Basin Initiative was enacted during the Reagan administration, the purpose of the program was to encourage trade and development with the region. I support the CBI program. However, I believe that the program should encourage meaningful economic development in the region. Unfortunately, one special interest provision in the statute permits ''wet'' ethanol from Brazil to be shipped to the CBI region and merely dehydrated, thus qualifying for duty-free access to the U.S. market. The dehydration process which occurs in the CBI region is not very complicated. It simply removes a small percentage of water from ''wet'' ethanol, thereby converting it into ''dry'' ethanol. Such ''dry'' ethanol is provided duty-free access to the U.S. market. I do not believe that such simple processing is substantial enough to warrant the benefit of getting duty-free access to the U.S. market. In keeping with the original intent of the CBI, I believe that more meaningful economic activity should occur in the CBI region before a product qualifies for duty-free treatment.

My bill would limit the opportunity to exploit this special interest provision. It would introduce a fixed cap on the amount of ethanol that can take advantage of the passthrough provision. The amount of the cap is based on the historical volume of ethanol exports from the CBI region over the past 20 years. Thus, my bill will permit the continued duty-free importation of some ethanol that is simply dehydrated in the CBI region, based on historical trade amounts. However, my bill would put a stop to the unlimited future growth of such duty-free imports.

It is my belief that this modification should not impact any of the CBI companies that are currently operating ethanol plants in the region. At the same time, my bill will encourage greater investment and development in the CBI region because ethanol that is produced from scratch in the CBI region, using CBI inputs, will continue to be eligible for duty-free access to the U.S. market under the CBI program. If ethanol is made from scratch in the CBI region then it will qualify for duty-free treatment.

In sum, my bill only addresses new investments in dehydration plants, whose sole purpose is to merely dehydrate Brazilian ethanol. Our tariff preference programs should not be granting economic incentives in the form of tariff preferences for such passthrough operations. In my mind, that is not what the CBI program is for, and it is not fair for Iowa's ethanol producers.

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

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

S. 2762

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

SECTION 1. ETHYL ALCOHOL FOR FUEL USE.

(a) IN GENERAL.—Subparagraph (B) of section 423(c)(3) of the Tax Reform Act of 1986 (19 U.S.C. 2703 note) is amended to read as follows:

''(B) The local feedstock requirement with respect to any calendar year is—

''(i) 0 percent with respect to the base quantity that is entered;

''(ii) 30 percent with respect to the 35,000,000 gallons of dehydrated alcohol and mixtures entered in excess of the base quantity; and

''(iii) 50 percent with respect to all dehydrated alcohol and mixtures entered after the amount specified in clause (ii) is entered.''.

(b) BASE QUANTITY.—Clause (i) of section 423(c)(3)(C) of the Tax Reform Act of 1986 (19 U.S.C. 2703 note) is amended to read as follows:

''(i) The term 'base quantity' means, with respect to dehydrated alcohol and mixtures entered during any calendar year—

''(I) 90,000,000 gallons in the case of dehydrated alcohol and mixtures produced in a distillation facility located in a beneficiary country that was established before, and in operation on July 1, 2004; and

''(II) 0 gallons in the case of dehydrated alcohol and mixtures produced in any other distillation facility located in a beneficiary country.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after 2004.

By Mrs. CLINTON (for herself, Mr. GREGG, and Mr. REID):

S. 2763. A bill to amend the Atomic Energy Act of 1954 to clarify the treatment of accelerator-produced and other radioactive material as byproduct material; to the Committee on Environment and Public Works.

Mrs. CLINTON. Mr. President, I rise to introduce the Dirty Bomb Protections Acts along with Senators GREGG and REID. This bill directs the Nuclear Regulatory Commission, NRC, to control key materials that could be used in a dirty bomb. Unfortunately, some of these materials are currently exempt from Federal control.

This bill follows a prior bill that I introduced with Senator GREGG in 2002, which was the first bipartisan legislation to propose improved domestic controls on materials that could be used in a ''dirty bomb.'' This legislation was supported and acclaimed by international dirty bomb experts. It provided for the safeguarding of radioactive material against use by terrorists. The bill required proper tracking, recovery, storage and export controls for radioactive material.

Since then, the IAEA Board of Governors accepted and its General Conference endorsed the revised ''IAEA Code of Conduct on the Safety and Security of Radioactive Sources,'' which reflects many of the elements in that bill. The heads of state and government of the eight major industrialized democracies, G8, and over 30 other countries have committed to implement the code. And at the Sea Island Summit earlier this year, G8 leaders urged all states to implement the code and recognize it as a global standard.

Passage of the Dirty Bomb Protections Act would allow the U.S. to fully implement the commitments of the code by providing the NRC with authority to control a set of substances for which they currently lack authority, including Radium-226 and other naturally occurring radioactive materials that for historical reasons have remained outside of Federal control. To control these materials, the bill instructs the NRC to: (1) promulgate final implementing regulations governing such byproduct material; and (2) prepare and give public notice of a transition plan for State assumption of regulatory responsibility for such material.

I believe this bill represents an important step forward in our war against terror and our efforts to control access to materials that could be used to produce a dirty bomb. The language is identical to language that passed the EPW Committee unanimously last year. I look forward to working with Senator INHOFE and other Members of the Senate, as well as the NRC, to advance this important legislation this year.

By Mr. DODD (for himself, Mr. BENNETT, Mr. SCHUMER, Mr. HAGEL, Mr. REED, Mr. BUNNING, Mr. CARPER, Mr. CRAPO, Mr. REID, Mrs. DOLE, Mr. NELSON of Nebraska, and Mr. CHAFEE):

2764. A bill to extend the applicability of the Terrorism Risk Insurance Act of 2002; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DODD. Mr. President, I rise to introduce important legislation which I believe is vital to our economic security. I am proud to introduce this legislation, the Terrorism Risk Insurance Extension Act of 2004, with Senators BENNETT, SCHUMER, JACK REED, HAGEL, DOLE, BUNNING, CRAPO, CHAFEE, HARRY REID, and BEN NELSON.

As my colleagues know, the Senate hasn't been a model of legislative productivity this year. It has been a very difficult year—there has been partisan gridlock on a whole host of issues.

It is against this backdrop, the day that we adjourn for 6 weeks for the August recess which includes both conventions and campaigning, that I am proud to speak about an issue that has broad bipartisan support. That issue is an extension of the Terrorism Risk Insurance Act.

This critically important legislation has a history of bipartisan support and I am pleased to say that the robust support on both sides of the aisle still exists as we consider an extension of the program.

The original TRIA legislation was not an easy undertaking. But we persevered, negotiated, and had a frank exchange of views over numerous months and in the end, even though it was at times a laborious, difficult process, we produced a bipartisan bill that garnered 86 votes in this body on this critically important issue.

I worked closely with Democratic Senators SCHUMER, SARBANES, REED, and CORZINE as well as Senators BENNETT, HAGEL, PHIL GRAMM, and many others on the Republican side to get this critical bill passed. That is the model that the Senate should follow more often and that is the model that we are following as we introduce a 2-year extension of the Terrorism Risk Insurance Act today which will provide continued economic security and stability and avoid potential chaos in the aftermath of a terrorist attack.

The September 11 tragedy resulted in disbelief, devastation, and economic dislocation. An attack on our country seemed unimaginable. Few believed any significant major terrorist attack would occur, no less the one as horrific and devastating as the one on 9/11.

September 11 changed everything, most visibly, of course, national and homeland security policy. But September 11 also fundamentally changed the way insurers looked at terrorism risks which suddenly started to resemble an act of war. As a result, after 9/11 the insurance market for terrorism nearly completely dried up. Coverage was unavailable. Many financial transactions weren't able to proceed. And construction workers and other hard-working Americans suddenly found themselves economic victims of terrorism.

In short, we wrote TRIA for a very simple reason: hundreds of thousands of American jobs and billions of dollars of business investment hung in the balance.

We worked together on a bipartisan basis to pass this bill including significant support from this administration which deserves its fair share of credit for enactment of the legislation in November 2002.

TRIA was created as a 3-year Federal program to help make sure the part of the commercial insurance marketplace, disrupted by 9/11, could work again. Most Americans don't even know that TRIA provides a crucial economic safety net for virtually every sector of our economy. Transportation, real estate, utilities, construction, travel and tourism, and financial institutions are just a few of the sectors that need TRIA to protect them against the economic devastation that would come because of a terrorist attack.

Under TRIA, the Government shoulders a share of the financial risk of future attacks. This makes sense—these attacks are against us as Americans, against our democracy, our way of life.

But TRIA also required insurers to offer terrorism coverage on commercial policies. In addition, insurance companies would have to bear an escalating financial burden in future years.

TRIA is working. This public-private ''shared loss'' mechanism is making terrorism insurance available to all businesses at a reasonable cost. Under TRIA, in the event of another terrorist attack, private insurers will still shoulder tens of billions of dollars of terrorism related risk.

What TRIA does is act as a backstop to the private commercial property-casualty insurance system. It gives the market some certainty by establishing, by law, a limit to insured terrorism losses for the insurance industry and the Federal Government.

The Mortgage Bankers Association recently surveyed its 40 largest commercial/multi-family mortgage banking firms. A substantial majority of them believe that TRIA has made terrorism insurance both more available and less expensive.

But the Mortgage Bankers also noted that failure to extend TRIA would probably hurt the commercial real estate market. If we let TRIA expire, we will see the same uncertain environment we saw before TRIA.

TRIA does not expire until the end of 2005. Now some may wonder why I am choosing today to join with Senator BENNETT and others to introduce this legislation to extend the program.

The answer is that we cannot wait until next year.

The economic safety net that TRIA provides will begin to come apart as

early as this fall if Congress does not act.

In the next few months, commercial insurers and their policyholders will begin negotiating new policies. But any 12–month policy taken out after Jan 1 will include at least some time where TRIA doesn't exist if we let it expire.

If we let TRIA expire, business consumers are going to have a hard time getting the coverage they need. That can only hurt our economy, and I'm sure that all Senators share the goal of growing our economy.

If we don't act this year, insurers will have to evaluate every policy as if the backstop will not exist for part of the coverage period.

Senator BENNETT and I and other colleagues propose a 2-year extension this year. That will help avoid destabilizing the insurance market, and, in turn, the national economy. It will give Congress, insurers, businesses, and Government officials time to gather all available, relevant data.

Collecting that data—without fear of market disruption—will help all of us develop a more permanent solution for managing our Nation's economic exposure to catastrophic terrorism.

I know there is plenty of partisan tension in the Senate this year. But keeping our country safe from the economic devastation of a terrorist attack is a critical priority. It is too important to be affected by partisan politics. We didn't let that happen last time, and I hope everyone can work on a bipartisan basis and follow the bipartisan model—rare in this body these days—to make sure it doesn't happen this time.

Mr. BENNETT. Mr. President, I rise today to introduce legislation with my friend and colleague Senator DODD to temporarily extend the Terrorism Risk Insurance Act. Senator DODD was the author of the Terrorism Risk Insurance Act, or TRIA, which was enacted in 2002, and I am joining with him in a bipartisan effort to extend this critically important legislation this year.

As a result of the devastating attacks of 9/11 and a nonexistent terrorism reinsurance market in its wake, TRIA was enacted to provide a temporary economic safety net to our private insurance market. This temporary backstop helped economic growth get back on track after the shock of 9/11. Under current market conditions TRIA is essential to the continued growth of nearly every sector of our economy—transportation, energy, real estate, construction, travel and tourism, lodging, health care, financial institutions, public entities, manufacturing, and retail.

TRIA came into existence for a very simple reason: hundreds of thousands of American jobs—and billions of dollars in business transactions—hung in the balance due to uncertainty in the insurance markets. The September 11 attacks fundamentally altered the way insurers looked at terrorism risks. As a result, the insurance market for terrorism dried up; coverage was unavailable; many types of financial transactions were unable to proceed; hard-working Americans suddenly found themselves economic victims of terrorism.

With broad, bipartisan support, Congress enacted TRIA in November 2002. TRIA was designed to be a temporary, 3-year program to bring stability and functionality back to an essential sector of the commercial insurance marketplace which ceased to exist after 9/11.

Fortunately, TRIA is working as intended. Terrorism insurance is available to all businesses at a reasonable cost. Under TRIA, in the event of further terror attacks, private insurers will cover tens of billions of dollars of terrorism-related risk. TRIA acts as a backstop to the private commercial property-casualty insurance system and provides some market certainty by establishing statutory caps for insured terrorism losses.

TRIA has enabled billions of dollars of real estate and other business transactions previously stalled to go forward without threatening the solvency of the commercial enterprises involved or their insurers. A recent Mortgage Bankers Association, MBA, survey of its 40 largest commercial/multifamily mortgage banking firms revealed that a substantial majority of those survey respondents believe that TRIA has made terrorism insurance both more available and less expensive. Failure to extend TRIA with the uncertainties that still exist in the insurance marketplace would likely have an adverse impact on the commercial real estate market by recreating the pre-TRIA environment that had led to rating agency downgrades of commercial mortgage-backed securities due to lack of adequate terrorism insurance.

TRIA does not currently expire until year-end 2005—which may cause some to wonder why we are introducing legislation today to extend the program by 2 years now. In truth, the economic safety net that TRIA provides will begin to fray as early as this fall if Congress does not act. Because insurers are now required to make terrorism coverage available throughout the life of the program—a decision rendered by the Treasury Department earlier this summer—there is a very real mismatch between TRIA's hard end-date and the commercial insurance policies that will be written in the next few months.

TRIA currently has a ''hard'' end date, which means that the backstop expires December 31, 2005. However, insurance policies that rely on TRIA are written every day of the year, generally for a 12–month term, although some commercial property policies covered by TRIA are multiyear. Therefore, policies written after January 1, 2005, will have a coverage term that extends beyond the life of the TRIA Federal backstop. As a result, insurers will have no choice but to evaluate every policyholder considered for coverage during this period as if the backstop does not exist for part of the coverage period.

Because commercial insurers must make terrorism coverage available for policies written at any time during 2005, insurers and policyholders will be exposed to risk that they continue to be unable to carry during the part of the coverage term that runs beyond TRIA. Policyholders, state insurance regulators and insurers understand that this potential mismatch between policy periods and TRIA's expiration makes it absolutely critical that Congress acts this year to extend TRIA beyond December 31, 2005.

Failure to extend TRIA beyond its current sunset date of December 31, 2005, will create tremendous uncertainty and potential market upheaval for both commercial policyholders and insurers beginning as early as this fall, when annual policies for coverage starting after January 1, 2005, are considered and negotiated.

Insurers and their policyholders already are beginning to negotiate terms, prices and provisions for policy contracts that will renew beginning in January 2005 and extend into 2006. Unless TRIA is extended in 2004, policyholders whose coverage extends into 2006, and their insurers, will not know whether TRIA's financial backstop will exist for the full term of their coverage. This will make it difficult, if not impossible, to accurately price such coverage and is likely to dramatically reduce the availability of terrorism insurance to business consumers. Such an outcome can only harm the economic recovery underway.

