from Alaska (Ms. MURKOWSKI) were added as cosponsors of S. Res. 182, a resolution supporting efforts to increase childhood cancer awareness, treatment, and research.

AMENDMENT NO. 1312

At the request of Mr. INHOFE, the names of the Senator from Maine (Ms. COLLINS) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of amendment No. 1312 proposed to S. 1042, an original bill to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 1313

At the request of Mr. INHOFE, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of amendment No. 1313 proposed to S. 1042, an original bill to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 1314

At the request of Mr. KENNEDY, his name was added as a cosponsor of amendment No. 1314 proposed to S. 1042, an original bill to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

At the request of Mr. LEVIN, his name and the name of the Senator from Indiana (Mr. BAYH) were added as cosponsors of amendment No. 1314 proposed to S. 1042, supra.

At the request of Mr. WARNER, the names of the Senator from Ohio (Mr. DEWINE), the Senator from Maine (Ms. COLLINS), the Senator from Washington (Ms. CANTWELL) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of amendment No. 1314 proposed to S. 1042, supra.

At the request of Mr. BYRD, his name was added as a cosponsor of amendment No. 1314 proposed to S. 1042, supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THOMAS (for himself and Mrs. LINCOLN):

S. 1441. A bill to amend the Internal Revenue Code of 1986 to include wireless telecommunications equipment in the definition of qualified technological equipment for purposes of determining the depreciation treatment of such equipment; to the Committee on Finance.

Mr. THOMAS. Mr. President, today I rise to introduce a bill that would clarify the class life of cell site equipment used by wireless telecommunications companies.

Wireless telecommunications, like many other high-tech industries, uses computer-based technology to facilitate the digitization of voice, video and data services over its networks. The wireless industry was in its infancy in 1986 when the Internal Revenue Code's rules regarding depreciation were last revised, so the sophisticated equipment used today was not even contemplated. For the past 20 years, the Internal Revenue Service—and taxpayers—have had to try to shoehorn modern equipment into outdated wireline telephony definitions in order to determine the appropriate depreciation period. Even the Treasury Department, in its July 2000 ''Report to the Congress on Depreciation Recovery Periods and Methods,'' admits that this is inappropriate.

The result of this methodology is that the IRS has taken the position that wireless cell site equipment should be depreciated similarly to wooden telephone poles and wires rather than other, computerized equipment that it more closely resembles. Consequently, this equipment is depreciated over 20 years rather than 5. In other words, the misclassification significantly increases the cost of capital investment in the Nation's wireless network.

Given the rapid technological change and advances in the wireless industry, this bill would classify wireless telecommunications equipment as ''qualified technological equipment.'' This is the proper classification because the major components of wireless cell sites are, in fact, computers or peripheral equipment controlled by computers.

Consumer demand for wireless services grew almost 700 percent over the last decade, and rapid growth in this area continues. The industry also makes significant contributions to the economy directly employing 226,340 workers and making hundreds of billions of dollars in capital investments. Clarifying the depreciation treatment of cell site equipment means even greater wireless investment, increased wireless employment, and improved benefits to America's wireless consumers.

Wireless technology has brought tremendous advances to rural America, and this bill would ensure that rural consumers continue to have timely access to the latest technology available. I thank my colleague from Arkansas, Mrs. LINCOLN, for joining me in recognizing the problem and introducing this 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. 1441

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

SECTION 1. WIRELESS TELECOMMUNICATIONS EQUIPMENT.

(a) IN GENERAL.—Subparagraph (A) of section 168(i)(2) of the Internal Revenue Code of 1986 (defining qualified technological equipment) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by inserting after clause (iii) the following new clause:

''(iv) any wireless telecommunications equipment.''.

(b) WIRELESS TELECOMMUNICATIONS EQUIPMENT.—Section 168(i)(2) of the Internal Revenue Code of 1986 is amended by inserting after subparagraph (C) the following new subparagraph:

''(D) WIRELESS TELECOMMUNICATIONS EQUIPMENT.—For purposes of this paragraph, the term 'wireless telecommunications equipment' means all equipment used in the transmission, reception, coordination, or switching of wireless telecommunications service, other than cell towers, buildings, and T–1 lines or other cabling connecting cell sites to mobile switching centers. For this purpose, 'wireless telecommunications service' includes any commercial mobile radio service as defined in title 47 of the Code of Federal Regulations.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service on or after the date of the enactment of this Act.

By Mrs. CLINTON (for herself, Mr. CHAFEE, and Mr. REID):

S. 1442. A bill to amend the Public Health Service Act to establish a Coordinated Environmental Health Network, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, I rise today to introduce, with my colleagues Senators CHAFEE and REID, the Coordinated Environmental Health Tracking Act of 2005.

There is a saying—''what you don't know can't hurt you.'' But when it comes to chronic disease, what we don't know can hurt all of us. The bill we are introducing today will help us solve the mysteries behind the high rates of chronic diseases such as cancer, autism, and Alzheimer's that afflict so many American communities.

Once we are able to track diseases, and detect links to environmental or other causes, we will be able to prevent public health crises before they occur.

The environmental links to the onset of diseases are not well understood. They are hidden health hazards that manifest themselves in chronic diseases. We are only beginning to understand what these hazards are and what is the scope of their effects on our health.

We need more specifics on these environmental factors. For example, we need to know what is the cumulative effect of extended exposure to a variety of environmental factors over time.

One way to get those specifics is to track the outbreak of chronic diseases, just like we track the outbreaks of infectious diseases.

This legislation would establish a comprehensive national tracking system for chronic diseases, so that we can identify, address and prevent them.

It would help States to participate in this national tracking system- by providing them with Environmental Health Tracking Network Grants, assisting them in developing the infrastructure necessary to participate in this network.

It would also create a chronic disease response force, bringing the expertise of environmental, scientific and health experts to areas with potential clusters of chronic diseases, like Long Island's breast cancer cluster.

It will allow us to monitor our environmental health by requiring an annual report of the results of the Nationwide Health Tracking Network, helping to educate and arm us with valuable information in the fight against chronic diseases.

Finally, it will help us build the public health expertise we need to address these issues in the future, by providing funding for the establishment of at least seven biomonitoring labs and setting up epidemiology fellowships and centers of excellence for environmental health.

I believe that this legislation will help obtain and act on the best possible evidence to improve our Nation's health and to begin to tackle the extraordinary human and economic costs that chronic disease imposes on our country.

By Ms. COLLINS (for herself and Mr. LIEBERMAN):

S. 1443. A bill to permit athletes to receive nonimmigrant alien status under certain conditions, and for other purposes; to the Committee on the Judiciary.

Ms. COLLINS. Mr. President, I rise today to once again introduce legislation that will address the challenges facing many promising, talented young athletes from other countries who wish to play for sports teams in the United States. Due to the shortage of H–2B nonimmigrant visas for temporary or seasonal nonagricultural foreign workers both this year and last, many American teams who rely on these visas to recruit new talent from abroad have been unable to bring some of their most talented prospects to the United States. This bill would provide a commonsense solution to this problem.

Across the United States, the H–2B visa shortage has been a significant concern to many in a wide variety of industries, including hospitality, forest products, fisheries, and landscaping, to name a few. While we recently were successful in crafting a temporary, 2-year fix for the H–2B shortage, there is more still to be done. We must continue to seek permanent solutions to this problem, and to find practical ways to reduce the demand on this visa category. While there are a number of factors contributing to this high demand, among these is the extremely diverse, ''catch-all'' nature of this visa classification.

What many people do not know is that, in addition to loggers, hotel and restaurant employees, fisheries workers, landscapers, and many other types of seasonal workers, the H–2B visa category is also used by many talented, highly competitive foreign athletes. Specifically, minor league athletes—unlike their counterparts at Major League franchises—are lumped into this same oversubscribed visa category, despite the obvious differences in the nature of the work they perform. The recent H–2B visa shortage has therefore meant that hundreds of promising athletes have been unable to come to the United States to play for minor league and amateur sports teams across the Nation. Not only have many teams been unable to bring some of their most talented prospects to the United States, but this visa shortage has also compromised a traditional source of talent for Major League sports teams. In addition, some very talented ice skaters who have earned roles in a number of popular theatrical productions, such as Disney on Ice, have faced difficulties in coming to the United States.

In my home State of Maine, for example, the Lewiston MAINEiacs, a Canadian junior hockey league team, faced tremendous difficulties last year obtaining the H–2B visas necessary for the majority of its players to remain in the United States to play in the team's first home games in September. These young athletes are among Canada's most talented junior players, but the shortage of H–2B visas threatened their chances of improve their skills with the MAINEiacs and, possibly, graduate to a career in professional hockey. This year, due to uncertainty about the availability of H–2B visas at the end of the fiscal year, the team has had to schedule a later season home opener. It must also attempt to schedule make-up games for the home games that the team would normally play in September. This creates a hardship on the team and its venue, and could mean fewer home games and a loss of revenue for businesses in the surrounding area. I have received a letter from the MAINEiacs, expressing the teams's support for this legislation. I ask unanimous consent that this letter be printed in the RECORD.

The Portland Sea Dogs, a Double-A level baseball team affiliated with the Boston Red Sox, is another of the many teams that relies on H–2B visas to bring some of its most skilled players to the United States. Thousands of fans come out each year to see this team, and others like it across the country, play one of America's favorite sports. Due to the shortage of H–2B visas, however, Major League Baseball reports that more than 350 talented young, foreign baseball players were prevented from coming to the U.S. last year and early this year to play for Minor League teams, a traditional proving ground for athletes hoping to make it to the Major Leagues. The experience gained in the Minor Leagues is crucial to the development of the best Major League players.

The inclusion of these athletes in the H–2B visa category seems particularly unusual when you consider that Major League athletes are permitted to use an entirely different nonimmigrant visa category: the P–1 visa. This visa is used by athletes who are deemed by the U.S. Citizenship and Immigration Services, CIS, to perform at an ''internationally recognized level of performance.'' Arguably, any foreign athlete whose achievements have earned him a contract with an American team would meet this definition. However, CIS has interpreted this category to exclude minor and amateur league athletes. Instead, the P–1 visa is typically reserved for only those athletes who have already been promoted to Major League sports. Unfortunately, this creates something of a catch-22: if an H–2B visa shortage means that promising athletes are unable to hone their skills, and to prove themselves, in the Minor Leagues, then they are far less likely to ever earn a Major League contract.

A simple solution would be to expand the P–1 visa category to include minor league athletes and certain amateur-level athletes who have demonstrated a significant likelihood of graduating to the major leagues. I have received a letter from officials from Major League Baseball, which continues to strongly support the expansion of the P–1 visa category to include professional Minor League baseball players. I would ask unanimous consent that this letter be printed in the RECORD. As the League points out, by making P–1 visas available to this group of athletes, teams would be able to make player development decisions based on the talent of its players, without being constrained by visa quotas. The P–1 category, the League argues, is appropriate for Minor League players because these are the players that the Major League Clubs have selected as some of the best baseball prospects in the world.

There is no question that Americans are passionate about sports. We have high expectations for our teams, and demand only the best from our athletes. By expanding the P–1 visa category, we will make it possible for athletes to be selected based on talent and skill, rather than nationality. In addition, we would reduce some pressure on the H–2B visa category so that more of those visas can be used where they are really needed.

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

JULY 11, 2005.

Re legislation for nonimmigrant alien status for certain athletes.

Hon. SUSAN M. COLLINS,

U.S. Senator from Maine, Russell Senate Office Building, Washington, DC.

DEAR SENATOR COLLINS: I wish to express the Lewiston MAINEiacs Hockey Club's support for your efforts with regard to amending the P–1 work visa to enable all of our

non U.S. players to work in the United States.

The Lewiston MAINEiacs Hockey Club is the sole U.S. based franchise in the 18-member Quebec Major Junior Hockey League (QMJHL). The QMJHL together with the Ontario Hockey League (OHL) and the Western Hockey League (WHL) make up the Canadian Hockey League which comprises a total of 58 teams. Of these 58 franchises, 9 are located in the United Stats (OHL–3,WHL–5, QMJHl–1).

The CHL is the largest developer of talent for the National Hockey League (NHL). More than 70% of all players, coaches and general managers who have played in the NHL are graduates of the Canadian Hockey League.

The majority of players in the Canadian Hockey League are Canadian, although each team is permitted to have a maximum of 2 Europeans on their rosters. These is also an increasing number of elite U.S. born players now playing in the league.

The MAINEiacs sophomore season in 2004–fnl2-005 was a giant success, growing the fan base to over 93,000 fans in the regular season (2662 per game average). The team easily advanced through the first round of the playoffs before losing to the Rimouski Oceanic in the second round. Rimouski subsequently went on to win the league title. The Lewiston MAINEiacs also had two of their players drafted into the National Hockey League in June 2004 with Alexandre Picard being selected in the first round, 8th overall by the Columbus Blue Jackets and Jonathan Paiememt being selected by the New York Rangers in the 8th round. A total of 27 players in the QMJHL were selected at the 2004 NHL Entry Draft.

In January of 2004, the City of Lewiston purchased the Colisée in order to complete the first round of renovations to the facility which was in excess of two million dollars. The Colisée has undergone a second phase of renovations in excess of 1.8 million dollars that entails a three-story addition to the front of the building providing for new offices, box office, proshop, food and beverage concessions and a new private VIP suite that can accommodate more than 130 fans per game. The City of Lewiston recently contracted the day-to-day management of the Colisée to Global Spectrum, a subsidiary of Comcast-Spectacor, one of the largest and most successful facility management companies in North America.

The results of the current visa laws have forced all U.S. based franchises in the CHL to delay the commencement of their regular season until or after October 1 of each year due to the restrictions of the H–2B temporary work visa regulations. This has caused significant hardship on teams, their facilities and the 3 leagues. U.S. based franchises are forced to try and make-up games that would normally be scheduled in the month of the September later in the season, putting both the teams and their fans at disadvantage before the season even commences.

Under your leadership, should congressional legislation make available P–1 visas to Major Junior players of the CHL, the success of all 9 U.S. based CHL franchises would be greatly enhanced by ensuring that all 58 teams have an equal chance at attracting and developing the best available talent.

It is the hope of the Lewiston MAINEiacs that your colleagues in the Senate follow your leadership and endorse your recommendations for the expanded P–1 work visa to ensure the viability and success of not only our franchise—but the 8 other U.S. based clubs in the Canadian Hockey League.

Sincerely,

MATT MCKNIGHT,
Vice President & Governor.

OFFICE OF THE COMMISSIONER,
MAJOR LEAGUE BASEBALL,
New York, NY, May 6, 2005.

Re legislation for nonimmigrant alien status for certain athletes.

Hon. SUSAN M. COLLINS,
U.S. Senator from Maine, Russell Senate Office Building, Washington, DC.

DEAR SENATOR COLLINS: I write to express Major League Baseball's support for your efforts on behalf of Minor League professional baseball players. We understand that you are sponsoring legislation that will enable Minor League players to obtain P–1 work visas to perform in the United States.

Currently, foreign players under Minor League contracts are required to obtain H–2B (temporary worker) work visas to perform in the United States, forcing the Major League Clubs to compete with employers of various unskilled workers for a limited number of such visas that are issued. The United States Citizenship and Immigration Services stopped accepting H–2B visa applications in early January this year (and in March, in 2004), citing the nationwide cap in the number of such visas that can be issued. That action prevented more than 350 young baseball players from performing in the Minor Leagues in the United States in 2004 and 2005. Moreover, Major League Clubs were forced to make premature player promotion decisions this past off-season, in a race to apply for H–2B visas before the cap was reached.

Minor League experience is crucial in developing the best possible Major League players. Unlike other professional athletes, baseball players almost invariably cannot go directly from high school or college to the Major Leagues. Almost all need substantial experience in the Minor Leagues to develop their talents and skills to Major League quality. To get that necessary experience, young players are signed by Major League Clubs and assigned to play for Minor League affiliates throughout the United States, such as the Eastern League's Portland Sea Dogs in your state.

