Mr. KENNEDY. As a result of this vote, we would be glad to vitiate the need for the yeas and nays on this amendment and have a voice vote, if that is acceptable.

Mr. MCCONNELL. As far as I know, a voice vote is acceptable. We will vote on the Hatch alternative.

Mr. KENNEDY. Then, Mr. President, if I could just have everyone's attention for a minute, we are prepared to accept the Hatch amendment, if that is satisfactory.

Mr. MCCONNELL. We will need a rollcall vote on the Hatch amendment.

Mr. KENNEDY. Then, Mr. President, I would like to see if we could have a voice vote now on the underlying amendment.

The PRESIDING OFFICER. The question is on agreeing to the Kennedy amendment.

The majority leader is recognized.

Mr. REID. Mr. President, it would seem to me what we should do is have a vote on the underlying Hatch amendment. I do not think we need to vote on cloture. So I ask unanimous consent that we have a voice vote on the amendment that is now before the body, we vitiate the cloture motion on the Hatch amendment, and have a rollcall vote on his amendment.

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

The question is on agreeing to the Kennedy amendment.

The amendment (No. 3035) was agreed to.

Mr. KENNEDY. I move to reconsider the vote.

Mr. MENENDEZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3047

The PRESIDING OFFICER. Under the previous order, there will now be 2 minutes of debate equally divided on the Hatch amendment prior to a vote on the amendment.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we are willing to accept the Hatch amendment. It requires a study and requires some authorization for helping local communities. I would hope the amendment would be unanimously accepted. I intend to vote for it, and I would hope all the Members would vote for it. I understand we are going to order the yeas and nays now. I hope we will vote in favor of the Hatch amendment.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, with that fine concession, I yield back the remainder of my time.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 3047.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. The following Senator is necessarily absent: the Senator from Arizona (Mr. MCCAIN).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 3, as follows:

[Rollcall Vote No. 351 Leg.]

YEAS—96

Akaka	Dole	McCaskill
Alexander	Domenici	McConnell
Allard	Dorgan	Menendez
Barrasso	Durbin	Mikulski
Baucus	Ensign	Murkowski
Bayh	Enzi	Murray
Bennett	Feingold	Nelson (FL)
Biden	Feinstein	Nelson (NE)
Bingaman	Grassley	Obama
Bond	Gregg	Pryor
Boxer	Hagel	Reed
Brown	Harkin	Reid
Brownback	Hatch	Roberts
Bunning	Hutchison	Rockefeller
Burr	Inhofe	Salazar
Byrd	Inouye	Sanders
Cantwell	Isakson	Schumer
Cardin	Johnson	Sessions
Carper	Kennedy	Shelby
Casey	Kerry	Smith
Chambliss	Klobuchar	Snowe
Clinton	Kohl	Specter
Cochran	Kyl	Stabenow
Coleman	Landrieu	Stevens
Collins	Lautenberg	Sununu
Conrad	Leahy	Tester
Corker	Levin	Thune
Cornyn	Lieberman	Voinovich
Craig	Lincoln	Warner
Crapo	Lott	Webb
DeMint	Lugar	Whitehouse
Dodd	Martinez	Wyden

NAYS—3

Coburn	Graham	Vitter

NOT VOTING—1

McCain

The amendment (No. 3047) was agreed to.

CHILDREN'S HEALTH INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007

The PRESIDING OFFICER. Under the previous order, there will now be 2 minutes of debate equally divided prior to a vote on the motion to invoke cloture on the motion to concur in the House amendments to the Senate amendments to H.R. 976, the Children's Health Insurance Act of 2007.

Pending:

Reid motion to concur in the amendments of the House to the amendments of the Senate to the bill.

Reid Amendment No. 3071 (to the House amendment to Senate amendment to the text of H.R. 976), to change the enactment date.

Reid Amendment No. 3072 (to Amendment No. 3071), of a perfecting nature.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, what is the matter before the Senate?

The PRESIDING OFFICER. Each side has 1 minute of debate on the children's health insurance amendment.

Mr. REID. Mr. President, we yield back the remainder of our time.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. We yield back the remainder of our time.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order and pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to concur in the House amendments to the Senate amendments to H.R. 976, SCHIP.

Max Baucus, Ted Kennedy, Jeff Bingaman, Patty Murray, Barbara Boxer, Tom Carper, Patrick J. Leahy, Charles Schumer, Maria Cantwell, Dick Durbin, Blanche L. Lincoln, Robert P. Casey, Jr., Debbie Stabenow, Jack Reed, B.A. Mikulski, Tom Harkin, Harry Reid.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that the debate on the motion of the Senator from Nevada, Mr. REID, to concur in the House amendment to H.R. 976, the Children's Health Insurance Act of 2007, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. The following Senator is necessarily absent: the Senator from Arizona (Mr. MCCAIN).

The PRESIDING OFFICER (Mr. TESTER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 69, nays 30, as follows:

[Rollcall Vote No. 352 Leg.]

YEAS—69

Akaka	Feingold	Murray
Alexander	Feinstein	Nelson (FL)
Baucus	Grassley	Nelson (NE)
Bayh	Harkin	Obama
Biden	Hatch	Pryor
Bingaman	Hutchison	Reed
Bond	Inouye	Reid
Boxer	Johnson	Roberts
Brown	Kennedy	Rockefeller
Byrd	Kerry	Salazar
Cantwell	Klobuchar	Sanders
Cardin	Kohl	Schumer
Carper	Landrieu	Smith
Casey	Lautenberg	Snowe
Clinton	Leahy	Specter
Coleman	Levin	Stabenow
Collins	Lieberman	Stevens
Conrad	Lincoln	Sununu
Corker	Lugar	Tester
Dodd	McCaskill	Warner
Domenici	Menendez	Webb
Dorgan	Mikulski	Whitehouse
Durbin	Murkowski	Wyden

NAYS—30

Allard	Craig	Isakson
Barrasso	Crapo	Kyl
Bennett	DeMint	Lott
Brownback	Dole	Martinez
Bunning	Ensign	McConnell
Burr	Enzi	Sessions
Chambliss	Graham	Shelby
Coburn	Gregg	Thune
Cochran	Hagel	Vitter
Cornyn	Inhofe	Voinovich

NOT VOTING—1

McCain

The PRESIDING OFFICER. On this vote, the yeas are 69, the nays are 30. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

UNANIMOUS CONSENT REQUEST

Mr. ENSIGN. Mr. President, I ask unanimous consent to be recognized for 5 minutes to make a quick statement, and then I will make a unanimous consent request, to which there will be an objection on the other side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Nevada is recognized.

Mr. ENSIGN. Mr. President, let me make it clear. I support the electronic filing by Senators in the underlying bill that Senator FEINSTEIN brought forward. There is an issue I want to raise on an amendment I wish to add to the bill.

We have a problem going on in the Senate where there are anonymous outside groups who are filing ethics complaints, and they are doing it for purely political reasons. As often is the case, this can be fixed with transparency.

If someone files an ethics complaint against a Senator from the outside, then they would have to disclose their donors under my amendment. Right now in the Senate, there is no such requirement for filing a complaint. The complaints do not have to be sworn, signed, or even identified, and they can be submitted by a person or an unnamed group no one will ever know.

The complaints do not have to be submitted in a formal manner. They can be on a beverage napkin or written in crayon. However, this is not the case in the other Chamber. In the House of Representatives, they have very formal, rigorous requirements to file complaints. The complaints must be sworn to and filed by a Member of Congress. With no requirements in the Senate, the result is that people create shell organizations in order to register purely political complaints.

Some say my amendment will prevent people from filing complaints. This is simply not true. My amendment will make the complaint process transparent and similar to the FEC process. Has there ever been a shortage of complaints at the FEC?

If these complaints are being filed purely for political reasons, then we will find that out because we can see who the donors are. We need to protect this institution. We need to protect individual Senators from purely politically motivated ethics complaints that come against us.

If it is done purely for partisan reasons, we need to know that, and transparency is, once again, the best way to find that out. All I am asking is for an up-or-down vote so the Senate can decide if it wants transparency. It has been said that this bill is unrelated to the electronic filing bill. I disagree. They are both about transparency. They are both about the political process. We need to have this amendment agreed to.

I ask unanimous consent that at a time to be determined by the majority leader, in consultation with the Republican leader, the Senate proceed to Calendar No. 96, S. 223, under the following limitations: that the committee-reported amendment be agreed to, and that the only other amendment in order be an Ensign amendment related to transparency and disclosure, with 20 minutes of debate equally divided in the usual form on the bill and the amendment to run concurrently, and that following the use or yielding back of time, that the Senate proceed to vote in relation to the Ensign amendment, and that the bill, as amended, be read a third time and the Senate proceed to a vote on passage of the bill, with no intervening action or debate.

The PRESIDING OFFICER (Mrs. MCCASKILL). Is there objection?

Mr. BAUCUS. I object.

Mr. ENSIGN. Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Madam President, what is the regular order?

The PRESIDING OFFICER. The regular order is the motion to concur with the House amendments to the Senate amendments on SCHIP.

Mr. BAUCUS. Madam President, we are awaiting the arrival of the Senator from Kentucky. I do not see him yet so I will begin.

Nearly every American schoolchild knows the story told in Parson Weems' 1800 biography ''The Life of Washington.'' That is our first President. According to Weems, young George used his new hatchet to chop down his father's cherry tree. His father asked George what happened. George was tempted to make up a story, but then in Weems' famous account, young George ''bravely cried out, 'I cannot tell a lie. I did cut it with my hatchet.'''

I wish all public servants kept the same standard of truthfulness, especially in this debate. Regrettably, many of today's public servants appear all too tempted to make up a story. Many are failing to tell the truth about the Children's Health Insurance Program.

Let me set the record straight.

President Bush has said that our bill ''would result in taking a program meant to help poor children and turning it into one that covers children in households with incomes of up to $83,000 a year.'' That is what our President said. That is not true. There is nothing in the Children's Health Insurance Program bill that would change current law and allow States to cover children in families making $83,000 a year. There is nothing in the current bill that would let that happen. Nothing in current law; nothing.

On income eligibility levels, the bill maintains current law. It doesn't change current law, it maintains current law on income eligibility levels. Current law limits CHIP to the higher of 200 percent of poverty or 50 percent above the State's prior Medicaid levels. Any State that wants to increase eligibility for CHIP above those levels has to get approval from the Secretary of Health and Human Services. That is current law, and that is the law under the CHIP bill before us today. It is unchanged.

In fact, our bill actually includes new policies to discourage States from increasing eligibility for kids above 300 percent of poverty. Under our bill, States that increase eligibility above 300 percent—again, they have to get approval from HHS to get a waiver—under our bill, those States that increase eligibility, if they get a waiver granted by the Bush administration or not, would get the lower Medicaid Federal match payment for higher income children. Our bill would decrease the incentive to cover higher income children relative to current law. It decreases incentives relative to current law.

Our bill also includes new policies requiring any States covering children above 300 percent to meet a target enrollment level for covering their lowest income children below 200 percent of poverty. That is new. States that don't meet the target by 2010 risk losing all Federal reimbursement for their higher income children. So our bill has an even greater focus on low-income kids compared with current law.

Our bill will benefit low-income children. The Urban Institute found that 70 to 80 percent of children helped by our bill are low-income children with family incomes below 200 percent of poverty. Our bill is targeted to help exactly the low-income children for which we created the CHIP program in the first place. Our bill continues that mission for the next 5 years.

The administration has also said our bill would move too many children from private insurance into CHIP. Once again, that is not true. According to Congressional Budget Office Director Peter Orszag—he is the top person in the independent Congressional Budget Office. His job is to independently assess what we do. There is no partisanship at all. He said there is always some ''crowdout'' or substitution of public coverage for private coverage whenever we create a new Government subsidy to help people. It always happens to some degree.

A few years ago—this is important for everybody to remember, especially the President—when we considered the Medicare prescription drug bill, the so-called MMA, CBO then said about two-thirds of those getting the new Government help would already have private coverage. Two-thirds already had private coverage. I don't remember the administration complaining about the crowdout then, complaining about people who might leave private coverage to go to Medicare Part D.

When we enacted the CHIP program 10 years ago, the Congressional Budget Office projected there would be about a 40-percent crowdout rate, not two-thirds as the case in the Medicare Part D but about 40 percent. What happened? Our bill has a lower crowdout. It is about 40 percent lower than CBO projected would happen in the program 10 years ago.

In fact, CBO Director Orszag said this year's Senate bill, which is very similar to the final bill we are considering, was ''pretty much as efficient as you can possibly get for new dollar spent to get a reduction of roughly 4 million uninsured children.''