A full 2-year extension this year will help avoid destabilizing the insurance market, and, in turn, the national economy, and will enable Congress, insurers, businesses and Government officials to gather all available relevant data—including market data from all three years of TRIA as insurer deductibles rise from 7 percent of prior year commercial premiums in 2003 to 15 percent of such premiums in 2005. Congressional action now will avoid a premature expiration of the Federal backstop in 2005 and help ensure the economic recovery maintains its pace.

Mr. SCHUMER. I am very pleased to join Senators DODD and BENNETT and others in introducing a bill to extend the Terrorism Risk Insurance Act of 2002 for 2 years. I was actively engaged in the formulation of the act and this bill.

This is important, urgently needed legislation. There is a strong consensus among the affected parties that the act should be extended now. The act, without the extension, would expire at the end of 2005.

There is a mismatch. Unless TRIA is extended this year, it will be very difficult, if not impossible, to accurately price coverage on policies that extend into 2006. This will likely significantly reduce the availability of terrorism coverage. That lack of coverage could adversely affect the economy and the economic recovery.

TRIA is working. The General Accounting Office has found that: ''TRIA has improved the availability of terrorism insurance, especially for some high-risk policyholder.''

Fortunately, there have been no terrorism events on U.S. soil since 9/11. We all know that we are under a constant threat and TRIA continues to be necessary.

I noted on the Senate floor when TRIA was passed in 2002 that Government is going to have to play a larger role. TRIA establishes a public-private partnership on terrorism insurance. The private sector could not solve this problem alone in 2002, plain and simple, and it still cannot do so. We can quibble about how much and where that Federal role should be, but it is definitely needed.

This nonpartisan bill is essentially a 2-year extension of TRIA. The changes that are made are minor, they include: extending the ''make available'' provision; including group life insurance policies under the act; gradually adjusting the aggregate industry loss level used to determine mandatory recoupment; providing for a 1 year ''soft landing'' for policies written before December 31, 2007; and requiring a study addressing long-term solutions to terrorism exposure. These are worthwhile modifications.

The bottom line is a simple one, and that is, our No. 1 goal should be keeping the economy on track in this brave new post-9/11 world. If that means altering the balance between Government and private involvement, so be it.

TRIA has worked in New York City. It has translated into thousands of jobs and desperately needed economic activity for the city, the region, and the entire country. If G-D forbid, there is another terrorism catastrophe in this country I have no doubts that the Government will provide the needed aid. TRIA addresses part of that effort in an orderly manner. Our clear hope is that we will never again experience catastrophes that make this bill necessary.

I am hopeful that this bill can be quickly considered by the Banking Committee, passed by the Senate and House, and enacted into law this year.

By Ms. SNOWE (for herself, Mr. VOINOVICH, and Mrs. DOLE):

S. 2765. A bill to amend the Exchange Rates and International Economic Policy Coordination Act of 1988 to clarify the conditions under which the Secretary should enter into negotiations to correct currency manipulations by other countries; to the Committee on Banking, Housing, and Urban Affairs.

Ms. SNOWE. Mr. President, I respectfully request that the attached bill be printed in the RECORD as introduced. If you have any questions about this request, please contact Rob Weissert at 4–0216.

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

S. 2765

SECTION 1. AMENDMENTS RELATING TO INTERNATIONAL FINANCIAL POLICY.

(a) BILATERAL NEGOTIATIONS.—Section 3004(b) of the Exchange Rates and International Economic Policy Coordination Act of 1988 (22 U.S.C. 5304(b)) is amended in the second sentence by striking ''(1) have material global account surpluses; and (2)''.

(b) REPORT.—Section 3005(b) of the Exchange Rates and International Economic Policy Coordination Act of 1988 (22 U.S.C. 5305(b)) is amended—

(1) by striking ''and'' at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting ''; and''; and

(3) by adding at the end the following:

''(9) a detailed explanation of the test the Secretary uses to determine if a country is manipulating the rate of exchange between that country's currency and the dollar for purposes of preventing effective balance of payments adjustments or gaining an unfair advantage in international trade.''.

By Mr. SPECTER:

S. 2766. A bill to amend part D of title XVIII of the Social Security Act to authorize the Secretary of Health and Human Services to negotiate for lower prices for Medicare prescription drugs and to eliminate the gap in coverage of Medicare prescription drug benefits, to reduce medical errors and increase the use of medical technology, to increase services in primary and preventive care by non-physician providers, and for other purposes; to the Committee on Finance.

Mr. SPECTER. Mr. President, I have sought recognition today to introduce the Prescription Drug and Health Improvement Act of 2004, which is legislation designed to reduce the high prices of prescription drugs. Americans, specifically senior citizens, pay the highest prices in the world for brand-name prescription drugs. With 43 million uninsured Americans and many more senior citizens without an adequate prescription drug benefit, filling a doctor's prescription is unaffordable for many people in this country. The United States has the greatest health care system in the world; however, too many seniors are forced to make difficult choices between life-sustaining prescription drugs and daily necessities.

The Centers for Medicare and Medicaid Services estimate that in 2003 per capita spending on prescription drugs rose approximately 12 percent, with a similar rate of growth expected for this year. Much of the increase in drug spending is due to higher utilization and the shift from older, lower cost drugs to newer, higher cost drugs. However, rapidly increasing drug prices are a critical component.

High drug prices, combined with the surging older population, are also taking a toll on State budgets and private sector health insurance benefits. Medicaid spending on prescription drugs increased at an average annual rate of nearly 20 percent between 1998 and 2001. Until lower priced drugs are available, pressures will continue to squeeze public programs at both the State and Federal level.

To address these problems, my legislation would reduce the high prices of prescription drugs to seniors by: one, allowing the Secretary of Health and Human Services, HHS, to negotiate prescription drug prices with manufacturers; and two, eliminate the coverage gap in the Medicare Prescription Drug Program. The bill's $400 billion price tag over the next 10 years would be offset by, three, reducing medical errors, increasing the use of medical technology, and, four, increasing the use of non-physician providers in primary and preventive health care.

Prescription Drug Negotiation: This legislation would repeal the prohibition against interference by the Secretary of HHS with negotiations between drug manufacturers, pharmacies, and prescription drug plan sponsors and instead authorize the Secretary to negotiate contracts with manufacturers of covered prescription drugs. It will allow the Secretary of HHS to use Medicare's large beneficiary population to leverage bargaining power to obtain lower prescription drug prices for Medicare beneficiaries.

Price negotiations between the Secretary of HHS and prescription drug manufacturers would be analogous to the ability of the Secretary of Veterans Affairs to negotiate prescription drug prices with manufacturers. This bargaining power enables veterans to receive prescription drugs at a significant cost savings.

In my capacity as chairman of the Veterans' Affairs Committee, I introduced the Veterans Prescription Drugs Assistance Act, S. 1153, which was reported out of committee on June 20, 2004.

This legislation would broaden the ability of veterans to access the Veterans Affairs Prescription Drug Program. All Medicare-eligible veterans will be able to purchase medications at a tremendous price reduction through the Veterans Affairs' Prescription Drug Program. In many cases this would save veterans who are Medicare beneficiaries up to 90 percent on the cost of commonly prescribed medications. Similar savings would be available to America's seniors from the savings achieved using the HHS bargaining power, like the Veterans Affairs bargaining power for the benefit of veterans.

Medicare Coverage Gap Elimination: The bill would eliminate the coverage gap, also known as the ''doughnut hole,'' for beneficiaries in the Medicare prescription drug program. Beginning in January 2006, Medicare beneficiaries with an individual income of over $13,470 and couples with an income over $18,180, 150 percent of the poverty level, will pay a monthly premium, approximately $35, a $250 deductible, and coinsurance of 25 percent up to an initial coverage limit of $2,250, but then do not receive coverage until they exceed $5,100 of total spending. Specifically, Medicare beneficiaries will have to make out-of-pocket payments for prescription drug purchases from $2,250 to

$5,100 in total spending. After $5,100 in total spending, the coinsurance payment for those beneficiaries is 5 percent. Medicare beneficiaries below 150 percent of the poverty level do not have a gap in drug coverage. My legislation would eliminate the gap in coverage for those over 150 percent of the poverty level in the Medicare prescription drug program, by extending the 25 percent beneficiary coinsurance payment from $2,250 to $5,100 in total spending.

This provision comes at an expected cost of $400 billion over 10 years, which will be paid for through savings from reducing medical errors, increasing the use of medical technology, and increasing the use of non-physician providers in primary and preventive health care.

Reducing Medical Errors and Increasing the Use of Medical Technology: The bill provides grants for demonstration programs to test best practices for reducing errors, testing the use of appropriate technologies to reduce medical errors, such as electronic medication systems, and research in geographically diverse locations to determine the causes of medical errors. The implementation of automated prescription drug dispensers will prevent adverse drug reactions, which in turn can cause further illness resulting in increased care needed to correct the error. The utilization of electronic records will reduce the incidence of repeat medical tests, which will result in significant cost savings.

On November 29, 1999, the Institute of Medicine, IOM, issued a report entitled ''To Err is Human: Building a Safer Health System.'' The IOM report estimated that anywhere between 44,000 and 98,000 hospitalized Americans die each year due to avoidable medical mistakes. However, only a fraction of these deaths and injuries are due to negligence. Most errors are caused by system failures. The IOM issued a comprehensive set of recommendations, including the establishment of a nationwide, mandatory reporting system; incorporation of patient safety standards in regulatory and accreditation programs; and the development of a nonpunitive ''culture of safety'' in health care organizations. The report called for a 50-percent reduction in medical errors over 5 years.

After the report was issued, I held a series of three Labor, Health and Human Services Appropriations Subcommittee hearings on medical errors: Dec. 13, 1999—to discuss the findings of the Institute of Medicine's report on medical errors; Jan. 25, 2000—a joint hearing with the Committee on Veterans' Affairs to discuss a national error reporting system and the VA's national patient safety program; Feb. 22, 2000—a joint hearing with the Health, Education, Labor and Pensions Committee to discuss the administration's strategy to reduce medical errors.

After hearing from Government witnesses and experts in the field on medical errors, I included $50 million in the fiscal year 2001 Senate Labor, Health and Human Services and Education for a patient safety initiative. In the Senate report, I also directed the Agency for Healthcare Research and Quality, AHRQ, to: one, develop guidelines on the collection of uniform error data; two, establish a competitive demonstration program to test ''best practices''; and three, research ways to improve provider training.

The committee also directed AHRQ to prepare an interim report to Congress concerning the results of the demonstration program within 2 years of the beginning of the projects. The fiscal year 2002 Senate report directed AHRQ to submit a report detailing the results of its initiative to reduce medical errors. HHS combined both reports into one, which it submitted to me earlier this year.

Since fiscal year 2001, the Labor/HHS Subcommittee has included within the Agency for Healthcare Research and Quality funding for research into ways to reduce medical errors. The fiscal year 2002 appropriation was $55 million, in fiscal year 2003 another $55 million was provided, and in fiscal year 2004 the appropriation was increased to $79.5 million.

The bill seeks to assist development of private sector technology standards to reduce medical errors by examining information technology, providing grants, and coordinating implementation by private sector entities. This would help ensure that this Federal investment will help further the national health information infrastructure by sharing the information collected through these demonstration projects with other health facilities nationally. These efforts would help reduce medical errors and bring the Nation's health systems into the 21st century with a projected cost savings of $150 billion over 10 years.

Primary and Preventive Care Services: The bill includes provisions for the use of nonphysician providers such as nurse practitioners, physician assistants, and clinical nurse specialists by increasing direct reimbursement under Medicare and Medicaid without regard to the setting where services are provided. The services provided by nonphysician providers would insure that patients would receive benefits and services to which they are entitled without compromising the high standards of medical care. The use of these health care professionals would provide a significant cost savings to health care systems.

The bill creates a medical student tutorial program providing grants to encourage students early on in their medical training to pursue a career in primary care and provides grant assistance to medical training programs to recruit such students. This program is advantageous for medical students by providing valuable primary care experience, while offering services at a lower cost to primary care facilities. The savings from this provision is estimated at $250 billion over a 10-year period.

I believe this bill can provide desperately needed access to inexpensive, effective prescription drugs for America's seniors. The time has come for concerted action in this arena. I urge my colleagues to move this legislation forward promptly.

By Mr. SPECTER:

S. 2767. A bill to provide an economic stimulus; to the Committee on Finance.

Mr. SPECTER. Mr. President, I seek recognition today to introduce the Small Business Economic Stimulus Act of 2004. In recent months, there have been clear signs that America's economic downturn has ended and that we are entering a period of renewed growth and prosperity. Yet not all of the economic news has been good. As I travel through Pennsylvania, I still hear from too many companies that they cannot afford to make needed investments in equipment or research at this time. As they postpone such investments, they also push off into the future the economic growth and opportunity that would flow from them. As a result, I continue to meet far too many Pennsylvanians who are out of work. Thus while the economy is improving, it is still incumbent upon us in Congress to do everything in our power to aid this recovery and grow jobs. There is more we can do.

The bill I introduce today, the Small Business Economic Stimulus Act of 2004, will help American companies take the steps they need to grow and hire. Since small businesses create approximately 75 percent of new jobs in America, my bill focuses on the needs of small business in particular. My bill has three parts. Part one renews and extends three tax provisions which are crucial to encouraging new investments in R&D and equipment. Part two provides greater resources to trade offices and trade promotion with a particular emphasis on programs that will enable America's small businesses to better compete in foreign markets. Part three creates a structure for association health plans which will enable small businesses to negotiate less expensive health plans for their employees, thereby saving money while continuing to provide coverage. Together, these provisions amount to a targeted, measured, yet crucial shot in the arm for American small business and the American economy.

The bill I introduce today will permanently extend the research and development tax credit. The R&D tax credit, which expired on June 30, has proven to be of enormous value to American business. We all understand the importance of research and development to the American economy. Most leading American companies owe their market dominance to the innovations coming from R&D labs. Yet R&D is expensive, and it is often among the

first items to be cut when budgets get tight. The R&D tax credit serves America by providing an economic incentive to companies to continue to invest in the R&D that will provide the growth and opportunities of the future.

Studies have shown that the R&D tax credit significantly increases research and development expenditures. The marginal effect of $1 of the research credit creates approximately $1 of additional private research and development spending in the short-run, and as much as $2 of extra R&D spending in the long run. This is good for the American economy and the American taxpayer. In fact, one study estimates that a permanent research credit would result in our gross domestic product increasing by $10 billion after 5 years and by $31 billion after 20 years.

In addition, the extension of the R&D tax credit will have benefits beyond the purely economic. For example, the research and development tax credit has proven to be critical to the U.S. biomedical research arena. The tax credit has contributed to many successes in U.S. scientific research and innovation, such as rapid progress in finding cures for life threatening diseases such as AIDS, cancer and multiple sclerosis. Today's diseases—Alzheimer's, AIDS, heart, liver and kidney disease, prostate cancer and arthritis—are complex and are in the final stages for research breakthroughs. If we allow the incentives to invest in medical progress to lapse, the consequence may be irrevocable and society may rue that decision for years to come.