Major League Clubs sign many players from the Dominican Republic and Venezuela and assign them at first to affiliates in those countries, then seek to promote them to affiliates in the United States as players' skills progress. Typically, a Club would seek to promote 3–5 players per season to Minor League affiliates in the United States, but the visa restrictions will make those promotions impossible this season, as they did last year as well. The Major League Clubs were able to use only approximately 80% of the H–2B visas the Department of Labor allowed them for the 2004 and 2005 seasons, because current laws prevent them from making decisions in the late spring and throughout the summer to promote foreign prospects to United States affiliates. My staff has learned that at least several Clubs shied away from drafting foreign (mostly Canadian) players whom they otherwise might have selected in the annual First-Year Player Draft in June 2004 and will do so again this year, because those Clubs know there is no opportunity for those players to begin their professional careers in the United States the summer after their selection. For the Canadian players who were drafted in June 2004, signings declined 80% from 2003. These results of the current visa laws have deprived Minor League fans across America from seeing the best young players possible perform for affiliates of the Major League Baseball Clubs and have affected the quality and attractiveness of those affiliates.

Under your leadership, congressional legislation could, by sensibly making available P–1 visas to professional Minor League athletes, ensure that the best baseball prospects from around the world will get the opportunity to develop here in the United States, without the constraint that the H–2B visa cap imposes. The National Association of Professional Baseball Leagues, Inc., also known as Minor League Baseball, shares our support of your legislation. The Major League Baseball Players Association also supports allowing the best young players to develop here in the United States.

Major League Baseball hopes that your Senate colleagues will follow your leadership and pursue a legislative remedy to a problem that is threatening to weaken Baseball's Minor League system.

Sincerely,

ROBERT A. DUPUY,
President and Chief Operating Officer.

By Mr. BAUCUS (for himself and Mr. COLEMAN):

S. 1444. A bill to amend the Trade Act of 1974 to provide for alternative means of certifying workers for adjustment assistance on an industry-wide basis; to the Committee on Finance.

Mr. BAUCUS. Mr. President, I rise today to introduce the Trade Adjustment Assistance for Industries Act.

I have long been a champion for our Trade Adjustment Assistance program, what we call ''TAA.''

For more than 40 years, TAA has been providing retraining, income support, and other benefits to workers who lose their jobs due to trade. The program has a critical mission: to give trade-impacted workers the skills they need to find new jobs and prosper in growing sectors of the economy.

Maintaining a well-trained workforce is key to our Nation's long-term competitiveness and economic health. And helping those few who lose out from our trade policy choices is key to maintaining public support for trade liberalization.

In the Trade Act of 2002, I spearheaded the most comprehensive expansion and overhaul of the TAA program since 1974. We expanded the kinds of workers who are eligible for TAA benefits. We extended the training benefit to make it more effective and enhanced funding for training. We added new benefits like wage insurance and the health coverage tax credit. We also streamlined the application process to get workers enrolled and retraining sooner.

TAA is a lifeline for those who enter the program. Participating workers in Montana tell me that TAA has made it possible for them to make a new start. It gives them hope that they can do something more than merely survive a plant closure.

One of the industries in Montana that has had all too much experience

with the TAA program is softwood lumber. Our softwood lumber industry has been battered for years by imports of dumped and subsidized lumber from Canada. Over time, and despite decades of litigation, these unfair trading practices have taken their toll.

Since 1999, workers from at least 24 Montana lumber mills have applied for TAA certification. An additional 11 petitions were filed under the now-repealed NAFTA–TAA program.

What surprises me is not that so many Montana lumber workers have applied for TAA—but the inconsistent treatment of their petitions. Of the 24 Montana lumber companies that petitioned for TAA, 16 were approved and 8 were denied. Under the NAFTA–TAA program, 6 petitions were approved, and 5 were denied.

These results do not make sense. These mills are all competing in the same market. They are all competing against dumped and subsidized imports from Canada that drive down prices until U.S. producers cannot survive. The International Trade Commission found that Canadian imports injure or threaten injury to the entire domestic softwood lumber industry. And yet, somewhere between a third and a half of Montana workers laid off in the industry were left to fend for themselves, while the others had the chance to participate in TAA.

So why are some workers getting TAA and others being turned down? The answer lies in the way the Department of Labor reviews petitions. Under current law, petitions have to be filed and reviewed on a plant-by-plant basis and in a total vacuum.

In effect, the Labor Department puts on blinders. It does not consider whether the International Trade Commission has found injury to the industry from imports. It does not ask whether imports are leading to job losses nationwide. It does not examine whether entire occupational categories are being offshored.

Instead, it just asks an individual plant whether it or its customers are buying more imports. If that one plant submits the wrong information, or its customers deny buying imports, its workers lose out—while similar workers up the road get the benefits they deserve.

The plight of softwood lumber illustrates why, in some cases, plant-by-plant certification is not the best policy. And lumber workers are not alone. A similarly checkered record of certifications and denials affects other industries, like textiles and small electronics. Simply put, there are some industries where the trade-related displacements are clearly national in scope.

The industries are easy to identify. They experience multiple plant closures covering multiple states in a relatively short period. They are often industries seeking or receiving relief under trade remedy laws.

In these cases, it makes no sense to consider petitions one plant closure at a time. That creates the risk of inconsistent results for similarly situated workers. And it makes the Department of Labor investigate the same situation over and over again—even when the International Trade Commission, or another Federal agency, has already made a thorough injury investigation.

What would make more sense is a way to certify workers on an industry-wide basis or on the basis of occupational classification in cases where the trade-related layoffs are national in scope. That is what this legislation does.

I should note that, in one rare circumstance, the President already has the authority to certify workers for TAA on an industry-wide and nationwide basis. When the President grants a remedy in a global safeguard case—what we call section 201—he has the option of certifying all workers in the affected industry for TAA.

To my knowledge, this option has been used only once, by President Reagan, in a case involving the footwear industry. In that case, workers laid off from individual footwear plants did not need to petition the Department of Labor for a determination that their job losses were import-related. All each worker had to do was go to a designated office in his State and prove that he lost a job in the footwear industry within the applicable time period.

Normally, there are two steps needed to qualify for TAA under current law. First, the Department of Labor has to certify that a particular layoff is trade-related. That certification covers all the workers laid off at a single plant. Second, each individual worker affected by that layoff has to prove that he or she satisfies a list of criteria to qualify for benefits, such as 2 years' employment at the firm and eligibility for unemployment insurance. In the footwear case, workers were spared the first, group eligibility step and moved right to the second step.

To me, this model makes a lot of sense. If you believe in the purpose of TAA, it makes sense to make it as easy as possible for qualifying workers to access benefits.

This bill achieves that goal in two ways.

First, it makes industry-wide TAA certification automatic in cases where the President, the International Trade Commission, or another qualified Federal agency has already determined that imports are having an injurious effect. If workers lose their jobs in an industry covered by a global or bilateral safeguard or an antidumping or countervailing duty order, within a set period of time, they do not need to file a petition for TAA. Instead, they can proceed directly to the second step of demonstrating their individual eligibility and enrolling through the one-stop centers in their states.

Second, the bill permits, but does not require, the Secretary of Labor to make her eligibility determination on an industry-wide or occupation-wide basis in other circumstances that suggest a plant-by-plant approach is not appropriate. Such circumstances would include cases where the Secretary has received three or more petitions from workers at different plants in the same industry within a 6 month period. It would also include cases where the Senate Finance Committee or the House Ways and Means Committee passes a resolution requesting an industry-wide investigation. In these cases, the Secretary may certify workers in an entire industry only if she determines that the statutory eligibility criteria are satisfied on an industry-wide basis.

Now that I have described what this bill does, I think it is important to emphasize some things that it does not do:

It does not change the eligibility criteria or make any new categories of workers eligible for TAA.

It does not make TAA benefits available to workers who quit their jobs or are fired for cause.

It does not change the type or amount of benefits an eligible worker can receive.

What it does is create a fair, predictable, and efficient way to make eligibility determinations where industry-wide effects are obvious.

We owe our trade-affected workers a fair chance to train for the jobs of the future and get back into the workforce. And we owe our employers and our economic future well-trained workers.

We already have a program designed to do just that. We should be doing everything we can to make sure that TAA benefits reach every qualified worker who needs them. This change is long overdue.

I want to thank Senator COLEMAN for joining me in introducing this important legislation. He has been a strong partner in the quest to make TAA work for every American who needs it.

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. 1444

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 ''Trade Adjustment Assistance for Industries Act of 2005''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Trade Adjustment Assistance assists workers and agricultural commodity producers who lose their jobs for trade-related reasons to retrain, gain new skills, and find new jobs in growing sectors of the economy.

(2) The total cost of providing adjustment assistance represents a tiny fraction of the gains to the United States economy as a whole that economists attribute to trade liberalization.

(3) In circumstances where, due to changes in market conditions caused by the implementation of bilateral or multilateral free

trade agreements, unfair trade practices, unforeseen import surges, and other reasons, import competition creates industry-wide effects on domestic workers or agricultural commodity producers, the current process of assessing eligibility for trade adjustment assistance on a plant-by-plant basis is inefficient and can lead to unfair and inconsistent results.

SEC. 3. OTHER METHODS OF REQUESTING INVESTIGATION.

Section 221 of the Trade Act of 1974 (19 U.S.C. 2271) is amended—

(1) by adding at the end the following:

''(c) OTHER METHODS OF INITIATING A PETITION.—Upon the request of the President or the United States Trade Representative, or the resolution of either the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, the Secretary shall promptly initiate an investigation under this chapter to determine the eligibility for adjustment assistance of—

''(1) a group of workers (which may include workers from more than one facility or employer); or

''(2) all workers in an occupation as that occupation is defined in the Bureau of Labor Statistics Standard Occupational Classification System.'';

(2) in subsection (a)(2), by inserting ''or a request or resolution filed under subsection (c),'' after ''paragraph (1),''; and

(3) in subsection (a)(3), by inserting '', request, or resolution'' after ''petition'' each place it appears.

SEC. 4. NOTIFICATION.

Section 224 of the Trade Act of 1974 (19 U.S.C. 2274) is amended to read as follows:

''SEC. 224. NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS AND SAFEGUARDS.

''(a) NOTIFICATIONS REGARDING CHAPTER 1 INVESTIGATIONS AND DETERMINATIONS.—Whenever the International Trade Commission makes a report under section 202(f) containing an affirmative finding regarding serious injury, or the threat thereof, to a domestic industry, the Commission shall immediately—

''(1) notify the Secretary of Labor of that finding; and

''(2) in the case of a finding with respect to an agricultural commodity, as defined in section 291, notify the Secretary of Agriculture of that finding.

''(b) NOTIFICATION REGARDING BILATERAL SAFEGUARDS.—The International Trade Commission shall immediately notify the Secretary of Labor and, in an investigation with respect to an agricultural commodity, the Secretary of Agriculture, whenever the Commission makes an affirmative determination pursuant to one of the following provisions:

''(1) Section 421 of the Trade Act of 1974 (19 U.S.C. 2451).

''(2) Section 312 of the United States-Australia Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(3) Section 312 of the United States-Morocco Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(4) Section 312 of the United States-Singapore Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(5) Section 312 of the United States-Chile Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(6) Section 302(b) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3352(b)).

''(7) Section 212 of the United States-Jordan Free Trade Agreement Implementation Act (19 U.S.C. 2112).

''(c) AGRICULTURAL SAFEGUARDS.—The Commissioner of Customs shall immediately notify the Secretary of Labor and, in the case of an agricultural commodity, the Secretary of Agriculture, whenever the Commissioner of Customs assesses additional duties on a product pursuant to one of the following provisions:

''(1) Section 202 of the United States-Australia Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(2) Section 202 of the United States-Morocco Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(3) Section 201(c) of the United States-Chile Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(4) Section 309 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3358).

''(5) Section 301(a) of the United States-Canada Free Trade Agreement Implementation Act of 1988 (19 U.S.C. 2112 note).

''(6) Section 404 of the United States-Israel Free Trade Agreement Implementation Act (19 U.S.C. 2112 note).

''(d) TEXTILE SAFEGUARDS.—The President shall immediately notify the Secretary of Labor whenever the President makes a positive determination pursuant to one of the following provisions:

''(1) Section 322 of the United States-Australia Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(2) Section 322 of the United States-Morocco Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(3) Section 322 of the United States-Chile Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(4) Section 322 of the United States-Singapore Free Trade Agreement Implementation Act (19 U.S.C. 3805 note).

''(e) ANTIDUMPING AND COUNTERVAILING DUTIES.—Whenever the International Trade Commission makes a final affirmative determination pursuant to section 705 or section 735 of the Tariff Act of 1930 (19 U.S.C. 1671d or 1673d), the Commission shall immediately notify the Secretary of Labor and, in the case of an agricultural commodity, the Secretary of Agriculture, of that determination.''.

SEC. 5. INDUSTRY-WIDE DETERMINATION.

Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) is amended by adding at the end the following:

''(e) INVESTIGATION REGARDING INDUSTRY-WIDE CERTIFICATION.—If the Secretary receives a request or a resolution under section 221(c) on behalf of workers in a domestic industry or occupation (described in section 221(c)(2)) or receives 3 or more petitions under section 221(a) within a 180-day period on behalf of groups of workers in a domestic industry or occupation, the Secretary shall make an industry-wide determination under subsection (a) of this section with respect to the domestic industry or occupation in which the workers are or were employed. If the Secretary does not make certification under the preceding sentence, the Secretary shall make a determination of eligibility under subsection (a) with respect to each group of workers in that domestic industry or occupation from which a petition was received.''.

SEC. 6. COORDINATION WITH OTHER TRADE PROVISIONS.

(a) INDUSTRY-WIDE CERTIFICATION BASED ON GLOBAL SAFEGUARDS.—

(1) RECOMMENDATIONS BY ITC.—

(A) Section 202(e)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2252(e)(2)(D)) is amended by striking '', including the provision of trade adjustment assistance under chapter 2''.

(B) Section 203(a)(3)(D) of the Trade Act of 1974 (19 U.S.C. 2253(a)(3)(D)) is amended by striking '', including the provision of trade adjustment assistance under chapter 2''.

(2) ASSISTANCE FOR WORKERS.—Section 203(a)(1)(A) of the Trade Act of 1974 (19 U.S.C. 2253(a)(1)(A)) is amended to read as follows:

''(A) After receiving a report under section 202(f) containing an affirmative finding regarding serious injury, or the threat thereof, to a domestic industry—

''(i) the President shall take all appropriate and feasible action within his power; and

''(ii)(I) the Secretary of Labor shall certify as eligible to apply for adjustment assistance under section 223 workers employed in the domestic industry defined by the Commission if such workers become totally or partially separated, or are threatened to become totally or partially separated, not earlier than 1 year before, or not later than 1 year after, the date on which the Commission made its report to the President under section 202(f); and

''(II) in the case of a finding with respect to an agricultural commodity as defined in section 291, the Secretary of Agriculture shall certify as eligible to apply for adjustment assistance under section 293 agricultural commodity producers employed in the domestic production of the agricultural commodity that is the subject of the finding during the most recent marketing year.''.

(b) INDUSTRY-WIDE CERTIFICATION BASED ON BILATERAL SAFEGUARD PROVISIONS OR ANTIDUMPING OR COUNTERVAILING DUTY ORDERS.—

(1) IN GENERAL.—Subchapter A of chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by inserting after section 224 the following new section:

''SEC. 224A. INDUSTRY-WIDE CERTIFICATION WHERE BILATERAL SAFEGUARD PROVISIONS INVOKED OR ANTIDUMPING OR COUNTERVAILING DUTIES IMPOSED.

