

We will provide more than \$114 million for tobacco prevention and cessation activities at the Centers for Disease Control and Prevention. Tobacco use is the single most preventable cause of death and disease in our society today.

Our committee allocated \$35 million for public health research at CDC. This year we are encouraging the Centers for Disease Control and Prevention to pay particular attention to research on business-based wellness programs for employees. We want to identify and disseminate the best practices in this area, and we have asked the CDC to develop a model wellness program for businesses.

Our appropriations bill also includes \$75 million for the Carol White Physical Education for Progress Program, otherwise known as the PEP Program. This provides grants to school districts to expand physical education opportunities for K-to-12 students. Again, bear in mind, as I said, the average public school student gets less than 1 hour of physical education per week, and many get none at all.

Our appropriations bill funds a new School Mental Health Services Program. This will train public school personnel to recognize early warning signs of mental illness, and it will expand student activity to high-quality mental health services.

I would like to add that the bill provides \$2 million to support implementation of the YMCA's new Activate America initiative, which is encouraging cities to develop communitywide approaches to wellness and disease prevention. I am most grateful to the National YMCA for their great leadership in disease prevention, wellness, and health promotion. I am also pleased that our capital city of Des Moines, IA was selected as one of the first cities to participate in this program.

I also want to compliment and commend my chairman, Senator ARLEN SPECTER of Pennsylvania, for his great leadership in getting our bill together and getting it through our subcommittee. All of the items I have mentioned that we are providing for wellness and prevention we have worked on together in a true bipartisan fashion. I thank Senator SPECTER for his leadership and for working to make sure we fund these programs for wellness and prevention.

To sum it up, we are making some progress in advancing a broad, comprehensive wellness agenda here in Congress. With all of the political bickering here on Capitol Hill people sometimes wonder if we are accomplishing anything. The Labor, Health and Human Services appropriations bill takes real, concrete steps to address problems such as obesity and chronic disease—problems that people care deeply about.

Again, I salute the hard work and leadership of Chairman SPECTER. He too cares passionately about issues of wellness and disease prevention. He too

realizes that our current sick care system which gives short shrift to prevention is leading us off a cliff.

I am optimistic. I know we will not get everything done this year. But hopefully we will make progress and we will make more progress next year. What I sense is growing support from both sides of the aisle for a new emphasis on wellness and prevention. I am more and more confident about the prospects for passing the Help America Act in the next Congress.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I ask unanimous consent for permission to speak in morning business for such time as I may require.

The PRESIDING OFFICER. Without objection, it is so ordered. We are in morning business.

Mr. ALEXANDER. Thank you, Mr. President.

TAXATION OF HIGH-SPEED INTERNET ACCESS

Mr. ALEXANDER. Mr. President, the purpose of my remarks today is to suggest a way to come to a solution in the debate we have been having as to what extent Congress should interfere with State and local regulations and taxation of high-speed Internet access.

In April, after a good many months of discussion, the Senate came to a good temporary compromise on the issue. Our legislation, the Senate legislation, allows States already collecting taxes on Internet access to continue to do so for 2 or 4 years, depending on the type of access tax. It makes clear that State and local governments can continue to collect taxes on telephone services, including telephone calls made over the Internet. Our work here in the Senate modified legislation that came over from the House of Representatives that would have permanently taken away from State and local governments authority to include high-speed Internet access in its taxation plans and would put at risk literally billions of dollars in revenues that States and cities and towns now depend on to pay for police, for schools, for parks, and for other essential local services.

Both sides in this debate have legitimate points to make. We see here a conflict of the principles of federalism in free markets, and I believe it is a debate about whether there is any justification for giving additional government subsidies to the high-speed Internet access industry, which, so far as I can tell, must already be the most heavily subsidized new technology in our country today.

For now, I would respectfully suggest the logical course would be for the House of Representatives to adopt the Senate modification. This would provide temporary certainty in this policy area. But it is an unsatisfactory long-term solution. For the long term, here

is my suggestion. I propose that representatives of States, of cities, of counties, and of the telecommunications industry meet together between now and the opening of the 109th Congress in January and develop a framework to assist Congress with how to approach this highly technical but very important set of issues.

In developing this framework, I suggest the parties ought to abide by the following principles. No. 1, separate the issues of taxation and regulation. This fall, in some preliminary work on legislation proposed by Senator SUNUNU from New Hampshire, the Senate Commerce Committee did just that. They produced a bill regarding the regulation of Internet telephony, but also preserving the right of State and local governments to make their own decisions about how to tax the industry.