Given the importance of the R&D tax credit, it makes little sense for Congress to continue to renew it for short terms. The investment of funds in research and development is not a temporary fix but something that should be consistently encouraged. Towards this end, my bill permanently extends the R&D tax credit. Such a permanent extension will send a strong signal to American companies that the value of R&D is recognized here in Washington. The permanent extension will also provide greater certainty to companies seeking to make plans years in advance.

My legislation will also renew two less well known but important tax provisions which encourage capital investments. My bill extends for another year a provision that allows companies to take an immediate 50-percent depreciation on purchases of qualified equipment and machinery. This accelerated depreciation is currently set to expire in December, 2004; equipment purchased thereafter would be subject to standard depreciation tables. My bill provides that necessary equipment purchased between December 2004 and December 2005 will continue to qualify for the accelerated depreciation.

The availability of accelerated depreciation—especially at the high rate of 50 percent—makes an enormous difference to companies contemplating large capital investments. Companies which simply could not afford these investments under standard depreciation face a dramatically altered balance sheet once the accelerated depreciation is factored in. Investments that did not previously make economic sense will now be economically advantageous. As these investments are made, companies will grow and hire. This change in the balance sheet will reap a concrete benefit in jobs and growth.

In addition, my legislation extends the section 179 exclusion at the current level of $100,000 through December 2007. This is another esoteric sounding provision that will produce very real economic benefits. Under this provision, companies can immediately expense, that is, recognize as an expense to be deducted from revenues for tax purposes, up to $100,000 invested in equipment and machinery. The standard section 179 deduction is only $25,000. Once again, this provision will have the effect of making investments economically advantageous when they otherwise would not be. The greater capital investment thereby fostered will lead to greater growth and job opportunities.

Beyond these tax incentives, my bill also seeks to help American business through our trade policy. My legislation focuses on two programs in particular which help small businesses find markets for their products abroad. My bill includes an increase in funding of $27 million for the U.S. Trade and Development Agency, USTDA. The USTDA has proven to be critical to small businesses seeking to sell their products abroad. The USTDA helps American businesses study and identify opportunities in foreign markets so that they can determine which options will be profitable. To a small American business facing a very large global economy, the USTDA serves as an accessible and inexpensive international sales department.

USTDA's unique public-private partnership truly extends the effectiveness of taxpayers' dollars. Historically, $35 worth of exports are generated for every dollar invested by USTDA. As a result, $21 billion in U.S. exports have been shipped overseas in concert with USTDA's programs.

My legislation also includes $5 million in funding to promote the benefits available under the Export Trading Company Act of 1982. This legislation was enacted to stimulate U.S. exports by authorizing the Secretary of Commerce to issue export trade certificates of review to groups of small businesses. A certificate of review protects the holder and the members identified in the certificate from State and Federal Government antitrust actions and from private treble damage antitrust actions for the export conduct specified in the certificate and carried out in compliance with its terms and conditions.

Given the realities of international trade, these antitrust exemptions are crucial. In order to compete in a challenging foreign market such as China, for example, it is extremely advantageous to have a full-time sales representative on the ground there. Yet few small businesses can afford to hire full-time representatives and send them to China. The antitrust exemptions in the Export Trading Company Act of 1982 would enable a group of small businesses to band together to hire a sales representative, open an office, and pursue the other necessities of international trade.

The Export Trading Company Act is good legislation which solves a critical problem. Yet few American businesses exploring international trade are aware of the opportunities under this act, let alone take advantage of them. As a result, the enormous economic opportunities created by this law continue to go unrealized. I think that a minimal investment in marketing and promoting this act will pay for itself many times over in increased exports, growth and jobs.

Finally, my bill includes a provision that will enable small businesses to join together to negotiate more affordable health care plans for their employees. This provision will provide an enormous economic boost to America's businesses—with the saving they gain from better health insurance rates they can invest, grow and hire. Yet this provision also provides clear benefits beyond the purely economic. By making health insurance more affordable, this provision will help reverse the growth in the ranks of the uninsured.

According to a poll conducted by the Kaiser Family Foundation, Americans worry more about rising health care costs than they do about terrorist attacks. There is a reason for such concern. More than 43 million Americans under age 65 lack health insurance coverage. The ranks of the uninsured consist primarily of working families with low and moderate incomes—not just the unemployed. Nearly 26 million individuals are employed and still are without health care coverage.

My bill will give small businesses the same market-based advantages when negotiating health insurance for their employees that large companies and unions currently enjoy. As independent entities, small businesses have little leverage when they negotiate with health insurance providers, and the situation they face is often one of take it or leave it. Even when small businesses band together in local purchasing pools, the group is often not large enough to attract new insurance companies with less expensive plans.

My act will allow small businesses to join together in large national pools under the auspices of bona fide associations and either purchase insurance from a provider or self-insure the same way that large employers and unions do. For example, the American Restaurant Association could negotiate a plan on behalf of the hundreds of thousands of employees who work for its member businesses. Once the plan is in place, each individual restaurant could

choose to participate in this plan at much better rates than they could ever have negotiated on their own.

I thank Senator SNOWE for her leadership and hard work on this issue of association health plans. On March 6, 2003, Senator SNOWE introduced S. 545, the Small Business Health Fairness Act of 2003. This long and very detailed bill addresses all of the issues needed to make association health plans a reality. I signed on as a cosponsor of S. 545 on June 9, 2003, and I have included the text of S. 545 in my bill.

It is my sincere hope that the economic recovery will continue and will pick up steam in the months to come. There is great reason for optimism. But our optimism must not blind us to the continuing problems that Americans face. There are measures that Congress can take—today—which will help our businesses to grow, hire new employees, and provide health insurance to these employees at a more affordable rate. These measures will, in the long run, more than pay for themselves. We must take these steps and do our part. I hope that my colleagues will join me in supporting the Economic Stimulus Act of 2004.

By Ms. MURKOWSKI:

S. 2768. A bill to provide competitive status to certain Federal employees in the State of Alaska; to the Committee on Energy and Natural Resources.

Ms. MURKOWSKI. Mr. President, this is the third occasion on which I have spoken to the Senate about the life and accomplishments of the late Thomas P. O'Hara, an Alaskan hero.

Thomas P. O'Hara was a protection ranger and pilot for the National Park Service, assigned to the Katmai National Park and Preserve in the Bristol Bay region of western Alaska. On December 19, 2002, Ranger O'Hara and his passenger, a Fish and Wildlife Service employee, were on a mission in the Alaska Peninsula National Wildlife Refuge. Their plane went down on the tundra.

When the plane was reported overdue, a rescue effort consisting of 14 single-engine aircraft, an Alaska Air National Guard plane, and a Coast Guard helicopter quickly mobilized. Many of the single-engine aircraft were piloted by Tom's friends. The wreckage was located late in the afternoon of December 20. The passenger survived the crash, but Ranger Tom did not.

Tom O'Hara was an experienced pilot with 11,000 hours as a pilot-in-command. He was active in the communities of Naknek and King Salmon where he grew up, flying children to Bible camp and coaching young wrestlers. Tom provided a strong link between the residents of Bristol Bay and the National Park Service.

Although Tom O'Hara was a most valued employee of the National Park Service, he did not enjoy the same status as National Park Service employees with competitive career status. Tom was hired under a special hiring authority established under the Alaska National Interest Lands Conservation Act, ANILCA, which permits land management agencies like the National Park Service to hire, on a noncompetitive basis, Alaskans who by reason of having lived or worked in or near public lands in Alaska, have special knowledge or expertise concerning the natural or cultural resources of public lands and the management thereof.

Tom O'Hara possessed this knowledge and offered it freely to the National Park Service. But because he was hired under this special authority, his opportunities for transfer and promotion within the Park Service were limited, even though his service was exemplary.

As a lasting memorial to Tom O'Hara's exemplary career, I am introducing legislation today that will grant competitive status to ANILCA local hire employees who hold permanent appointments with the Federal land management agencies after the completion of 1 year of satisfactory service. In Tom's honor, the short title of this legislation is the Thomas P. O'Hara Public Land Career Opportunity Act of 2004.

It is my sincere hope that the enactment of this legislation will encourage other Alaskans, particularly Alaska Natives, to follow in Tom O'Hara's footsteps and seek lifelong careers with the Federal land management agencies.

I ask unanimous consent that the text of this legislation 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. 2768

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 ''Thomas P. O'Hara Public Land Career Opportunity Act of 2004''.

SEC. 2. COMPETITIVE STATUS FOR CERTAIN FEDERAL EMPLOYEES IN THE STATE OF ALASKA.

Section 1308 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3198) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e); and

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

''(c) COMPETITIVE STATUS.—An individual appointed to a permanent position under subsection (a) shall, after the completion of 1 year of service, be considered to have competitive status and shall enjoy the rights, privileges, and benefits of employees holding competitive status, including the rights, privileges, and benefits relating to promotion and transfer.''.

By Mr. DASCHLE (for himself, Mr. LUGAR, Mr. HAGEL, and Mr. NELSON of Nebraska):

S. 2769. A bill to provide that imported ethanol shall not count toward satisfaction of any renewable fuel standard that may be enacted; to the Committee on Environment and Public Works.

Mr. DASCHLE. Mr. President, recent media reports indicate that at least two companies are actively considering plans to import Brazilian ethanol into the United States duty-free through the Caribbean Basin. These reports have generated understandable anxiety within the farm community.

Cargill, the Minnesota-based agribusiness giant, has confirmed that it is considering importing 63 million gallons of Brazilian ethanol into the United States each year. And it has been reported that Chevron-Texaco, one of the largest oil companies in the United States, is planning construction of a plant that will enable it to import 50 million to 100 million gallons of ethanol.

Farmers in South Dakota and throughout the Midwest are concerned that such import schemes could threaten the growth of the domestic ethanol industry and undermine our effort to establish ethanol as a major domestic energy source. They should be concerned. These import plans would establish a dangerous precedent for other importers and dramatically undercut the ability of the pending Renewable Fuels Standard to enhance our national energy security and boost farm income.

The key to the next growth spurt in the domestic ethanol industry is bipartisan legislation I wrote with Senator DICK LUGAR (R–IN) that would set mandatory annual production targets for ethanol for the next 10 years. Senator LUGAR and I proposed the Renewable Fuels Standard, or RFS, 4 years ago as a means to grow the domestic ethanol industry in a way that both encourages investment in new community-sized ethanol facilities and expands markets for farmers. We remain hopeful that this proposal will clear Congress before adjournment this year.

Under our proposed RFS, domestic ethanol demand would grow from 3 billion gallons per year in 2004 to more than 5 billion gallons in 2012, providing ethanol plants and farmers with a steady growth schedule that encourages investment in this domestic industry. This RFS would create over 214,000 jobs, increase farm income by $1.3 billion annually, and save the U.S. $4 billion in imported oil each year.

Plans to import ethanol threaten these benefits by injecting an element of market uncertainty into the RFS discussion that could dampen investment in community-sized ethanol facilities. Ethanol importation would put the producers of Brazilian sugarcane in direct competition with American corn growers. That is why today Senators LUGAR, HAGEL, NELSON, and I are introducing legislation to clarify that ethanol imports will not count toward the RFS targets. This bill will ensure that farmers and domestic ethanol investors will get the full benefit of the RFS, and it tells Cargill and Chevron accountants not to count on the new demand created by the Renewable Fuels Standard to justify any scheme to import ethanol.

I understand that corporate executives feel an obligation to their shareholders. My obligation is to South Dakota farmers, ethanol producers, and motorists who view increased ethanol demand as a means to establish greater control over their economic and energy future.

I have fought my entire public career against outright opposition and indifference from the giant corporate interests whose balance sheets don't consider the value-added contribution of local economic development. This situation is no different. As a result of our efforts, Chevron won't get to import as much oil and refine and sell as much high-priced gasoline as they may like, and Cargill won't get to import ethanol and compete against South Dakota producers.

The RFS program is designed to stimulate domestic production and enhance U.S. energy security, not to create a market opportunity for foreign ethanol. The bill I am introducing today will help make sure that rural communities are able to attract investment capital to produce clean burning energy, create quality jobs for their kids, and expand local tax bases to accommodate better schools and community services.

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

Mr President, I ask unanimous consent that additional material be printed in the RECORD.

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

S. 2769

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

SECTION 1. DISQUALIFICATION OF IMPORTED ETHANOL FOR THE PURPOSE OF ANY RENEWABLE FUEL STANDARD.

For the purpose of any renewable fuel standard that may be enacted after the date of enactment of this Act, ethanol that is imported, or that is derived from any matter that is imported, shall not count toward satisfaction of the renewable fuel standard.

By Mr. DASCHLE:

S. 2770. A bill to establish a National Commission on American Indian Trust Holdings; to the Committee on Indian Affairs.

Mr. DASCHLE. Mr. President, as we all painfully know, the United States has broken its word to Indian people, disregarded its treaty obligations, and breached its fiduciary trust responsibility. Litigation has been filed, and administrations of both political parties say the right thing, but then do not follow through to redress legitimate grievances. The concepts of sovereignty and government-to-government dialog are acknowledged, only later all too frequently to be ignored.

This sad history was elevated to a new level of concern this spring by the resignation of Mr. Alan Balaran as Special Master in the Cobell class action against the Department of the Interior. On April 5, 2004, Mr. Balaran made some very serious charges against the Department of the Interior in his official letter of resignation. He alleged that energy companies, abetted by the Department of the Interior, routinely pay Indian people less than they pay others for oil and gas easements. He further alleged that Interior officials regularly put the interests of private companies ahead of the Department's fiduciary responsibility to Indian people.

These are disturbing charges leveled by an individual knowledgeable about the long history of trust mismanagement. Congress must get to the bottom of this situation to fully satisfy our own fiduciary responsibility to Indian people.

It is clear that neither the executive branch nor the Congress's hands are clean on the trust management issue. And this not a partisan failure. It is a governmentwide failure that requires independent review.

I am, therefore, today introducing legislation to create a National Commission on American Indian Trust Holdings. This Commission will be unique in several respects. First, it will be composed of 10 prominent U.S. citizens. Two individuals will each be appointed by the President, Senate majority leader, Senate minority leader, Speaker of the House, and House minority leader to place the Commission beyond politics. Second, it will have the resources to hire the technical expertise needed. Professionals with expertise in land and resources management, accounting, Federal Indian policy, and trust law, among other disciplines will be included.

The Commission will build upon past efforts without duplicating past efforts.

Finally, the Commission will be charged with the responsibility of reporting to the President and the Congress within 1 year on: One, how to recoup, if possible, any damages that have resulted from the breach of fiduciary responsibility; and, two, how to prevent any such breaches in the future. We are looking for specific recommendations on how to fairly account for past mistakes, how to find closure on the trust issue, and how to prevent those mistakes from again happening in the future.