''(a) IN GENERAL.—

''(1) MANDATORY CERTIFICATION.—Not later than 10 days after the date on which the Secretary of Labor receives a notification with respect to the imposition of a trade remedy, safeguard determination, or antidumping or countervailing duty determination under section 224 (a), (b), (c), (d), or (e), the Secretary shall certify as eligible for trade adjustment assistance under section 223(a) workers employed in the domestic production of the article that is the subject of the trade remedy, safeguard determination, or antidumping or countervailing duty determination, as the case may be, if such workers become totally or partially separated, or are threatened to become totally or partially separated not more than 1 year before or not more than 1 year after the applicable date.

''(2) APPLICABLE DATE.—In this section, the term 'applicable date' means—

''(A) the date on which the affirmative or positive determination or finding is made in the case of a notification under section 224 (a), (b), or (d);

''(B) the date on which a final determination is made in the case of a notification under section 224(e); or

''(C) the date on which additional duties are assessed in the case of a notification under section 224(c).

''(b) QUALIFYING REQUIREMENTS FOR WORKERS.—The provisions of subchapter B shall apply in the case of a worker covered by a certification under this section or section 223(e), except as follows:

''(1) Section 231(a)(5)(A)(ii) shall be applied—

''(A) by substituting '30th week' for '16th week' in subclause (I); and

''(B) by substituting '26th week' for '8th week' in subclause (II).

''(2) The provisions of section 236(a)(1) (A) and (B) shall not apply.''.

(2) AGRICULTURAL COMMODITY PRODUCERS.—Chapter 6 of title II of the Trade Act of 1974

(19 U.S.C. 2401 et seq.) is amended by striking section 294 and inserting the following:

''SEC. 294. INDUSTRY-WIDE CERTIFICATION FOR AGRICULTURAL COMMODITY PRODUCERS WHERE SAFEGUARD PROVISIONS INVOKED OR ANTIDUMPING OR COUNTERVAILING DUTIES IMPOSED.

''(a) IN GENERAL.—Not later than 10 days after the date on which the Secretary of Agriculture receives a notification with respect to the imposition of a trade remedy, safeguard determination, or antidumping or countervailing duty determination under section 224 (b), (c), or (e), the Secretary shall certify as eligible for trade adjustment assistance under section 293(a) agricultural commodity producers employed in the domestic production of the agricultural commodity that is the subject of the trade remedy, safeguard determination, or antidumping or countervailing duty determination, as the case may be, during the most recent marketing year.

''(b) APPLICABLE DATE.—In this section, the term 'applicable date' means—

''(1) the date on which the affirmative or positive determination or finding is made in the case of a notification under section 224(b);

''(2) the date on which a final determination is made in the case of a notification under section 224(e); or

''(3) the date on which additional duties are assessed in the case of a notification under section 224(c).''.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TRAINING.—Section 236(a)(2)(A) is amended by striking ''$220,000,000, and inserting ''$440,000,000''.

(2) TABLE OF CONTENTS.—The table of contents for title II of the Trade Act of 1974 is amended—

(A) by striking the item relating to section 224 and inserting the following:

''Sec. 224. Notifications regarding affirmative determinations and safeguards.'';

(B) by inserting after the item relating to section 224, the following:

''Sec. 224A. Industry-wide certification based on bilateral safeguard provisions invoked or antidumping or countervailing duties imposed.'';

and

(C) by striking the item relating to section 294, and inserting the following:

''Sec. 294. Industry-wide certification for agricultural commodity producers where safeguard provisions invoked or antidumping or countervailing duties imposed.''.

SEC. 7. REGULATIONS.

The Secretary of the Treasury, the Secretaries of Agriculture and Labor, and the International Trade Commission may promulgate such regulations as may be necessary to carry out the amendments made by this Act.

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

S. 1447. A bill to amend the Internal Revenue Code of 1986 to make technical corrections, and for other purposes; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, Today I am pleased to introduce the Tax Technical Corrections Act of 2005 with Senator BAUCUS.

Technical corrections measures are routine for major tax acts, and are necessary to ensure that the provisions of the acts are working consistently with the originally enacted provisions, or to provide clerical corrections. Because these measures carry out Congressional intent, no revenue gain or loss is scored from them.

Technical corrections are derived from a deliberative and consultative process among the Congressional and administration tax staffs. That means the Republican and Democratic staffs of the House Ways and Means and Senate Finance Committees are involved as is the Treasury Department staff. All of this work is performed with the participation and guidance of the nonpartisan Joint Committee on Taxation staff. A technical enters the list only if all staffs agree it is appropriate.

The process and test for technical corrections ensures that only provisions narrowly drawn to carry out Congressional intent are included.

Unfortunately, some press reports have distorted the technical corrections bill. These reports unfairly characterize this technical corrections bill as a re-opening of substantive tax policy of settled tax legislation.

While it is true that interested parties are heard on purported technical corrections, only measures that all staffs agree are purely technical are included in the bill. Clarifications or substantive changes to provisions are not considered technical corrections. This is an important distinction that the press reports unfortunately did not make.

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

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

S. 1447

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

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Tax Technical Corrections Act of 2005''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, 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 Internal Revenue Code of 1986.

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

SEC. 2. AMENDMENTS RELATED TO THE AMERICAN JOBS CREATION ACT OF 2004.

(a) AMENDMENTS RELATED TO SECTION 102 OF THE ACT.—

(1) Paragraph (1) of section 199(b) is amended by striking ''the employer'' and inserting ''the taxpayer''.

(2) Paragraph (2) of section 199(b) is amended to read as follows:

''(2) W–2 WAGES.—For purposes of this section, the term 'W–2 wages' means, with respect to any person for any taxable year of such person, the sum of the amounts described in paragraphs (3) and (8) of section 6051(a) paid by such person with respect to employment of employees by such person during the calendar year ending during such taxable year. Such term shall not include any amount which is not properly included in a return filed with the Social Security Administration on or before the 60th day after the due date (including extensions) for such return.''.

(3) Subparagraph (B) of section 199(c)(1) is amended by inserting ''and'' at the end of clause (i), by striking clauses (ii) and (iii), and by inserting after clause (i) the following:

''(ii) other expenses, losses, or deductions (other than the deduction allowed under this section), which are properly allocable to such receipts.''.

(4) Paragraph (2) of section 199(c) is amended to read as follows:

''(2) ALLOCATION METHOD.—The Secretary shall prescribe rules for the proper allocation of items described in paragraph (1) for purposes of determining qualified production activities income. Such rules shall provide for the proper allocation of items whether or not such items are directly allocable to domestic production gross receipts.''.

(5) Subparagraph (A) of section 199(c)(4) is amended by striking clauses (ii) and (iii) and inserting the following new clauses:

''(ii) in the case of a taxpayer engaged in the active conduct of a construction trade or business, construction of real property performed in the United States by the taxpayer in the ordinary course of such trade or business, or

''(iii) in the case of a taxpayer engaged in the active conduct of an engineering or architectural services trade or business, engineering or architectural services performed in the United States by the taxpayer in the ordinary course of such trade or business with respect to the construction of real property in the United States.''.

(6) Subparagraph (B) of section 199(c)(4) is amended by striking ''and'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting '', or'', and by adding at the end the following:

''(iii) the lease, rental, license, sale, exchange, or other disposition of land.''.

(7) Paragraph (4) of section 199(c) is amended by adding at the end the following new subparagraphs:

''(C) SPECIAL RULE FOR CERTAIN GOVERNMENT CONTRACTS.—Gross receipts derived from the manufacture or production of any property described in subparagraph (A)(i)(I) shall be treated as meeting the requirements of subparagraph (A)(i) if—

''(i) such property is manufactured or produced by the taxpayer pursuant to a contract with the Federal Government, and

''(ii) the Federal Acquisition Regulation requires that title or risk of loss with respect to such property be transferred to the Federal Government before the manufacture or production of such property is complete.

''(D) PARTNERSHIPS OWNED BY EXPANDED AFFILIATED GROUPS.—For purposes of this

paragraph, if all of the interests in the capital and profits of a partnership are owned by members of a single expanded affiliated group at all times during the taxable year of such partnership, the partnership and all members of such group shall be treated as a single taxpayer during such period.''.

(8) Paragraph (1) of section 199(d) is amended to read as follows:

''(1) APPLICATION OF SECTION TO PASS-THRU ENTITIES.—

''(A) PARTNERSHIPS AND S CORPORATIONS.—In the case of a partnership or S corporation—

''(i) this section shall be applied at the partner or shareholder level,

''(ii) each partner or shareholder shall take into account such person's allocable share of each item described in subparagraph (A) or (B) of subsection (c)(1) (determined without regard to whether the items described in such subparagraph (A) exceed the items described in such subparagraph (B)), and

''(iii) each partner or shareholder shall be treated for purposes of subsection (b) as having W–2 wages for the taxable year in an amount equal to the lesser of—

''(I) such person's allocable share of the W–2 wages of the partnership or S corporation for the taxable year (as determined under regulations prescribed by the Secretary), or

''(II) 2 times 9 percent of so much of such person's qualified production activities income as is attributable to items allocated under clause (ii) for the taxable year.

''(B) TRUSTS AND ESTATES.—In the case of a trust or estate—

''(i) the items referred to in subparagraph (A)(ii) (as determined therein) and the W–2 wages of the trust or estate for the taxable year, shall be apportioned between the beneficiaries and the fiduciary (and among the beneficiaries) under regulations prescribed by the Secretary, and

''(ii) for purposes of paragraph (2), adjusted gross income of the trust or estate shall be determined as provided in section 67(e) with the adjustments described in such paragraph.

''(C) REGULATIONS.—The Secretary may prescribe rules requiring or restricting the allocation of items and wages under this paragraph and may prescribe such reporting requirements as the Secretary determines appropriate.''.

(9) Paragraph (3) of section 199(d) is amended to read as follows:

''(3) AGRICULTURAL AND HORTICULTURAL COOPERATIVES.—

''(A) DEDUCTION ALLOWED TO PATRONS.—Any person who receives a qualified payment from a specified agricultural or horticultural cooperative shall be allowed for the taxable year in which such payment is received a deduction under subsection (a) equal to the portion of the deduction allowed under subsection (a) to such cooperative which is—

''(i) allowed with respect to the portion of the qualified production activities income to which such payment is attributable, and

''(ii) identified by such cooperative in a written notice mailed to such person during the payment period described in section 1382(d).

''(B) COOPERATIVE DENIED DEDUCTION FOR PORTION OF QUALIFIED PAYMENTS.—The taxable income of a specified agricultural or horticultural cooperative shall not be reduced under section 1382 by reason of that portion of any qualified payment as does not exceed the deduction allowable under subparagraph (A) with respect to such payment.

''(C) TAXABLE INCOME OF COOPERATIVES DETERMINED WITHOUT REGARD TO CERTAIN DEDUCTIONS.—For purposes of this section, the taxable income of a specified agricultural or horticultural cooperative shall be computed without regard to any deduction allowable under subsection (b) or (c) of section 1382 (relating to patronage dividends, per-unit retain allocations, and nonpatronage distributions).

''(D) SPECIAL RULE FOR MARKETING COOPERATIVES.—For purposes of this section, a specified agricultural or horticultural cooperative described in subparagraph (F)(ii) shall be treated as having manufactured, produced, grown, or extracted in whole or significant part any qualifying production property marketed by the organization which its patrons have so manufactured, produced, grown, or extracted.

''(E) QUALIFIED PAYMENT.—For purposes of this paragraph, the term 'qualified payment' means, with respect to any person, any amount which—

''(i) is described in paragraph (1) or (3) of section 1385(a),

''(ii) is received by such person from a specified agricultural or horticultural cooperative, and

''(iii) is attributable to qualified production activities income with respect to which a deduction is allowed to such cooperative under subsection (a).

''(F) SPECIFIED AGRICULTURAL OR HORTICULTURAL COOPERATIVE.—For purposes of this paragraph, the term 'specified agricultural or horticultural cooperative' means an organization to which part I of subchapter T applies which is engaged—

''(i) in the manufacturing, production, growth, or extraction in whole or significant part of any agricultural or horticultural product, or

''(ii) in the marketing of agricultural or horticultural products.''.

(10) Clause (i) of section 199(d)(4)(B) is amended—

(A) by striking ''50 percent'' and inserting ''more than 50 percent'', and

(B) by striking ''80 percent'' and inserting ''at least 80 percent''.

(11)(A) Paragraph (6) of section 199(d) is amended to read as follows:

''(6) COORDINATION WITH MINIMUM TAX.—For purposes of determining alternative minimum taxable income under section 55—

''(A) the deduction under this section shall be determined without regard to any adjustments under sections 56 through 59, and

''(B) in the case of a corporation, subsection (a)(1)(B) shall be applied by substituting 'alternative minimum taxable income' for 'taxable income'.''.

(B) Paragraph (2) of section 199(a) is amended by striking ''subsections (d)(1) and (d)(6)'' and inserting ''subsection (d)(1)''.

(12) Subsection (d) of section 199 is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

''(7) UNRELATED BUSINESS TAXABLE INCOME.—For purposes of determining the tax imposed by section 511, subsection (a)(1)(B) shall be applied by substituting 'unrelated business taxable income' for 'taxable income'.''.

(13) Subsection (d) of section 199, as amended by the preceding paragraphs of this subsection, is further amended by redesignating paragraph (8) as paragraph (9) and by inserting after paragraph (7) the following new paragraph:

''(8) COORDINATION WITH CARRYOVER OF NET OPERATING LOSS.—The deduction allowable under this section shall not be taken into account for purposes of computing taxable income under section 172(b)(2).''.

(14) Paragraph (9) of section 199(d), as redesignated by the preceding paragraphs of this subsection, is amended by inserting '', including regulations which prevent more than 1 taxpayer from being allowed a deduction under this section with respect to any activity described in subsection (c)(4)(A)(i)'' before the period at the end.

(15) Clause (i) of section 163(j)(6)(A) is amended by striking ''and'' at the end of subclause (II), by redesignating subclause (III) as subclause (IV), and by inserting after subclause (II) the following new subclause:

''(III) any deduction allowable under section 199, and''.

(16) Paragraph (2) of section 170(b) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (B) the following new subparagraph:

''(C) section 199,''.

(17) Paragraph (1) of section 613A(d) is amended by redesignating subparagraphs (B), (C), and (D) as subparagraphs (C), (D), and (E), respectively, and by inserting after subparagraph (A) the following new subparagraph:

''(B) any deduction allowable under section 199,''.

(18) Subsection (e) of section 102 of the American Jobs Creation Act of 2004 is amended to read as follows:

''(e) EFFECTIVE DATE.—

''(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

''(2) APPLICATION TO PASS-THRU ENTITIES, ETC.—In determining the deduction under section 199 of the Internal Revenue Code of 1986 (as added by this section), items arising from a taxable year of a partnership, S corporation, estate, or trust beginning before January 1, 2005, shall not be taken into account for purposes of subsection (d)(1) of such section.''.

(b) AMENDMENTS RELATED TO SECTION 231 OF THE ACT.—

(1) Clause (ii) of section 1361(c)(1)(A) is amended by inserting ''(and their estates)'' after ''all members of the family''.

(2) Subparagraph (C) of section 1361(c)(1) is amended to read as follows:

''(C) EFFECT OF ADOPTION, ETC.—For purposes of this paragraph, any legally adopted child of an individual, any child who is lawfully placed with an individual for legal adoption by the individual, and any eligible foster child of an individual (within the meaning of section 152(f)(1)(C)), shall be treated as a child of such individual by blood.''.

(c) AMENDMENT RELATED TO SECTION 235 OF THE ACT.—Subsection (b) of section 235 of the American Jobs Creation Act of 2004 is amended by striking ''taxable years beginning'' and inserting ''transfers''.