Put in its simplest terms, I agree that it makes sense to have a different, simpler kind of regulation of this new technology which we call broadband. But I want to achieve this in a way that does no harm to State and local government revenue bases.

Second, when making decisions about regulation, the principle to honor should be simplicity, so that the new technology can continue to flourish. Voice over the Internet technology is not the same as plain old telephone service. Our regulatory structures need to recognize that.

Finally, when these representatives of industry and State local governments get together, as I hope they will, in determining tax policy, the principles to consider should be simplicity, certainty, and doing no harm to State and local governments.

There are more than 11,000 State and local tax jurisdictions in the United States of America. Obviously, it would be burdensome for a small Internet telephone company who offers services in most or all of these districts to file that many or even more returns. On the other hand, there is no justification whatever that I can see for depriving a State or local government of 5 or 10 percent of its existing revenues simply to exempt an already heavily subsidized industry from paying its fair share of taxes.

The idea of inviting those who will be most affected by our decisions about taxation and regulation to suggest a policy to us is not a new idea. For example, in February of this year, something called the Voice on the Net Coalition announced that a number of VOIP providers would work together to establish voluntary agreements on how to integrate E 9-1-1, access to the disabled, and Government wiretapping, into this next generation of telephone technology.

They might well also consider universal service in this discussion—how we would continue to provide telephone service to people in rural areas with this new kind of technology.

In another example of groups working outside the Congress to make it

easier for us here, for the last several years something called the Streamline Sales and Use Tax Project has been going on. States have been building the technical and legal foundations for a system in which online sellers or merchants would be required to collect taxes on sales over the Internet and forward the money to the State where the buyer lives. This will make it much easier for Congress to then enact legislation authorizing such collections.

So in the same way I believe industry representatives working with State and local representatives could quickly suggest a framework that would make our work here in Congress simpler and speedier. If this does not happen, I believe we are in for a long debate with a likelihood of a poor result or even no result. This would serve no one's purpose.

The telecommunication companies and high-speed Internet access industry would benefit from certainty and simplicity. Governors, legislators, and mayors at the same time need to know where revenues are coming from. They want certainty, too.

There are other, bigger fish to fry in the telecommunications area. The Telecommunications Act of 1996 needs a fresh look in some fundamental ways. When Congress enacted it, maybe no one in the Senate or the House knew very much about high-speed Internet access. State and local governments would like to move ahead with their streamline tax project. Neither is likely to happen until the Internet access tax issue is resolved.

Let me say a final word about the technology we are discussing, high-speed Internet access or, as we sometimes call it, broadband. Last year, during our debate, there were dire predictions that if States were allowed to continue to tax this access, it would become a terrible burden for the industry and restrict its growth and put the United States in some kind of technological backwater. Nothing could be further from the truth. Almost every day in my mailbox comes a new offer from someone to sell me high-speed Internet access. From my phone company, from my long distance company, from my satellite TV company—even electric companies are selling high speed-Internet access. Next thing you know I expect the milkman to show up offering to provide me with high-speed Internet access.

And the prices, as usually happens with a new technology and competition, are going down. Most of the offers I receive in my mailbox are in the range of \$20 a month, and in many states and communities—Texas is an example—these costs to the consumers are further reduced by government subsidy.

Here are some of the facts. Market data from the research firm Nielsen/NetRatings shows in July of 2003 38 percent of home-based Internet users had a broadband connection. One year later, in July 2004, that number had

jumped to 51 percent. The same report shows that the number of broadband connections altogether in July 2004 rose 47 percent from a year ago.

Meanwhile, investment in broadband over powerlines, as I mentioned earlier, is gaining steam. According to the Chartwell research firm, the percentage of utility companies planning or considering broadband deployment rose from 6 percent in 2000 to 20 percent in 2003. This means if you have an electric line coming into your house, you have access to high-speed Internet access.

Internet telephones, called VOIP, are experiencing the same kind of rapid growth. According to the telecommunications industry, by the end of this year, in only 4 months, there will be 6 million VOIP access lines. They expect that figure to rise to more than 19 million by 2007.

Cablevision Systems began offering VOIP service in November of 2003 and in 2 months had 29,000 customers and was signing up new customers at the rate of 2,500 a week.

The VOIP explosion has hit traditional telephone service providers. In August, the Washington Post reported both MCI and AT&T traditional long-distance services are suffering, in part from the increase in telephone calls made over the Internet with VOIP service. As a result, even these companies have moved into the VOIP market. AT&T has introduced its CallVantage VOIP service and now has it available in 39 states as well as the District of Columbia. Sprint has teamed with Time Warner Cable to begin offering VOIP services to 11 million customers and is forging new relationships with other cable providers to expand its services availability.