The overall goal of the Commission is to fully and completely examine the very serious charges made by Mr. Balaran, as outlined in his letter to Judge Lamberth. The Commission would also be authorized to examine other breaches of trust and to report back to the Congress and such executive departments as may seem appropriate.

Many words have been spoken over many years about trust responsibility and the breach of trust and fiduciary obligations, but very little concrete action has resulted from these words. Mr. Balaran's charges should be a wake-up call to all civic-minded Americans to demand that fairness be restored to the administration of Indian trust accounts. I sincerely hope that, given the track record of the past 10 years, an independent panel of distinguished Americans will be given an opportunity to succeed where the executive and legislative branches have fallen short. Their review will at least get to the bottom of Mr. Balaran's charges. And perhaps we can use the results of this examination to generate momentum for exploring the larger trust issues.

I ask unanimous consent that Mr. Balaran's letter of resignation and the text of the bill be printed in the RECORD.

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

APRIL 5, 2004.

Re: *Cobell* v. *Norton*, No. 96–1285.

Hon. ROYCE C. LAMBERTH
U.S. District Court for the District of Columbia, Washington, DC.

DEAR JUDGE LAMBERTH: I hereby tender my resignation as Special Master in the Cobell case, effective the close of business on April 5, 2004.

This is an extraordinarily important case. I have been privileged to work on it. For the past several months, however, my efforts have been undermined by a series of motions lodged by the Department of the Interior—one of Cobell's two co-defendants—seeking my disqualification.

It is evident Interior will continue filing such motions, preventing the case from moving forward. The agency's motivation is clear. In recent months, I have reported evidence of a practice—abetted by Interior—of energy companies routinely paying individual Indians much less than they pay non-Indians for oil and gas pipeline easements across the Southwest. I also have uncovered evidence that Interior fails to diligently monitor oil and gas leasing activities on individual Indian lands. To prevent further investigation into these matters, Interior seeks my removal from the Cobell case.

The timing of Interior's efforts to disqualify me is not coincidental. Interior filed its May 2003 disqualification motion shortly after I found the agency withheld salient data from its quarterly reports to the Court. The agency accused me, of improperly retaining the services of a former Interior contractor to obtain information germane to that investigation. You found this accusation frivolous, suggesting it was Interior that acted improperly by impeding my investigation and that Interior had an ulterior motive for seeking my removal. You were correct.

Interior's disqualification attempts stemmed from events that took place several months earlier, beginning with my March 6, 2003 visit to the Office of Appraisal Services of the Navajo Regional Office in Gallup, New Mexico. There, in the presence of the Department of Justice and Interior counsel, the Chief Appraiser admitted that he appraised oil and gas easements running across individual Indian lands for amounts considerably less than the appraised value of identical interests held by non-Indians. The Chief Appraiser also admitted destroying evidence of his 20-year practice of doing so. Interior has never denied that the Chief Appraiser destroyed valuable trust information or that energy companies pay individual Indians a fraction of what they pay similarly situated non-Indians as a result of these inadequate appraisals. (Nor has the agency taken any

disciplinary action against the Chief Appraiser. To the contrary, it has gone to great lengths to protect him by retaining the services of two attorneys to defend his conduct during a recent deposition.)

On August 20, 2003, I issued a report chronicling my findings. This report was just the beginning. I soon began to uncover evidence that Interior was putting the interests of private energy companies ahead of the interests of individual Indian beneficiaries.

On September 19, 2003, for example, I visited Minerals Management Service's (MMS) Office of Minerals Revenue Management (MRM) in Dallas—the repository of Interior's oil and gas audit files. My visit was prompted by two events: (1) the March 2003 report of Interior's Office of the Inspector General, revealing that MMS officials not only fabricated oil and gas audit files but were rewarded for their efforts; and (2) Justice's denial of my repeated requests for access to these files. As you noted in your March 15, 2004 decision denying Interior's disqualification motion, since August 1999, I have visited dozens of sites to ensure that Interior was safeguarding trust documentation in accordance with your directives. Interior not only approved of these visits, but encouraged its employees to cooperate with me fully during my inspections. My visit to Dallas was different. After only two hours, during which I uncovered chaotic recordkeeping practices and missing audit files, NMS officials informed me that Justice ordered that I leave.

The reason for this dramatic shift in policy is obvious. Whereas my previous investigations exposed random incidents of unprotected trust documents in remote Interior locations, my recent findings implicated the agency's systemic failure to properly monitor the activities of energy companies leasing minerals on individual Indian lands. The consequences of these findings could cost the very companies with which senior Interior officials maintain close ties, millions of dollars. (In that regard, I direct you to the recent Inspector General Report of Investigation (PI–SI–02–0053–I), discussing the relationship between Interior's most senior officials and energy company executives.) Interior did not want this information to come to light and for the first and only time during my five-year tenure as Special Master, ordered me to leave a site.

Just one week after my Dallas site visit, in a motion filed on September 26, 2003, Interior issued the following ultimatum: either you rule on its disqualification motion by October 15, or the government would file a mandamus petition in the Court of Appeals, seeking to have that Court disqualify me. At that time, the government knew you were beginning a six-defendant criminal trial on October 1, 2003, that involved multiple counts of murder, drug offenses, and racketeering, making it impossible for you to rule on the disqualification issue by the October 15 ''deadline.'' Interior was just going through the motions and, in mid-October, filed its mandamus petition in the Court of Appeals.

It is evident that Interior, supported by the Department of Justice, is committed to removing me from this case. It is also plain that the agency's efforts to unseat me bear no relationship to the reasons it offers in its disqualification motion, but rather to my discovery of significant problems with its appraisal and record-keeping practices. A full investigation into these matters might well result in energy companies being forced to repay significant sums to individual Indians. Interior could not let this happen,

Justice has been much too long in coming for the hundreds of thousands of Native Americans whose land the government has supposedly held in trust, in some cases for over a century. Billions of dollars are at stake. It is past time to get systems in place that will enable the Departments of the Interior and Treasury to track trust data accurately in the future, as well as render an honest and reliable accounting in the present. In this respect, my presence in the case has become a distraction. And while I am confident that Interior's disqualification motions would ultimately be denied, I have no doubt that were I to continue as Special Master, the agency's efforts to disqualify me would persist and accelerate. Given this, I will be of no practical service to the Court. I hope that, with my resignation, the parties will be able to move rapidly toward fundamental reforms. I also hope that, understanding this background, my successors will be more efficacious.

Finally, on a personal note, you are a courageous, decisive, and diligent judge who strives to do justice in each and every case. It has been my honor to have served with you. Thank you for giving me this opportunity.

Sincerely,

ALAN L. BALARAN,
Special Master.

S. 2770

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

SECTION 1. NATIONAL COMMISSION ON AMERICAN INDIAN TRUST HOLDINGS.

(a) FINDINGS.—Congress finds that—

(1) the United States has entered into treaties with Indian tribes under which the United States made various commitments to Indian tribes and Indian people;

(2) the United States functions, by treaty and statute, as a trustee for Indian tribes and individual Indians;

(3) the United States has a fiduciary obligation to Indian tribes and Indian people and, in accordance with that obligation, must use the highest standard of care to protect the assets of Indian tribes and individual Indians;

(4) the United States has failed Indian tribes and individual Indians and abridged its treaty and other obligations relating to the handling of trust fund management and historical accounting;

(5) mismanagement of Indian trust assets by the United States is a longstanding problem that spans many administrations;

(6) the complexity and longevity of that mismanagement neither mitigates the injustice visited on Indian tribes and the 300,000 individual Native Americans whose accounts have been shortchanged nor absolves the United States of its responsibility to correct the situation in a timely manner;

(7) in 1996 a civil action, Cobell v. Norton, Civ. No. 96–1285 (RCL), was brought in the United States District Court for the District of Columbia to attempt to obtain an order compelling the United States to account for the trust funds managed by the United States on behalf of individual Indians and take all necessary action to bring the United States into compliance with its fiduciary duties;

(8) those funds are generated from Indian trust land royalties resulting from leases of that land to oil, agricultural, timber, mining, and other interests;

(9) on April 5, 2004, Mr. Alan L. Balaran, the Special Master in the Cobell case, tendered his resignation to the Honorable Royce C. Lamberth;

(10) in his letter of resignation, Mr. Balaran stated that—

(A) there is evidence that energy companies, assisted by the Department of the Interior, routinely pay individual Indians much less than they pay non-Indians for oil and gas pipeline easements;

(B) the Special Master had uncovered evidence that the Department fails to diligently monitor oil and gas leasing activities on Indian land; and

(C) there is evidence that the Department has been putting the interests of private energy companies ahead of the interests of individual Indian beneficiaries, notwithstanding their fiduciary obligation to Indian tribes and Indian beneficiaries; and

(11) the Great Plains, Rocky Mountain, and other regions of the United States are rich in other trust assets such as timber, agriculture, mining, and other resources.

(b) DEFINITIONS.—In this section:

(1) BALARAN LETTER.—The term ''Balaran letter'' means the letter dated April 5, 2004, from Special Master Alan L. Balaran to the Honorable Royce C. Lamberth.

(2) COMMISSION.—The term ''Commission'' means the National Commission on American Indian Trust Holdings established by subsection (c).

(3) DEPARTMENT.—The term ''Department'' means the Department of the Interior.

(c) ESTABLISHMENT OF COMMISSION.—There is established the National Commission on American Indian Trust Holdings.

(d) MEMBERSHIP.—

(1) IN GENERAL.—The Commission shall be composed of 10 members, of whom—

(A) 2 shall be appointed by the President, 1 of whom the President shall designate as Chairperson of the Commission;

(B) 2 shall be appointed by the majority leader of the Senate;

(C) 2 shall be appointed by the minority leader of the Senate;

(D) 2 shall be appointed by the Speaker of the House of Representatives; and

(E) 2 shall be appointed by the minority leader of the House of Representatives.

(2) QUALIFICATIONS; INITIAL MEETING.—

(A) NONGOVERNMENTAL APPOINTEES.—An individual appointed to the Commission may not be an officer or employee of the Federal Government or any State or local government.

(B) OTHER QUALIFICATIONS.—It is the sense of Congress that individuals appointed to the Commission should be prominent United States citizens, with national recognition and significant depth of experience in such professions as land and resource management.

(3) DEADLINE FOR APPOINTMENT.—All members of the Commission shall be appointed not later than 60 days after the date of enactment of this Act.

(4) QUORUM.—Six members of the Commission shall constitute a quorum.

(5) VACANCIES.—Any vacancy in the Commission shall not affect the powers of the Commission, but shall be filled in the same manner in which the original appointment was made.

(e) DUTIES.—

(1) IN GENERAL.—The Commission shall—

(A) fully examine the allegations made in the Balaran letter;

(B) fully examine whether grazing, leasing, and other trust asset interests have been managed equitably and in a manner consistent with Federal trust law (including regulations);

(C) fully examine such other alleged breaches of the fiduciary responsibility owed by the United States to Indian tribes and individual Indians that come to the Commission's attention as the Commission considers appropriate;

(D) build on the investigations of other entities, and avoid unnecessary duplication, by

reviewing the findings, conclusions, and recommendations of earlier studies of the management by the Department of Indian trust assets and trust funds; and

(E) not later than 1 year after the date as of which all members of the Commission have been appointed, submit to the President and Congress a report that states the findings of the Commission and makes recommendations for corrective measures that can be taken to—

(i) recoup any losses suffered by Indian tribes or individual Indians as a result of breaches of fiduciary duty by the Department; or

(ii) prevent any breaches of fiduciary duty in the future.

(2) RELATIONSHIP TO PREVIOUS STUDIES.—When investigating facts and circumstances relating to the management of Indian trust assets and trust funds, the Commission shall—

(A) first review the information compiled by, and the findings, conclusions, and recommendations that resulted from, previous studies (including congressional investigations); and

(B) after that review, pursue any appropriate area of inquiry if the Commission determines that—

(i) earlier studies had not investigated that area;

(ii) the earlier investigation of that area had not been complete; or

(iii) new information not reviewed in the earlier studies had become available with respect to that area.

(3) FOLLOWUP REVIEW.—At least once every 2 years after the date on which the Commission submits the report under paragraph (1), the Commission shall—

(A) reconvene to examine the effectiveness of any actions taken in response to the report in achieving the goals described in clauses (i) and (ii) of paragraph (1)(D); and

(B) submit to the President and Congress a report that describes the findings of the Commission and makes any further recommendations as the Commission considers appropriate.

(f) POWERS OF COMMISSION.—

(1) IN GENERAL.—

(A) HEARINGS AND EVIDENCE.—The Commission may—

(i) hold such hearings and sit and act at such times and places, take such testimony, receive such evidence, and administer such oaths as the Commission considers advisable to carry out this section; and

(ii) subject to subparagraph (B)(i), require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as the Commission or such designated subcommittee or designated member may determine advisable.

(B) SUBPOENAS.—

(i) ISSUANCE.—

(I) IN GENERAL.—A subpoena may be issued under this subsection only—

(aa) by the agreement of the Chairperson; or

(bb) by the affirmative vote of 6 members of the Commission.

(II) SIGNATURE.—Subject to subclause (I), subpoenas issued under this subsection may be issued under the signature of the Chairperson or any member designated by a majority of the Commission, and may be served by any person designated by the Chairperson or by a member designated by a majority of the Commission.

(ii) ENFORCEMENT.—

(I) IN GENERAL.—In the case of contumacy or failure to obey a subpoena issued under subparagraph (A), the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found, or where the subpoena is returnable, may issue an order requiring such person to appear at any designated place to testify or to produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt of that court.

(II) ADDITIONAL ENFORCEMENT.—In the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section, the Commission may, by majority vote, certify a statement of fact constituting such failure to the appropriate United States attorney, who may bring the matter before the grand jury for its action, under the same statutory authority and procedures as if the United States attorney had received a certification under sections 102 through 104 of the Revised Statutes (2 U.S.C. 192 through 194).

(2) CONTRACTING.—The Commission may, to such extent and in such amounts as are provided in Acts of appropriation, enter into contracts to enable the Commission to discharge the duties of the Commission.

(3) INFORMATION FROM FEDERAL AGENCIES.—

(A) IN GENERAL.—The Commission may secure directly from a Federal agency such information as the Commission considers necessary to carry out this section.

(B) PROVISION OF INFORMATION.—On request of the Chairperson of the Commission, the head of the agency shall provide the information to the Commission.

(4) ASSISTANCE FROM THE SECRETARY OF THE INTERIOR.—The Secretary of the Interior shall provide to the Commission on a reimbursable basis administrative support and other services for the performance of the functions of the Commission.

(5) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other agencies of the United States.

(g) PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—A member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission.

(2) TRAVEL EXPENSES.—A member of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Commission.

(3) STAFF.—

(A) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws (including regulations), appoint and terminate an executive director and such other additional personnel as are necessary to enable the Commission to perform the duties of the Commission.

(B) CONFIRMATION OF EXECUTIVE DIRECTOR.—The employment of an executive director shall be subject to confirmation by the Commission.