(d) AMENDMENTS RELATED TO SECTION 243 OF THE ACT.—

(1) Paragraph (7) of section 856(c) is amended to read as follows:

''(7) RULES OF APPLICATION FOR FAILURE TO SATISFY PARAGRAPH (4).—

''(A) IN GENERAL.—A corporation, trust, or association that fails to meet the requirements of paragraph (4) (other than a failure to meet the requirements of paragraph (4)(B)(iii) which is described in subparagraph (B)(i) of this paragraph) for a particular quarter shall nevertheless be considered to have satisfied the requirements of such paragraph for such quarter if—

''(i) following the corporation, trust, or association's identification of the failure to satisfy the requirements of such paragraph for a particular quarter, a description of each asset that causes the corporation, trust, or association to fail to satisfy the requirements of such paragraph at the close of such quarter of any taxable year is set forth in a schedule for such quarter filed in accordance with regulations prescribed by the Secretary,

''(ii) the failure to meet the requirements of such paragraph for a particular quarter is due to reasonable cause and not due to willful neglect, and

''(iii)(I) the corporation, trust, or association disposes of the assets set forth on the schedule specified in clause (i) within 6 months after the last day of the quarter in which the corporation, trust or association's identification of the failure to satisfy the requirements of such paragraph occurred or such other time period prescribed by the Secretary and in the manner prescribed by the Secretary, or

''(II) the requirements of such paragraph are otherwise met within the time period specified in subclause (I).

''(B) RULE FOR CERTAIN DE MINIMIS FAILURES.—A corporation, trust, or association that fails to meet the requirements of paragraph (4)(B)(iii) for a particular quarter shall nevertheless be considered to have satisfied the requirements of such paragraph for such quarter if—

''(i) such failure is due to the ownership of assets the total value of which does not exceed the lesser of—

''(I) 1 percent of the total value of the trust's assets at the end of the quarter for which such measurement is done, and

''(II) $10,000,000, and

''(ii)(I) the corporation, trust, or association, following the identification of such failure, disposes of assets in order to meet the requirements of such paragraph within 6 months after the last day of the quarter in which the corporation, trust or association's identification of the failure to satisfy the requirements of such paragraph occurred or such other time period prescribed by the Secretary and in the manner prescribed by the Secretary, or

''(II) the requirements of such paragraph are otherwise met within the time period specified in subclause (I).

''(C) TAX.—

''(i) TAX IMPOSED.—If subparagraph (A) applies to a corporation, trust, or association for any taxable year, there is hereby imposed on such corporation, trust, or association a tax in an amount equal to the greater of—

''(I) $50,000, or

''(II) the amount determined (pursuant to regulations promulgated by the Secretary) by multiplying the net income generated by the assets described in the schedule specified in subparagraph (A)(i) for the period specified in clause (ii) by the highest rate of tax specified in section 11.

''(ii) PERIOD.—For purposes of clause (i)(II), the period described in this clause is the period beginning on the first date that the failure to satisfy the requirements of such paragraph (4) occurs as a result of the ownership of such assets and ending on the earlier of the date on which the trust disposes of such assets or the end of the first quarter when there is no longer a failure to satisfy such paragraph (4).

''(iii) ADMINISTRATIVE PROVISIONS.—For purposes of subtitle F, the taxes imposed by this subparagraph shall be treated as excise taxes with respect to which the deficiency procedures of such subtitle apply.''.

(2) Subsection (m) of section 856 is amended by adding at the end the following new paragraph:

''(6) TRANSITION RULE.—

''(A) IN GENERAL.—Notwithstanding paragraph (2)(C), securities held by a trust shall not be considered securities held by the trust for purposes of subsection (c)(4)(B)(iii)(III) if such securities—

''(i) were held by such trust on October 22, 2004, and continuously thereafter, and

''(ii) would not be taken into account for purposes of such subsection by reason of paragraph (7)(C) of subsection (c) (as in effect on October 22, 2004) if the amendments made by section 243 of the American Jobs Creation Act of 2004 had never been enacted.

''(B) RULE NOT TO APPLY TO SECURITIES HELD AFTER MATURITY DATE.—Subparagraph (A) shall not apply with respect to any security after the latest maturity date under the contract (as in effect on October 22, 2004) taking into account any renewal or extension permitted under the contract if such renewal or extension does not significantly modify any other terms of the contract.

''(C) SUCCESSORS.—If the successor of a trust to which this paragraph applies acquires securities in a transaction to which section 381 applies, such trusts shall be treated as a single entity for purposes of determining the holding period of such securities under subparagraph (A)(i).''.

(3) Subparagraph (E) of section 857(b)(2) is amended by striking ''section 856(c)(7)(B)(iii), and section 856(g)(1).'' and inserting ''section 856(c)(7)(C), and section 856(g)(5)''.

(4) Subsection (g) of section 243 of the American Jobs Creation Act of 2004 is amended to read as follows:

''(g) EFFECTIVE DATES.—

''(1) SUBSECTIONS (A) AND (B).—The amendments made by subsections (a) and (b) shall apply to taxable years beginning after December 31, 2000.

''(2) SUBSECTIONS (C) AND (E).—The amendments made by subsections (c) and (e) shall apply to taxable years beginning after the date of the enactment of this Act.

''(3) SUBSECTION (D).—The amendment made by subsection (d) shall apply to transactions entered into after December 31, 2004.

''(4) SUBSECTION (F).—

''(A) The amendment made by paragraph (1) of subsection (f) shall apply to failures with respect to which the requirements of subparagraph (A) or (B) of section 856(c)(7) of the Internal Revenue Code of 1986 (as added by such paragraph) are satisfied after the date of the enactment of this Act.

''(B) The amendment made by paragraph (2) of subsection (f) shall apply to failures with respect to which the requirements of paragraph (6) of section 856(c) of the Internal Revenue Code of 1986 (as amended by such paragraph) are satisfied after the date of the enactment of this Act.

''(C) The amendments made by paragraph (3) of subsection (f) shall apply to failures with respect to which the requirements of paragraph (5) of section 856(g) of the Internal Revenue Code of 1986 (as added by such paragraph) are satisfied after the date of the enactment of this Act.

''(D) The amendment made by paragraph (4) of subsection (f) shall apply to taxable years ending after the date of the enactment of this Act.

''(E) The amendments made by paragraph (5) of subsection (f) shall apply to statements filed after the date of the enactment of this Act.''.

(e) AMENDMENTS RELATED TO SECTION 244 OF THE ACT.—

(1) Paragraph (2) of section 181(d) is amended by striking the last sentence in subparagraph (A), by redesignating subparagraph (B) as subparagraph (C), and by inserting after subparagraph (A) the following new subparagraph:

''(B) SPECIAL RULES FOR TELEVISION SERIES.—In the case of a television series—

''(i) each episode of such series shall be treated as a separate production, and

''(ii) only the first 44 episodes of such series shall be taken into account.''.

(2) Subparagraph (C) of section 1245(a)(2) is amended by inserting ''181,'' after ''179B,''.

(f) AMENDMENT RELATED TO SECTION 245 OF THE ACT.—Subsection (b) of section 45G is amended to read as follows:

''(b) LIMITATION.—The credit allowed under subsection (a) for any taxable year shall not exceed the product of—

''(1) $3,500, and

''(2) the sum of—

''(A) the number of miles of railroad track owned or leased by the eligible taxpayer as of the close of the taxable year, and

''(B) the number of miles of railroad track assigned for purposes of this subsection to the eligible taxpayer by a Class II or Class III railroad which owns or leases such railroad track as of the close of the taxable year.

Any mile which is assigned by a taxpayer under paragraph (2)(B) may not be taken into account by such taxpayer under paragraph (2)(A).''.

(g) AMENDMENTS RELATED TO SECTION 248 OF THE ACT.—

(1) Subsection (c) of section 1356 is amended—

(A) by striking paragraph (3), and

(B) by adding at the end of paragraph (2) the following new flush sentence:

''Such term shall not include any core qualifying activities.''.

(2) The last sentence of section 1354(b) is amended by inserting ''on or'' after ''only if made''.

(h) AMENDMENT RELATED TO SECTION 301 OF THE ACT.—Section 6427 is amended by striking subsection (f).

(i) AMENDMENT RELATED TO SECTION 314 OF THE ACT.—Paragraph (2) of section 55(c) is amended by striking ''regular tax'' and inserting ''regular tax liability''.

(j) AMENDMENTS RELATED TO SECTION 322 OF THE ACT.—

(1) Subparagraph (C) of section 49(a)(1) is amended by inserting ''and'' at the end of clause (i), by striking ''and'' at the end of clause (ii), and by striking clause (iii).

(2)(A) Subparagraph (B) of section 194(b)(1) is amended to read as follows:

''(B) DOLLAR LIMITATION.—The aggregate amount of reforestation expenditures which may be taken into account under subparagraph (A) with respect to each qualified timber property for any taxable year shall not exceed—

''(i) except as provided in clause (ii) or (iii), $10,000,

''(ii) in the case of a separate return by a married individual (as defined in section 7703), $5,000, and

''(iii) in the case of a trust, zero.''.

(B) Paragraph (4) of section 194(c) is amended to read as follows:

''(4) TREATMENT OF TRUSTS AND ESTATES.—The aggregate amount of reforestation expenditures incurred by any trust or estate shall be apportioned between the income beneficiaries and the fiduciary under regulations prescribed by the Secretary. Any amount so apportioned to a beneficiary shall be taken into account as expenditures incurred by such beneficiary in applying this section to such beneficiary.''.

(3) Subparagraph (C) of section 1245(a)(2) is amended by striking ''or 193'' and inserting ''193, or 194''.

(k) AMENDMENTS RELATED TO SECTION 336 OF THE ACT.—

(1) Clause (iv) of section 168(k)(2)(A) is amended by striking ''subparagraphs (B) and (C)'' and inserting ''subparagraph (B) or (C)''.

(2) Clause (iii) of section 168(k)(4)(B) is amended by striking ''and paragraph (2)(C)'' and inserting ''or paragraph (2)(C) (as so modified)''.

(l) AMENDMENT RELATED TO SECTION 402 OF THE ACT.—Paragraph (2) of section 904(g) is amended to read as follows:

''(2) OVERALL DOMESTIC LOSS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'overall domestic loss' means—

''(i) with respect to any qualified taxable year, the domestic loss for such taxable year to the extent such loss offsets taxable income from sources without the United

States for the taxable year or for any preceding qualified taxable year by reason of a carryback, and

''(ii) with respect to any other taxable year, the domestic loss for such taxable year to the extent such loss offsets taxable income from sources without the United States for any preceding qualified taxable year by reason of a carryback.

''(B) DOMESTIC LOSS.—For purposes of subparagraph (A), the term 'domestic loss' means the amount by which the gross income for the taxable year from sources within the United States is exceeded by the sum of the deductions properly apportioned or allocated thereto (determined without regard to any carryback from a subsequent taxable year).

''(C) QUALIFIED TAXABLE YEAR.—For purposes of subparagraph (A), the term 'qualified taxable year' means any taxable year for which the taxpayer chose the benefits of this subpart.''.

(m) AMENDMENT RELATED TO SECTION 403 OF THE ACT.—Section 403 of the American Jobs Creation Act of 2004 is amended by adding at the end the following new subsection:

''(d) TRANSITION RULE.—If the taxpayer elects (at such time and in such form and manner as the Secretary of the Treasury may prescribe) to have the rules of this subsection apply—

''(1) the amendments made by this section shall not apply to taxable years beginning after December 31, 2002, and before January 1, 2005, and

''(2) in the case of taxable years beginning after December 31, 2004, clause (iv) of section 904(d)(4)(C) of the Internal Revenue Code of 1986 (as amended by this section) shall be applied by substituting 'January 1, 2005' for 'January 1, 2003' both places it appears.''.

(n) AMENDMENTS RELATED TO SECTION 413 OF THE ACT.—

(1) Subsection (b) of section 532 is amended by striking paragraph (2) and redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(2) Subsection (b) of section 535 is amended by adding at the end the following new paragraph:

''(10) CONTROLLED FOREIGN CORPORATIONS.—There shall be allowed as a deduction the amount of the corporation's income for the taxable year which is included in the gross income of a United States shareholder under section 951(a). In the case of any corporation the accumulated taxable income of which would (but for this sentence) be determined without allowance of any deductions, the deduction under this paragraph shall be allowed and shall be appropriately adjusted to take into account any deductions which reduced such inclusion.''.

(o) AMENDMENT RELATED TO SECTION 415 OF THE ACT.—Subparagraph (D) of section 904(d)(2) is amended by inserting ''as in effect before its repeal'' after ''section 954(f)''.

(p) AMENDMENTS RELATED TO SECTION 418 OF THE ACT.—

(1) The second sentence of section 897(h)(1) is amended—

(A) by striking ''any distribution'' and all that follows through ''any class of stock'' and inserting ''any distribution by a real estate investment trust with respect to any class of stock'', and

(B) by striking ''the taxable year'' and inserting ''the 1-year period ending on the date of the distribution''.

(2) Subsection (c) of section 418 of the American Jobs Creation Act of 2004 is amended by striking ''taxable years beginning after the date of the enactment of this Act'' and inserting ''any distribution by a real estate investment trust which is treated as a deduction for a taxable year of such trust beginning after the date of the enactment of this Act''.

(q) AMENDMENTS RELATED TO SECTION 422 OF THE ACT.—

(1) Subparagraph (B) of section 965(a)(2) is amended by inserting ''from another controlled foreign corporation in such chain of ownership'' before '', but only to the extent''.

(2) Subparagraph (A) of section 965(b)(2) is amended by inserting ''cash'' before ''dividends''.

(3) Paragraph (3) of section 965(b) is amended by adding at the end the following: ''The Secretary may prescribe such regulations as may be necessary or appropriate to prevent the avoidance of the purposes of this paragraph, including regulations which provide that cash dividends shall not be taken into account under subsection (a) to the extent such dividends are attributable to the direct or indirect transfer (including through the use of intervening entities or capital contributions) of cash or other property from a related person (as so defined) to a controlled foreign corporation.''.

(4) Paragraph (1) of section 965(c) is amended to read as follows:

''(1) APPLICABLE FINANCIAL STATEMENT.—The term 'applicable financial statement' means—

''(A) with respect to a United States shareholder which is required to file a financial statement with the Securities and Exchange Commission (or which is included in such a statement so filed by another person), the most recent audited annual financial statement (including the notes which form an integral part of such statement) of such shareholder (or which includes such shareholder)—

''(i) which was so filed on or before June 30, 2003, and

''(ii) which was certified on or before June 30, 2003, as being prepared in accordance with generally accepted accounting principles, and

''(B) with respect to any other United States shareholder, the most recent audited financial statement (including the notes which form an integral part of such statement) of such shareholder (or which includes such shareholder)—

''(i) which was certified on or before June 30, 2003, as being prepared in accordance with generally accepted accounting principles, and

''(ii) which is used for the purposes of a statement or report—

''(I) to creditors,

''(II) to shareholders, or

''(III) for any other substantial nontax purpose.''.

(5) Paragraph (2) of section 965(d) is amended by striking ''properly allocated and apportioned'' and inserting ''directly allocable''.

(6) Subsection (d) of section 965 is amended by adding at the end the following new paragraph:

''(4) COORDINATION WITH SECTION 78.—Section 78 shall not apply to any tax which is not allowable as a credit under section 901 by reason of this subsection.''.

(7) The last sentence of section 965(e)(1) is amended by inserting ''which are imposed by foreign countries and possessions of the United States and are'' after ''taxes''.

(8) Subsection (f) of section 965 is amended by inserting ''on or'' before ''before the due date''.

(r) AMENDMENTS RELATED TO SECTION 501 OF THE ACT.—

(1) Subparagraph (A) of section 164(b)(5) is amended to read as follows:

''(A) ELECTION TO DEDUCT STATE AND LOCAL SALES TAXES IN LIEU OF STATE AND LOCAL INCOME TAXES.—At the election of the taxpayer for the taxable year, subsection (a) shall be applied—

''(i) without regard to the reference to State and local income taxes, and

''(ii) as if State and local general sales taxes were referred to in a paragraph thereof.''.