Finally, one of the pioneers of the VOIP industry, Vonage, announced in August that investors had sunk another \$105 million in venture capital into the company, the largest venture capital deal to date this year.

So the bottom line is this: Broadband, or high-speed Internet access, continues to be adopted at a tremendously rapid rate. It is being adopted at a faster rate than CD players, than cell phones, than color TVs and VCRs were being adopted during the same periods in their development.

As the Congressional Budget Office has specifically told Congress, there is absolutely no justification whatever for additional Government subsidy for this industry. High-speed Internet access is a fine, remarkable, admirable, new technology. But so was television, so was radio, so was electricity, so was the internal combustion engine. It is not the American way to subsidize such new inventions. It is the American way to let these inventions earn their way forward in the marketplace. Americans never got a tax break to buy a television set and TV manufacturers never got a subsidy, so far as I know, to build them. Yet 30 years after they were introduced to the market, almost 90 percent of Americans owned

a television set. That is the American way.

Telephone companies, in the same way, introduced cell phones without any prompting from the U.S. Government. In less than 15 years, more than 40 percent of all households now own cell phones.

Of course, what is especially galling to me is that Congress would even consider creating this big tax break or tax subsidy for Internet access companies and then send the bill for that tax break to State and local governments who are already struggling with additional costs because of our failure to create a rational health care policy and our failure to create a national immigration policy and our bad habit of enacting expensive ideas in Washington, DC, taking credit for them in press conferences, and then sending the bill for the ideas to mayors and Governors and legislators and city council men and women.

It is my hope that the telecommunications industry representatives, Governors, and mayors will spend some time with one another during the next 3 or 4 months and figure out a framework for resolving how Congress should approach these issues in the most sensible way. I would be glad to be a part of such discussions if I could be helpful. I am sure other Members of Congress would as well. The Federal Communications Commission could provide technical advice.

May I say one word to Governors and mayors. And perhaps I can do this more appropriately because I once was a Governor. I know Governors are busy, and they have staffs to help them do their work. But this matter will not be resolved by a few phone calls from Governors or by staff members to staff members on Capitol Hill. If Governors and mayors want the Internet tax issues resolved in a way that does no harm to State and local governments, in a way that does not threaten 5 to 10 percent of their base, in a way that does not cost them billions of dollars, then Governors and mayors are going to need to become personally involved in helping to resolve this issue, meeting with the telecommunications industry representatives, and coming up with a rational way to provide certainty and simplicity for this new technology and, at the same time, do no harm to State and local governments.

Mr. President, I believe this will be the speediest, most sensible way to resolve the conflict we have between principles of federalism and free markets and to clear the way for Congress to move beyond the issues of taxing and regulating high-speed Internet access to other larger, more important telecommunications policy issues.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

REMEMBERING SEPTEMBER 11, 2001

Mr. FRIST. Mr. President, in the 3 years since 19 terrorists hijacked 4 planes and changed the course of American history, we have learned much about our vulnerabilities, our strengths, and the steps we must take to protect ourselves.

Tomorrow, America will remember the images of the Twin Towers collapsing, of terrified office workers jumping to their deaths, of brave New York City firefighters rushing into those burning buildings to save people trapped inside, of soot-covered men and women streaming out into the streets dazed and overcome. We will remember the shock of learning that a third plane had smashed into the Pentagon, and a fourth was possibly headed to the White House or the Capitol.

We will remember our sense of helplessness, our horror, and our utter disbelief as the terrible events occurred that bright morning, a morning not too dissimilar to today. In our grief on our day of national mourning, let us also recall our unity and those words of Todd Beamer to his fellow passengers on flight 93: Let's roll.

The highest priority of the Senate is to protect the safety and security of the American people. But as the 9/11 Commission report outlines, before 9/11 we were not attuned to the growing threat of Islamic terror. There had been attacks, and the attacks were growing bolder, but our attention was "sporadic and splintered across several committees."

Mr. President, 9/11 changed everything, and the Senate is committed to reforming its oversight functions so that it can, in the words of the Commission report, provide "strong, stable, and capable congressional committee structure to give America's national intelligence agencies oversight, support, and leadership."

Senator MCCONNELL and Senator REID are leading a leadership-appointed task force which is meeting to hammer out a legislative framework. We plan to consider that legislation no later than October 1. As has been discussed this week, the Senate Governmental Affairs Committee is leading the reorganization of the executive branch. Under the superb leadership of Senator COLLINS and Senator LIEBERMAN, the committee is working diligently to address the Commission's recommendations. They started hearings immediately after those 9/11 recommendations were made to this body and to the country and continued those hearings through August, and now that we are back in session, over the course of this week.