(C) COMPENSATION.—

(i) IN GENERAL.—Except as provided in clause (ii), the Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(ii) MAXIMUM RATE OF PAY.—The rate of pay for the executive director and other personnel shall not exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(4) DETAIL OF FEDERAL GOVERNMENT EMPLOYEES.—

(A) IN GENERAL.—An employee of the Federal Government may be detailed to the Commission without reimbursement.

(B) CIVIL SERVICE STATUS.—The detail of the employee shall be without interruption or loss of civil service status or privilege.

(5) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services in accordance with section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of that title.

(h) NO EFFECT ON COBELL CASE.—Nothing in this section limits the findings, remedies, jurisdiction, authority, or discretion of the court in the civil action Cobell v. Norton, Civ. No. 96–1285 (RCL) (D.D.C.).

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

(j) TERMINATION OF COMMISSION.—The Commission shall terminate on the date that is 10 years after the date on which the Commission submits the report of the Commission under subsection (e)(1)(D).

By Mr. FRIST (for himself and Mr. KENNEDY):

S. 2771. A bill to amend the Public Health Service Act to improve the quality of care for cancer, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

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

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

S. 2771

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 ''Quality of Care for Individuals With Cancer Act''.

SEC. 2. TABLE OF CONTENTS.

TITLE I—MEASURING THE QUALITY OF CANCER CARE

SEC. 101. DEVELOPMENT OF CORE SETS OF QUALITY OF CANCER CARE MEASURES.

(a) DEVELOPMENT OF CORE SETS OF QUALITY OF CANCER CARE MEASURES.—Subpart 1 of part C of title IV of the Public Health Service Act (42 U.S.C. 285 et seq.) is amended by adding at the end the following:

''SEC. 417E. DEVELOPMENT OF CORE SETS OF QUALITY OF CANCER CARE MEASURES.

''(a) IN GENERAL.—The Secretary shall award a contract to a national voluntary consensus organization to identify core sets of quality of cancer care measures.

''(b) QUALITY OF CANCER CARE MEASURES.—An entity that receives a contract under this section shall identify core sets of quality of cancer care measures in consultation with a panel or advisory group of interested parties, including significant participation from consumer representatives (which shall include survivors of cancer and their families and members of organizations representing such survivors and their families), health care providers, cancer researchers, payers and purchasers of cancer care services and insurance, and public and private organizations that monitor, accredit, or seek to improve the quality of cancer care.

''(c) REPORT BY ENTITY.—Not later than 24 months after the date of enactment of this section, an eligible entity that receives a contract under this section shall submit to the Secretary a report that—

''(1) lists existing measures used to assess and improve the quality of cancer care;

''(2) identifies those measures that have been scientifically validated, those measures that still require validation, and those aspects of cancer care for which additional measures need to be developed or validated;

''(3) recommends a core set of validated quality of cancer care measures, reflecting a voluntary consensus of interested parties, for measuring and improving the quality of cancer care;

''(4) summarizes the process used to develop the consensus recommendations in paragraph (3), including a statement of any minority views; and

''(5) develops a process for updating the core sets of validated quality of cancer care measures as new scientific evidence becomes available.

''(d) RECOMMENDATIONS BY SECRETARY.—Not later than 6 months after the date the Secretary receives the report described in subsection (c), the Secretary shall issue recommendations on the areas described in paragraphs (1) through (5) of such subsection and shall transmit such recommendations to the President.

''(e) REPORT BY PRESIDENT.—Not later than 6 months after receipt of the report described in subsection (d), the President shall, in consultation with the Quality Interagency Coordination Task Force (established by a Presidential Directive in 1998)—

''(1) provide to the appropriate committees of Congress a report that describes a plan to use the core sets of quality of cancer care measures in programs administered by the Federal Government, including outlining activities to support the widespread dissemination of the report, and provide any other recommendations the President determines to be appropriate; and

''(2) provide updated reports, in accordance with subsection (c)(5), if new quality measures or scientific evidence on quality of cancer care develops.

''(f) TECHNICAL SUPPORT.—The Secretary may provide scientific and technical support to ensure that the scientific evaluation requirements in this section are met.

''(g) AHRQ.—

''(1) ANNUAL REPORT.—The Agency for Healthcare Research and Quality shall include in the annual report required under section 913(b)(2) the core set of quality of cancer care measures developed under this section that are suitable for quality monitoring.

''(2) REQUIREMENT.—The Secretary shall ensure that all agencies within the Department of Health and Human Services shall provide the information necessary for the report described in paragraph (1) regarding quality of cancer care measures.

''(h) SUPPORT.—The Director of the Agency for Healthcare Research and Quality, acting in collaboration with the Director of the National Cancer Institute and the Director of the Centers for Disease Control and Prevention, shall support the development and validation of measures identified by the report in subsection (d).

''(i) DEFINITIONS OF HOSPICE CARE; PALLIATIVE CARE; QUALITY OF CANCER CARE; HEALTH DISPARITY POPULATIONS; HEALTH DISPARITIES RESEARCH.—In this section the terms 'hospice care', 'palliative care', 'quality of cancer care', 'health disparity populations', and 'minority health disparities research' have the meanings given such terms in section 399AA.

''(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2006 through 2010.''.

(b) MONITORING.—Not later than 4 years after the date of the transmission of the report required under section 417E(e) of the Public Health Service Act, the Comptroller of the General Accounting Office shall submit to the appropriate committees of Congress a report that evaluates the extent to which Federal and private sector health care delivery programs, States, and State cancer plans are utilizing the core sets of quality of cancer care measures (developed under section 417E of the Public Health Service Act) and the extent to which its adoption is affecting the quality of cancer care.

TITLE II—ENHANCING DATA COLLECTION

SEC. 201. EXPANSION OF NATIONAL PROGRAM OF CANCER REGISTRIES.

Part M of title III of the Public Health Service Act (42 U.S.C. 280e et seq.) is amended by inserting after section 399E, the following:

''SEC. 399E–1. MONITORING AND EVALUATING THE QUALITY OF CANCER CARE.

''(a) DEMONSTRATION PROJECTS.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, and in coordination with the Director of the National Cancer Institute, shall award competitive grants to State cancer registries that receive funds under this part to enable such registries to expand their ability to monitor and evaluate the quality of cancer care, to develop information concerning the quality of cancer care, and to monitor cancer survivorship.

''(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), a State cancer registry shall be certified by the North American Association of Central Cancer Registries or other similar certification organization.

''(c) APPLICATION.—A State cancer registry desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(d) CONTRACTING AUTHORITY.—A State cancer registry receiving a grant under this section may enter into contracts with academic institutions, cancer centers, and other entities determined to be appropriate by the Secretary, to carry out the activities authorized under this section.

''(e) USE OF FUNDS.—A State cancer registry receiving a grant under this section shall use amounts received under such grant to—

''(1) collect information for public health surveillance and quality improvement activities using the quality of cancer care measures developed under section 417E (where appropriate), including data concerning racial, ethnic, and other health disparity populations within the State that may have a disparity in incidence or survival from cancer;

''(2) develop linkages between State cancer registry data and other databases, including those that collect outpatient data, to gather information concerning the quality of cancer care;

''(3) identify, develop, and disseminate evidence-based best practices relating to cancer care regarding how States use registry data and how to better link and coordinate the sharing of such data;

''(4) identify geographic areas and populations within the State that have an increased need for awareness regarding cancer risk reduction, screening, prevention, and treatment activities;

''(5) increase coordination between State cancer registries and other entities, including academic institutions, hospitals, health centers, researchers, health care providers, cancer centers, or nonprofit organizations;

''(6) incorporate the collection of data on cancer survivors for the purpose of improving the quality of cancer care;

''(7) identify the impact of co-morbidity of other diseases on survival from cancer; or

''(8) develop methods of determining whether cancer survivors are at an increased risk for other chronic or disabling conditions.

''(f) PRIVACY.—A State cancer registry receiving a grant or an entity receiving a contract under this section shall comply with appropriate security and privacy protocols (including protocols required under the regulations promulgated under section 264(c) of

the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note)), if applicable, with respect to information collected under this title. Nothing in this section shall be construed to supersede applicable Federal or State privacy laws.

''(g) DATABASES.—

''(1) IN GENERAL.—In carrying out this section, a State cancer registry may utilize appropriate databases, including—

''(A) the National Death Index;

''(B) databases related to claims under the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act; and

''(C) other databases maintained by the Department of Health and Human Services (including those maintained at the Agency for Healthcare Research and Quality, the Centers for Disease Control and Prevention, the Centers for Medicare & Medicaid Services, and the National Institutes of Health).

''(2) ADDITIONAL DATA.—A State cancer registry may utilize data in addition to the databases described in paragraph (1), including data maintained by private insurance plans and health care delivery organizations.

''(h) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require an individual or entity to submit information to a State cancer registry under this section.

''(i) DEFINITIONS.—In this section:

''(1) HEALTH CENTER.—The term 'health center' has the meaning given the term 'federally qualified health center' in section 1861(aa)(4) of the Social Security Act (12 U.S.C. 1395x(aa)(4)).

''(2) QUALITY OF CANCER CARE.—The term 'quality of cancer care' has the meaning given such term in section 399AA.

''(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2006 through 2010.

''SEC. 399E–2. CANCER SURVEILLANCE SYSTEM.

''(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, and in coordination with the Director of the National Cancer Institute, shall—

''(1) establish the Cancer Surveillance System (referred to in this section as the 'System') to monitor State cancer registries funded under section 399B; and

''(2) provide for the development, expansion, and evaluation of such registries.

''(b) DUTIES.—The System shall—

''(1) facilitate timely access to and exchange of accurate quality of cancer care information among State cancer registries including the use of the quality of cancer care measures developed under section 417E, where appropriate;

''(2) develop guidelines permitting State cancer registries to access the national registry clearinghouse established under paragraph (3);

''(3) establish and maintain a registry information clearinghouse to collect, synthesize, and disseminate information concerning evidence-based best practices for the creative use of State cancer registries, including maintaining an Internet website where such information may be accessed;

''(4) determine the feasibility of monitoring the quality of palliative care by State cancer registries;

''(5) identify and develop evidence-based best practices for coordination between cancer registries and other entities;

''(6) update information collected or made available under this section as determined to be necessary by the Secretary; and

''(7)(A) review pediatric cancer data collected by State cancer registries and evaluate—

''(i) such data for adequacy, completeness, timeliness, and quality; and

''(ii) current efforts to aggregate and disseminate such data; and

''(B) not later than January 1, 2006, submit to Congress a report on the findings made under subparagraph (A).

''(c) PRIVACY.—The System shall comply with appropriate security and privacy protocols (including protocols required under the regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note)), if applicable, with respect to information collected by the System. Nothing in this section shall be construed to supersede applicable Federal or State privacy laws.

''(d) DEFINITIONS.—In this section, the terms 'palliative care' and 'quality of cancer care' have the meanings given such terms in section 399AA.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2006 through 2010.''.

SEC. 202. REAUTHORIZATION OF NATIONAL PROGRAM OF CANCER REGISTRIES.

Section 399F(a) of the Public Health Service Act (42 U.S.C. 280e–4(a)) is amended—

(1) by striking ''this part,'' and inserting ''this part, other than sections 399E–1 and 399E–2),''; and

(2) by striking ''2003'' and inserting ''2010''.

SEC. 203. MATCHING FUNDS; RELATIONSHIP TO CERTIFICATION.

(a) MATCHING FUNDS.—Section 399B(b)(1) of the Public Health Service Act (42 U.S.C. 280e(B)(1)) is amended by striking ''$3'' and inserting ''$5''.

(b) RELATIONSHIP TO CERTIFICATION.—Section 399E of the Public Health Service Act (42 U.S.C. 280e–3) is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following:

''(d) RELATIONSHIP TO CERTIFICATION.—The Centers for Disease Control and Prevention is encouraged to work with eligible entities through the provision of technical assistance and funding authority under the National Program of Cancer Registries to assist such entities in complying with the certification process of the North American Association of Central Cancer Registries or similar certification organization.''.

TITLE III—MONITORING AND EVALUATING QUALITY OF CANCER CARE AND OUTCOMES

SEC. 301. PARTNERSHIPS TO DEVELOP MODEL SYSTEMS FOR MONITORING AND EVALUATING QUALITY OF CANCER CARE AND OUTCOMES.

(a) QUALITY OF CANCER CARE.—Part A of title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended by adding at the end the following:

''SEC. 904. AREAS OF SPECIAL EMPHASIS.

''(a) QUALITY OF CANCER CARE.—The Secretary, acting through the Director and in collaboration with the Director of the Centers for Disease Control and Prevention and the Director of the National Cancer Institute, shall conduct and support research pertaining to the measurement, evaluation, and improvement of the quality of cancer care, take steps to enhance the usefulness of such research to improve patient care, and appropriately disseminate such information by—

''(1) expanding the evidence base concerning effective interventions for improving the quality of cancer care;

''(2) ensuring effective analysis of data collected by State cancer registries funded under section 399B by developing evidence-based best practices for—

''(A) the real-time recording of and automated transfer of cancer care data to State cancer care registries; and

''(B) the linkage of registry data with private sector claims data and other existing data systems for purposes of analytic academic research;

''(3) developing and validating quality of cancer care indicators and evaluate their use and usefulness; and

''(4) developing volume-based quality indicators, as appropriate, and evaluate ongoing efforts to integrate volume-based measures into cancer quality improvement programs and their impact on patient decisionmaking.

''(b) PARTNERSHIPS TO SPEED THE PACE OF IMPROVEMENTS IN THE QUALITY OF CANCER CARE.—

''(1) IN GENERAL.—The Secretary, acting through the Director and in collaboration with the Director of the Centers for Disease Control and Prevention and the Director of the National Cancer Institute, shall award competitive grants, contracts, or enter into cooperative agreements with eligible entities to—

''(A) foster the development or adoption of model systems of cancer care;

''(B) speed the pace of improvement in the quality of cancer care; or

''(C) when appropriate, carry out the other requirements of this section.

''(2) ELIGIBILITY.—In accordance with the limitations of section 926(c), an applicant eligible to receive a grant, contract, or cooperative agreement under this subsection shall be a consortium consisting of public- and private-sector entities. Each consortium shall include an institution of higher learning or other research entity and 1 or more of the following:

''(A) An entity that delivers or purchases cancer care.

''(B) A professional society or societies that represent health care providers and other cancer caregivers, including hospice programs.

''(C) A consumer or patient organization.

''(D) An entity involved in the monitoring of quality of cancer care or efforts to improve cancer care (including a State or local health department).

''(d) COLLABORATION.—In carrying out this section, the Secretary, acting through the Director, shall ensure coordination with appropriate Federal and State agencies, private quality improvement entities, and accreditation or licensure organizations with an interest in improving the quality of cancer care.

''(e) DEFINITIONS.—In this section, the term 'quality of cancer care' has the meaning given such term in section 399AA.''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 927 of the Public Health Service Act (42 U.S.C. 299c–6) is amended by adding at the end the following:

''(e) QUALITY OF CANCER CARE.—For the purpose of carrying out the activities under section 904, such sums as may be necessary for each of fiscal years 2005 through 2010.''.