(2) Clause (ii) of section 56(b)(1)(A) is amended by inserting ''or clause (ii) of section 164(b)(5)(A)'' before the period at the end.

(s) AMENDMENTS RELATED TO SECTION 708 OF THE ACT.—Section 708 of the American Jobs Creation Act of 2004 is amended—

(1) in subsection (a), by striking ''contract commencement date'' and inserting ''construction commencement date'', and

(2) by redesignating subsection (d) as subsection (e) and inserting after subsection (c) the following new subsection:

''(d) CERTAIN ADJUSTMENTS NOT TO APPLY.—Section 481 of the Internal Revenue Code of 1986 shall not apply with respect to any change in the method of accounting which is required by this section.''.

(t) AMENDMENTS RELATED TO SECTION 710 OF THE ACT.—

(1) Clause (ii) of section 45(b)(4)(B) is amended by striking ''the date of the enactment of this Act'' and inserting ''January 1, 2005,''.

(2) Clause (ii) of section 45(c)(3)(A) is amended by inserting ''or any nonhazardous lignin waste material'' after ''cellulosic waste material''.

(3) Subsection (e) of section 45 is amended by striking paragraph (6).

(4)(A) Paragraph (9) of section 45(e) is amended to read as follows:

''(9) COORDINATION WITH CREDIT FOR PRODUCING FUEL FROM A NONCONVENTIONAL SOURCE.—

''(A) IN GENERAL.—The term 'qualified facility' shall not include any facility which produces electricity from gas derived from the biodegradation of municipal solid waste if such biodegradation occurred in a facility (within the meaning of section 29) the production from which is allowed as a credit under section 29 for the taxable year or any prior taxable year.

''(B) REFINED COAL FACILITIES.—The term 'refined coal production facility' shall not include any facility the production from which is allowed as a credit under section 29 for the taxable year or any prior taxable year.''.

(B) Subparagraph (C) of section 45(e)(8) is amended by striking ''and (9)''.

(5) Subclause (I) of section 168(e)(3)(B)(vi) is amended to read as follows:

''(I) is described in subparagraph (A) of section 48(a)(3) (or would be so described if 'solar and wind' were substituted for 'solar' in clause (i) thereof and the last sentence of such section did not apply to such subparagraph),''.

(6) Paragraph (4) of section 710(g) of the American Jobs Creation Act of 2004 is amended by striking ''January 1, 2004'' and inserting ''January 1, 2005''.

(u) AMENDMENT RELATED TO SECTION 801 OF THE ACT.—Paragraph (3) of section 7874(a) is amended to read as follows:

''(3) COORDINATION WITH SUBSECTION (B).—A corporation which is treated as a domestic corporation under subsection (b) shall not be treated as a surrogate foreign corporation for purposes of paragraph (2)(A).''.

(v) AMENDMENTS RELATED TO SECTION 804 OF THE ACT.—

(1) Subparagraph (C) of section 877(g)(2) is amended by striking ''section 7701(b)(3)(D)(ii)'' and inserting ''section 7701(b)(3)(D)''.

(2) Subsection (n) of section 7701 is amended to read as follows:

''(n) SPECIAL RULES FOR DETERMINING WHEN AN INDIVIDUAL IS NO LONGER A UNITED STATES CITIZEN OR LONG-TERM RESIDENT.—For purposes of this chapter—

''(1) UNITED STATES CITIZENS.—An individual who would (but for this paragraph) cease to be treated as a citizen of the United States shall continue to be treated as a citizen of the United States until such individual—

''(A) gives notice of an expatriating act (with the requisite intent to relinquish citizenship) to the Secretary of State, and

''(B) provides a statement in accordance with section 6039G (if such a statement is otherwise required).

''(2) LONG-TERM RESIDENTS.—A long-term resident (as defined in section 877(e)(2)) who would (but for this paragraph) be described in section 877(e)(1) shall be treated as a lawful permanent resident of the United States and as not described in section 877(e)(1) until such individual—

''(A) gives notice of termination of residency (with the requisite intent to terminate residency) to the Secretary of Homeland Security, and

''(B) provides a statement in accordance with section 6039G (if such a statement is otherwise required).''.

(w) AMENDMENT RELATED TO SECTION 811 OF THE ACT.—Subsection (c) of section 811 of the American Jobs Creation Act of 2004 is amended by inserting ''and which were not filed before such date'' before the period at the end.

(x) AMENDMENTS RELATED TO SECTION 812 OF THE ACT.—

(1) Subsection (b) of section 6662 is amended by adding at the end the following new sentence: ''Except as provided in paragraph (1) or (2)(B) of section 6662A(e), this section shall not apply to the portion of any underpayment which is attributable to a reportable transaction understatement on which a penalty is imposed under section 6662A.''

(2) Paragraph (2) of section 6662A(e) is amended to read as follows:

''(2) COORDINATION WITH OTHER PENALTIES.—

''(A) COORDINATION WITH FRAUD PENALTY.—This section shall not apply to any portion of an understatement on which a penalty is imposed under section 6663.

''(B) COORDINATION WITH GROSS VALUATION MISSTATEMENT PENALTY.—This section shall not apply to any portion of an understatement on which a penalty is imposed under section 6662 if the rate of the penalty is determined under section 6662(h).''.

(3) Subsection (f) of section 812 of the American Jobs Creation Act of 2004 is amended to read as follows:

''(f) EFFECTIVE DATES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

''(2) DISQUALIFIED OPINIONS.—Section 6664(d)(3)(B) of the Internal Revenue Code of 1986 (as added by subsection (c)) shall not apply to the opinion of a tax advisor if—

''(A) the opinion was provided to the taxpayer before the date of the enactment of this Act,

''(B) the opinion relates to one or more transactions all of which were entered into before such date, and

''(C) the tax treatment of items relating to each such transaction was included on a return or statement filed by the taxpayer before such date.''.

(y) AMENDMENT RELATED TO SECTION 814 OF THE ACT.—Subparagraph (B) of section 6501(a)(10) is amended by striking ''(as defined in section 6111)''.

(z) AMENDMENT RELATED TO SECTION 815 OF THE ACT.—Paragraph (1) of section 6112(b) is amended ''(or was required to maintain a list under subsection (a) as in effect before the enactment of the American Jobs Creation Act of 2004)'' after ''a list under subsection (a)''.

(aa) AMENDMENTS RELATED TO SECTION 832 OF THE ACT.—

(1) Subsection (e) of section 853 is amended to read as follows:

''(e) TREATMENT OF CERTAIN TAXES NOT ALLOWED AS A CREDIT UNDER SECTION 901.—This section shall not apply to any tax with respect to which the regulated investment company is not allowed a credit under section 901 by reason of subsection (k) or (l) of such section.''.

(2) Clause (i) of section 901(l)(2)(C) is amended by striking ''if such security were stock''.

(bb) AMENDMENTS RELATED TO SECTION 833 OF THE ACT.—

(1) Subsection (a) of section 734 is amended by inserting ''with respect to such distribution'' before the period at the end.

(2) So much of subsection (b) of section 734 as precedes paragraph (1) is amended to read as follows:

''(b) METHOD OF ADJUSTMENT.—In the case of a distribution of property to a partner by a partnership with respect to which the election provided in section 754 is in effect or with respect to which there is a substantial basis reduction, the partnership shall—''.

(cc) AMENDMENT RELATED TO SECTION 835 OF THE ACT.—Paragraph (3) of section 860G(a) is amended—

(1) in subparagraph (A)(iii)(I), by striking ''the obligation'' and inserting ''a reverse mortgage loan or other obligation'', and

(2) by striking all that follows subparagraph (C) and inserting the following:

''For purposes of subparagraph (A), any obligation secured by stock held by a person as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as so defined) shall be treated as secured by an interest in real property. For purposes of subparagraph (A), any obligation originated by the United States or any State (or any political subdivision, agency, or instrumentality of the United States or any State) shall be treated as principally secured by an interest in real property if more than 50 percent of such obligations which are transferred to, or purchased by, the REMIC are principally secured by an interest in real property (determined without regard to this sentence).''.

(dd) AMENDMENTS RELATED TO SECTION 836 OF THE ACT.—

(1) Paragraph (1) of section 334(b) is amended by striking ''except that'' and all that follows and inserting ''except that, in the hands of such distributee—

''(A) the basis of such property shall be the fair market value of the property at the time of the distribution in any case in which gain or loss is recognized by the liquidating corporation with respect to such property, and

''(B) the basis of any property described in section 362(e)(1)(B) shall be the fair market value of the property at the time of the distribution in any case in which such distributee's aggregate adjusted basis of such property would (but for this subparagraph) exceed the fair market value of such property immediately after such liquidation.''.

(2) Clause (ii) of section 362(e)(2)(C) is amended to read as follows:

''(ii) ELECTION.—Any election under clause (i) shall be made at such time and in such form and manner as the Secretary may prescribe, and, once made, shall be irrevocable.''.

(ee) AMENDMENT RELATED TO SECTION 840 OF THE ACT.—Subsection (d) of section 121 is amended—

(1) by redesignating the paragraph (10) relating to property acquired from a decedent as paragraph (11) and by moving such paragraph to the end of such subsection, and

(2) by amending the paragraph (10) relating to property acquired in like-kind exchange to read as follows:

''(10) PROPERTY ACQUIRED IN LIKE-KIND EXCHANGE.—If a taxpayer acquires property in an exchange with respect to which gain is not recognized (in whole or in part) to the taxpayer under subsection (a) or (b) of section 1031, subsection (a) shall not apply to the sale or exchange of such property by such taxpayer (or by any person whose basis in such property is determined, in whole or in part, by reference to the basis in the hands of such taxpayer) during the 5-year period beginning with the date of such acquisition.''.

(ff) AMENDMENT RELATED TO SECTION 849 OF THE ACT.—Subsection (a) of section 849 of the American Jobs Creation Act of 2004 is amended by inserting '', and in the case of property treated as tax-exempt use property other than by reason of a lease, to property acquired after March 12, 2004'' before the period at the end.

(gg) AMENDMENTS RELATED TO SECTION 853 OF THE ACT.—

(1) Subparagraph (C) of section 4081(a)(2) is amended by striking ''for use in commercial aviation'' and inserting ''for use in commercial aviation by a person registered for such use under section 4101''.

(2) So much of paragraph (2) of section 4081(d) as precedes subparagraph (A) is amended to read as follows:

''(2) AVIATION FUELS.—The rates of tax specified in clauses (ii) and (iv) of subsection (a)(2)(A) shall be 4.3 cents per gallon—''.

(hh) AMENDMENT RELATED TO SECTION 884 OF THE ACT.—Subparagraph (B) of section 170(f)(12) is amended by adding at the end the following new clauses:

''(v) Whether the donee organization provided any goods or services in consideration, in whole or in part, for the qualified vehicle.

''(vi) A description and good faith estimate of the value of any goods or services referred to in clause (v) or, if such goods or services consist solely of intangible religious benefits (as defined in paragraph (8)(B)), a statement to that effect.''.

(ii) AMENDMENTS RELATED TO SECTION 885 OF THE ACT.—

(1) Paragraph (2) of section 26(b) is amended by striking ''and'' at the end of subparagraph (R), by striking the period at the end of subparagraph (S) and inserting '', and'', and by adding at the end the following new subparagraph:

''(T) subsections (a)(1)(B)(i) and (b)(4)(A) of section 409A (relating to interest and additional tax with respect to certain deferred compensation).''.

(2) Clause (ii) of section 409A(a)(4)(C) is amended by striking ''first''.

(3)(A) Notwithstanding section 885(d)(1) of the American Jobs Creation Act of 2004, subsection (b) of section 409A of the Internal Revenue Code of 1986 shall take effect on January 1, 2005.

(B) Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue guidance under which a nonqualified deferred compensation plan which is in violation of the requirements of section 409A(b) of such Code shall be treated as not having violated such requirements if such plan comes into conformance with such requirements during such limited period as the Secretary may specify in such guidance.

(4) Subsection (f) of section 885 of the American Jobs Creation Act of 2004 is amended by striking ''December 31, 2004'' the first place it appears and inserting ''January 1, 2005''.

(jj) AMENDMENTS RELATED TO SECTION 898 OF THE ACT.—

(1) Paragraph (3) of section 361(b) is amended by inserting ''(reduced by the amount of the liabilities assumed (within the meaning

of section 357(c)))'' before the period at the end.

(2) Paragraph (1) of section 357(d) is amended by inserting ''section 361(b)(3),'' after ''section 358(h),''.

(kk) AMENDMENT RELATED TO SECTION 899 OF THE ACT.—Subparagraph (A) of section 351(g)(3) is amended by adding at the end the following: ''If there is not a real and meaningful likelihood that dividends beyond any limitation or preference will actually be paid, the possibility of such payments will be disregarded in determining whether stock is limited and preferred as to dividends.''.

(ll) AMENDMENT RELATED TO SECTION 902 OF THE ACT.—Paragraph (1) of section 709(b) is amended by striking ''taxpayer'' both places it appears and inserting ''partnership''.

(mm) AMENDMENT RELATED TO SECTION 909 OF THE ACT.—Clause (ii) of section 451(i)(4)(B) is amended by striking ''the close of the period applicable under subsection (a)(2)(B) as extended under paragraph (2)'' and inserting ''December 31, 2006''.

(nn) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which they relate.

SEC. 3. AMENDMENTS RELATED TO THE WORKING FAMILIES TAX RELIEF ACT OF 2004.

(a) AMENDMENT RELATED TO SECTION 201 OF THE ACT.—Paragraph (2) of section 152(e) is amended to read as follows:

''(2) REQUIREMENTS.—For purposes of paragraph (1), the requirements described in this paragraph are met if—

''(A) a decree of divorce or separate maintenance or written separation agreement between the parents applicable to the taxable year beginning in such calendar year provides that the noncustodial parent shall be entitled to any deduction allowable under section 151 for such child, and in the case of such a decree or agreement executed before January 1, 1985, the noncustodial parent provides at least $600 for the support of such child during such calendar year, or

''(B) the custodial parent signs a written declaration (in such manner and form as the Secretary may prescribe) that such parent will not claim such child as a dependent for such taxable year.

For purposes of subparagraph (A), amounts expended for the support of a child or children shall be treated as received from the noncustodial parent to the extent that such parent provided amounts for such support.''.

(b) AMENDMENT RELATED TO SECTION 203 OF THE ACT.—Subparagraph (B) of section 21(b)(1) is amended by inserting ''(as defined in section 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B))'' after ''dependent of the taxpayer''.

(c) AMENDMENT RELATED TO SECTION 207 OF THE ACT.—Subparagraph (A) of section 223(d)(2) is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Working Families Tax Relief Act of 2004 to which they relate.

SEC. 4. AMENDMENTS RELATED TO THE JOBS AND GROWTH TAX RELIEF RECONCILIATION ACT OF 2003.

(a) AMENDMENTS RELATED TO SECTION 201 OF THE ACT.—

(1) Clause (ii) of section 168(k)(4)(B) is amended to read as follows:

''(ii) which is—

''(I) acquired by the taxpayer after May 5, 2003, and before January 1, 2005, but only if no written binding contract for the acquisition was in effect before May 6, 2003, or

''(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after May 5, 2003, and before January 1, 2005, and''.

(2) Subparagraph (D) of section 1400L(b)(2) is amended by striking ''September 11, 2004'' and inserting ''January 1, 2005''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 201 of the Jobs and Growth Tax Relief and Reconciliation Act of 2003.

SEC. 5. AMENDMENT RELATED TO THE VICTIMS OF TERRORISM TAX RELIEF ACT OF 2001.