We went to CBO and said we want to reduce the so-called crowdout as much as we can; how do we do it. We talked back and forth. And his assessment is the final bill is ''pretty much as efficient as you can possibly get,'' lower than any other major crowdout results.

The President also said he has a better plan to help uninsured children. If he does, he is keeping it under wraps.

The President talked about both his plan to reauthorize CHIP and his plan to promote private coverage through tax credits. But independent analyses of both plans suggest that under them, American children would fare far worse.

For the Children's Health Insurance Program, the President is proposing a $5 billion increase in Federal funds over the next 5 years. That is his proposal. The President says that will be enough. The Congressional Budget Office disagrees. The analysis of the Congressional Budget Office, again, an independent analysis of the President's plans, indicates it would not even maintain coverage for children currently enrolled in CHIP today. it would not even maintain it. In fact, CBO projects that under the President's plan, 1.4 million children would actually lose coverage.

The President's tax credit plan does not do much better. The Congressional Budget Office has estimated only about 500,000 children will gain new coverage under that plan. If we take CBO's estimates for these plans together, over 5 years, there would still be a net loss coverage for a million children—a net loss coverage for a million children compared with current law.

Causing a million children to lose health insurance is not a better plan to help uninsured children—not in my book, and I don't think it is in anybody else's book either.

I am not the only one who thinks what the administration is saying is essentially not true—in fact, not at all true. Go to the Annenberg Political Fact Check, a nonprofit media accuracy organization funded by the Annenberg Political Fund. Go to their Web site: www.factcheck.org.

At the end of the day, our current President named George has a simple choice. He can bring health coverage to 3.8 million low-income uninsured children who have no insurance today or he can cut it with his hatchet, cutting coverage for at least a million children who would otherwise get the doctor visits and medicines they need through CHIP.

The right choice is to stand bravely with America's children.

I urge my colleagues to join me in making the right choice. Support the CHIP program. Call on the President to sign this important legislation.

Support the CHIP bill because the truth is our bill focuses benefits on low-income children. It is that simple. That is what the bill is, no more. The truth is, in terms of preserving private coverage, our bill is ''pretty much as efficient as you can possibly get.'' And the truth is, the administration does not have a credible alternative.

I urge my colleagues to join me in making the right choice because in the end, this bill is about helping those who can least afford health insurance now. This bill is about helping Americas parents who truly want the best for their children. And as much as some may be tempted to make up a story to say it is about something else, the truth is, this bill is about kids.

I yield to the Senator from Kansas.

Mr. ROBERTS. I asked for 20 minutes. I thought the leader was going to come down and propose a unanimous consent request to lock in time. He agreed to provide me 20 minutes.

Mr. BAUCUS. There is no time limit. We have 6 hours allocated generally to this bill. The Senator can seek recognition.

Mr. ROBERTS. Madam President, I ask to be recognized for 20 minutes.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Madam President, I rise today to express my support for the SCHIP compromise bill. I believe this agreement represents a good balance and continues the historic bipartisan support for this program.

On Tuesday, the House passed this bill with wide bipartisan support, and I expect the Senate to do the same. I also rise today, Madam President, to ask and to strongly recommend that the administration rethink the threat to veto this important legislation. Simply put, this bill should not be vetoed.

Here in Washington, we often talk about the programs that directly affect our constituents back home. The State Children's Health Insurance Program, or SCHIP is the acronym, is truly one of those programs. SCHIP has long enjoyed bipartisan support, and I am glad we have come to a strong bipartisan agreement on a program that is critical for our low-income children.

In Kansas, our SCHIP is called HealthWave, and it supports over 35,000 Kansas children. It is a critical tool for our hard-working families who would otherwise struggle to provide health care for their children. Renewing this program has been a top priority of mine for the 110th Congress. While our Kansas HealthWave Program has made great strides in providing health care to low-income children, unfortunately we still have 50,000 uninsured children in Kansas—50,000. There are 35,000 now covered by the program but 50,000 who are not covered.

Many of these children are currently eligible for SCHIP but are not enrolled because of the lack of resources in the program. We can clearly do better. The bill before us would provide the necessary resources to Kansas and other States in order to reach these low-income children and finally provide them with the health care coverage they need.

Unfortunately, instead of talking about achieving rare bipartisan progress for these hard-working families and their children, this bill and this debate has turned into a political showdown. And, unfortunately, low-income children will be the ones to ultimately pay the price.

I am very disappointed that before the administration even received the final language their minds were apparently made up, and a line was drawn in the sand opposing this compromise. Again, this was even before the final language was in their hands. And, to my knowledge, there has been little, if any, willingness to come to the negotiating table to find the solution. I think this is unfortunate, and I think this is irresponsible.

The administration is now threatening to veto this bill because of ''excessive spending'' and their belief this bill is a step toward federalization of health care. Now, I agree with those concerns. I agree with those concerns. I am not for excessive spending, and I strongly oppose the federalization of health care. And if the administration's concerns with this bill were accurate, I would support a veto. But, bluntly put, they are not.

I do not believe the bill we are debating represents irresponsible spending. Instead, this bill provides necessary funding to States to cover children who should already be covered under the program. And I know there are some who believe this bill is too expensive, but there are also others who believe this bill doesn't go far enough. Many of my friends on the other side of the aisle wanted a $50 billion to $75 billion expansion of SCHIP. Many in my caucus would have preferred a $5 billion increase. As a result, we had to try to find middle ground, and we did just that. What we are debating today is something that is often hard to come

by these days in Washington. It is called a bipartisan, bicameral compromise.

Now, the agreement provides $35 billion in new funding for SCHIP and targets the program back to its original focus—low-income children. Let me repeat that. This bill targets the program back to its original focus—low-income children. We should all understand that despite the partisan bickering and the rhetoric that has poisoned the Halls of both the House and Senate, bipartisanship and compromise are absolutely necessary to achieve—to achieve—good policy. And I know President Bush understands this. In fact, the administration has been successful in working with my friends on the other side of the aisle on many issues during these two terms to achieve good legislation. One good example is the historic tax relief we were able to achieve. Obviously, that final compromise required give and take from both sides of the aisle, and this tax relief is now putting money back into the pocketbooks of our constituents back home.

I was a conferee on the No Child Left Behind legislation and know how closely the administration and Senator KENNEDY and Congressman MILLER and others had to work to find any common ground. That bill was certainly a great testament to bipartisanship, and we are trying to fix some of the problems in that bill on a bipartisan basis.

The SCHIP bill is yet another example of hard work to come together and find common ground. Of course, I am not pleased with everything in the bill, and I know my colleagues on both sides of the aisle feel the same. However, this bill represents a good bipartisan compromise, with the ultimate goal of providing health care coverage to low-income children. The alternative that is proposed by the administration is threatening a veto and insisting upon a larger health care reform debate.

I appreciate the administration's passion and persistence on having a broader health care debate. However, holding a children's health insurance bill hostage is not the right way to achieve this goal. I support the goals of reforming the Tax Code to promote the purchase of private health insurance. Let me repeat that, Madam President. I support the goals of reforming the Tax Code to promote the purchase of private health insurance. But I have yet to see a plan from the administration that can actually pass the Congress.

In fact, I have yet to see an actual plan from the administration. I have yet to see bullet points from the administration. I have yet to see any plan that can be articulated in some fashion to sell to the American public or to the Members of this body. We don't even have an acronym for this plan. My word, you can't do anything around here without an acronym.

The administration has also raised concerns that this bill is a march toward the federalization of health care. I would argue that is simply not true. I would never support a bill to federalize health care. I remember that battle a decade ago. There is no way I want to go down that road again.

I think it is important to point out what I think is a paradox of enormous irony in regard to the claim that this bill is a step toward the federalization of health care. In reality, this administration has approved waivers—approved waivers—to cover adults under a children's health care insurance program. Let me repeat that. Under this administration's watch, we now have 14 States covering adults under the Children's Health Insurance Program.

Now, this administration and others expressed grave concern that SCHIP is the next step to universal health care. Yet this very same administration is approving waivers to cover adults under a children's health program. And, unfortunately, a number of these States are covering more adults through their SCHIP program than they do children, even while high rates of uninsured children still remain. This is not fair. This is not right. It is wrong.

I don't mean to pick on other States, but let's take a look at a few examples. New Jersey now covers individuals up to 350 percent of the Federal poverty level and spends over 40 percent of its SCHIP funds on adults. This is even while over 100,000 low-income children in the State remain uninsured. This isn't right.

Earlier this year, Congress had to pass a stopgap funding measure to plug 14 State SCHIP shortfalls. Of the 14 States that got this emergency funding, five—five—cover adults. One of these States was Illinois, which spends over 50 percent of its SCHIP funds on adults. Wisconsin covers more adults than children under SCHIP—75 percent to be exact. And the administration just approved an extension of their waiver to cover adults. Minnesota covers more adults on their SCHIP program than they do children. The same is true for Michigan, and the same is true for Arizona.

Now, I am not trying to pick on these States. I can go on and on because, again, there are currently 14 that cover adults on a program that was meant for children. And how are these States able to cover adults under the Children's Health Insurance Program? Again, through waivers approved by this administration. This is certainly not fair to States such as Kansas that have been playing by the rules and targeting our programs to low-income children. I am beginning to wonder if we have the wrong name for the State Children's Health Insurance Program. I don't think it was intended to be the adult health care insurance program.

The greatest paradox of enormous irony, however, is that this bill actually stops the waivers this administration has been so generously granting to States to cover adults by not allowing more adult waivers to be approved. Let me say that again. The greatest paradox of enormous irony is that this bill actually stops the waivers this administration has been so generously granting the States to cover adults by not allowing more adult waivers to be approved. This means future administrations that may want to use SCHIP as a means to expand government health care to adults will be prevented by law from doing so. As a result, this bill ensures that the Children's Health Insurance Program remains just that—a program for low-income children.

This bill also phases out childless adults currently being covered with SCHIP funds and lowers the Federal matching rate for States that currently have waivers to cover parents and now must meet certain benchmarks in covering low-income children. As a result, this bill brings excessive spending on adult populations in check.

The Congressional Budget Office has estimated that spending on adults would be over $1 billion higher under current law over the next 5 years than it would be under this compromise. This bill is more fiscally responsible than the administration's approach or an extension of this program by $1 billion.

Most importantly, this bill ensures that we are putting kids first and returns the program to its original purpose—providing health care coverage to low-income children.

Now, on the income eligibility front, the administration unfortunately is claiming this bill does things that the bill simply does not do. It is sort of an ''SCHIP In Wonderland.'' For example, the President claimed in a speech last week that this bill expands SCHIP coverage to families making over $80,000 a year.

I just have to ask the speech writer for the President, are you reading the same bill I am reading? Are you reading the same bill that we are discussing on the floor of the Senate? You can twist the facts, but facts are stubborn things, Madam President.

In fact, this bill reduces the matching payment incentives that States have had for so long to cover individuals at higher income levels. In addition, by the year 2010, this bill—this bill—denies Federal matching payments to States that cover children above 300 percent of the poverty level if the State cannot meet a certain target in covering low-income children in either public or private insurance plans. And let me emphasize private insurance plans.

I think it is important to remind the administration that a State can only cover children above 200 percent of the poverty level if the administration approves the State's application or waiver. I repeat: A State can only cover children above 200 percent of the poverty level if the administration or any administration approves that State's application or waiver. This is current law and this bill does not change that.

More importantly, this bill actually provides incentives and bonus payments for States to cover children under 200 percent of the poverty level in order to truly put the focus of this program back on low-income children.

The bill also addresses the importance of including the private market in the SCHIP program. Let me repeat that for all those who want a private approach in regard to private markets, in regard to insurance: The bill addresses the importance of including the private market in the SCHIP program. In fact, the American Health Insurance Plans, also known as AHIP—that is their acronym—on Monday announced their support for this compromise bill. AHIP is the national trade organization which represents over 1,300 private health insurance companies.

The compromise makes it easier for States to provide premium assistance for children to get health care coverage through the private market—that is the goal of the administration and that should be our goal as well—rather than relying on SCHIP. That is in this bill. This is an important choice for families who would prefer a private choice in health care.

This bill also requires the GAO and the Institute of Medicine to produce analyses in the most accurate and reliable way to measure the rate of public and private insurance coverage and on best practices for States in addressing the issue of something called ''crowdout.'' That means children switching from private health insurance to SCHIP. So we have a study to determine exactly how we fix that.