TITLE IV—STRENGTHENING COMPREHENSIVE CANCER CONTROL

SEC. 401. COMPREHENSIVE CANCER CONTROL PROGRAM.

Part B of title III of the Public Health Service Act (42 U.S.C. 243 et seq.) is amended by adding at the end the following:

''SEC. 320B. COMPREHENSIVE CANCER CONTROL PROGRAM.

''(a) ESTABLISHMENT.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in consultation with the Director of the Agency for Healthcare Research and Quality and the Director of the National Cancer Institute, shall establish a National Comprehensive Cancer

Control Program (referred to in this section as the 'Program') to improve the quality of cancer care.

''(b) PROGRAM.—In carrying out the Program the Secretary shall—

''(1) establish guidelines regarding the design and implementation of comprehensive cancer control plans; and

''(2) award competitive grants to eligible entities to develop, update, implement, and evaluate comprehensive cancer control plans.

''(c) ELIGIBILITY.—An entity is eligible to receive assistance under the Program if such entity is a State health department, territory, Indian tribe, or tribal organization or its designee.

''(d) APPLICATION.—An eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(1) a description of how assistance under such grant will be used to develop and implement comprehensive cancer control programs, including programs to monitor the quality of cancer care (which may include the use of quality of cancer care measures developed under section 417E);

''(2) a description of how the applicant will integrate its activities with academic institutions, nonprofit organizations, or other appropriate entities in planning and implementing comprehensive cancer control plans; and

''(3) a description of how activities carried out by the applicant will be evaluated.

''(e) USE OF FUNDS.—An entity shall use assistance received under this section to—

''(1) convene stakeholders, including stakeholders from the public, private, and nonprofit sectors, to determine priorities for the State, territory, or tribe involved;

''(2) develop, update, implement, or evaluate comprehensive cancer control plans;

''(3) assess disparities in cancer risk reduction, prevention, diagnosis, or quality of cancer care; and

''(4) develop and disseminate best practices, where appropriate, and evaluate the application of such practices as necessary.

''(f) DEFINITIONS.—In this section:

''(1) COMPREHENSIVE CANCER CONTROL PLAN.—The term 'comprehensive cancer control plan' means a plan developed with assistance provided under this section that provides for an integrated and coordinated approach to reducing the incidence, morbidity, and mortality of cancer, with a particular emphasis on preventing and controlling cancer among populations most at risk and reducing cancer disparities among underserved populations.

''(2) COMPREHENSIVE CANCER CONTROL PROGRAM.—The term 'comprehensive cancer control program' means a program to fulfill the comprehensive control plan.

''(3) QUALITY OF CANCER CARE.—The term 'quality of cancer care' has the meaning given such term in section 399AA.

''(4) INDIAN TRIBE; TRIBAL ORGANIZATION.—The terms 'Indian tribe' and 'tribal organization' have the meanings given such terms in subsections (b) and (c) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

''(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2006 through 2010.''.

TITLE V—IMPROVING NAVIGATION AND SYSTEM COORDINATION

SEC. 501. ENHANCING CANCER CARE THROUGH IMPROVED NAVIGATION AND CANCER CARE COORDINATION.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following:

''PART R—CANCER PREVENTION AND TREATMENT

''SEC. 399AA. DEFINITIONS; AUTHORIZATION OF APPROPRIATIONS.

''(a) DEFINITIONS.—In this part:

''(1) CULTURALLY COMPETENT.—The term 'culturally competent', with respect to the manner in which health-related services, education, and training are provided, means providing the services, education, and training in the language and cultural context that is most appropriate for the individuals for whom the services, education, and training are intended.

''(2) HEALTH CENTER.—The term 'health center' has the meaning given such term in section 399E–1.

''(3) HEALTH DISPARITY POPULATION.—The term 'health disparity population' has the meaning given such term in section 903(d)(1).

''(4) HEALTH DISPARITIES RESEARCH.—The term 'health disparities research' means basic, clinical, and behavioral research on health conditions disproportionately affecting individuals from health disparity populations, including research to prevent, diagnose, and treat such conditions. Such health conditions shall include all diseases, disorders, and conditions affecting individuals from health disparity populations that are—

''(A) unique to, more serious, or more prevalent in such individuals;

''(B) for which the factors of medical risk or types of medical intervention may be different for such individuals, or for which it is unknown whether such factors or types are different for such individuals; or

''(C) with respect to which there has been insufficient research involving such individuals as subjects or insufficient data on such individuals.

''(5) HOSPICE CARE.—The term 'hospice care' has the meaning given such term in section 1861(dd)(1) of the Social Security Act (42 U.S.C. 1395x(dd)(1)).

''(6) HOSPICE PROGRAM.—The term 'hospice program' has the meaning given such term in section 1861(dd)(2) of the Social Security Act (42 U.S.C. 1395x(dd)(2)).

''(7) PALLIATIVE CARE.—The term 'palliative care' means comprehensive, interdisciplinary, coordinated, and appropriate care and services provided throughout all stages of disease, from the time of diagnosis to the end of life, relating to pain and other symptom management, including psychosocial needs, that seeks to improve quality of life and prevent and alleviate suffering for an individual and, if appropriate, that individual's family or caregivers.

''(8) QUALITY OF CANCER CARE.—The term 'quality of cancer care' means the provision of cancer-related, timely, evidence-based (whenever there is scientific evidence on the effectiveness of interventions), patient-centered care and services of individuals in a technically and culturally competent and appropriate manner, using effective communication and shared decisionmaking to improve clinical outcomes, survival, or quality of life which encompasses—

''(A) the various stages of care, including care and services provided to individuals with a family history of cancer, with an abnormal cancer screening test, or who are clinically diagnosed with cancer, beginning with risk reduction, prevention, and early detection through survivorship, remission, and end-of-life care, and including risk counseling, screening, diagnosis, treatment, followup care, monitoring, rehabilitation, and hospice care; and

''(B) appropriate care and services which should be provided throughout the continuum of care including palliative care and information on treatment options including information regarding clinical trials.

''(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part, other than section 399FF, such sums as may be necessary for each of fiscal years 2006 through 2010.

''SEC. 399BB. ENHANCING CANCER CARE THROUGH IMPROVED NAVIGATION.

''(a) DEMONSTRATION PROJECTS.—The Secretary shall award competitive grants to eligible entities to develop, implement, and evaluate cancer case management programs to enhance the quality of cancer care through improved access and navigation.

''(b) ELIGIBILITY.—An entity is eligible to receive a grant under this section if such entity is a hospital; health center; an academic institution; a hospice program; a palliative care program, or a program offering a continuum of hospice care, palliative care, and other appropriate care to children and their families; a State health agency; an Indian Health Service hospital or clinic, Indian tribal health facility, or urban Indian facility; a nonprofit organization; a health plan; a primary care practice-based research network as defined by the Agency for Healthcare Research and Quality; a cancer center; or any other entity determined to be appropriate by the Secretary.

''(c) APPLICATION.—An eligible entity seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including assurances that the eligible entity will—

''(1) target patient populations with an unequal burden of cancer through specific outreach activities;

''(2) coordinate culturally competent and appropriate care specified in observance of existing, relevant departmental guidelines, including a special emphasis on underserved populations and how their values and priorities influence screening and treatment decisions;

''(3) coordinate with relevant ombudsman programs and other existing coordination and navigation efforts and services, where possible; and

''(4) evaluate activities and disseminate findings including findings related to repeated difficulties in accessing navigation.

''(d) USE OF FUNDS.—An eligible entity shall use amounts received under a grant under this section to carry out programs in which—

''(1) trained individuals (such as representatives from the community, nurses, social workers, cancer survivors, physicians, or patient advocates) are assigned to act as contacts—

''(A) within the community; or

''(B) within the health care system,

to facilitate access to quality cancer care and cancer preventive services;

''(2) partnerships are created with community organizations (which may include cancer centers, hospitals, health centers, hospice programs, palliative care programs, health care providers, home care, nonprofit organizations, health plans, or other entities determined appropriate by the Secretary) to help facilitate access or to improve the quality of cancer care;

''(3) activities are conducted to coordinate cancer care and preventive services and referrals, including referrals to hospice programs, and palliative care programs; or

''(4) the grantee negotiates, mediates, or arbitrates on behalf of the patient with relevant entities to resolve issues that impede access to care.

''(e) MODELS.—Not later than 3 years after the date of enactment of this section, the Secretary shall develop or modify models to improve the navigation of cancer care for grantees under this section. The Secretary shall update such models as may be necessary to ensure that the best cancer case management practices are being utilized.

''SEC. 399CC. CANCER CARE COORDINATION.

''(a) DEMONSTRATION PROJECTS.—The Secretary shall award competitive grants to eligible entities to facilitate the development of a coordinated system to improve the quality of cancer care.

''(b) ELIGIBILITY.—An entity is eligible to receive a grant under this section if such entity is a hospital; a health center; an academic institution; a hospice program; a palliative care program; a program offering a continuum of hospice care, palliative care, and other appropriate care to children and their families; a State health agency; a nonprofit organization; a health plan; a primary care practice-based research network as defined by the Agency for Healthcare Research and Quality; a cancer center; or any other entity determined to be appropriate by the Secretary.

''(c) APPLICATION.—An eligible entity desiring a grant under this section shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(d) USE OF FUNDS.—An eligible entity shall use amounts received under a grant under this section to improve coordination of the quality of cancer care, by—

''(1) creating partnerships and enhancing collaboration with health care providers (which may include cancer centers, hospitals, health centers, hospice programs, health care providers, experts in palliative care, preventive service providers) to improve the provision of quality of cancer care;

''(2) developing best practices for the quality of cancer care coordination (with special emphasis provided to those cancers that have low survival rates or individuals with advanced disease), including the development of model systems; and

''(3) evaluating overall activities to identify optimal designs and essential components for cancer practices and models to improve the coordination of cancer care services and activities.

''(e) DISSEMINATION.—The Secretary shall disseminate findings made as a result of activities conducted under this section to the public in coordination with the Agency for Healthcare Research and Quality, the Centers for Medicare & Medicaid Services, or other appropriate Federal agencies.''.

TITLE VI—ESTABLISHING PROGRAMS IN PALLIATIVE CARE

SEC. 601. PROGRAMS TO IMPROVE PALLIATIVE CARE.

Part R of title III of the Public Health Service Act (as added by section 501), is further amended by adding at the end the following:

''SEC. 399DD. PROGRAMS TO IMPROVE PALLIATIVE CARE.

''(a) DEMONSTRATION PROJECTS.—The Secretary shall award competitive grants to eligible entities to develop, implement, and evaluate model programs for the delivery of palliative care throughout all stages of disease for individuals with cancer (with a special emphasis on children) and their families.

''(b) ELIGIBILITY.—An entity is eligible to receive a grant under this section if such entity is a hospital; an academic institution; a hospice program; a palliative care program; a program offering a continuum of hospice care, palliative care, and other appropriate care to children and their families; a nonprofit organization; a State health agency; a health center; a cancer center; or any other entity determined to be appropriate by the Secretary.

''(c) APPLICATION.—An eligible entity desiring a grant under this section shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(d) USE OF FUNDS.—An entity shall use amounts received under a grant under this section to—

''(1) integrate palliative care with such entities as academic institutions, community organizations, hospice programs, hospitals, cancer patient and survivorship organizations, health care providers, cancer centers, or other entities determined appropriate by the Secretary;

''(2) conduct outreach and education activities to encourage the dissemination of evidence-based clinical best practices relating to palliative care;

''(3) increase public awareness, including outreach campaigns, particularly to underserved populations;

''(4) disseminate evidence-based information to health care providers and individuals with cancer and their families regarding available palliative care programs and services;

''(5) provide and evaluate education and training programs in palliative care for health care providers, including—

''(A) establishing pilot training programs (including faculty training programs) in medicine, including oncology (including pediatric oncology), family medicine, psychiatry, psychology, pain, nursing, pharmacology, physical therapy, occupational therapy, social work, and other relevant disciplines; or

''(B) developing, implementing, and evaluating pilot training programs for the staff of hospices, nursing homes, hospitals, home health agencies, outpatient care clinics, and other entities determined appropriate by the Secretary;

''(6) design or implement model palliative care programs for individuals with cancer and their families including improving access to clinical trials, where appropriate;

''(7) develop and evaluate pilot programs to address the special needs of children or other underserved populations and their families in palliative care programs;

''(8) conduct demonstration projects to enhance or develop online support networks for individuals with cancer and their families, including those networks for individuals who are homebound, and develop other methods to reach underserved cancer patients; or

''(9) determine whether strategies developed for palliative care for individuals with cancer and their families would be applicable to individuals with other diseases.

''(e) DISSEMINATION.—The Secretary shall disseminate findings made as a result of activities conducted under this section to the public in coordination with the Director of the Agency for Healthcare Research and Quality, the Administrator of the Centers for Medicare & Medicaid Services, and the heads other appropriate Federal agencies.''.

TITLE VII—ESTABLISHING SURVIVORSHIP PROGRAMS

SEC. 701. PROGRAMS FOR SURVIVORSHIP.

Subpart 1 of Part C of title IV of the Public Health Service Act (42 U.S.C. 285 et seq.) (as amended by section 101), is further amended by adding at the end the following:

''SEC. 417F. PROGRAMS FOR SURVIVORSHIP.

''(a) DEMONSTRATION PROJECTS.—The Secretary shall conduct and support research regarding the unique health challenges associated with cancer survivorship and carry out demonstration projects to develop and implement post-treatment public health programs and services including followup care and monitoring to support and improve the long-term quality of life for cancer survivors, including children.

''(b) ELIGIBILITY.—An entity is eligible to receive a competitive grant under this section if such entity is an academic institution, nonprofit organization, State health agency, cancer center, health center, or other entity determined to be appropriate by the Secretary.

''(c) APPLICATION.—An entity desiring a grant under this section shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(d) USE OF FUNDS.—An entity shall use amounts received under a grant under this section to plan, implement, and evaluate demonstration projects that—

''(1) design protocols for followup care, monitoring, and other survivorship programs (including peer support and mentor programs);

''(2) increase public awareness about appropriate followup care, monitoring and other survivorship programs (including peer support and mentor programs) by disseminating information to health care providers and survivors and their families; and

''(3) support programs to improve the quality of life among cancer survivors, referenced by the quality of cancer care measures developed under section 417E (where appropriate), with particular emphasis on underserved populations, including children.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2006 through 2010.''.

SEC. 702. CANCER CONTROL PROGRAMS.

Section 412 of the Public Health Service Act (42 U.S.C. 285a–1) is amended—

(1) in the matter preceding paragraph (1), by striking ''cancer and for rehabilitation and counseling respecting cancer.'' and inserting ''cancer and for survivorship, rehabilitation, and counseling respecting cancer.'';

(2) in paragraph (1)(B), by striking ''and the families of cancer patients'' and inserting ''the families of cancer patients, and cancer survivors''; and

(3) in paragraph (3), by striking ''diagnosis, and treatment and control of cancer'' and inserting ''diagnosis, treatment, survivorship programs, and control of cancer.''.