(a) AMENDMENT RELATED TO SECTION 201 OF THE ACT.—Paragraph (17) of section 6103(l) is amended by striking ''subsection (f), (i)(7), or (p)'' and inserting ''subsection (f), (i)(8), or (p)''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 201 of the Victims of Terrorism Tax Relief Act of 2001.

SEC. 6. AMENDMENT RELATED TO THE TRANSPORTATION EQUITY ACT FOR THE 21ST CENTURY.

(a) AMENDMENT RELATED TO SECTION 9005 OF THE ACT.—The last sentence of paragraph (2) of section 9504(b) is amended by striking ''subparagraph (B)'' and inserting ''subparagraph (C)''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 9005 of the Transportation Equity Act for the 21st Century.

SEC. 7. AMENDMENTS RELATED TO THE TAXPAYER RELIEF ACT OF 1997.

(a) AMENDMENTS RELATED TO SECTION 1055 OF THE ACT.—

(1) The last sentence of section 6411(a) is amended by striking ''6611(f)(3)(B)'' and inserting ''6611(f)(4)(B)''.

(2) Paragraph (4) of section 6601(d) is amended by striking ''6611(f)(3)(A)'' and inserting ''6611(f)(4)(A)''.

(b) AMENDMENT RELATED TO SECTION 1144 OF THE ACT.—Subparagraph (B) of section 6038B(a)(1) is amended by inserting ''or'' at the end.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Taxpayer Relief Act of 1997 to which they relate.

SEC. 8. CLERICAL CORRECTIONS.

(a) Subparagraph (C) of section 2(b)(2) is amended by striking ''subparagraph (C)'' and inserting ''subparagraph (B)''.

(b) Subparagraph (E) of section 26(b)(2) is amended by striking ''section 530(d)(3)'' and inserting ''section 530(d)(4)''.

(c)(1) Subclause (II) of section 38(c)(2)(A)(ii) is amended by striking ''or the New York Liberty Zone business employee credit or the specified credits'' and inserting '', the New York Liberty Zone business employee credit, and the specified credits''.

(2) Subclause (II) of section 38(c)(3)(A)(ii) is amended by striking ''or the specified credits'' and inserting ''and the specified credits''.

(3) Subparagraph (B) of section 38(c)(4) is amended—

(A) by striking ''includes'' and inserting ''means'', and

(B) by inserting ''and'' at the end of clause (i).

(d)(1) Subparagraph (A) of section 39(a)(1) is amended by striking ''each of the 1 taxable years'' and by inserting ''the taxable year''.

(2) Subparagraph (B) of section 39(a)(3) is amended to read as follows:

''(B) paragraph (1) shall be applied by substituting 'each of the 5 taxable years' for 'the taxable year' in subparagraph (A) thereof, and''.

(e) Paragraph (5) of section 43(c) is amended to read as follows:

''(5) ALASKA NATURAL GAS.—For purposes of paragraph (1)(D)—

''(A) IN GENERAL.—The term 'Alaska natural gas' means natural gas entering the Alaska natural gas pipeline (as defined in section 168(i)(16) (determined without regard to subparagraph (B) thereof)) which is produced from a well—

''(i) located in the area of the State of Alaska lying north of 64 degrees North latitude, determined by excluding the area of the Alaska National Wildlife Refuge (including the continental shelf thereof within the meaning of section 638(1)), and

''(ii) pursuant to the applicable State and Federal pollution prevention, control, and permit requirements from such area (including the continental shelf thereof within the meaning of section 638(1)).

''(B) NATURAL GAS.—The term 'natural gas' has the meaning given such term by section 613A(e)(2).''.

(f) Paragraph (2) of section 45I(a) is amended by striking ''qualified credit oil production'' and inserting ''qualified crude oil production''.

(g) Subparagraph (E) of section 50(a)(2) is amended by striking ''section 48(a)(5)'' and inserting ''section 48(b)''.

(h)(1) Subsection (a) of section 62 is amended—

(A) by redesignating paragraph (19) (relating to costs involving discrimination suits, etc.), as added by section 703 of the American Jobs Creation Act of 2004, as paragraph (20), and

(B) by moving such paragraph after paragraph (19) (relating to health savings accounts).

(2) Subsection (e) of section 62 is amended by striking ''subsection (a)(19)'' and inserting ''subsection (a)(20)''.

(i) Paragraph (3) of section 167(f) is amended by striking ''section 197(e)(7)'' and inserting ''section 197(e)(6)''.

(j) Subparagraph (D) of section 168(i)(15) is amended by striking ''This paragraph shall not apply to'' and inserting ''Such term shall not include''.

(k) Paragraph (2) of section 221(d) is amended by striking ''this Act'' and inserting ''the Taxpayer Relief Act of 1997''.

(l) Paragraph (8) of section 318(b) is amended by striking ''section 6038(d)(2)'' and inserting ''section 6038(e)(2)''.

(m) Subparagraph (B) of section 332(d)(1) is amended by striking ''distribution to which section 301 applies'' and inserting ''distribution of property to which section 301 applies''.

(n) Paragraph (1) of section 415(l) is amended by striking ''individual medical account'' and inserting ''individual medical benefit account''.

(o) The matter following clause (iv) of section 415(n)(3)(C) is amended by striking ''clauses'' and inserting ''clause''.

(p) Paragraph (12) of section 501(c) is amended—

(1) by striking ''subparagraph (C)(iii)'' in subparagraph (F) and inserting ''subparagraph (C)(iv)'', and

(2) by striking ''subparagraph (C)(iv)'' in subparagraph (G) and inserting ''subparagraph (C)(v)''.

(q) Clause (ii) of section 501(c)(22)(B) is amended by striking ''clause (ii) of paragraph (21)(B)'' and inserting ''clause (ii) of paragraph (21)(D)''.

(r) Paragraph (1) of section 512(b) is amended by striking ''section 512(a)(5)'' and inserting ''subsection (a)(5)''.

(s)(1) Subsection (b) of section 512 is amended—

(A) by redesignating paragraph (18) (relating to the treatment of gain or loss on sale or exchange of certain brownfield sites), as added by section 702 of the American Jobs Creation Act of 2004, as paragraph (19), and

(B) by moving such paragraph to the end of such subsection.

(2) Subparagraph (E) of section 514(b)(1) is amended by striking ''section 512(b)(18)'' and inserting ''section 512(b)(19)''.

(t)(1) Subsection (b) of section 530 is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(2) Clause (ii) of section 530(b)(2)(A) is amended by striking ''paragraph (4)'' and inserting ''paragraph (3)''.

(u) Section 881(e)(1)(C) is amended by inserting ''interest-related dividend received by a controlled foreign corporation'' after ''shall apply to any''.

(v) Clause (i) of section 954(c)(1)(C) is amended by striking ''paragraph (4)(A)'' and inserting ''paragraph (5)(A)''.

(w) Subparagraph (F) of section 954(c)(1) is amended by striking ''Net income from notional principal contracts.'' after ''Income from notional principal contracts.—''.

(x) Paragraph (23) of section 1016(a) is amended by striking ''1045(b)(4)'' and inserting ''1045(b)(3)''.

(y) Paragraph (1) of section 1256(f) is amended by striking ''subsection (e)(2)(C)'' and inserting ''subsection (e)(2)''.

(z) The matter preceding clause (i) of section 1031(h)(2)(B) is amended by striking ''subparagraph'' and inserting ''subparagraphs''.

(aa) Paragraphs (1) and (2) of section 1375(d) are each amended by striking ''subchapter C'' and inserting ''accumulated''.

(bb) Each of the following provisions are amended by striking ''General Accounting Office'' each place it appears therein and inserting ''Government Accountability Office'':

(1) Clause (ii) of section 1400E(c)(4)(A).

(2) Paragraph (1) of section 6050M(b).

(3) Subparagraphs (A), (B)(i), and (B)(ii) of section 6103(i)(8).

(4) Paragraphs (3)(C)(i), (4), (5), and (6)(B) of section 6103(p).

(5) Subsection (e) of section 8021.

(cc)(1) Clause (ii) of section 1400L(b)(2)(C) is amended by striking ''section 168(k)(2)(C)(i)'' and inserting ''section 168(k)(2)(D)(i)''.

(2) Clause (iv) of section 1400L(b)(2)(C) is amended by striking ''section 168(k)(2)(C)(iii)'' and inserting ''section 168(k)(2)(D)(iii)''.

(3) Subparagraph (D) of section 1400L(b)(2) is amended by striking ''section 168(k)(2)(D)'' and inserting ''section 168(k)(2)(E)''.

(4) Subparagraph (E) of section 1400L(b)(2) is amended by striking ''section 168(k)(2)(F)'' and inserting ''section 168(k)(2)(G)''.

(5) Paragraph (5) of section 1400L(c) is amended by striking ''section 168(k)(2)(C)(iii)'' and inserting ''section 168(k)(2)(D)(iii)''.

(dd) Section 3401 is amended by redesignating subsection (h) as subsection (g).

(ee) Paragraph (2) of section 4161(a) is amended to read as follows:

''(2) 3 PERCENT RATE OF TAX FOR ELECTRIC OUTBOARD MOTORS.—In the case of an electric outboard motor, paragraph (1) shall be applied by substituting '3 percent' for '10 percent'.''.

(ff) Subparagraph (C) of section 4261(e)(4) is amended by striking ''imposed subsection (b)'' and inserting ''imposed by subsection (b)''.

(gg) Subsection (a) of section 4980D is amended by striking ''plans'' and inserting ''plan''.

(hh) The matter following clause (iii) of section 6045(e)(5)(A) is amended by striking ''for '$250,000'.'' and all that follows through ''to the Treasury.'' and inserting ''for '$250,000'. The Secretary may by regulation increase the dollar amounts under this subparagraph if the Secretary determines that such an increase will not materially reduce revenues to the Treasury.''.

(ii) Subsection (p) of section 6103 is amended—

(1) by striking so much of paragraph (4) as precedes subparagraph (A) and inserting the following:

''(4) SAFEGUARDS.—Any Federal agency described in subsection (h)(2), (h)(5), (i)(1), (2), (3), (5), or (7), (j)(1), (2), or (5), (k)(8), (l)(1), (2), (3), (5), (10), (11), (13), (14), or (17) or (o)(1), the Government Accountability Office, the Congressional Budget Office, or any agency, body, or commission described in subsection (d), (i)(3)(B)(i) or 7(A)(ii), or (l)(6), (7), (8), (9), (12), (15), or (16) or any other person described in subsection (l)(16), (18), (19), or (20) shall, as a condition for receiving returns or return information—'',

(2) by amending paragraph (4)(F)(i) to read as follows:

''(i) in the case of an agency, body, or commission described in subsection (d), (i)(3)(B)(i), or (l)(6), (7), (8), (9), or (16), or any other person described in subsection (l)(16), (18), (19), or (20) return to the Secretary such returns or return information (along with any copies made therefrom) or make such returns or return information undisclosable in any manner and furnish a written report to the Secretary describing such manner,'', and

(3) by striking the first full sentence in the matter following subparagraph (F) of paragraph (4) and inserting the following: ''If the Secretary determines that any such agency, body, or commission, including an agency or any other person described in subsection (l)(16), (18), (19), or (20), or the Government Accountability Office or the Congressional Budget Office, has failed to, or does not, meet the requirements of this paragraph, he may, after any proceedings for review established under paragraph (7), take such actions as are necessary to ensure such requirements are met, including refusing to disclose returns or return information to such agency, body, or commission, including an agency or any other person described in subsection (l)(16), (18), (19), or (20), or the Government Accountability Office or the Congressional Budget Office, until he determines that such requirements have been or will be met.''.

(jj) Clause (ii) of section 6111(b)(1)(A) is amended by striking ''advice or assistance'' and inserting ''aid, assistance, or advice''.

(kk) Section 6427 is amended by striking subsection (o) and by redesignating subsection (p) as subsection (o).

(ll) Paragraph (3) of section 6662(d) is amended by striking ''the'' before ''1 or more''.

SEC. 9. OTHER CORRECTIONS RELATED TO THE AMERICAN JOBS CREATION ACT OF 2004.

(a) AMENDMENTS RELATED TO SECTION 233 OF THE ACT.—

(1) Clause (vi) of section 1361(c)(2)(A) is amended—

(A) by inserting ''or a depository institution holding company (as defined in section 3(w)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1))'' after ''a bank (as defined in section 581)'', and

(B) by inserting ''or company'' after ''such bank''.

(2) Paragraph (16) of section 4975(d) is amended—

(A) in subparagraph (A), by inserting ''or a depository institution holding company (as defined in section 3(w)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1))'' after ''a bank (as defined in section 581)'', and

(B) in subparagraph (C), by inserting ''or company'' after ''such bank''.

(b) AMENDMENT RELATED TO SECTION 237 OF THE ACT.—Subparagraph (F) of section 1362(d)(3) is amended by striking ''a bank holding company'' and all that follows through ''section 2(p) of such Act)'' and inserting ''a depository institution holding company (as defined in section 3(w)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1))''.

(c) AMENDMENTS RELATED TO SECTION 239 OF THE ACT.—Paragraph (3) of section 1361(b) is amended—

(1) in subparagraph (A), by striking ''and in the case of information returns required under part III of subchapter A of chapter 61'', and

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

''(E) INFORMATION RETURNS.—Except to the extent provided by the Secretary, this paragraph shall not apply to information returns made by a qualified subchapter S subsidiary under part III of subchapter A of chapter 61.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which they relate.

By Mr. DURBIN (for himself and Mrs. BOXER):

S. 1448. A bill to improve the treatment provided to veterans suffering from post-traumatic stress disorder; to the Committee on Veterans' Affairs.

Mr. DURBIN. Mr. President, seventy-five years ago today, President Herbert Hoover created the Veterans Administration by signing Executive Order 5398 for the ''Consolidation and Coordination of Governmental Activities Affecting Veterans.''

Of course, the commitment of America to the care and welfare of the Nation's veterans goes back to the earliest days of our Republic. In 1789 George Washington said, ''The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional as to how they perceive the Veterans of earlier wars were treated and appreciated by their country.''

The care of veterans was a central theme in Abraham Lincoln's second inaugural address. He said, ''With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan—to do all which may achieve and cherish a just, and a lasting peace, among ourselves, and with all nations.''

Today, this important work of caring for our veterans is carried on by the Department of Veterans Affairs at a time when American troops are engaged in combat under very trying circumstances overseas.

In order to address the clearly emerging needs of the newest veterans, I am today introducing the ''Post-Traumatic Stress Disorder Treatment Improvement Act.''

This bill requires the Department of Veterans Affairs to hire the number of mental health professionals which the Department's own internal panel of experts has for years recommended as that required to provide an appropriate

level of treatment for veterans suffering from post-traumatic stress disorder or PTSD.

PTSD is a fairly new term but it is by no means a new problem. People exposed to extremely traumatic stressful events can suffer lasting and long-term mental health problems as a result. Soldiers who have endured the horrors—of the battlefield—who've experienced and had to participate in deeply troubling events—have long been susceptible to this problem. Among Civil War veterans it was called ''the soldier's heart.'' Among World War I veterans it was called ''shell shock.'' In World War II it was called ''battle fatigue.'' Many people will remember the incident during World War II in which General George Patton slapped a soldier hospitalized with battle fatigue. The American public reacted angrily to Patton's action because they understood that Patton was wrong; needing medical treatment to help recover from the psychological trauma of war was not any sign of weakness or cowardice but rather simply one of the understandable hazards of the very violent modern battlefield. In the aftermath of Vietnam, our understanding of what is today known as post-traumatic stress disorder or PTSD has grown tremendously and so has our ability to treat it. Today, as a result of its work with Vietnam Veterans, the Department of Veterans Affairs is the world leader in diagnosing and treating PTSD.

While the quality of the expertise in the VA is high, we need to improve the quantity. The Department of Veterans Affairs needs more mental health professionals to meet the needs of the coming influx of new veterans from Iraq and Afghanistan.