In the ultimate paradox of enormous irony, it seems the administration is threatening to veto a bill which does exactly what they want us to do in focusing SCHIP on low-income children and making sure the program does not become the vehicle for universal health care.

This bill gets adults off the program. It targets it to low-income children. It ensures appropriate steps are taken to discourage crowdout and it encourages private market participation.

I am proud to support this important bill, and I hope those who have concerns can instead focus on the positive benefits this bill will bring our low-income children and their hard-working families. I especially thank our chairman, Chairman BAUCUS, Ranking Member GRASSLEY, Senator HATCH, all of our House colleagues for their tireless work on getting this bill together.

At the start of these negotiations I made a commitment to work with my colleagues to find a bipartisan solution to renew this important program. I am holding to that commitment today and am pleased to support this bill.

I also state to the administration I will lend my support to override the President's veto if he chooses to wield his veto pen. However, I hope—I hope—I hope the President heeds our advice and makes the right decision for our children by signing this bill into law.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. I ask unanimous consent that following the cloture vote on the motion to concur in the House amendments to the Senate amendments to H.R. 976, there be 6 hours 10 minutes for debate with respect to that motion and that the time so far consumed, frankly, be taken out of that total time; the time divided and controlled as follows: 2 hours under the control of Senator BAUCUS or his designee, and 4 hours 10 minutes under the control of Senator GRASSLEY or his designee; that upon the use or yielding back of time, the matter be temporarily set aside and the Senate then proceed to the consideration of H.J. Res. 43, the debt limit increase; that be 90 minutes of debate equally divided and controlled between the leaders or their designees, with no amendment in order; and upon the use or yielding back of time, the joint resolution be read a third time and set aside; and that the Senate then resume the message on H.R. 976; that the motion to concur with amendments be withdrawn, and without further intervening action or debate, the Senate proceed to vote on the motion to concur; that upon disposition of H.R. 976, the Senate resume H.J. Res. 43 and vote on passage of the joint resolution, without intervening action; and that upon the conclusion of that vote, the motion to reconsider be considered made and laid upon the table, and the Senate then proceed to H.J. Res. 52, the continuing resolution; that no amendments be in order, the joint resolution be read a third time, and the Senate, without intervening action or debate, proceed to vote on passage of the joint resolution; that upon passage, the motion to reconsider be considered made and laid upon the table; that after the first vote in this sequence, the vote time be limited to 10 minutes.

I also ask consent that the ''without intervening action or debate'' be stricken.

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. Reserving the right to object, and I am not going to object, I wish further to lock in the time to each Senator on my side within the Republican time designated in the consent agreement the distinguished chairman of the Finance Committee has just propounded, as follows: Senator DEMINT, 10 minutes; Senator BUNNING, 15 minutes; Senator LOTT, 10 minutes; Senator GRASSLEY, 45 minutes—it is my understanding the Roberts time under the consent agreement would already be counted. I will leave that out—Senator HATCH, 30 minutes; Senator VITTER, 10 minutes; Senator COBURN, 15 minutes; Senator CORKER, 10 minutes; Senator SMITH, 10 minutes; Senator SNOWE, 15 minutes; Senator MURKOWSKI, 15 minutes; Senator BURR, 10 minutes; Senator THUNE, 10; and Senator CORNYN, 10.

The PRESIDING OFFICER. Is there objection to the request as modified?

Mr. BAUCUS. I ask the distinguished Senator from Kentucky, I assume that is all within the time allocated.

Mr. MCCONNELL. I confidently assure my friend that is my desire and I think I expressed that to the Chair.

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

The minority leader is recognized.

Mr. MCCONNELL. Madam President, I am going to proceed in my leader time to speak on the SCHIP bill.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. MCCONNELL. Madam President, 10 years ago a Republican Congress created a program that had a worthy and straightforward goal: health insurance for kids whose parents made too little to afford private coverage but too much to qualify for Government help. Millions of children were caught between rich and poor, we wanted to help, and thanks to the State Children's Health Insurance Program, we did.

The program has been a success. Since SCHIP's creation, the uninsured rate for children in families earning between about $20,000 and $40,000 a year has dropped by 25 percent. Last year it covered more than 6½ million kids. Today the number of uninsured children within the income group we originally targeted is down to about one million nationwide.

Republicans were ready to finish the good work we started with SCHIP, and we approached its reauthorization this year as an opportunity to do just that, to reach out to the kids in our original target area who should be covered by SCHIP but weren't.

Meanwhile, our friends on the other side had another idea: following the lead of a number of State Governors, they decided to expand SCHIP beyond its original mandate and bring us down the path of Government-run healthcare for everyone.

These Governors started with adults and children from middle and upper middle-income families. Taking SCHIP funds that were originally meant for children from poor families, they spent it on these other populations instead. Then they turned around and said they didn't have enough money to cover the poor children in their States. Which is absurd. This is a capped entitlement. The dollar amount is fixed. If you are spending it on adults, you have already decided not to spend it on the children who need it most. And that is wrong.

New Jersey, under the leadership of one of our former Senate colleagues, helped lead the way. Rejecting a rule that limits SCHIP funds to the poor children, New Jersey now uses SCHIP for adults, and for children in families that earn as much as $72,275 a year.

For millions of hard-working Americans who have to pay for their insurance, it doesn't seem right that they should have to subsidize the families in New Jersey who can and should be paying for their own. And a lot of poor

families in New Jersey are also right to wonder why Trenton is suddenly enrolling middle-class families for SCHIP when their kids still lack coverage—about 120,000 of them by one count.

This is the kind of SCHIP expansion that Democrats want in all 50 States. They want to continue to expand it, pulling more and more middle-income children and adults off the private market and onto public coverage, driving private insurance costs up, driving the overall quality of health care down.

Not every State is abusing the rules. Kentucky runs its version of SCHIP, KCHIP, in a financially responsible way. We even have money left over from years past. But under the Democrats' reauthorization plan, Washington would take those extra funds and send them to States like New York and New Jersey that spend more than they get. As a result, even the expanded SCHIP program would leave Kentuckians with less SCHIP funding in the coming fiscal year.

Kentuckians don't want the money they have targeted for poor children going to adults and middle-class families in other states that can afford insurance on its own. KCHIP's money goes where it should be going: to low-income kids who need it most.

Right now, KCHIP serves about 50,000 kids in Kentucky, but there are a lot more who could be covered and aren't. We need to focus on them before expanding SCHIP program to new populations. And the Republican proposal I cosponsored with the other Republican leaders would do just that.

Until this year, SCHIP had been a bipartisan program and a bipartisan success. But in yet another sign that no good deed goes unpoliticized by Democrats in the 110th Congress, our Democratic friends accuse Republicans who want to reauthorize SCHIP of shortchanging it, of shortchanging children. Which is also absurd. We want to improve the program we have got, not expand it into areas it was never meant to go.

Of course some of the news organizations are running with the story. They seem to have forgotten that basic rule of politics that anytime somebody accuses you of opposing children they've either run out of arguments or they are trying to distract you from what they are really up to. And what our friends on the others side are up to is clear: they have taken SCHIP hostage, and what they want in exchange is Republican support for Government-run healthcare courtesy of Washington.

They tried that about 15 years ago, the American people loudly rejected it when they realized it would nationalize about a seventh of the economy, and they don't like Government health care any better now.

The first priority for Senate Republicans is reauthorizing SCHIP for the kids who need it. And we have demonstrated that commitment. Early last month, the Republican leadership proposed the Kids First Act, which allocates new funds for outreach and enrollment so SCHIP can reach 1.3 million more children than it already does. Our bill also pays for this outreach, without gimmicks and without raising taxes.

When Democrats rejected Kids First, Republicans introduced a bill to extend the current program to cover kids at risk of losing coverage until the debate over its future is resolved. While our friends on the other side were issuing press releases and playing politics, Republicans were looking for ways to make sure SCHIP funds didn't run out.

When this bill is vetoed, no one should feign surprise. They have known since July the President would veto any proposal that shifted SCHIP's original purpose of targeting health care dollars to low-income children who need them most.

Our Democratic colleagues have no excuse for bringing us to this point. But then again, this is the game they have played all year: neglect the real business of Government in favor of the political shot. Dozens of votes on Iraq that everyone knows won't lead to a change in policy. Three hundred investigations into the executive branch. And what is the result? We have less than 100 hours left in the current fiscal year, and Democrats haven't sent a single appropriations bill to the President's desk. This ought to put the 110th Congress into the Do-Nothing Hall of Fame.

Less than 100 hours before a health insurance program for poor children expires, and Democrats are counting down the hours so they can tee up the election ads saying Republicans don't like kids. Meanwhile, they are using SCHIP as a Trojan horse to sneak Government-run health care into the States.

This isn't just a Republican hunch. According to the nonpartisan Congressional Budget Office, families that have private insurance are switching over to SCHIP in States that allow it. The junior Senator from New York has proposed a plan that would raise the eligibility rate to families of four that earn $82,600 a year—this, despite the fact that roughly nine out of ten children in these families have private health insurance already.

But of course that is not the point. The point is pursuit of a nationalized Government-run health care controlled by a Washington bureaucracy. Some Democrats have admitted what this is all about. The chairman of the Finance Committee recently put it this way: ''We're the only country in the industrialized world that does not have universal coverage,'' he said. ''I think the Children's Health Insurance Program is another step to move toward universal coverage.''

While Democrats are busy looking for ways to shift this program away from its original target, the deadline for reauthorization looms. Republicans have made this reauthorization a top priority. If Democrats want to expand Government-run health care, they should do it in the light of day, without seeking cover under a bill that was meant for poor children, and without the politics. Republicans can take the shots. But the poor kids who we were originally trying to help shouldn't be caught in the middle.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Madam President, I have a couple of points. I don't want to prolong the debate. My good friend from Kentucky made a couple points I wish to clarify.

I did say I think our country should move toward universal health coverage. I think we should. In fact, our President, President Bush, has said the same thing. He said we should have universal coverage of health care in America. I think most Americans think we should have universal coverage. What does that mean? That means everyone should have health insurance. I did not say and do not mean we should have a single-payer system like Canada. I think we should have universal coverage with an appropriate mix of public and private coverage so that every American has coverage.

So I think for the Senator from Kentucky to make a charge that we are for universal coverage, I am, as is our President. Most Americans want universal coverage. My point is, what form and what way?

I think it is important to remember one thing. What does this CHIP bill do compared to current law? The charge is that it expands eligibility, it goes to upper income kids, and so on and so forth, it is another step in Government health care. That is the charge.

That is not the fact. This bill is more restrictive than current law—more restrictive than current law. Essentially, eligibility is, under current law, determined by States and the Federal Government. States determine eligibility—that is current law—and the administration either does or does not grant a waiver. This Republican administration has granted several waivers. In fact, one was to the Republican Governor of New Jersey, Christine Todd Whitman, when a major waiver was granted. So this bill does not change current law. Basically, it provides and uses the purse to discourage States from going to higher coverage by lowering the match rate. Nothing in this bill expands eligibility—nothing. So the charge that this is increasing eligibility to people other than children is just not accurate.

Madam President, I yield the floor.

I see the Senator from West Virginia is seeking recognition.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. I thank the chairman of the Finance Committee. I am very happy that the chairman of the Finance Committee made the comments he just did because I was absolutely bowled over by the comments

which preceded him from the other side of the aisle. It is sort of basic when you say the word ''universal.'' It means everybody, but it does not necessarily mean it has to be run by the Federal Government, and anybody who makes that kind of an error is either really playing politics or really needs to go to grad school.

In any event, this program is totally optional. And there is nothing about it which—in fact, several of the previous speakers said that States could do this and States could do that, but on the other hand it was all Government run, so therefore how could the States do it on their own? It is sort of a sad argument.

Several months ago, four Senators—two Republicans and two Democrats—stood in a room, shook hands, and made a promise to each other. It was a wonderful moment. It was a wonderful moment. We vowed not only to reauthorize the Children's Health Insurance Program for millions of kids who rely on it for basic medical care but also to reach out to millions more children. Today, these many months later, we are one step closer to making the promise into a reality for nearly 10 million children. I am very proud to be working with those Senators, grandfathers and fathers themselves, Senators BAUCUS, GRASSLEY, HATCH, and others, and what they have accomplished in the Senate on the CHIP bill.

The legislation before us today is the result of months of some of the most bipartisan working by both the Senators and the staff of the Senators that I have ever seen. It went on for months, night and day. Every day, the four Senators involved in this met for 2 hours so that we could work out differences and make sure it was bipartisan, and I am so happy to say that it is.