TITLE VIII—PROGRAMS FOR END-OF-LIFE CARE

SEC. 801. PROGRAMS FOR END-OF-LIFE CARE.

Part R of title III of the Public Health Service Act (as amended by section 601), is further amended by adding the following:

''SEC. 399EE. PROGRAMS FOR END-OF-LIFE CARE.

''(a) DEMONSTRATION PROJECTS.—The Secretary shall award competitive grants to eligible entities to develop, implement, and evaluate evidence-based programs for the delivery of quality of cancer care during the end-of-life to individuals with cancer (with a special emphasis on children) and their families.

''(b) ELIGIBILITY.—An entity is eligible to receive a grant under this section if such entity is a hospital; an academic institution; a hospice program; a palliative care program; a program offering a continuum of hospice care, palliative care, and other appropriate

care to children and their families; a nonprofit organization; a State health agency; a health center; a cancer center; or any other entity determined to be appropriate by the Secretary.

''(c) APPLICATION.—An entity desiring a grant under this section shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(d) USE OF FUNDS.—An entity shall use amounts received under a grant under this section to—

''(1) integrate palliative care or end-of-life care programs with entities including academic institutions, community organizations, hospice programs, hospitals, cancer patient and survivorship organizations, health care providers, cancer centers, or other entities determined appropriate by the Secretary;

''(2) conduct outreach and education activities to encourage the dissemination of evidence-based clinical best practices relating to end-of-life care;

''(3) increase public awareness, including outreach campaigns, particularly to underserved populations;

''(4) disseminate information to health care providers and individuals with cancer and their families regarding available end-of-life programs, including hospice programs;

''(5) provide and evaluate education and training in end-of-life care for health care providers, including—

''(A) establishing pilot training programs (including faculty training programs) in medicine including oncology (including pediatric oncology), family medicine, psychiatry, psychology, pain, nursing, pharmacology and social work, and other disciplines; or

''(B) developing, implementing, and evaluating pilot training programs for the staff of hospices, nursing homes, hospitals, home health agencies, outpatient care clinics, and other entities determined appropriate by the Secretary;

''(6) design or implement model end-of-life care programs for individuals with cancer and their families including improving access to clinical trials where appropriate;

''(7) develop and evaluate pilot programs to address the special needs of children or other underserved populations and their families in end-of-life programs;

''(8) integrate palliative care and hospice care activities in the delivery of end-of-life care; or

''(9) determine whether strategies developed for end-of-life care for individuals with cancer and their families would be applicable to individuals with other diseases.

''(e) DISSEMINATION.—The Secretary shall disseminate findings made as a result of activities conducted under this section to the public in coordination with the Director of the Agency for Healthcare Research and Quality, the Administrator of the Centers for Medicare & Medicaid Services, and the heads of other appropriate Federal agencies.''.

TITLE IX—DEVELOPING TRAINING CURRICULA

SEC. 901. CURRICULUM DEVELOPMENT.

Part R of title III of the Public Health Service Act (as amended by section 801), is further amended by adding at the end the following:

''SEC. 399FF. CURRICULUM DEVELOPMENT.

''(a) IN GENERAL.—The Secretary shall award competitive grants for the development of curricula for health care provider training regarding the assessment, monitoring, improvement, and delivery of quality of cancer care.

''(b) ELIGIBILITY.—To be eligible to receive a grant under this section, an entity shall be an academic institution, nonprofit organization, cancer center, health center, medical school, or other entity determined appropriate by the Secretary.

''(c) APPLICATION.—An entity desiring a grant under this section shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(d) USE OF FUNDS.—An entity shall use amounts received under a grant under this subsection to—

''(1) evaluate methods of delivery of the quality of cancer care, including palliative care, hospice care, end-of-life care, or cancer survivorship by health care providers;

''(2) develop curricula concerning the delivery of quality of cancer care including palliative care, hospice care, end-of-life care, or cancer survivorship; and

''(3) provide recommendations for training protocols for medical and nursing education, fellowships, and continuing education in quality of cancer care including palliative care, hospice care, survivorship, or end-of-life care for health care providers.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2006 through 2010.''.

SEC. 902. CANCER CARE WORKFORCE AND TRANSLATIONAL RESEARCH.

(a) CANCER CONTROL PROGRAMS.—Section 412 of the Public Health Service Act (42 U.S.C. 285a–1) is amended—

(1) by striking ''The Director of the Institute'' and inserting the following:

''(a) IN GENERAL.—The Director of the Institute'';

(2) by striking paragraph (2) and inserting the following:

''(2) annual and long-term training goals to assure an adequate and diverse cancer care workforce including—

''(A) preparing and implementing a plan to provide assistance to health professionals in health professions experiencing the most severe shortages including the provision of grants, scholarships, fellowships, post-doctoral stipends, or loans to eligible individuals to increase the cancer care workforce; and

''(B) educating students of health professions and health professionals in—

''(i) effective methods for the prevention and early detection of cancer;

''(ii) the identification of individuals with a high risk of developing cancer;

''(iii) improved methods of patient referral to appropriate centers for early diagnosis and treatment of cancer;

''(iv) methods to deliver culturally competent care; and

''(v) other appropriate methods for providing quality of cancer care; and''; and

(3) by adding at the end the following:

''(b) COORDINATION WITH EXISTING PROGRAMS.—In carrying out the activities under subsection (a)(2), the Director of the Institute shall coordinate with existing programs, including programs at the Health Resources and Services Administration, to prevent duplication.''.

(b) NATIONAL CANCER RESEARCH AND DEMONSTRATION CENTERS.—Section 414(b) of the Public Health Service Act (42 U.S.C. 285a–3(b)) is amended by striking paragraph (3) and inserting the following:

''(3) clinical training (including training for allied health professionals), loan forgiveness or post-doctoral stipends for bench researchers, continuing education for health professionals and allied health professionals, and information programs for the public regarding cancer; and''.

(c) TRANSLATIONAL CANCER RESEARCH.—Subpart 1 of part C of title IV of the Public Health Service Act (42 U.S.C. 285 et seq.) is amended by inserting after section 414 the following:

''SEC. 414A. TRANSLATIONAL CANCER RESEARCH.

''(a) IN GENERAL.—The Director of the Institute, in collaboration with the Director of the Agency for Healthcare Research and Quality shall enter into cooperative agreements with, and make grants to, public or nonprofit entities to conduct multidisciplinary, translational cancer research.

''(b) USE OF FUNDS.—

''(1) IN GENERAL.—The Director of the Institute may use funds provided under this section to establish networks and partnerships to link community cancer providers to programs funded under this section.

''(2) CONSTRUCTION OF NEW FACILITIES.—Funds provided under this section shall not be used for the construction of new facilities.

''(c) STRATEGIC PLAN.—Not later than October 1, 2006, the Director of the Institute shall develop and implement a strategic plan, in collaboration with entities performing translational research, for identifying, expanding, and disseminating the results of translational cancer research to health care providers.

''(d) DUTIES.—An entity receiving a grant under this section shall—

''(1) conduct research with the potential to improve the prevention, diagnosis, and treatment of cancer and to improve the quality of cancer care, including palliation;

''(2) conduct clinical research studies on promising cancer treatments including clinical trials; and

''(3) evaluate tests, techniques, or technologies in individuals being evaluated for the presence of cancer.

''(e) DEFINITION OF TRANSLATIONAL CANCER RESEARCH.—As used in this section, the term 'translational cancer research' means scientific laboratory and clinical research and testing necessary to transform scientific or medical discoveries into new approaches, products, or processes that can assist in preventing, diagnosing, or controlling cancer.''

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 417B(a) of the Public Health Service Act (42 U.S.C. 285a–8(a)) is amended by striking ''1996'' and inserting ''2010''.

TITLE X—BREAST AND CERVICAL CANCER

SEC. 1001. WAIVERS RELATING TO GRANTS FOR PREVENTIVE HEALTH MEASURES WITH RESPECT TO BREAST AND CERVICAL CANCERS.

(a) IN GENERAL.—Section 1503 of the Public Health Service Act (42 U.S.C. 300m) is amended by adding at the end the following:

''(d) WAIVER OF SERVICES REQUIREMENT ON DIVISION OF FUNDS.—

''(1) IN GENERAL.—The Secretary may waive the requirements under paragraphs (1) and (4) of subsection (a) if—

''(A)(i) the State involved will use the waiver to leverage private funds to supplement each of the services or activities described in paragraphs (1) and (2) of section 1501(a); or

''(ii) the application of such requirement would result in a barrier to the enrollment of qualifying women;

''(B) the Secretary finds that granting such a waiver to a State will not reduce the number of women in the State that receive each of the services or activities described in paragraphs (1) and (2) of section 1501(a), including making available screening procedures for both breast and cervical cancers; and

''(C) the Secretary finds that granting such a waiver to a State will not adversely affect the quality of each of the services or activities described in paragraphs (1) and (2) of section 1501(a).

''(2) DURATION OF WAIVER.—

''(A) IN GENERAL.—In granting waivers under paragraph (1), the Secretary—

''(i) shall grant such waivers for a period of 2 years; and

''(ii) upon request of a State, may extend a waiver for additional 2-year periods in accordance with subparagraph (B).

''(B) ADDITIONAL PERIODS.—The Secretary, upon the request of a State that has received a waiver under paragraph (1), shall, at the end of each 2-year waiver period described in subparagraph (A), review performance under the waiver and may extend the waiver for an additional 2-year period if the Secretary determines that—

''(i)(I) without an extension of the waiver, there will be a barrier to the enrollment of qualifying women; or

''(II) the State requesting such extended waiver will use the waiver to leverage private funds to supplement each of the services or activities described in paragraphs (1) and (2) of section 1501(a);

''(ii) the waiver has not, and will not, reduce the number of women in the State that receive each of the services or activities described in paragraphs (1) and (2) of section 1501(a); and

''(iii) the waiver has not, and will not, result in lower quality in the State of each of the services or activities described in paragraphs (1) and (2) of section 1501(a).

''(3) REPORTING REQUIREMENT.—The Secretary shall include as part of the evaluations and reports required under section 1508, the following:

''(A) A description of the total amount of dollars leveraged annually from private entities in States receiving a waiver under paragraph (1) and how these amounts were used.

''(B) With respect to States receiving a waiver under paragraph (1), a description of the percentage of the grant that is expended on providing each of the services or activities described in paragraphs (1) and (2) and paragraphs (3) through (6) of section 1501(a).

''(C) A description of the number of States receiving waivers under paragraph (1) annually.

''(D) With respect to States receiving a waiver under paragraph (1), a description of the number of women receiving services under paragraphs (1), (2), and (3) of section 1501(a) in programs before and after the granting of such waiver.''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 1510(a) of the Public Health Service Act (42 U.S.C. 300n-5(a)) is amended by striking ''$50,000,000'' and all that follows through the period, and inserting ''such sums as may be necessary for each of fiscal years 2004 through 2009.''.

TITLE XI—COLORECTAL CANCER

SEC. 1101. PROGRAMS TO IMPROVE COLORECTAL CANCER SCREENING.

Title XV of the Public Health Service Act (42 U.S.C. 300k et seq.) is amended by adding at the end the following:

''SEC. 1511. COLORECTAL CANCER SCREENING DEMONSTRATION PROJECT.

''(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall award competitive grants to public and nonprofit private entities to enable such entities to establish demonstration programs pursuant to the general authority of title III to carry out colorectal screening activities including—

''(1) screening asymptomatic individuals as determined by the Secretary in accordance with category A or B recommendation rating of the U.S. Preventive Service Task Force or as otherwise determined by the Secretary;

''(2) providing appropriate case management and referrals for medical treatment of individuals screened pursuant to this section;

''(3) establishing activities to improve the education, training, and skills of health professionals (including allied health professionals) in the detection and control of colorectal cancer, as a part of their participation in the screening program established under the grant;

''(4) evaluating the programs under this section through appropriate surveillance or program monitoring activities;

''(5) developing and disseminating findings derived through such evaluations and outcomes data collection; and

''(6) promoting the benefits of and participation in the colorectal cancer screening program established under the grant.

''(b) REQUIREMENTS.—

''(1) PRIORITY.—To be eligible for a grant under subsection (a), an entity shall agree with respect to activities and services under the grant to target low-income—

''(A) individuals who are at least 50 years of age; or

''(B) individuals at high risk for colorectal cancer (as defined in section 1861(pp)(2) of the Social Security Act (42 U.S.C. 1395x(pp)(2))).

''(2) RELATIONSHIP TO ITEMS AND SERVICES UNDER OTHER PROGRAMS.—To be eligible for a grant under subsection (a), an entity shall agree that grant funds will not be expended to make payments for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such item or service—

''(A) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

''(B) by an entity that provides health service on a prepaid basis.

''(3) RECORDS AND AUDITS.—To be eligible for a grant under subsection (a), an entity shall agree that the entity will—

''(A) establish such fiscal control and fund accounting procedures as may be necessary to ensure proper disbursal of, and accounting for, amounts received under this section; and

''(B) provide agreed upon annual reports to the Secretary or the Comptroller of the United States for the purposes of auditing the expenditures by the entity.

''(4) REPORTS.—To be eligible for a grant under subsection (a), an entity shall agree to submit to the Secretary such reports as the Secretary determines appropriate.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2005 through 2009.''.

TITLE XII—CONDUCTING REPORTS

SEC. 1201. STUDIES AND REPORTS BY THE INSTITUTE OF MEDICINE.

(a) CONTRACT.—The Secretary shall enter into a contract with the Institute of Medicine to—

(1) evaluate Federal and State activities relating to comprehensive cancer control programs and activities;

(2) evaluate the quality of cancer care (including palliative care, end-of-life care, and survivorship) that medicare and medicaid beneficiaries receive and the extent to which medicare and medicaid coverage and reimbursement policies affect access to quality cancer care;

(3) evaluate data from the Centers for Medicare & Medicaid Services and other agencies on volume-outcome relationships;

(4) evaluate access to clinical trials and the relationship of such access to the quality of cancer care, especially with respect to health disparity populations; and

(5) assess existing gaps in and impediments to the quality of cancer care, including gaps in data, research and translation, seamless patient care and navigation, palliative care, and care provided to underserved populations.

(b) REPORTS.—

(1) IN GENERAL.—Not later than 4 years after the date of enactment of this Act, the Institute of Medicine shall submit to the Secretary of Health and Human Services a report containing information on the evaluation conducted under paragraphs (1) through (5) of subsection (a), including data collected at the State level through contracts with appropriate organizations as designated by the Institute of Medicine.

(2) 8 YEARS.—Not later than 8 years after the date of enactment of this Act, the Institute of Medicine shall submit to the Secretary of Health and Human Services a report containing information and recommendations on the areas described in subsection (a), including data collected from relevant demonstration projects.