Two articles in the July 2004 issue of the New England Journal of Medicine indicate that the nature of the war in Iraq is producing a new generation of American veterans who will require treatment for PTSD. The data gathered from recently returned troops suggests that about 1 in 6 of our Iraq veterans will develop this serious problem. One of the articles cautions that the actual numbers will probably be even higher because the data of the reported study was collected from soldiers and marines who served in the theater before the Iraqi insurgency rose to its current level of intensity. The conditions are now made even more stressful by the hidden enemy, frequently concealed among civilians and attacking suddenly with roadside explosions and suicide bombers. The uncertainly, the shock, the blood and destruction of this type of warfare understandably takes a toll on the feelings of even the toughest of our warriors. We know from experience that roughly 30 percent of Vietnam veterans suffered from PTSD sometime in their lifetime.

Senators don't have to read the New England Journal of Medicine to know that our returning veterans will need a little help to overcome some terrible memories and troubling mental images. We can hear it from the veterans in our own States.

Several weeks ago I traveled across my State of Illinois to five different locations for roundtable discussions about this subject. I invited veterans as well as medical counselors from the Veterans' Administration to tell me about former service members who were trying to come to grips with this torment in their minds over what they had been through and what they had seen. I was nothing short of amazed at what happened. At every single stop, these men and women came forward and sat at tables before groups in their communities, before the media, and told their stories of being trained to serve this country, being proud to serve, and going into battle situations which caused an impact on their mind they never could have imagined. They talked about coming home with their minds in this turmoil over the things they had done and seen. Many of them told of having to wait months and, in one case, a year before they could see a doctor at a VA hospital.

I heard from veterans from Iraq, Vietnam, Korea and World War II. One veteran in southern Illinois who was in the Philippines couldn't come to my meeting because ''I just can't face talking about it.'' This was 60 years after his experience. Veterans of Vietnam, coming home, facing animosity from others, then being unable to address their emotional and psychological anguish and difficulty because they were afraid to even acknowledge they were veterans. They were left tormented by this for decades.

The ones that gripped my heart the most were the Iraqi veterans. I will never forget these men and women. The one I sat next to at Collinsville, a bright, handsome, young Marine, talked about going into Fallujah with his unit and how his point man was riddled with bullets, and he had to carry the parts of his body out of that street into some side corner where the remains could be evacuated. Then he took over his friend's job as point man and went forward. A rocket-propelled grenade was shot at him, and it bounced off his helmet. One of the insurgents came up and shot him twice in the chest. This happened just this past November.

When he came home, he said he couldn't understand who he was because of what he had seen and been involved in. He had problems with his wife—difficult, violent problems, and he turned to the VA for help.

I said to this young Marine: I am almost afraid to ask you this, but how old are you? He said, ''I am 19.''

Think of what he has been through. Thank goodness he is in the hands of counselors. Thank goodness he is getting some help and moving in the right direction.

But in another meeting in southern Illinois, another soldier said, in front of the group, ''As part of this battle, I killed children, women. I killed old people. I am trying to come to grips with this in my mind as I try to come back into civilian life.''

A young woman, a member of the Illinois National Guard, said when she returned to the United States, still in distress over what she had seen and done, she was released from active duty through Fort McCoy in Wisconsin where the Army sat her down and asked, ''Any problems?'' Of course, that should have been the time for her to come forward and say: I have serious problems. She didn't. She'd heard that if you said you had a problem, you had to stay at Fort McCoy for several more months. She was so desperate to get home she said, ''No problems.''

She came home and finally realized that was not true. She had serious psychological problems over what she had been through. When she turned to the VA and asked for help, they said: You can come in and see a counselor at the VA in a year.

What happens to these veterans, victims of post-traumatic stress disorder, without counseling at an early stage? Sadly, many of them see their marriages destroyed. One I met was on his fourth marriage. Many of them self-medicate with alcohol, sometimes with drugs, desperate to find some relief from the nightmares they face every night. These are the real stories of real people, our sons and daughters, our brothers and sisters, our husbands and wives who go to battle to defend this country and come home with the promise that we will stand behind them.

So, in addition to the Vietnam, Gulf War and other veterans already being treated, it is clear that we will soon see large numbers of Iraq veterans coming to the VA for help with PTSD. What is our capacity to help them? Unfortunately, it does not look good.

Disturbingly, the Department of Veterans Affairs may lack the capacity to treat those with PTSD. The Government Accountability Office recently concluded, and the Department of Veterans Affairs concurred, that the Department has not kept adequate accounting of the numbers of patients it currently treats for PTSD. Without any reliable numbers of patients currently receiving treatment, the VA cannot deliver to us any assurance about having the facilities or staff needed to treat the coming influx of new veterans.

The VA has demonstrated an inability to forecast the number of patients it must be ready to treat. In three of the past four years, the Department of Veterans Affairs has submitted budget requests that included patient estimates which turned out to be too low in four different areas. In three of the past four years, the VA has underestimated its number of acute hospital care patients, the number of medical visits, the dependents and survivors' hospital census, and the numbers of dependent and survivor outpatients that it would see.

Now, just a couple of weeks ago, the VA had to acknowledge that its budget for the current fiscal year was going to be $1 billion short because they got their estimate of Iraq veteran patients wrong. The VA had forecasted a 2.3 percent growth in healthcare demand this year but the actual increase turned out to be 5.2 percent—more than twice the VA estimate. The VA budget assumed that 23,553 VA patients would be veterans of the Global War on Terrorism. The number of these patients in 2005 is now estimated to be 103,000—more than four times what VA had estimated.

In the absence of reliable patient information and patient estimates from the Department of Veterans Affairs, how can we know that the VA healthcare system lacks the capability to treat the incoming number of veterans needing PTSD treatment? That's easy—we can simply listen to the VA medical professionals who provide the treatment.

In the course of conducting its investigation, the Government Accountability Office asked officials at VA facilities if they would be able to meet this coming demand. The answer they received was very disturbing. Fully six out of these seven VA healthcare officials stated that their facilities may be unable to handle the influx of new veterans needing PTSD treatment. Six out of seven!

In addition, another set of internal VA mental health professionals has repeatedly recommended that VA expand its capability to treat PTSD. The Department's own Special Committee on Post-Traumatic Stress Disorder has issued a long list of recommended improvements. When the Government Accountability Office studied the progress on implementing these expert recommendations, it found that the Department of Veterans Affairs hadn't fully implemented any of them.

Enough is enough!

When the VA fails to count its current PTSD patients; when the VA consistently underestimates its number of future patients; when the VA ignores the improvement recommendations of its own internal mental health professionals it is time for Congress to step in, demonstrate the leadership that is required, and take action to provide the treatment capability that our veterans deserve.

The bill I am introducing today accomplishes this by requiring the Department of Veterans Affairs to implement three of the key treatment improvement recommendations made by the Department's own Special Committee on Post-Traumatic Stress Disorder.

The bill requires the Secretary of Veterans Affairs to do three things. First, it requires the Secretary to establish a Post-Traumatic Stress Disorder Clinical Team at every Medical Center within the Department of Veterans Affairs. Second, it requires the Secretary to provide a certified family therapist within each Vet Center. Finally, the bill requires the appointment of a regional PTSD Coordinator within each Veteran Integrated Service Network (VISN) and Readjustment Counseling Service region to evaluate programs, promote best practices and make resource recommendations.

Let me explain the importance of these three provisions.

The majority of the major VA hospitals already have a clinical team of mental health experts focused on providing treatment for post-traumatic stress disorder. These teams include psychiatrists, psychologists, and psychotherapists who bring their varied skills together. However, approximately 60 of our VA hospitals currently do not have a PTSD clinical team. This bill requires that these teams be established.

Nationwide, the Department of Veterans Affairs operates 207 ''Vet Centers.'' The community-based, informal atmosphere of these centers has proven to be a highly effective way to provide counseling and other services to veterans who might not want or be able to go to a formal VA hospital for help. The Special Committee has recognized the importance of family relationships in helping veterans deal with their PTSD and has recommended that there be a certified marriage and family therapist at each Vet Center.

Currently only 17 centers have these specialists on staff. This bill helps keep families strong for our veterans by adding 190 family therapists to Vet Centers nationwide.

Finally, the bill ensures that PTSD treatment capability gets the attention and management needed to keep it strong by requiring the appointment of PTSD coordinators at the regional level.

Altogether, this bill will add about 400 mental health professionals to the Department of Veterans Affairs' capability to treat those of our veterans whose wounds are not visible, whose thoughts are continually troubled by the horrors of war, who need just a little help to get past the nightmares and get their life back on track.

Even the toughest of warriors can have troubled feelings following the stress of combat. It is no sign of weakness—it is no sign of failure to ask for a little help in getting past some of those feelings. That message must be clearly conveyed to all of our veterans.

By acting now, we can ensure that this help is available to our veterans when they return. This is crucial because the effects of post-traumatic stress disorder are sometimes left undiagnosed and untreated for years. If we delay, we virtually guarantee a future shortage of treatment capability and, in so doing, we lay the groundwork for the plague of drug abuse, domestic violence, homelessness, unemployment and even suicide that so often is the result of post-traumatic stress disorder which is left untreated.

America's newest generation of young veterans certainly deserve better than that!

We in the Congress can step up and require that the Department of Veterans Affairs hire a full staff of mental health professionals that can help our veterans to move past the psychological trauma of war and to lead healthy, happy and productive lives.

I encourage my colleagues to join me in supporting our returning veterans by supporting the Post-Traumatic Stress Disorder Treatment Improvement Act.

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

S. 1448

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 ''Post-Traumatic Stress Disorder Treatment Improvement Act''.

SEC. 2. IMPROVED TREATMENT OF POST-TRAUMATIC STRESS DISORDER.

(a) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall—

(1) establish a post-traumatic stress disorder clinical team at every Medical Center of the Department of Veterans Affairs;

(2) provide a certified family therapist for each Vet Center of the Department of Veterans Affairs; and

(3) appoint a post-traumatic stress disorder coordinator within each Veteran Integrated Service Network and within each Readjustment Counseling Service Region.

(b) DUTIES OF PTSD COORDINATOR.—Each coordinator appointed for a network or region under subsection (a)(3) shall—

(1) evaluate post-traumatic stress disorder and family therapy treatment programs within the network or region;

(2) identify and disseminate best practices on evaluation and treatment of post-traumatic stress disorder, and on family therapy treatment, within the network or region and to other networks and regions; and

(3) recommend the resource allocation necessary to meet post-traumatic stress disorder and family therapy treatment needs within the network or region.

(c) WAIVER.—Beginning on the date that is 5 years after the date of the enactment of this Act, the Secretary of Veterans Affairs may waive any requirement of this Act for the fiscal year beginning after that date if the Secretary, not later than 90 days before the beginning of such fiscal year, submits to Congress a report—

(1) notifying Congress of the proposed waiver;

(2) explaining why the requirement is not necessary; and

(3) describing how post-traumatic stress disorder services and family therapy services will be provided to all veterans who may need such services.

By Mr. SHELBY:

S. 1461. A bill to establish procedures for the protection of consumers from misuse of, and unauthorized access to, sensitive personal information contained in private information files maintained by commercial entities engaged in, or affecting, interstate commerce, provide for enforcement of those procedures by the Federal Trade Commission, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. SHELBY. Mr. President, I rise today to introduce the Consumer Identity Protection and Security Act. This legislation provides consumers the ability to place credit freezes on their credit reports.

My sole intent in introducing this legislation is to address a jurisdictional question that has recently arisen with respect to the Fair Credit Reporting Act. I want to make sure that the referral precedent with respect to legislation that amends the Fair Credit Reporting Act, or touches upon the substance covered by that Act, is entirely clear. I believe the Parliamentarian's decision to refer this bill to the Senate Banking Committee establishes that there is no question in this regard and that this subject matter is definitively and singularly in the jurisdiction of the Senate Banking Committee.

By Mr. BROWNBACK (for himself, Mr. CORZINE, Mr. DEWINE, Mr. DURBIN, Mr. COBURN, Mr. LAUTENBERG, Mr. SCHUMER, Mr. BINGAMAN, Mr. COLEMAN, Mr. TALENT, Mr. SALAZAR, Mrs. DOLE, and Mr. BAYH):

S. 1462. A bill to promote peace and accountability in Sudan, and for other purposes; to the Committee on Foreign Relations.

Mr. BROWNBACK. Mr. President, I rise with my colleague Senator CORZINE and 11 other cosponsors to introduce the Darfur Peace and Accountability Act of 2005. I applaud Senator CORZINE for his tireless work on this issue—he has traveled on several occasions to Sudan, and was instrumental in moving the U.S. to declare the atrocities genocide. In addition, there is a strong bipartisan coalition forming to address one of the greatest moral issues that faces our world today.

I wish to thank many of my colleagues for their support for the Darfur Accountability Act that was introduced in March and passed unanimously by this body as an amendment to the Emergency Supplemental. Unfortunately, that provision was stripped in conference.

Since that time, several relevant U.N. Security Council resolutions have been passed, NATO has committed to assisting the African Union Mission in Sudan (AMIS), and the National Unity Government of Sudan was established just two weeks ago on July 9, following the Comprehensive Peace Agreement between the North and the South. While we applaud the recent peace agreement ending the longest civil war in Africa, we pause with great concern that genocide continues in Darfur. There can be no comprehensive peace in Sudan until the crisis in Darfur has been resolved.

Just today news reports were swarming about the Sudanese officials who manhandled Secretary Rice's staff and reporters during their meeting with President Bashir. When a U.S. reporter asked a question about the killing of innocent civilians, she was taken by the arm and promptly removed from the meeting.

It is unfortunate that the ''international incident'' not being reported is about the hundreds of thousands of lives lost, or the 2 million refugees who live day to day on inadequate portions of food and very little clean water.

In remarks prior to the G–8 summit on June 30, 2005, President Bush declared, ''the violence in Darfur is clearly genocide,'' and ''the human cost is beyond calculation.''

While momentum for international support to end this crisis has been building, the violence and humanitarian crisis continues. Rape is still being used as weapon against women. Some women who have become pregnant due to brutal rape, have been forced to abort their babies and other women have been imprisoned for bearing illegitimate children. In addition, the government seems to be prepared to raze the Kalma refugee camp of 120,000 people against their wishes, sending them back into areas where there is no security against these rapes and killings.

I remind my colleagues that it was one year ago, on July 22, we stood together in Congress to denounce the atrocities in Darfur as genocide. Twelve long months later is not the time to start thinking about easing sanctions or restoring certain diplomatic ties, rather it is time to address the needs of the African Union and it is time to sanction those responsible for genocide.

That is why we are joining with colleagues in the House to introduce new bipartisan legislation called the Darfur Peace and Accountability act of 2005. This bill increases pressure on Khartoum, provides greater support to the African Union mission in Darfur to help protect civilians, imposes sanctions on individuals responsible for atrocities, and encourages the appointment of a U.S. special envoy to help advance a peace process for Darfur. I applaud our colleagues in the House, including Congressmen HYDE, TANCREDO, PAYNE, WOLF, SMITH and others, who have diligently worked with us to ensure a strong piece of legislation that we hope will move quickly and be enacted so that we may provide further relief to the suffering victims.

I urge my colleagues to support this very important piece of legislation. For the first time in history we publicly speak of genocide while it is underway, yet we have broken our promise of ''Never Again.'' We can no longer be indifferent to the suffering Africans of Darfur. We have got to move beyond partisan politics, and agree on the fundamentals that will help save lives immediately.

Mr. CORZINE. Mr. President, I rise today to introduce the Darfur Peace and Accountability Act. This bill, which is the latest version of legislation Senator BROWNBACK and I have been pushing for almost six months, will provide the tools and authorizations and put forth the policies necessary to stop the genocide in Darfur. This bill also has support in the House, where it has been introduced by Representatives HYDE, PAYNE and others.