Many Members of the House and Senate had hoped for something different in this bill. Obviously, some wanted more, some wanted less. Some wanted to simply reauthorize the status quo, some wanted to even decrease the children's health insurance funding, and others wanted to add benefits. That is not necessarily evil. Because you did something 10 years ago does not mean it has to stand written in stone forever, such as eye exams. Some wanted to restore coverage to the children of legal immigrants. Some wanted to increase funding to $50 billion.

Individually, we all believed what we proposed was the right thing to do, but ultimately we did not do those things because we compromised because we were determined to be bipartisan and we wanted this bill to pass for the sake of 10 million children. So the promise of the handshake brought us back to the table each and every time and to the common ground we walk today.

Each of us knows the statistics in our own State. I am proud that nearly 40,000 West Virginians were enrolled in our Children's Health Insurance Program last year. These kids can see a doctor when they get sick, they can receive necessary immunizations, and they can get preventive screenings. In fact, at the very beginning, it was very hard to get preventive screenings. Now they can. They will be able to, so they can get a healthy start in life because of this important program. The passage of this bill means thousands more of West Virginia's children will have affordable and stable health insurance, including access to basic care.

A personal comment. This is all incredibly important to me. Four decades ago, or more, I came to West Virginia as a VISTA volunteer. I did not plan to stay; went to a community where nobody had any health insurance, any job, any water, any sewer, any schoolbus. That was an experience which turned me around, gave meaning to my life. It was a small mining community in southern West Virginia where I learned just exactly how important health care can be in the lives of people who work hard every day to raise a family and to do right by their children and how painful it is when they don't have it. That experience has had a profound influence on me, has influenced me every day of my public service career since.

Providing children, especially those who are in the grips of poverty, with health care is moral. It is a moral obligation. It speaks to our deepest humanity and to the better angels of our Nation's character. It was a promise that got started, in fact, with the recommendations of the National Commission on Children, which I was proud to chair and have since worked to implement its recommendations, many of which, including the earned-income tax credit and others, are in effect.

It was, as some remember, a very different time in 1997 when this CHIP program was begun. A decade ago when the debates on CHIP took place, there was a genuine frustration that we could not solve broader problems plaguing America's health care system. We were, in fact, the wisdom was, at the breaking point. That is when a bipartisan group of equally committed Senators at that time were in the finance executive room with no staff and worked long into the morning to develop a CHIP program. It was one of the most glorious moments I can remember. People who had never spoken about children suddenly rose, because we were all by ourselves around a table, and spoke about the importance of doing health insurance for children. It was moving. Some people actually stood as they spoke. We were all around a table and there was no need to stand, but their feelings were so deep and they poured forth because there we were, by ourselves, with our consciences, with the future of children in our hands. We knew we could not solve the entire problem, but we committed to trying to do our best by putting children first. The time has come for Congress once again to put our children first, and the bill before us today does exactly that.

So having said what it exactly does, I want to say what it exactly does not do, this bill.

To start with, we keep our promise that all those currently enrolled will keep their health insurance by investing $35 billion over the next 5 years.

We give States the resources to reach out and enroll millions more kids, which, in fact, sounds very easy, but in rural areas—and I think, of course, of Appalachia—it is a very hard thing to do where, in fact, many parents of children, and therefore the children themselves, are scared of health care, scared of doctors, scared of clinics, scared of hospitals, and want to stay as far away from health care as possible. So it is a very difficult thing to get them to join, but we are determined to do that.

We have included, yes, expanded access to dentists and mental health counselors. All of the history of health care shows those things are incredibly important for children. In fact, even as baby teeth come in, they determine what mature teeth will be, and if you do not tend to them early, the children are in for terrible problems. I have seen so much of that.

We have made it easier for States to identify those children who are eligible but not enrolled in CHIP by reviewing food stamp records, school lunch programs, WIC programs, and all kinds of things that States will decide to do, every State being different, parts of States being different. So there are people—the Governors and those running these programs as they do, not the Federal Government, but the Governors of the States will decide how to do this.

We have maintained the unique public-private partnership that has been the hallmark of the CHIP program which has been universally recognized as the most cost-effective and efficient way of reaching all those children who desperately need access to something sacred called basic medical care.

Most importantly, we have preserved the State flexibility, so the program fits the needs in every State—different in one State as opposed to another.

Now, let me be equally clear about what the bill does not do. It does not raise eligibility limits to families making $83,000 dollars a year. It simply does not do that. I challenge anybody to come on the floor and say otherwise. Our bill does not encourage people to give up private insurance to enroll in CHIP. It does not do that. It does not unfairly raise taxes on the poor and middle class to pay for CHIP. In fact, throughout, both looking backward and looking forward to the passage of this bill and hopefully the signing of this bill, 91 percent of all the children who are covered by the Children's Health Insurance Program will be at 200 percent of poverty or below. That is not wealth. They go out in the private market, and in some places it can be $12,000 dollars, and in others, $9,000. Families cannot afford that. This bill is incredibly important to them.

This bill does not cover illegal immigrants. It does not expand coverage to adults. In fact, it cuts adults off the program over the next several years. It does not turn CHIP into some massive Government-run health care program. The President knows this. He should know this. He is a former Governor. And he has spoken about this favorably. So he should understand this.

So what is the President's plan for children's health care? For starters, provide a bare minimum of Federal funding to keep CHIP on life support and at the same time throw 1.6 million kids currently in the program out of the program. And what is his answer to those kids and the 721,000 who joined the ranks of the uninsured last year? Go to the emergency room. That is the worst increase of health care known in this country. So sit for hours to see a doctor, only to be prescribed medicine that your parents cannot afford. It is not American. That is not American.

Adding to the Nation's growing health care crisis is not a solution. If anything, it would lead to the one thing the President is accusing us of: shifting the burden of paying for health care to taxpayers. We do not do that.

Threatening to veto our bill is a mistake. The majority of Americans believe we need to live up to our obligations to provide children with health care.

How many people wandering around the streets of Washington or any other place in this country would ask: Don't you agree with me that children shouldn't have health care, children who can't afford it, that only the rich should have it? You wouldn't get any takers on that. People care about children. They know they are the future. They want them to have health care. So it is a moral obligation for our children, and the President is squarely on the wrong side of the issue.

All of us here, I know, will do the right thing by our Nation's children. I sincerely hope the President will look deep into his heart and do the same.

I yield the floor and thank the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. Madam President, I rise today to voice my strong support for the reauthorization of the State Children's Health Insurance Program. I want to extend my heartfelt congratulations to Chairman BAUCUS and Ranking Member GRASSLEY as well as to the chairman and ranking member of the Health Subcommittee, Senators ROCKEFELLER and HATCH, for their vital and resolute spirit of bipartisan cooperation and tireless perseverance in crafting an agreement with House negotiators that will maintain health insurance coverage for 6 million children and reach nearly four million more. Their work demonstrates what we can accomplish when we set aside philosophical differences in order to do the right thing for children and their families. I am pleased that we reached a veto-proof majority with the previous cloture vote, which shows strong support for extending and building upon this landmark legislation.

As we all know, the problem of the uninsured touches communities all across our country. Thankfully, we have made tremendous strides in dramatically lowering the number of uninsured children through SCHIP which, time and again, has proved to be both a successful program and a saving grace for millions of American families who otherwise simply could not afford to pay for their children's health care. The stakes could not be more monumental. The quality of the health care that one receives as a child can have dramatic implications later in life. And there is not a family in America who does not want to provide the most comprehensive health coverage possible for its children.

While some may mistakenly characterize SCHIP coverage as a welfare benefit, what they may not realize is that nearly 90 percent of uninsured children come from families where at least one parent is working. Today, fewer than half of parents in families earning less than $40,000 a year are offered health insurance through their employer—a 9 percent drop since 1997. And for many working families struggling to obtain health care, if benefits are even accessible to them, the costs continue to rise, moving further out of their reach. In my own State of Maine, a family of four can expect to pay $24,000 on the individual market for its coverage. For most families, taking this path is unrealistic and unworkable, especially when factoring the cost of mortgages, heating bills, and myriad other financial pressures.

That is why I am pleased that the compromise provides a significant increase in federal commitment into the SCHIP program. With lives literally hanging in the balance, we ought to be building on what works. As we move to reauthorize the SCHIP program, states not only require sufficient Federal funding to ensure that children currently enrolled in SCHIP do not lose coverage and become uninsured, they also require additional funding to enroll more uninsured children—particularly the 11,000 children in Maine who are eligible but unenrolled.

I am particularly heartened that the House and Senate negotiators recognized that dental care is not a ''luxury'' benefit—but one that is paramount to the healthy development of children. A guaranteed dental benefit was included in S. 1224, the Children's Health Insurance Program Reauthorization Act, legislation I introduced with Senator ROCKEFELLER in April.

In addition, as members of the Finance Committee, Senator JEFF BINGAMAN and I sought to improve the quality of dental care through the provision of an assured dental benefit for all SCHIP-covered children during the committee process. Chairman BAUCUS was instrumental in the inclusion of a $200 million dental grant program as a first step towards meeting our goal during the Finance Committee process. And I am pleased that we were ultimately able to see such a strong dental benefit in the package we are considering today.

Most dental disease is preventable with proper care up front, but when a parent cannot access routine care for a child, taking that child to the emergency room is often their only recourse. Yet that option costs at least four times as much as seeing a dentist. Plus, the health care a child receives in the emergency room does not even resolve the underlying problem—they generally provide only pain relief and antibiotics for infection. The bill before us today provides States the choice to either provide a dental benefit as contained in the SCHIP statute or choose among three other coverage options—dental coverage equivalent to the coverage offered by the Federal Employee Health Benefit Plan, FEHBP, dental option—the largest dental plan in the State—or the State employees dental plan with the largest enrollment of children.

The compromise package also replaces the policy announced by the Centers for Medicare and Medicaid Services last month that would essentially prevent state SCHIP programs from enrolling uninsured children from families with household incomes above 250 percent of the federal poverty level. To put this into better perspective, 250 percent of the federal poverty level for a family of four is $51,625. As I illustrated before, families in Maine faced with purchasing a policy on the individual market could face a cost well in excess of $24,000 a year. If States such as mine were prevented from expanding eligibility over 250 percent of poverty, families with a clear, demonstrable need could be shut out.

Families could potentially spend nearly half their income on health coverage yet still not qualify for assistance. That's why 2 weeks ago, Senators KENNEDY, SMITH, ROCKEFELLER, and I introduced legislation to nullify these new restrictions. This compromise will rightfully block efforts to impose onerous and unreasonable restrictions on the States' efforts to reach every child requiring assistance—while at the same time making sure States with more generous income-eligibility levels are meeting their commitment to lower income children.

I also want to speak briefly about the offset contained in this bill. Though some may vigorously disagree, I find that an increase in the tobacco tax is an appropriate avenue to help finance health coverage for low-income children. The health complications caused by smoking—for instance, the increased risk of lung cancer and heart disease as well as the clear relationship between the number of cigarettes smoked during pregnancy and low birth weight babies—could not be more evident. It is clear to me that investing in children's health, while at the same

time discouraging children from starting to smoke in the first place, is the best form of cost-effective, preventative medicine.

Regrettably, this week we will hear a litany of reasons why we shouldn't cover more children through SCHIP. Some will express concerns about the size and cost of the package. I would respond that it should inject a dose of reality on the magnitude of the problem. States have responded to the call of families who are struggling every day with the cost of health insurance and are assuming a tremendous burden in the absence of Federal action.

In addition, we should bear in mind that this bill is $15 billion below the amount we provided for in the budget resolution. Again, this bill is the product of compromise. Some of us wanted to go further. Senator ROCKEFELLER and I introduced legislation to reauthorize the program at the full $50 billion—a bill that garnered 22 bipartisan cosponsors.

Although there were compromises made along the way on various policy positions, one point is not up for discussion—simply maintaining the status quo of current levels of coverage is unacceptable. And while the Congress and the White House argue over philosophical differences, children are either going without coverage, or their parents are financing their care on credit cards, hoping they can stay on top of their debt.

We are the wealthiest Nation on earth, and if we are unable to provide health insurance and medical care to our young people, then what does that say about our values? Some of my colleagues will contend that the SCHIP reauthorization we are considering is the first step toward government-run health care and that we will substitute public coverage for private insurance. The fact is that this SCHIP program came into being ten years ago. We haven't seen that evolve from the SCHIP program. We didn't see it materializing into a government-run health care program, as many have alleged here today. It absolutely hasn't happened. What we did was identify a need and address it in a bipartisan manner.