(3) REPORTS.—The Secretary of Health and Human Services shall submit the reports described in paragraphs (1) and (2) to the relevant committees of Congress.

(c) DEFINITIONS.—

(1) PALLIATIVE CARE; QUALITY OF CANCER CARE.—The terms 'palliative care' and 'quality of cancer care' have the meanings given such terms in section 399AA of the Public Health Service Act.

(2) COMPREHENSIVE CANCER CONTROL PROGRAM.—The term 'comprehensive cancer control program' has the meaning given such term in section 320B of the Public Health Service Act.

(3) HEALTH DISPARITY POPULATION AND HEALTH DISPARITIES RESEARCH.—The terms ''health disparity population'' and ''health disparities research'' have the meanings given such terms in section 399AA of the Public Health Service Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2006 through 2010.

Mr. KENNEDY. Mr. President, it is a privilege to join my colleague Senator BILL FRIST in introducing this bipartisan legislation to improve the prevention and treatment of cancer. The Quality of Care for Individuals with Cancer Act is a result of the combined efforts of many in the cancer community, including patients, families, cancer survivors, and health providers. Its goal is to see that as many of our fellow citizens as possible are able to obtain state-of-the-art cancer care.

The Nation's continuing investment in medical research in the past decade has led to many new and innovative options in cancer treatment and prevention. We all want to believe that when a loved one or someone we know is diagnosed with cancer, they will benefit from the latest and most effective treatments. Unfortunately, that is often not the case.

Many cancer patients receive the wrong care, too little care, or even too much care. Colon cancer is 85 percent curable if it is detected early through screening. Yet today less than half of all Americans who should be screened for colon cancer are actually screened. If we do not act to correct these problems, over a quarter of a million parents, sons and daughters, will die from this curable cancer in the next 5 years.

Much more can be done to extend the reach of high-quality cancer care and

reduce this burden of unnecessary suffering and premature death. New discoveries of science can be brought much more quickly from the research laboratory to the bedside of the patient and to the practice of medicine in all communities.

Our bill will help assure that the care of cancer patients is coordinated from diagnosis through successful treatment. The quality of end of life care will be significantly improved. Needed programs will be established to meet the ongoing needs of cancer survivors and their families.

Health care provider training will make the latest in cancer care available through improved education and networking. Patients will have access to providers who know how to deliver the most effective cancer treatment at the right time and in the right way.

Today, the best in medical research is too often not available to treat and cure many different types of cancer, especially leukemia, breast cancer, and prostate cancer. The treatments will vary for each patient, but the standard of excellence in cancer care should be widely available to all. Enactment of this legislation will bring that day closer, and I look forward to its enactment, its implementation, and the benefits it will bring to so many of our fellow citizens in the years ahead.

By Mr. INHOFE:

S. 2772. A bill to promote the development of the emerging commercial human space flight industry, to extend the liability indemnification regime for the commercial space transportation industry, to authorize appropriations for the Office of the Associate Administrator for Commercial Space Transportation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. INHOFE. Mr. President, I rise today to proudly introduce the Space Commercial Human Ascent Serving Expeditions Act also known as the Space CHASE Act.

Because Oklahoma has significant history in aviation, I believe it is well positioned to be a leading State in the up-and-coming commercial space industry.

Since 1910, beginning with Charles F. Willard who only flew a few hundred yards in a south Oklahoma City field, Oklahomans have been flying.

The following year, Clyde Cessna, an automobile dealer from Enid who later formed the Cessna Aircraft Company, flew his mono-wing airplane near Jet, OK.

Such early flights in Oklahoma continued and in 1929 perhaps one of the most notable aviation events occurred in Waynoka, OK, where Charles Lindbergh stopped on the first transcontinental passenger air and rail service.

By 1931, Wiley Post, from Maysville, OK, gained international recognition when he flew around the world in a little over 8 days. In July 1991, I had the honor of recreating Post's trip on its 60th anniversary.

Oklahoma's aviation history does not stop there. On November 2, 1929, 26 licensed women pilots founded what was known as the 99 Club, or the Ninety-Nines. It was called so at the suggestion of its first president, Amelia Earheart, because of the 117 licensed women pilots in America who were contacted about joining the club, only 99 actually joined. The South Central Section of the 99 Club comprising several States including Oklahoma, has through the years, issued several publications and in 1962, Mary Lester of the Oklahoma Chapter created a new version of the Club's publication, the Ninety-Nine News. Today, the 99 club is an international organization of licensed women pilots from 35 countries, with its international headquarters at Will Rogers World Airport in Oklahoma City.

In 1999, the Oklahoma State Legislature established the Oklahoma Space Industry Development Authority OSIDA to create a commercial spaceport that will ''expand and economically develop the space frontier with advanced spacecraft operating facilities.'' Furthermore, OSIDA's mission is to carry out this vision with ''. . . deliberate and forceful . . . planning and development of spaceport facilities, launch systems and projects, and to successfully promote and stimulate the creation of space commerce, education and space related industries in Oklahoma.''

In March of 2001, I appealed to NASA, on behalf of the Oklahoma Space Industry Development Authority, to receive nearly a quarter of a million dollars in grant money. Part of this grant is paid for the opening of the Oklahoma Spaceport. My efforts to build a space industry in Oklahoma are coming to fruition with that March 2002 launch of ''Dark Sky Station,'' from the Spaceport in Burns Flat. The rest of the money from the NASA grant went to nine other organizations around the State, dedicated to providing space-related education.

I applaud OSIDA for this aggressive economic plan and, as a result, know of 15 companies that have entered into Memoranda of Understanding with OSIDA: Armadillo Aerospace; Space Development; XCOR Aerospace; Zero Gravity; Pioneer Rocketplane; Vela Technology; Rocketplane, Ltd.; JP Aerospace; TGV Rockets; JP Skylaunch; Space Adventures; Jim Schouten Enterprises; Universal Spaceliners; Takeoff Technologies; and Space Assets.

Oklahoma is also home to business done by other such companies and entities as: Beyond-Earth Enterprises, which is helping to revitalize the passion of space travel by providing payload launch capabilities at affordable rates; the Global Space League, Inc., a 501(c)3 nonprofit institution which takes science experiments from students, kindergarten through university level, to remote places normally accessible only to professional scientists; and HighShips, which is in the business of developing innovative lighter-than-air flying vehicles.

Several communities in southwestern Oklahoma stand to either benefit from, take part in, or have synergies with commercial space development including: Burns Flat which boasts the third longest runway in North America, Sayre, Frederick, Elk City, Hobart and Altus Air Force Base. I look forward to working with these communities in the future, such as with Oklahoma House District 63 Representative Don Armes.

I encourage any and all companies and individuals who would like to become involved in the commercial space industry to come to southwestern Oklahoma. Oklahoma welcomes space industries with these features; Tax and Financial Incentives, Oklahoma Quality Job Program: Quarterly cash payments of 5% of new payroll for 10 years; Investment Tax Credit: Credit equal 1% of the investment in depreciable property for 5 years-doubles in this Enterprise zone; Sales/Use Tax Refund: Refunds tax paid on construction materials in new manufacturing facility; Property Tax Exemptions: 5-year abatement on 100 percent of property tax on new investment in manufacturing space; Sales/Use Tax Exemption: Available for machinery and equipment used in manufacturing, including property consumed; Accelerated Federal Property Depreciations: Provides approximately 40 percent shorter recovery period for depreciable property on Indian land.

Training Incentives: Vocational Technology School free to employees; customized assistance in employee screening; job training partnership program.

Financing: Oklahoma Finance Authority low cost loans; venture capital program facilitated by the agency; bonding by the agency; business financial assistance.

Site Specifics: existing available buildings: Hangars, office space, maintenance, warehouses; over 13,500 feet runway, ramp space; 3,000 acres of open space; utilities, infrastructure in place; rail spur, major Interstate Highway access; more than 340 days of clear skies; polar and ISS orbit launch windows available; no environmental issues; site geology supports any type of construction.

Please come to Oklahoma to advance commercial space exploration and avail yourself of Oklahoma's benefits.

Coming from Oklahoma's distinguished aviation heritage and innovative activity in the aerospace sector, as well as my experience as a commercially licensed pilot instructor, I rise today to introduce what I believe is a bill to benefit current and future aerospace companies in Oklahoma and throughout our entire Nation.

This legislation came to fruition after I facilitated many negotiations between the Federal Aviation Authority, the House Science Subcommittee

on Space and Aeronautics, the Senate Commerce Committee, aerospace companies and the Oklahoma Space Industrial Development Authority.

My language adds to H.R. 3752, the Commercial Space Launch Amendments Act of 2004, which updates the Commercial Space Launch Act of 1984, by accounting for a new class of sub-orbital launch vehicles that use hybrid technology—a combination of rocket and jet engines—to create a fair approach to future civilian suborbital flights.

In this legislation to advance the commercial space community, I have successfully covered hybrid aerospace vehicles.

By defining a sub-orbital vehicle as a rocket-propelled vehicle, ''in whole or in part, intended for flight on a sub-orbital trajectory, and whose thrust is greater than its lift for the majority of the rocket-powered portion of its ascent,'' aerospace companies will now face less regulation than with previous definitions for this type of vehicle.

Under my language, the FAA's Office of Commercial Space Transportation will now have sole regulation authority for sub-orbital hybrid vehicles, and will now be appropriately considered and licensed as launch vehicles. By this classification, aerospace companies such as Rocketplane, which utilizes hybrid technology, will now avoid being forced to go through a lengthy two-step licensing process formerly required for both launch vehicles and commercial aircraft and will have the opportunity to be licensed to carry civilian passengers much more quickly.

In addition to the definition of suborbital flight, I am also proud of the indemnification and insurance provisions of this legislation which make it possible for small companies to enter into this business field, and am happy to create the new ''experimental permit'' framework.

I know that my colleagues, House Science Space and Aeronautics Subcommittee Chairman ROHRABACHER and Committee Chairman BOEHLERT, and their aide, Timothy Hughes, have worked diligently to update the Commercial Space Launch Act of 1984 by introducing and passing H.R. 3752.

I particularly want to thank my fellow Oklahoman and House Science Committee member FRANK LUCAS for requesting my involvement in this legislation, along with requests from Oklahoma State Senator Gilmer Capps, Oklahoma State Representative Jack Bonny, Oklahoma Lieutenant Governor Mary Fallon, and the Oklahoma Space Industry Development Authority, Congressman LUCAS' colloquy with Chairman BOEHLERT on the floor the House of Representatives on March 4, 2004, speaks of his interest in ensuring that this very commercial space legislation include hybrid vehicles that fly a bit like rockets and a bit like airplanes:

Mr. Boehlert. Mr. Chairman, I yield such time as he may consume to the gentleman from Oklahoma (Mr. Lucas) for the purposes of a colloquy.

Mr. Lucas of Oklahoma. Mr. Chairman, I appreciate the gentleman from New York (Mr. Boehlert) and the gentleman from Tennessee (Mr. Gordon) bringing this important bill to the floor, because the emerging commercial human space flight industry presents tremendous opportunities for my State of Oklahoma and our Nation as a whole. I am particularly appreciative of this bill's intent to ease the regulatory burdens for entrepreneurs who are developing new suborbital reusable launch vehicles.

Mr. Boehlert. Mr. Chairman, will the gentleman yield?

Mr. Lucas of Oklahoma. I yield to the gentleman from New York.

Mr. Boehlert. Mr. Chairman, I thank the gentleman for his kind words. He is correct in stating that this legislation seeks to put in place sufficient Federal regulation to protect the general public while also promoting this important new industry.

Mr. Lucas of Oklahoma. As you know, Mr. Chairman, some suborbital reusable launch vehicles that will be used in commercial human space flight activities may have some attributes normally associated with airplanes as well as many attributes of rockets. My hope is that such hybrid vehicles would not have to be regulated under two separate regimes. What are the chairman's views on this matter?

Mr. Boehlert. I thank the gentleman for that question.

This is a very important issue on which we have worked extensively with industry and the executive branch in developing this bill. As currently drafted, H.R. 3752 incorporates definitions promulgated by the Federal Aviation Administration to distinguish between suborbital rockets, which are under the jurisdiction of FAA's Associate Administrator for Commercial Space Transport, and other aerospace vehicles which are regulated by another part of the FAA. That said, I would be happy to keep working with the gentleman from Oklahoma (Mr. Lucas) and other interested parties as the bill moves forward to revisit the important issue of how best to regulate hybrid vehicles that are engaged in commercial human space flight.

Mr. Lucas of Oklahoma. I thank the chairman and I look forward to continuing to work with him and our colleagues in the other body to see if we can create a single regime for hybrid commercial space flight vehicles.

While I realize H.R. 3752 creates fairness in regulation for the newly emerging civilian space flight industry, I believe my language takes it a step further by ensuring all companies entering this field have a level licensing playing field including those using hybrid technologies.

These are exciting times for this field of human endeavor. We are currently in the middle of a competition for the ANSARI X PRIZE. This competition is a courageous effort to refocus society's attention on the last frontier—space. To win the $10 million ANSARI X PRIZE, the successful team will launch a craft carrying at least three people to an altitude of at least 100 km, 62.5 miles, return safely to Earth, then repeat it with the same craft within 2 weeks.

With pilot Mike Melvill, the Burt Rutan team made a flight on June 21, 2004, but control problems prevented the repeat flight within the 2 weeks.

This brilliant concept of the Ansari X Prize exemplifies the excellence that can be achieved through an incentivized approach rather than a governmental mandate or punitive approach. Incentivize and safely get government out of the way is the philosophy of my bill. Tempt not only the pocketbook but the vision of anyone who has the creativity and imagination to pursue it.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 415—TO AUTHORIZE THE PRODUCTION OF RECORDS BY THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS OF THE COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. FRIST (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 415

Whereas, during the 106th and 107th Congresses, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs conducted an investigation into money laundering activities in the U.S. financial services sector, including examinations of money laundering activities in private banking, correspondent banking, and the securities industry;

Whereas, by agreement to Senate Resolution 77, 107th Congress, the Senate authorized the Chairman and Ranking Minority Member of the Subcommittee, acting jointly, to provide to law enforcement officials, legislative bodies, regulatory agencies, and other entities or individuals duly authorized by federal, state, or foreign governments, records of the Subcommittee's investigation into the use of correspondent banking for the purpose of money laundering;

Whereas, during the present Congress, the Subcommittee has been conducting a followup to its earlier money laundering investigation to evaluate the enforcement and effectiveness of key statutory anti-money laundering provisions, using Riggs Bank of the District of Columbia as a case history;

Whereas, the Subcommittee is asking authorization to provide records of its followup investigation in response to requests from law enforcement officials, legislative bodies, regulatory agencies, and foreign agencies and officials;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, acting jointly, are authorized to provide to law enforcement officials, legislative bodies, regulatory agencies, and other entities or individuals duly authorized by federal, state, or foreign governments, records of the Subcommittee's case study investigation into the enforcement and effectiveness of statutory anti-money laundering provisions.