On Wednesday, the Governmental Affairs Committee had another hearing

to discuss options. Those hearings will continue. Senator COLLINS and Senator LIEBERMAN will likely mark up legislation on the week of September 20, and the bill will then be brought to the floor the following week.

These dual efforts—one, the Governmental Affairs Committee dealing with the relationships and the definition and the legislation surrounding the executive branch, and the other led by Senators MCCONNELL and REID, overseeing the reorganization within this body—will present recommendations and that legislation to the U.S. Congress with the goal of strengthening our national security and safeguarding us, the American people, against future acts of terrorism.

The President and his administration, meanwhile, have already begun to address 36 of the remaining 39 recommendations, the last three currently being under study. Two days ago, we had the opportunity to meet with the President, Republican and Democratic leadership from both sides of the aisle in this body meeting with leadership and Members from both sides of the aisle in the House of Representatives, listening to his plans, his vision of intelligence reform.

On the Senate floor yesterday I spoke a little bit about the President's plan to establish a national intelligence director, the NID, to oversee these 15 intelligence agencies that we have. This afternoon, briefly, I would like to highlight the President's action to create a national counterterrorism center. We know that the intelligence community generates massive amounts of information. In the aftermath of 9/11, this point became tragically clear. There had been clues. There had been arrests, analysis, and warnings. But because these pieces of information were scattered across agencies and not properly shared, they became missed opportunities.

In the words of the 9/11 report:

The system of "need to know" should be replaced by a system of "need to share."

The national counterterrorism center President Bush has created by Executive order will act as a central knowledge bank, a clearinghouse where intelligence can be shared across agencies, can be prioritized, analyzed, and used in the field to thwart terrorist attacks. In other words, the left hand will learn what the right hand is doing.

I commend the President on his consistent leadership and his commitment to reforming our intelligence community. He is already transforming the FBI. He has led the most extensive reorganization of the Federal Government in 50 years in the creation of the Homeland Security Department. He recognized immediately that terrorism was not merely a law enforcement issue but a grave threat to America, world peace, instability. It required mobilization of all of our resources.

I look forward to working with my colleagues as we continue to advance America's national security and im-

prove our intelligence functions. The 9/11 Commission report was bipartisan and unanimous. Likewise, I am gratified by my colleagues' sense of unity and shared vision in making America safer sooner rather than later, before "if" becomes "when."

THE THIRD ANNIVERSARY OF SEPTEMBER 11, 2001

Mr. MCCONNELL. Mr. President, 3 years ago this September 11, al-Qaida terrorists launched a brutal attack on American soil. Every American remembers that clear Tuesday morning when two planes smashed into the two World Trade Center towers in New York and brought them crumbling to the ground. A third plane crashed into the Pentagon outside Washington, DC. A fourth plane may have been destined for this very Capitol were it not for the heroic passengers on that flight who put their country ahead of their lives.

Today and every day we honor the innocent victims who died that day while conducting America's business. We also honor the heroic first responders—police officers, firefighters, and emergency medical personnel—who rushed in to save others. We honor the volunteers of that day and every day forward who lined up to help their fellow Americans. Millions donated money, time, efforts, and blood.

And we honor the soldiers, sailors, airmen and marines who have risked their lives so Americans don't have to live in fear of being attacked again. Some have paid the ultimate sacrifice. Our all-volunteer military is the best in the world, and as full of courage as the military heroes from our Greatest Generation.

It is worth looking at what we have accomplished in the last 3 years. President Bush has led America in a global war on terror to destroy those who would attack us again. We have made incredible progress.

We have led an international military coalition to eradicate two of the vilest terrorist regimes on Earth—the Taliban in Afghanistan, and Saddam Hussein in Iraq. We have liberated over 50 million people. Over 10 million have registered to vote in this fall's election in Afghanistan. And Iraq has national elections scheduled for early next year.

Using diplomacy and sanctions, and with the help of the international community, we have pressured a third terrorist regime in Libya to abandon its path to weapons of mass destruction, that could have been given to terrorists. The lesson of Saddam Hussein surely served as an example here, and should continue to serve as such to despots around the globe who would do us harm.

Of the senior al-Qaida leaders, operational managers, and key facilitators that our government has been tracking, nearly two-thirds have been brought to justice or had justice brought to them. And with the help of our allies, we have severely disrupted