These claims ignore the fact that today, 73 percent of the children enrolled in Medicaid received most or all of their health care services through a managed care plan. In fact, America's Health Insurance Plans, AHIP, a national association representing nearly 1,300 member companies, has recently endorsed this legislation, stating ''it repairs the safety net and is a major movement toward addressing the problems that States and Governors have been trying to address, which is how to get access for children.'' The bill also helps shore up employer-based coverage by granting states the option to subsidize employer-sponsored group health coverage for families that find the coverage beyond their financial means.

Some have argued that SCHIP should reduce coverage for adults, especially childless adults. While I believe that coverage for adults can have a clear benefit for children, both in terms of enrollment of children as well as the simple fact that health problems for a working parent can lead to economic insecurity for the family, this approach represents an area where we had to compromise. But I find it contradictory that the administration, which has been so vocal in its opposition to the cost and scope of the compromise package, granted the majority of the 14 adult coverage waivers granted over the past ten years and renewed a waiver for adult coverage in May!

Some will argue that reauthorization should be attached to a larger initiative on the uninsured. We must acknowledge forthrightly that working families are having a difficult, if not wrenching, time finding affordable, meaningful coverage—coverage not just in name only. Access to affordable, quality health care is the No. 1 one domestic priority of Americans, and the public will hold us all—Republicans and Democrats alike—accountable on delivering that goal. That is why I have been engaged with my colleagues in an effort to address the critical issues of extending coverage, reducing costs, and revolutionizing care delivery. But while I agree with many of my colleagues that legislative action to solve the problem of the uninsured is long-overdue, children should not be kept waiting. We cannot defer the urgency of providing health insurance for our children while we continue to procrastinate on the issue of the uninsured.

Frankly, I am outraged by the news that the President is considering a veto of this legislation. I believe this seriously misjudges the genuine concern Americans have about access to care, particularly for children. In a March New York Times/CBS News poll, 84 percent of those polled said they supported expanding SCHIP to cover all uninsured children. A similar majority said they thought the lack of health insurance for many children was a ''very serious'' problem for the country.

SCHIP has been the most significant achievement of the Congress over the past decade in legislative efforts to assure access to affordable health coverage to every American. Today, as we consider this reauthorization, we must not undermine the demonstrated success of this program over the past decade. Compromise on both sides of the aisle helped us create this program ten years ago and hopefully a renewed sense bipartisan commitment will help us successfully reauthorize this vital program.

I would strongly encourage the President to reconsider his short-sighted veto threat and work hand-in-hand with Congress to extend health insurance to countless, deserving children. I urge my colleagues to support this legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON of Florida. Madam President, on behalf of Senator BAUCUS, I yield myself 10 minutes.

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

Mr. NELSON of Florida. Madam President, this Children's Health Insurance Program is universally acknowledged as having reduced the number of uninsured children in America. As the Senator from Maine has just said, we can be very proud we have seen a landmark compromise between Republicans and Democrats. With the talks going on between the House and the Senate, this compromise legislation is going to allow us to continue coverage for millions of low-income children and to expand the coverage to millions more.

It is so popular because if we can attack poor health at a child's age, ultimately, not only is it going to benefit the quality of life of that individual, but it is going to be less of a cost to society in the long run, if you can get at their root problems of health while they are young. This is a simple economic fact, preventive health care.

In my previous life as the elected State treasurer and insurance commissioner in Florida, I chaired the board of directors of the Healthy Kids Corporation. It was Florida's pioneering effort to insure low-income children well before this Children's Health Insurance Program started at the Federal level. We did it through the schools. We had tremendous success. It works.

So there is a collective sigh of disappointment that the President is going to refuse to accept this compromise, which is what reflects the general will, as expressed by that tremendous vote we just had a few minutes ago, allowing the bill to continue to go forward in this legislative process. The President's looming veto threat calls into sharp relief all of those who stand to lose in the absence of fully reauthorizing and expanding this CHIP program.

Think back 10 years ago and what has happened since. The number of uninsured adults has increased, while the rate of low-income, uninsured children has decreased, and decreased not by a little but by a third largely due to this program we are going to pass today.

These children have been afforded better access to primary and preventive care and a better quality of care. This reauthorization is going to provide $35 billion of additional funding over the next 5 years.

Now, of course, that is a bone of contention for some people. If you are going out and finding $35 billion extra to fund something—at a time there is not that money out there, particularly when we are going to have a supplemental request for Iraq of some $200 billion—under that circumstance, that context, where are you going to get 35 billion new dollars over 5 years to fund a program such as this? The tobacco tax.

There are those who do not want to tax tobacco. But where else would you

like to get it? You cannot make it up. You cannot go and print the money. You have to get it from some legitimate place. This is the place that can withstand that additional tax. So there will be some who will vote against this program because they do not want to tax tobacco. Well, let their record be clear why they oppose this popular program.

The added investment in children's health is not only necessary, it is fruitful. It is common sense. Healthy children are more likely to stay healthy as they move into adulthood. Certainly, if they are healthy, they are going to have more productive lives. On top of all this, don't we have a moral imperative to ensure that children, regardless of their parents' income, are able to have a healthy life?

I think that is what makes up our moral fiber, our fabric, all of our teachings, our traditions. Our values say we want to have health care for children regardless of their parents' ability to pay.

The President has argued that this expansion is going to take the CHIP program beyond its original intent of just helping poor children. Some people say it is going to be helping adults. Do I think that pregnant women—pregnant adult women—ought to be helped? I would think common sense would say yes.

I believe this program would deepen and expand that initial promise which is helping those American families that struggle with those health care costs that are rising much faster than their wages.

Can you imagine being a parent and watching your child have a health problem and you cannot do anything about it because you do not have the financial means to take away the pain of that health problem of your own child? Parents would get out and scrap and scrape, they would dig ditches, they would clean latrines, they would do anything for their child. But, sadly, because of the low income of some families, those children do not have that health care. Well, we can address that and correct that today.

The President has also said this expansion is going to bring us down a path toward the federalization of health care. Well, that is simply not so. There is wide latitude in this law to give that latitude to the States. I believe, simply, children are too precious to be held hostage to an ideological debate. This program is more important than the rhetoric about government-run health care.

By virtue of me telling you my background, obviously, this bill is very important for my State of Florida, where over 700,000 children alone are uninsured. This legislation is the best opportunity to expand that coverage to a significant portion of those 700,000 children and certainly across the land to millions of children.

We have seen the success. We are aware of how many more children need to participate. I humbly urge the President to reconsider his veto threat. It is rare we have a chance to pass legislation that is so overwhelmingly positive, so completely necessary, and so morally unquestionable.

I am certainly going to cast my vote in favor. I hope a resounding percentage of this Senate will do likewise so we can send a very strong message of support.

I yield the floor.

The PRESIDING OFFICER (Mr. SALAZAR). The Senator from Ohio.

Mr. BROWN. Mr. President, I would like to follow on the comments of my colleague from Florida, Senator NELSON, in support of the Children's Health Insurance Program bill.

This week, the House of Representatives passed the bill overwhelmingly, 265 to 159. Of my 18 Ohio House colleagues, about two-thirds of them voted for this bill. It is clearly something we know works in my State.

The Children's Health Insurance Program was passed 10 years ago in the House of Representatives and the Senate. It was established. President Clinton, a Democrat, with a Republican House and a Republican Senate, supported that issue, and it has clearly worked.

We have some 6 million children in this country now who benefit from the Children's Health Insurance Program. In my State, it is around 200,000 children. We also know this legislation will mean about 4 million more children in the United States will benefit from this health care program.

These are sons and daughters of working families. These are not people living in the lap of luxury. They are families making $20,000, $30,000, and $40,000 a year. They are families where they are working hard, playing by the rules, but they are not making enough money to buy insurance. Their employers do not offer insurance. So this is what we need to do.

Now, the President says he plans to veto this bill for two reasons that I can understand. One of them, he said, is the cost. This is $35 billion over 5 years; $7 billion a year. But just make the contrast: We are spending $2.5 billion a week—$2.5 billion a week—on the war in Iraq. Yet the President does not want to spend $7 billion a year to insure 4 million children. That is his first reason—the cost.

The second reason, the President says: I want private insurance to take care of these children. Well, so do I. So does Senator GRASSLEY, who has been a major leader on this issue in the Senate on the other side of the aisle. We all do. But the fact is, private insurance is not taking care of these children. Again, they are sons and daughters of people with jobs paying $20,000, $30,000, $40,000, $50,000 a year, people without insurance and without the financial wherewithal to be able to take care of these children.

The President came to Cleveland a few months ago and said everybody has health care in this country. They can get it at the emergency room. I want children in this country to get preventive care in their family doctor's office, not acute care in the emergency room.

Before the President makes his decision, I would like him to meet three families in Ohio, people who really speak to this whole issue.

I want him to know about Dawn and Glenn Snyder and their son Cody, living in Bloomingdale, near Steubenville, near the Ohio River in eastern Ohio. Dawn works in a doctor's office, and Glenn works temporary jobs. Cody is 3 years old and has cerebral palsy. Until he was a year old, Cody had bleeding in his brain and seizures. Sometimes Glenn has insurance and sometimes he doesn't. It depends on where he is working. Dawn is going to lose the coverage for her family that she has gotten because they can no longer afford to buy it.

So even though Cody needs regular medical care from a neurologist and an eye doctor, as well as routine preventive care that all children need, he is in danger of having no access to health insurance. However, the Snyders will have coverage if this bill is signed into law.

If this bill passes, Cody will likely qualify for care under Ohio's new Children's Health Insurance Program. I would add also, on a bipartisan note, Governor Strickland, the new Governor of Ohio, with a resounding bipartisan vote out of the legislature, moved the eligibility to 300 percent of poverty so families making up to about $50,000 or $55,000 a year will have coverage.

If this bill passes, it means the Snyders will have a safety net for Cody's coverage and will be able to live with the security of knowing their son will receive the care he needs.

Then there is the story of Evan Brannon. Evan is a 1-year-old from Dayton in southwest Ohio. His dad Kenneth is currently not working, after losing his job as a repairman for a telephone company. Angela, Evan's mother, stays at home with him and has a baby on the way.

Evan was diagnosed with a congenital hernia of his diaphragm and is on a feeding tube, and he also receives medicine through a tube. He receives physical, occupational, and speech therapy. His parents looked into private coverage and learned they would never qualify for it because of Evan's preexisting condition. The family is faced with $5,000 to $6,000 a month in medical expenses. Angela can't go back to work. Kenneth is looking for a job but can't get a position over a certain income level or Evan will lose medical coverage. How is this family ever supposed to get ahead if they have to make sure not to make too much money out of fear of losing health insurance for their children? What kind of incentive is that to build into the system?

Passing this bill will fix that. This is just one way in which America's families' opportunities are limited by our

country's inability to provide the insurance the children's health insurance will provide.

One more story. David Kelley is a 13-year-old living in Erie County, right next door to where I live. He lives with his mother Heather and his stepfather Timothy. David has been diagnosed as bipolar, mildly autistic, and suffers from Asperger's syndrome. He also has a rare form of asthma. David was born 2 months premature. His doctors believe that a lack of oxygen and other complications may have caused the conditions he has coped with daily for 13 years, although the causes are not completely known.

David's health conditions require him to regularly visit a psychiatrist, a psychologist, and a primary care physician. His medications cost $2,000 each month, and Medicaid covers it. His mother Heather has said her greatest fear in life is of David losing his medical coverage. She herself has multiple sclerosis and is unable to work. No private insurance plan will ever cover David because of those preexisting conditions. Heather has made navigating the Medicaid and social service systems a nearly full-time job just to maintain David's benefits. Here is another family in need of help from the Senate.

I hope our President will not leave the Kelleys, the Brannons, or the Snyders behind, without the health coverage their children so desperately need. I hope he can have compassion for those families struggling so hard to make ends meet and whose greatest wish is to provide the most basic of needs for their children: housing, food, and health care. I hope the President can see what a sound investment this is. This isn't spending $7 billion a year; this is investing $7 billion a year in the future of our families, the future of our children, and the future of our country. Four million American children will receive health insurance if the President signs this bill. He must sign it into law. Too many people are counting on it.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. CORNYN. Mr. President, there is no doubt in anyone's mind that the SCHIP program will continue. That is a certainty, as certain as anything can be. The question is whether the SCHIP program, the State children's insurance program, will remain true to its targeted population which was contemplated by Congress in 1997 when it passed with strong bipartisan support or whether it will expand into a new burgeoning Federal program that has lost sight of its original mission and which, in the minds of some, represents another incremental step toward a Federal Government takeover of our health care system in America.