Sudan is in the news today because of Secretary Rice's trip, and because of the rough treatment her entourage has received. But let's not lose sight of what has happened in Sudan over the last two years, and what is still happening. 2 million Darfurian civilians have been displaced from their homes. 1.8 million have been forced into camps in Darfur. There are 200,000 Darfur refugees in Chad. Hundreds of thousands have died, with some estimates up to 400,000. The Government of Sudan and the janjaweed militias it supports are responsible for systematic, targeted and premeditated violence, including murder and rape.

It was one year ago tomorrow that the Senate recognized these atrocities as genocide. One long, horrible, violent, tragic year for the people of Darfur.

We can stop this genocide, and we know how to do it. It just takes the will.

Three months ago, the Senate passed the Darfur Accountability Act as an amendment to the Supplemental Appropriations bill. Despite overwhelming bipartisan support, it was stripped out in conference. Meanwhile, the genocide continued and now we are forced to revisit many of the same issues.

First, it is time we put real pressure on the Government of Sudan. While I welcome Secretary Rice's trip to Sudan, and Deputy Secretary Zoellick's two trips, diplomacy only goes so far. When the world threatens sanctions, Khartoum moderates its behavior. This bill calls for a UN Security Council resolution to impose real sanctions on the Government of Sudan.

Second, we need boots on the ground. When I visited Darfur in August last year, there were only a couple hundred African Union troops on the ground. There are not more than 3,000. But this number is far from adequate to patrol a region the size of Texas. There are over 50,000 police officers in Texas, yet we are still struggling to deploy 7,000 AU soldiers in Darfur, where genocide and civil war are raging, and where transportation and communications are limited.

The AU has been effective where it is deployed and I applaud the AU's leadership on this issue. But we have to be realistic about what they are up against. They need an explicit mandate to protect civilians and they need much more support.

It also requires that, 30 days after we learn the names of those the UN has identified as having committed atrocities, the President report to Congress on whether he is sanctioning those people and the reasons for his decision.

This is not about the past. Those who have committed genocide are still

doing so. While we debate this legislation, brutal killers continue to terrorize the people of Darfur with impunity. They must be named, they must be sanctioned, and they must be brought to justice.

Fifth, we need a Special Presidential Envoy. Secretary Rice and Deputy Secretary Zoellick simply cannot devote themselves full time to this crisis.

A high-profile envoy will make sustain the pressure on the Government, get the UN Security Council to act, keep tract of what the African Union really needs to be effective and accelerate NATO involvement, and make sure that peace talks with the Darfur rebels don't drift. A Special Envoy will be able to visit all of Darfur, not just the camps that have been cleaned up for visiting VIPs. And a Special Envoy will be able to address related problems, from northern Uganda to Sudan's troubled East.

We can do all of this. We just need the political will But, that has always been the problem. From Cambodia to the Balkans to Rwanda, we failed to act or acted too late. And this time, we can't even claim not to know what is happening. We know all too well.

We can't claim that we haven't had the time to act. It's been a year since we declared the atrocities in Darfur to be genocide. We can't claim that we are not responsible. What greater responsibility can there be than to stop a genocide?

We're out of excuses, and we're out of time. I hope this bipartisan bill and its House counterpart are quickly passed. I urge my colleagues to support this bill.

By Mr. KERRY:

S. 1463. A bill to clarify that the Small Business Administration has authority to provide emergency assistance to non-farm-related small business concerns that have suffered substantial economic harm from drought; to the Committee on Small Business and Entrepreneurship.

Mr. KERRY. Mr. President, drought continues to be a serious problem for many States in this country, and I rise to re-introduce legislation to help small businesses that need disaster assistance but can't get it through the Small Business Administration's disaster loan program.

You see, the SBA doesn't treat all drought victims the same. The Agency only helps those small businesses whose income is tied to farming and agriculture. However, farmers and ranchers are not the only small business owners whose livelihoods are at risk when drought hits their communities. The impact can be just as devastating to the owners of rafting businesses, marinas, and bait and tackle shops. Sadly, these small businesses cannot get help through the SBA's disaster loan program because of something taxpayers hate about government—buraucracy.

The SBA denies these businesses access to disaster loans because its lawyers say drought is not a sudden event and therefore it is not a disaster by definition. However, contrary to the Agency's position that drought is not a disaster, in July of 2002, when this Act was originally introduced, the SBA had in effect drought disaster declarations in 36 States. As of July 2005, 11 States remain declared drought disasters and 19 States are suffering from severe to extreme drought conditions. Adding insult to injury, in those States where the Agency declares drought disaster, it limits assistance to only farm-related small businesses. Take, for instance, South Carolina. A couple of years ago that entire State had been declared a disaster by the SBA, but the Administration would not help all drought victims. Let met read to you from the declaration:

Small businesses located in all 46 counties may apply for economic injury disaster loan assistance through the SBA. These are working capital loans to help the business continue to meet its obligations until the business returns to normal conditions. . . . Only small, non-farm agriculture dependent and small agricultural cooperative are eligible to apply for assistance. Nurseries are also eligible for economic injury caused by drought conditions.

The SBA has the authority to help all small businesses hurt by drought in declared disaster areas, but the Agency won't do it. For years the Agency has been applying the law unfairly, helping some and not others, and it is out of compliance with the law. The Small Business Drought Relief Act of 2005 would force SBA to comply with existing law, restoring fairness to an unfair system, and get help to small business drought victims that need it.

Time is of the essence for drought victims, and I am hopeful that Congress will consider passing this legislation soon. This Act has been thoroughly reviewed, passing the committee of jurisdiction three times and the Senate twice, with supporters numbering up to 25, from both sides of the aisle. In addition to approval by the committee of jurisdiction, OMB approved virtually identical legislation in 2003. The bill I am introducing today includes those changes we worked out with the Administration, and I see no reason for delay.

I thank Senators SNOWE and BOND, our current and past chairs, both of whom have been supportive of this legislation each time it was introduced and passed.

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. 1463

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 as the ''Small Business Drought Relief Act of 2005''.

SEC. 2. FINDINGS.

Congress finds that—

(1) as of July 2002, when this Act was originally introduced in the 107th Congress as Senate Bill S. 2734, more than 36 States (including Massachusetts, Montana, Texas, and Nevada) had suffered from continuing drought conditions;

(2) as of July 2005, drought continues to be a serious national problem, with 19 States suffering from severe to extreme drought conditions;

(3) droughts have a negative effect on State and regional economies;

(4) many small businesses in the United States sell, distribute, market, or otherwise engage in commerce related to water and water sources, such as lakes, rivers, and streams;

(5) many small businesses in the United States suffer economic injury from drought conditions, leading to revenue losses, job layoffs, and bankruptcies;

(6) these small businesses need access to low-interest loans for business-related purposes, including paying their bills and making payroll until business returns to normal;

(7) absent a legislative change, the practice of the Small Business Administration of permitting only agriculture and agriculture-related businesses to be eligible for Federal disaster loan assistance as a result of drought conditions would likely continue;

(8) during the past several years small businesses that rely on the Great Lakes have suffered economic injury as a result of lower than average water levels, resulting from low precipitation and increased evaporation, and there are concerns that small businesses in other regions could suffer similar hardships beyond their control and that they should also be eligible for assistance; and

(9) it is necessary to amend the Small Business Act to clarify that non-farm-related small businesses that have suffered economic injury from drought are eligible to receive financial assistance through Small Business Administration Economic Injury Disaster Loans.

SEC. 3. DISASTER RELIEF FOR SMALL BUSINESS CONCERNS DAMAGED BY DROUGHT.

(a) DROUGHT DISASTER AUTHORITY.—

(1) DEFINITION OF DISASTER.—Section 3(k) of the Small Business Act (15 U.S.C. 632(k)) is amended—

(A) by inserting ''(1)'' after ''(k)''; and

(B) by adding at the end the following:

''(2) For purposes of section 7(b)(2), the term 'disaster' includes—

''(A) drought; and

''(B) below average water levels in the Great Lakes, or on any body of water in the United States that supports commerce by small business concerns.''

(2) DROUGHT DISASTER RELIEF AUTHORITY.—Section 7(b)(2) of the Small Business Act (15 U.S.C. 636(b)(2)) is amended—

(A) by inserting ''(including drought), with respect to both farm-related and non-farm-related small business concerns,'' before ''if the Administration''; and

(B) in subparagraph (B), by striking ''the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961)'' and inserting the following: ''section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961), in which case, assistance under this paragraph may be provided to farm-related and non-farm-related small business concerns, subject to the other applicable requirements of this paragraph''.

(b) LIMITATION ON LOANS.—From funds otherwise appropriated for loans under section 7(b) of the Small Business Act (15 U.S.C. 636(b)), not more than $9,000,000 may be used during each of fiscal years 2005 through 2008, to provide drought disaster loans to non-farm-related small business concerns in accordance with this Act and the amendments made by this Act.

(c) PROMPT RESPONSE TO DISASTER REQUESTS.—Section 7(b)(2)(D) of the Small Business Act (15 U.S.C. 636(b)(2)(D)) is amended by striking ''Upon receipt of such certification, the Administration may'' and inserting ''Not later than 30 days after the date of receipt of such certification by a Governor of a State, the Administration shall respond in writing to that Governor on its determination and the reasons therefore, and may''.

SEC. 4. RULEMAKING.

Not later than 45 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall promulgate final rules to carry out this Act and the amendments made by this Act.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 203—RECOGNIZING THE 75TH ANNIVERSARY OF THE ESTABLISHMENT OF THE VETERANS' ADMINISTRATION AND ACKNOWLEDGING THE ACHIEVEMENTS OF THE VETERANS' ADMINISTRATION AND THE DEPARTMENT OF VETERANS AFFAIRS

Mr. CRAIG (for himself and Mr. AKAKA) submitted the following resolution; which was considered and agreed to:

S. RES. 203

Whereas in the history of the United States more than 48,000,000 citizen-soldiers have served the United States in uniform and more than 1,000,000 have given their lives as a consequence of their duties;

Whereas as of July 21, 2005, there are more than 25,000,000 living veterans;

Whereas on March 4, 1865, President Abraham Lincoln expressed in his Second Inaugural Address the obligation of the United States ''to care for him who shall have borne the battle and for his widow and his orphan'';

Whereas on July 21, 1930, President Herbert Hoover issued an executive order creating a new agency, the Veterans' Administration, to ''consolidate and coordinate Government activities affecting war veterans'';

Whereas on October 25, 1988, President Ronald Reagan signed into law the Department of Veterans Affairs Act (Public Law 100-527; 102 Stat. 2635), effective March 15, 1989, redesignating the Veterans' Administration as the Department of Veterans Affairs and establishing it as an executive department with the mission of providing Federal benefits to veterans and their families; and

Whereas in 2005, the 230,000 employees of the Department of Veterans Affairs continue the tradition of their predecessors of caring for the veterans of the United States with dedication and compassion and upholding the high standards required of them as stewards of the gratitude of the public to those veterans: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the 75th anniversary of the establishment of the Veterans' Administration; and

(2) acknowledges the achievements of the employees of the Veterans' Administration and the Department of Veterans Affairs and commends these employees for serving the veterans of the United States.

Mr. CRAIG. Mr. President, I seek recognition today to submit a resolution recognizing the 75th anniversary of the establishment of the Veterans' Administration and acknowledging the achievements of the employees, past and present, of the Veterans' Administration and the Department of Veterans Affairs. As Chairman of the Senate Veterans' Affairs Committee, I am honored to offer public recognition of this auspicious anniversary and, more importantly, the fine work being done every day by over 230,000 VA employees.

The Veterans' Administration was created by an Executive Order signed by President Herbert Hoover on July 21, 1930, 75 years ago today. Prior to 1930, of course, Federal programs existed to assist war veterans. For example, early in the Revolutionary War, the Continental Congress created the first veterans' benefits package, which included life-long pensions for both disabled veterans and the survivors of soldiers killed in battle. Other veterans benefits—for example, ''mustering out'' pay—were also provided to veterans of the War of 1812, the Mexican War, the Civil War, the Indian wars, and the Spanish-American War, and the first educational assistance benefits for veterans were enacted as part of the Rehabilitation Act of 1919 which provided for a monthly education assistance allowance to disabled World War I veterans. But it was not until 1930—75 years ago today—that a Federal agency recognizable by today's standards was created by President Hoover.

The VA has a unique place in history having administered one of the most significant pieces of legislation ever enacted in the Nation's history, the ''Servicemen's Readjustment Act of 1944,'' better known as the ''GI Bill of Rights.'' This legislation, it is now generally recognized, revolutionized American society after World War II by providing educational opportunity to an entire generation of Americans—opportunity which otherwise would not have been available and which changed the Nation and ushered in the space age. During the period, VA's capability to provide medical care and rehabilitation services to disabled and needy veterans also grew significantly, leading ultimately to a health care system which is today recognized as a provider of ''the best care, anywhere.''

In the Nation's history, more than 48 million citizen-soldiers have worn the uniform, and more than 1 million have perished as a result of their service. More than 25 million men and women are alive today who proudly acknowledge the title ''veteran''. The Department of Veterans Affairs, as VA is designated today, exists solely for the reason articulated by President Abraham Lincoln in his Second Inaugural Address: ''. . . to care for him who shall have borne the battle and for his widow and his orphan.'' I applaud the efforts of the more than 230,000 VA employees who keep faith, every day, with President Lincoln's words. They—and we—could have no higher calling.

SENATE RESOLUTION 204—RECOGNIZING THE 75TH ANNIVERSARY OF THE AMERICAN ACADEMY OF PEDIATRICS AND SUPPORTING THE MISSION AND GOALS OF THE ORGANIZATION

Mr. DURBIN (for himself, Mr. BINGAMAN, Mr. CHAFEE, Mrs. CLINTON, Mr. DEWINE, Mr. DODD, Mr. GRASSLEY, Mr. HARKIN, Mr. INOUYE, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LEAHY, Mr. OBAMA, Mr. REED, Mr. REID, and Mr. ROCKEFELLER) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 204

Whereas 2005 marks the 75th anniversary of the American Academy of Pediatrics (referred to in this resolution as the ''Academy'');

Whereas in 1930, 35 pediatricians founded the Academy to attain optimal physical, mental, and social health and well-being for all infants, children, adolescents, and young adults;

Whereas in 2005, the Academy is the largest membership organization in the United States dedicated to child and adolescent health and well-being, with more than 60,000 primary care pediatricians, pediatric medical subspecialists, and pediatric surgical specialists belonging to its 59 chapters in the United States and 7 chapters in Canada;

Whereas, in addition to promoting good physical health, the Academy also promotes early childhood education, good mental health, reading, environmental health, safety, pediatric research, and the elimination of disparities in health care;

Whereas the Academy serves as a voice for the most vulnerable people in the United States by advocating for the needs of children with special health care needs, low-income families, victims of abuse and neglect, individuals in under-served communities, and the uninsured;

Whereas the Academy is dedicated to improving child health and well-being through numerous efforts and initiatives, including continuing medical education, the promotion of optimal standards for pediatric education, the authorship and dissemination of materials which advance its mission, and advocacy on improvements in child health;

Whereas the Academy promotes the use of evidence-based research and ''best practices'' to drive major improvements in child health and well-being, such as the use of immunizations to decrease the rates of infectious childhood diseases;

Whereas the Academy promotes the pediatric ''medical home'' as the most effective approach to guaranteeing the highest quality care for all children;

Whereas the Academy provides international leadership on child health issues, including translating child health materials into more than 40 languages;

Whereas Academy members have organized numerous child health initiatives at the State and community levels; and

Whereas, throughout its history, the Academy has been instrumental in the passage of several Federal child health laws, including poison prevention measures, the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), Federal child safety seat initiatives, the State Children's Health Insurance Program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.), universal immunization, and the Best Pharmaceuticals for Children Act (Public Law 107-109): Now, therefore, be it