Let there be no doubt about it, a Federal, Washington-run health care system would be bad for the children and the people of this country. There are at least three things you can guarantee if Washington takes control of our health care. One is it will be incredibly expensive. In other words, taxes will have to go up to pay for it. Two, it will be incredibly bureaucratic, and some bureaucrat with a green eyeshade will decide what kind of health care you or your family gets. Three, there will be rationing of health care. That same Government bureaucrat will decide whether you get a diagnostic test, whether you can be scheduled for an operation when you need it, or what other kinds of health care decisions you can make. In fact, the choices will be taken from individuals and be given to the Government. That is a bad idea, although there are some who have advocated this for many years, including the leading Democratic contender for President of the United States, who has advocated a government-run health care system since the early 1990s.

This cannot be an expansion of a wildly successful program that has lost its focus on the poor children of America, and how in the world could I possibly say that? Well, this bill we are debating now raises spending by 140 percent—140 percent—at a time when my constituents tell me they are very concerned that the Federal Government has lost its way when it comes to spending and are worried that they will see consequential increases in their tax burden as a result of out-of-control Federal spending.

Along with virtually everyone else in Congress, I strongly believe the SCHIP program should be renewed, and it will be renewed. I voted for a renewal bill called Kids First that provided $10 billion in addition to the $35 billion over 5 years and which would enroll 1.3 million new children in SCHIP. But the majority has rejected that as too miserly.

Whom do they want to cover with the State Children's Health Insurance Program? Well, No. 1, they want to cover adults in 14 States, and in New York City they want to be able to cover up to 400 percent of poverty. A family making $82,000 a year would be—half of whom would be displaced from their private health insurance to get government-funded health insurance at the courtesy of the beleaguered American taxpayer. That is wrong.

The other inadvertent consequence of this will be because government doesn't know how to control health care costs except to ration access to health care, we are going to see more and more people now who will be displaced from private health insurance to go on to government insurance who will find low reimbursement rates—close the doors to access to health care providers. In the city of Austin recently, there was a story written that said only 18 percent of physicians accept new Medicare patients—18 percent. The question was, Why? Well, the Federal Government Medicare reimbursement rate is so low, doctors can't continue to accept new Medicare patients and keep their doors open. In a similar fashion, the SCHIP rate is regulated by the Federal Government, as is the Medicaid rate. The only way many physicians and health care providers keep their doors open is to have a mix of government-subsidized health coverage and private health insurance. We all know private health insurance carries the cost to allow many health care providers to keep their doors open.

It is not conspiracy theories, it is not an exaggeration to say this is an incremental step toward that single-payer, Washington-controlled health care system. Right now, the Federal Government pays 50 percent of the health care costs in America today.

I think it is a bad idea to lose sight of the original target for SCHIP, which is children whose families make up to 200 percent of the poverty level, who have more money than they can make and still qualify for Medicaid. But we should do everything in our power to recommit to those children that we are going to make sure the money Congress appropriates, takes out of the pocket of the taxpayer and provides in terms of health benefits to them, is true to the vision Congress originally intended and that that money which could go to expanding health care coverage to these kids who come from relatively modest incomes is not taken and provided for adult coverage or middle-income coverage in places such as New York for up to 400 percent of the poverty level.

So there is a lot of misinformation and, indeed, downright demagoguery going on in the media and elsewhere with regard to what is happening here. I hope we will make one thing clear: that every Member of the Congress—certainly this Senator—supports a continuation and reauthorization of SCHIP. It is a canard to suggest that anyone is denying access to health care to the children who have benefited historically and should benefit from SCHIP. But it is simply a Trojan horse to suggest that we are merely reauthorizing this legislation because what is happening is we are seeing a dramatic expansion of Federal spending, losing sight of the targeted population, and taking another incremental step toward a disastrous Washington-controlled and -run health care system which will be expensive to the American taxpayer, which will be incredibly bureaucratic, and which will result in rationing of health care, which is something that is not in the best interest of the American people.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 10 minutes.

Mr. CORKER. Mr. President, I thank the Chair. I will try to use less time. I know we have a lot of business today. I rise also to talk about the SCHIP bill we just voted on for cloture, and hopefully, later this evening, we will have the opportunity to vote on final passage.

I have been here a short amount of time, and I continue to be amazed at some of the rhetoric that ends up circling much of the legislation we discuss in the Senate. I do not think the SCHIP bill is perfect. I am going to vote for the SCHIP bill. I haven't been in the Senate long enough in 8½ months to have actually ever voted for a perfect bill. Chances are I may never vote for a perfect bill in the Senate. I know this bill has been threatened to be vetoed. Again, I think about the irony of a bill such as this being vetoed by the administration.

The most recent health care legislation that I remember passing out of this body that was a large bill was Medicare Part D. As I remember, that was a bill where nothing was paid for. We added $700 billion to $800 billion in deficits. There was no attempt whatsoever for that to be paid for. It also created coverage for individuals who did not need coverage. It didn't matter. We passed a massive bill. I was not here during that time, but it passed several years ago.

The uniqueness of this bill is that there has been an attempt to actually pay for it—something unique in recent times as it relates to health care coverage. Secondly, it actually is health care for people who need it, which is also very different from some of the things we have focused on in the past. So I find it very ironic that this administration has chosen this bill to veto.

I have heard a lot of comments about the frailties of this, and one of the most recent red herrings regarding this bill was that it would allow illegal immigrants to receive health care. That is absolutely not true. But based on the standard of this argument that was put forth recently, we certainly need to ensure that immediately we would do away with Social Security, Medicare, and Medicaid because they would be held, of course, to a standard that cannot be met. That is an argument which obviously is not true.

I also heard that this bill had earmarks in it. I have looked and I can't find any earmarks in this bill. There is a hospital in Tennessee, down on the Mississippi-Arkansas border, and it happens to deal with low-income citizens who come there from Mississippi and Arkansas. So this bill allows that hospital to be paid Medicaid reimbursement for the patients it sees from Mississippi and Arkansas. If that is the new standard for earmarks in this body, then I suppose every comment or statement we make will now become an earmark.

I have also heard the comment that this is the backdoor to socialized medicine. I really think that one is maybe the most humorous I have heard. I do wish to bring this body's attention to the fact that the Bush administration—the Bush administration—since it has been in office has approved these waivers and state plan amendments: in June of 2004 to California, allowing them to go to 300 percent of poverty, again above the intent of the original SCHIP bill; in Hawaii, in January of 2006, allowed the State, through executive prerogative, to go to 300 percent; in Massachusetts, in July of 2006, this administration allowed that State to go to 300 percent; in Missouri, in August of 2003, this administration allowed them to go to 300 percent; in New York, in July of 2001, this administration allowed them to go to 250 percent; in Pennsylvania, in February of 2007, just a few months ago, to 300 percent; in West Virginia, in December of 2006, to 220 percent. But the one I have left is the one that is most recent.

This administration, without any legislative involvement, in March of 2007—a few months ago—agreed to let the District of Columbia go to 300 percent of the poverty level. So for those people to say this bill is a back door to socialized medicine, it seems to me they have not taken into account the front door of the Bush administration, which all along has allowed nine states to expand their programs beyond the original intent of the SCHIP program. This bill actually causes this out-of-control process that has been ongoing during the Bush administration to actually be reformed. It actually causes reforms to take place so this bill will more fully embrace its original intent.

So I rise to say there is a lot of rhetoric that is being used in this SCHIP bill. This bill is not perfect. I know my colleagues on the other side of the aisle would like to see changes in this bill. I would like to see changes in this bill. I think it could have had a more credible debate had the administration initially funded this in their budget with an appropriate amount of money to even allow the program as it is to continue.

I will vote for this bill. I am not going to argue to any of my colleagues as to what they should do. I will vote for this bill because I believe it focuses on those most in need—children—mostly poor children in our country.

What is actually moving our country toward socialized medicine is the fact that none of us in this body have yet taken the steps to make sure that those most in need have access to private, affordable health care. I know there are a number of bills that have looked at that. I have offered a bill—again, it is not perfect—and I hope Members of this body will actually cause it to be improved by adding amendments. But the fact of the matter is, what will move our country toward socialized medicine is not this SCHIP bill, which focuses on poor children in America, but it will be the lack of action in this body to create methodologies, which we could do, to allow people in need to have access to private, affordable health care.

Ms. STABENOW. Will my colleague yield for a question?

Mr. CORKER. Yes.

Ms. STABENOW. First, I thank the Senator for his comments on the floor of the Senate, debunking what has been inaccurate statements that have been made and also for laying out the realities of what is true about this proposal. I think the Senator has done it in a wonderful way. I appreciate the Senator's willingness to stand up and talk about what is real, important, and the fact that this is such a strong bipartisan bill.

I wonder if the Senator might comment on the fact that aren't we talking about working families, low-income working families, trying every day to keep things together for their family, and they want to know that the children have health care? Isn't that what this is all about?

Mr. CORKER. That is exactly what the bill is about. There is no doubt—and I think we should all acknowledge this—that there are some cases in some States where there has been an aggressiveness to actually cause some adults to be covered who should not be covered. In this bill, focusing toward 2010, there is an effort to reform that, to cause the focus to return back to children.

Also, there is no question that this administration, which offers the fact that they are going to veto this bill, has done more to change the dynamics of SCHIP than any legislation that we could pass.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. SMITH. Mr. President, today is a momentous day. We have the opportunity to extend health insurance coverage to 10 million low-income children, 4 million of whom, without this bill, simply would continue to be a statistic in the ranks of the uninsured. In Oregon alone, we estimate that at least 60,000 new young people will receive health insurance and possibly even more.

Because of the outstanding work of my colleagues, Senators BAUCUS, GRASSLEY, HATCH, and ROCKEFELLER, and because of their work, we have before us a proposal that will garner wide, bipartisan support. I commend them for their efforts and thank them for their willingness to work with me to incorporate a number of important policies not only to Oregon but to millions of young Americans across this country.

When I first arrived in the Senate in 1997, I had the opportunity to learn about an outstanding idea launched by two great colleagues, Senators KENNEDY and HATCH. That idea was known as the State Children's Health Insurance Program. When they described the details to me, I recognized in it many of the features I had worked on as an Oregon State Senator in the development of the Oregon health plan. I told them to sign me up and let me know how a junior Senator on the Budget Committee could help them. It was my privilege to do that with an amendment on that year's budget.

But here we are, 11 years later; now I serve on the Finance Committee, and I have had the opportunity to help craft

a bill that will provide the authority and funding needed to continue SCHIP for another 5 years. It is a responsibility I took seriously then and still. I am pleased to have an opportunity today to renew it and improve it.

As I think of the work we have done to advance this bill, I wish to take a moment to highlight a number of critical policies I have worked hard to advance and which are now included in the bill before us.

First, and perhaps most important, I am pleased we will continue to utilize a 60 cent increase in the tobacco products excise tax to pay for SCHIP reauthorization. Looking back on the debate over the budget this past March, I didn't know, but I hoped at the time, my amendment to do this would garner the support necessary. It has done so. That support has held, and it is now the funding source for keeping the promise of SCHIP.

However, in my opinion, there is no better means to provide funding for children's health care. I know some don't like this. It is, frankly, the only tax increase I enthusiastically support and for which I have ever consciously voted. Not only can we extend health insurance to 10 million low-income children, we can do so while discouraging other young people from smoking. Studies show America's youth is strongly discouraged from smoking if the price of the tobacco product is increased. I am hopeful we will discourage thousands of kids from smoking, which will improve and perhaps save their lives. I see it as a ''twofer,'' to discourage smoking, and you can connect the habit of tobacco with all the public health care costs it imposes. It is a sad statistic that 20 percent of Oregonians who die each year die from tobacco-related illnesses.

I am also pleased to have been able to secure mental health parity in SCHIP. According to a report by the Urban Institute entitled ''Access to Children's Mental Health Services Under Medicaid and SCHIP,'' the highest prevalence of mental health problems among all children, ages 6 to 17, is observed among Medicaid and SCHIP-eligible children at a rate significantly higher than for other insured children and uninsured children. Now, today, the Senate has taken a remarkable step forward to ensuring that SCHIP treats ailments of the mind on the same level as it treats ailments of the body. That is a notable achievement.

We are, as a Senate body, advancing the cause of mental health care as it has needed to be for some time but now hopefully soon. In this bill, and in the mental health parity bill earlier passed, we put mental health on parity with physical health.

This bill also reverses the harmful policy recently implemented by the administration. While I understand the President has some authority to help guide the development of Federal programs, in this instance, the policy released by the Centers for Medicare and Medicaid Services to restrict coverage of children with incomes over 250 percent of poverty simply goes too far.

Therefore, I strongly support the language in the bill that reinforces the Senate's position that States will be allowed to cover children with family incomes up to 300 percent of poverty. I also support the proposal to create a tracking system to more accurately determine who does and doesn't have insurance. This is vital as we continue to work to extend health insurance to all Americans.

Finally, I wish to note how pleased I am to see that States will be able to extend coverage to pregnant women through SCHIP. This makes sense. Prenatal care, when you are talking about children, is truly the point at which they can get the healthier start. Their mothers deserve this if we are serious about the children they bear. According to the National Committee for Quality Assurance, every dollar spent on prenatal care results in a 300-percent savings in postnatal care costs and an almost 500-percent savings in long-term morbidity costs. This is an investment we need to make, and it is well worth making.

Ten years after SCHIP became law, we now have a chance to support a bill that will cover 4 million new children who are already eligible for this program. This is not an expansion, though. This is simply keeping the promise of SCHIP with those children who are currently eligible but for whom we have not had the resources, the dollars, to fully fund this program.

While some have alleged we are expanding the program, expanding government-run health care, that rhetoric could not be further from the truth. We are not expanding the program, we are simply putting our money where our mouths have been. We are taking a step forward to give States the money they need to cover the children who already are qualified for SCHIP but, for one reason or another, are not enrolled. We also are not expanding government-run health care. SCHIP is a program that is delivered by private insurance companies. It is a program that requires families to pay premiums and copayments based on their income levels. It is for these reasons that SCHIP will garner strong, bipartisan support today.

In closing, I know there has been a great deal of rhetoric back and forth between the White House and the Hill. In this instance, with health care for millions of American children on the line, I urge my friend, President Bush, to take a fresh look at the details of this package and realize it is worthy of his support. I urge him to put aside the differences of this debate and sign this bill into law for the sake of our children, America's children.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana. The Senator is recognized for 10 minutes.

Mr. VITTER. Mr. President, I rise today to speak about a very important amendment I have filed to the SCHIP legislation that passed the House and was sent back to the Senate. Unfortunately, the majority leader has decided not to allow any Republican amendments to this very important legislation. But I wish to take the opportunity, nevertheless, to discuss my amendment which is filed which is at the desk. It is very straightforward.

It simply says American citizens only are eligible for SCHIP and that no funds will be used to expand health care benefits in SCHIP to illegal immigrants and others.

The legislation we are considering, as written, will do just that. It will expand the program enormously without any regard for focusing on American citizens, and it is very clear that in that expansion, the benefit would go to many illegal aliens because of glaring loopholes that exist in present law and in this legislation.

Congressman JIM MCCRERY of Louisiana has been looking into this issue for several weeks. On September 21, he wrote the Commissioner of the Social Security Administration.

Mr. President, I ask unanimous consent to have printed in the RECORD Congressman MCCRERY's letter to the Social Security Administration.

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

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, September 21, 2007.

Commissioner MICHAEL J. ASTRUE,
Social Security Administration, Office of the Commissioner, Baltimore, MD.

DEAR COMMISSIONER ASTRUE: As Congress prepares to debate the reauthorization of the State Children's Health Insurance Program (SCHIP), I am writing to request your assistance in clarifying an issue raised by a provision in the Senate passed bill. Specifically, I would request that the Social Security Administration provide technical assistance to explain the impact of Section 301 of H.R. 976, which was passed by the Senate on August 2, 2007.

Concerns have been raised that the implementation of this provision could make it easier for illegal aliens to qualify for government funded healthcare programs including SCHIP and Medicaid. In order to better assess the accuracy of these claims, I would request that you provide answers to the following questions by no later than the evening of Monday, September 24, 2007.

1. If implemented as written, would the name and Social Security number verification process in section 301 of the Senate SCHIP bill allow the Social Security Administration (SSA) to verify whether someone is a naturalized citizen?

2. Would Section 301 require SSA to perform any verification of a person's status as a naturalized citizen?

3. Would the implementation of this provision detect and/or prevent a legal alien who is not a naturalized citizen (and therefore generally ineligible for Medicaid), from receiving Medicaid?

4. Would the name and Social Security number verification system in Section 301 verify that the person submitting the name and Social Security number is who they say they are?

5. Would the name and Social Security number verification system in Section 301

prevent an illegal alien from fraudulently using another person's valid name and matching Social Security number to obtain Medicaid or SCHIP benefits?

6. Would the name and Social Security number verification system in Section 301 prevent an individual who has illegally overstayed a work visa permit from qualifying for Medicaid or SCHIP?

7. Based on the accuracy of your database, please comment as to the volume of false positives or false negatives that could occur under the Social Security number verification process in section 301 of the Senate SCHIP bill.

Thank you for your prompt attention to this matter. If you should have questions about any of the requests in this letter, please contact Chuck Clapton of the Ways and Means Committee Republican staff.

Sincerely,

JIM MCCRERY,
Ranking Member.

Mr. VITTER. Mr. President, Congressman MCCRERY laid out seven very simple and straightforward questions that go exactly to this point: Is there any reliable way to ensure that this program is reserved for American citizens, not illegal aliens in the country?

Unfortunately, the answers—all seven of them—came back: No, no, no, no, no, no, no.

Mr. President, I ask unanimous consent to have printed in the RECORD the Administrator's responses.

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

If implemented as written, would the name and Social Security number verification process in Section 301 of the Senate SCHIP bill allow SSA to verify whether someone is a naturalized citizen?

No, the name/SSN verification process only indicates whether this information matches SSA's records. Our understanding of Section 301 is that it would provide States with the option of using a match as a conclusive presumption that someone is a citizen, whether naturalized or not. Since we have no data specific to this particular population, we have no basis for estimating how many noncitizens would match if this language were passed by Congress.

2. Would Section 301 require SSA to perform any verification of a person's status as a naturalized citizen?

Section 301 would not provide for verification of citizenship but would create a conclusive presumption based on less reliable data that a person is a citizen. As we read Section 301, it would not require use of DHS data to make a verification of citizenship.

3. Would the implementation of this provision detect and/or prevent a legal alien who is not a naturalized citizen (and therefore generally ineligible for Medicaid), from receiving Medicaid?

No. Our current name/SSN verification procedures will not detect legal aliens who are not naturalized citizens.

4. Would the name and Social Security number verification system in Section 301 verify that the person submitting the name and Social Security number is who they say they are?

No.

5. Would the name and Social Security Number verification system in Section 301 prevent an illegal alien from fraudulently using another person's valid name and matching SSN to obtain Medicaid or SCHIP benefits?

No.

6. Would the name and Social Security number verification system in Section 301 prevent an individual who has illegally overstayed a work visa permit from qualifying for Medicaid or SCHIP?

The name/SSN verification system in Section 301 would not identify individuals who have illegally overstayed a work visa permit.

7. Based on the accuracy of your database, please comment as to the volume of false positives or false negatives that could occur under the Social Security number verification process in section 301 of the Senate SCHIP bill.

Due to a lack of data specific to this particular population defined in section 301, we have no basis for projecting how many ''false negatives'' or ''false positives'' would be produced by enactment of Section 301, but they will occur.

Mr. VITTER. Mr. President, the responses are very clear:

. . . we have no basis for estimating how many noncitizens would match if this language were passed by Congress.

Section 301 would not provide for verification of citizenship. . . .

Our current name/SSN verification procedures will not detect legal aliens who are not naturalized citizens.

They will not detect illegal aliens who have gotten Social Security numbers fraudulently.

The . . . verification system in Section 301 would not identify individuals who have illegally overstayed a work Visa permit,

And on and on.

The record is perfectly clear, including from the Social Security Administration Commissioner, that there is nothing in the SCHIP legislation to prevent this fraud, to prevent these very significant costly benefits coming from the Federal taxpayers from going to illegal aliens in the country.

Again, this is a glaring problem with this legislation. It is a glaring problem with many existing Federal benefits that we should address head on. Absent a solution to look at this carefully in the context of this legislation, I do not think it should move forward.

Again, it is truly unfortunate that we have no ability to vote on this amendment on the Senate floor. This is a significant issue, this is a significant bill, and yet no Republican amendments, either this amendment or any other, can be considered on the Senate floor given the procedures the majority leader has used to shut out debate, shut out amendments, move forward, ignore a very serious concern of the American people. I think that is unfortunate. I also think it is reason not to move forward in passing this SCHIP legislation—one significant reason among others.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mrs. CLINTON. Mr. President, today, in this Chamber, we are considering three critical issues that go to the heart of values we have as a nation, three pieces of legislation that seek to honor these values by putting them into action. We have passed and I am proud to support a bill to strengthen our capacity to stop hate crimes by supporting local law enforcement. We will be passing the largest expansion of health care for children since we created the Children's Health Insurance Program during the Clinton administration. Finally, included in this Children's Health Insurance Program legislation is a provision I sponsored and authored with Senator DODD to support injured servicemembers by giving their families more time off under the Family and Medical Leave Act. This is a banner day for the Senate and the Congress, and I am proud to join a bipartisan coalition in tackling these challenges, from children without health insurance to military families without the support they need.

We will pass the CHIP legislation by a wide margin, and so the choice will then fall squarely on the shoulders of the President. Will he join us in helping injured servicemembers and in providing health care to 3.8 million children who right now don't have it or will he put ideology ahead of military families and vulnerable children? We in this Chamber know what the right choice is. The American people also know what the right choice is. I hope our President will put progress over partisanship and join the bipartisan majority and the vast majority of Americans in believing we can no longer treat these challenges and the people who face them as though they were invisible.

I believe every child deserves health care. Yet far too many children in our Nation—more than 9 million—do not have access to quality, affordable health care. That is a moral crisis which should be impelling us to act, and this Congress has done so.

A few weeks ago, I met Amy McCutchin, who was struggling to find health insurance for her 2-year-old daughter Pascale—a healthy, lively 2½ year old. Amy works as a contractor while also going to school for her master's degree. She is divorced. She lost her insurance because of the divorce. She is not offered insurance through her employer because she does freelance work. Unfortunately, Pascale and her mom are among the millions for whom the Children's Health Insurance Program is currently unavailable.

When I met Amy, she stressed she is trying to do the right thing. She works hard. She is what we would call barely middle class. In fact, she can't miss a day of work or she doesn't get paid. But she is also going to school full time, and she has to balance that with her work and the care of her daughter. She is falling through the cracks, and so is little Pascale.

This is a story which is being told 9 million times every day by the parents

of the children without health insurance. Today, we can tell a different story and create a different outcome.

I was proud to help create the State Children's Health Insurance Program during the Clinton administration. I worked on that legislation during my time as First Lady. In fact, after the bill was passed into law—a bipartisan majority in this Congress made that happen—I helped to get the word out to tell parents that help was on the way and to sign up children for the program in the first few years. In the Senate, I have continued that effort, fighting to ensure health care for children has the priority in our budget it deserves, and I am proud of the progress we have made.

The CHIP program provides health insurance for 6 million children. In New York alone, almost 400,000 kids benefit from CHIP every month. With this strong bipartisan, bicameral agreement, hammered out in this Chamber by Chairman BAUCUS and Senators GRASSLEY, ROCKEFELLER, and HATCH, an additional 72,000 children in New York will have access to health care coverage.

It will also help enroll many of the almost 300,000 children in New York who live in families who are already eligible for CHIP or for Medicaid because they make less than $52,000 a year, which is 250 percent of the poverty level for a family of four. Now, I know that sounds like a lot of money to some people around the country, but it doesn't go very far in New York, and it is one of the reasons why so many children in New York don't have access to health care and why we are fighting so hard in New York to extend health care to those who need it and can't yet afford it.

According to the Congressional Budget Office, 3.8 million children who are uninsured nationwide will gain coverage. That will reduce the number of uninsured children by one-third over the next 5 years. Now, if we can afford tax breaks for companies that ship jobs overseas and tax cuts for oil companies making record profits, I think we ought to be able to find it in our hearts and in our budget to cover the millions of children who deserve a healthy start.

I want to be very clear. If the President vetoes this bill, as he has threatened, he will be vetoing health care for almost 4 million children and he will be putting ideology, not children, first.

Earlier this year, I was proud to introduce legislation with Chairman JOHN DINGELL from the House of Representatives to reauthorize and expand CHIP, and I am very pleased that a number of the ideas in our bill are included in this legislation, such as cutting the redtape and bolstering incentives to get eligible children into the program. The legislation also improves access to private coverage and expands access to benefits such as mental health and dental coverage.

Some of my colleagues have heard me tell the story about the young boy living in Maryland whose mother wasn't on Medicaid, wasn't on CHIP, and was struggling to get some kind of health care coverage for her children when her 12-year-old son came down with a toothache. Medicaid and CHIP don't cover dental care in many cases, anyway, so even though she eventually got coverage, she couldn't find a dentist who was available to actually provide the dental care. Her son continued to complain, the toothache turned into an abscess, the abscess broke, and the next thing you know, the little boy is in the emergency room and being admitted to the hospital. But because the poison had already spread into his bloodstream, he had to be put on life support, and Demonte didn't make it. So for the lack of a visit to a dentist, which might have cost $80, $85, a little boy lost his life. And this is why expanding access to mental health and dental coverage is absolutely critical.

I also commend the authors of this bipartisan agreement for their work and for bringing forward a practical, fiscally responsible compromise. It represents the culmination of a lot of hard work. I see some of the staff from the Finance Committee here on the floor, and I thank them because I know how much they did to make this possible.

I am also pleased that the conference report includes the support for the Injured Service Members Act of 2007, legislation Senator DODD and I introduced to provide up to 6 months of job-protected leave for spouses, children, parents, or next of kin of service members who suffer from combat-related injuries or illness.

This amendment implements a key recommendation of the Dole-Shalala Commission, chaired by former Senator Dole, who served with great distinction in this Chamber, and Secretary Shalala, who served for 8 years under the Clinton administration as the Secretary of Health and Human Services. Their Commission on Care for America's Returning Wounded Warriors came up with a number of recommendations, and those recommendations are supported by a broad bipartisan coalition in Congress.

The families of our service men and women face extraordinary demands in caring for loved ones who are injured while serving our Nation. Currently, the spouses, parents, and children receive only the 12 weeks of unpaid leave under the Family and Medical Leave Act. But, as the Dole-Shalala Commission found, all too often that is just not enough time. An injured servicemember usually grapples with not only the physical injuries but having been, just a few weeks or months before, a healthy, fit young person and now, with the loss of a limb or being blinded or burned, having to come to grips with all of that. That takes time as well as medical care.

These new injuries our service members are suffering—the traumatic brain injuries—that we are only now focusing on are especially difficult.

I remember being at Walter Reed a few months ago, and I met a young Army captain who had been in a convoy hit by one of those improvised explosive devices, resulting in the loss of his right arm and the ring finger on his left hand because he had his wedding band on his finger and the explosion had caused his wedding band to melt into his finger, unfortunately causing him to lose that finger.

I asked him: Captain, how are you doing?

He said: Oh, Senator, I am making progress. Folks are helping me get used to the prosthetic, and I am learning how to use it. But where do I go to get my brain back? I never had to ask people for help before. Now my wife has to make a list for me, telling me where I have to go to meet my appointments and what I have to do when I am there. Where do I go to get my brain back?

Well, these wounds—some that you can see, some that you can't—are extremely serious and require family members to be available. The language included in the bill expands leave to 6 months. It is a step we can take immediately that will make a real difference in the lives of these wounded warriors and their families, and I hope the President will think about that before he vetoes this bill.

Now, I am disappointed that the CHIP bill doesn't include the Legal Immigrant Children's Health Improvement Act, which I introduced with Senator SNOWE and have been working on with her for a number of years. This bipartisan bill would give States the flexibility to provide Medicaid and CHIP coverage to low-income legal immigrant children and pregnant women. I want to underscore that. We are talking about legal immigrant children and pregnant women.

The current restrictions prevent thousands of legal immigrant children and pregnant women from receiving preventive health services and treatment for minor illnesses before they become serious. Families who are unable to access care for their children have little choice but to turn to emergency rooms. This hurts children, plain and simple, and I think it costs us money. A legal pregnant woman who cannot get prenatal care may have a premature baby, who ends up in a neonatal intensive care unit, which ends up costing us hundreds of thousands of dollars. So I hope we are going to be able to lift this ban and make it possible for States to access Medicaid and CHIP for legal immigrant children and pregnant women.

But I could not be more proud that the Senate is voting on expanding health care to 3.8 million children. There is no debating the importance of this and the way the Senate has come together in order to produce this result.

Finally, I am proud to support the bipartisan legislation which we have passed to strengthen our tools against crimes motivated by hate on the basis

of a victim's race, ethnic background, religion, gender, sexual orientation, disability, and gender identity. These are crimes not just against an individual but against a community. What we have done by moving this legislation forward means we are taking a stand on behalf of those individuals and communities affected.

Hate crimes are an affront to the core values that bind us one to the other in our country. We should dedicate the resources needed to prosecute these crimes to the fullest extent of the law. I am very proud of our country. I think we rightly hold ourselves up as a model for the ideals of equality, tolerance, and mutual understanding. But we cannot rest. We have to continue to fight hate-motivated violence in America. With today's vote, the Senate is proclaiming loudly that the American people will not tolerate crimes motivated by bigotry and hatred, that we will punish such crimes and the bigotry they represent.

I commend Judy and Dennis Shepherd for their extraordinary dedication and leadership when it comes to the prosecution of hate crimes. The murder of their son Matthew was a tragic event for a family, but a motivating cause was created. No parent should ever have to bear what the Shepards have borne, but their grace and their grit in going forward is inspirational. The Matthew Shepard Local Law Enforcement Hate Crimes Prevention Act is a step toward honoring their son's memory, and honoring everyone who has ever been afflicted by hate-motivated violence and harassment.

I commend my colleague Senator KENNEDY for his long-time leadership on this important matter.

The Matthew Shepard Law Enforcement Hate Crimes Prevention Act condemns the abhorrent practice of victimizing people and authorizes the Justice Department to help State and local governments investigate and prosecute these appalling offenses. I commend my colleague and friend Senator HATCH.

Today is a good day for the Senate. We are doing good work. It may be at a glacial pace in the eyes of some of us, but I have faith in our system and I have the utmost respect for this body. It is an honor to be part of it, especially on a day such as today when we make progress on behalf of the values America stands for.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I remember it so vividly.

I remember it as if it were yesterday.

But it was 10 years ago that Senator KENNEDY and I stood outside this great building, we stood on the Capitol lawn under a great oak tree, and announced final passage of the Children's Health Insurance Program legislation.

History was made that day, and it has been made every day since.

A true, bipartisan partnership—forged on the strength of good intentions, motivated by a simple desire to help our country's most vulnerable citizens, and nurtured in a politics-free atmosphere—led to enactment of CHIP, arguably the most significant advancement in children's health in this modern era.

Ten years ago, Senator John Chafee and Senator ROCKEFELLER, Senator KENNEDY and I, began a partnership that led to the Children's Health Insurance Program. That legislation, enacted in under 5 months—to show you its potency—was founded on a very basic premise: that we needed to provide incentives to States to help them design plans to provide health insurance to the poorest of the poor families not eligible for Medicaid.

Senators ROCKEFELLER and Chafee argued for a Medicaid expansion. Senator KENNEDY and I argued for a State-directed block grant. The final law was an innovative, workable blend of the two.

Since that time, almost 6 million children have become insured under CHIP. They are leading healthier, more productive lives.

Their parents can sleep at night, resting easy that their children will be taken care of if they become ill.

That peace of mind, that giant step toward a healthier population, is the mark of a compassionate, caring Congress. It was a mark toward reassuring the American people that the Government hears their concerns loud and clear and stands ready to act.

Let us hear that same message today and let us provide our constituents with that same measure of reassurance as we consider this bipartisan agreement to extend CHIP for another 5 years.

This year, as Finance Committee Chairman MAX BAUCUS, Ranking Republican CHUCK GRASSLEY, Subcommittee Chairman JAY ROCKEFELLER, HELP Committee Chairman KENNEDY, and I began our discussions of the Child Health Insurance Program Reauthorization Act—or CHIPRA—we agreed there were several key principles that must be embodied in any extension of the original act.

The bill we consider today is built on those principles.

First, we agreed that the proposal must be fully financed or else it would be irresponsible for us to legislate.

Next, it must retain the original character of CHIP—that is, it must be a flexible, State-directed program. Senator KENNEDY talked about that this morning.

We worked to see the budget resolution provide $25 billion in its baseline to extend the current levels of coverage, and up to $50 billion more if it were fully financed.

Indeed, this bill is fully financed.

The costs above the budget baseline have been certified by Joint Tax to be covered by an increase in the tobacco excise tax.

We agreed that we wanted to continue coverage for those who are currently eligible, but also to conduct extensive outreach to enroll those who may be eligible but aren't enrolled.

Our bill provides health coverage to almost 4 million low-income, uninsured children through incentives to states to enroll these uninsured children in their programs.

We agreed that coverage of childless adults—a policy Senator KENNEDY and I never intended nor envisioned when we wrote our original proposal—we agreed that policy needed to stop.

Under our bill, childless adults currently covered under CHIP will be phased out of the program and transitioned into Medicaid.

I cannot emphasize this enough. Today, 6 million children receive health care through the CHIP program—25,095 of these children are from Utah.

That would not have happened absent congressional action in 1997.

In addition, there are an added 6 million children in families with income under 200 percent of the Federal poverty level—or FPL—who are uninsured and eligible for either CHIP or Medicaid.

According to the Congressional Budget Office, the bipartisan, compromise bill covers close to 4 million of these children—3.7 million to be precise—a significant step by any measure. This is a crucial, crucial part of the bill, an achievement that, while expensive, really goes to the heart of what we are trying to achieve with the original CHIP, and now CHIPRA.

For several weeks now, we have heard a crescendo of opposition to our legislation from officials at the White House, and most recently, our President.

Needless to say, this is disheartening for me. It is difficult for me to be against a man I care for, my own personal President, on such an important bill. I have been and will continue to be one of the President's strongest supporters in the Congress. He is a good man. He means well, but he does have to listen to his staff—or at least does listen to his staff, and I believe he has listened to them in a way that throws barriers up to this bill.

I wish I had had an opportunity to persuade him on the merits of this bill before he issued a veto threat. I did send messages down there, talked to top people in the administration, but I wish I had had a greater opportunity.

Indeed, I am sympathetic to many of the concerns he raises.

When he says that we need to be careful about creating a one-size-fits-all health plan for our children, I believe he is right. When we wrote this program in 1997, we wrote it based on the foundation of giving States the flexibility to design their own CHIP programs. Each State is different—what is good for Utah may not be good for California or Massachusetts.

It is important for States, not the Federal Government, to determine which benefits should be covered. After

all, CHIP is a State block grant program, not a Federal entitlement. That is why we are debating its reauthorization today.

The President has also raised concerns about the Federal dollars that our bill spends on the CHIP program over the next 5 years.

I agree that $60 billion is a lot of money. But in comparison to what the House passed bill proposed earlier this year—they started at $100 billion and came down to $75 billion—it is much more reasonable.

And, as the Congressional Budget Office has told us, it is relatively more expensive to find and cover the low-income children who still do not have health coverage compared to those who are enrolled today.

That is why I was able to agree with the Senate number of $35 billion, in addition to the $25 billion already built in the budget baseline for CHIP—although, to be fair, it is higher than I would have liked. But this is a classic compromise and friends in the House wanted more. Some of them.

It is unfortunate that the President has chosen to be on what—to me—is clearly the wrong side of the issue.

Indeed, this is not the bill I would have written if I had full license to draft. That is true for the original SCHIP law as well.

But, it is hard to envision any major law being written by one person and enacted without change. That is not how good legislation is made.

Indeed, 10 years ago, Senator KENNEDY and I spent many, many hours proposing, arguing, compromising, and refining, in drafting session after drafting session.

Some days it seemed we disagreed more than we agreed.

It was hard, hard work.

But it was a labor of love.

We had a full discussion. We explored all the issues together.

We found compromises where we needed to.

That is how good legislation is made. Sometimes even bad legislation, but this is good legislation.

It pains me that we did not have this full discourse with the administration on CHIPRA.

It pains me that some have been slow to recognize the realities of this new Congress.

Indeed, what some political pundits termed The Trifecta—a Republican House, Senate, and Presidency, is no more.

I thought I should point out this fact for those in this body who may not have noticed.

And so it is no secret, no surprise, that a Democrat-led Congress would seek a more expansive program.

Yet it is to the great credit of our Democratic leaders that they recognize our country's fiscal realities and that they held the line at the additional $35 billion figure.

To be sure, I would have been comfortable with a lower number, just as Speaker PELOSI and Chairman RANGEL and Chairman DINGELL and Chairman BAUCUS and Chairman ROCKEFELLER advocated for a much higher number.

So, again, we have that spirit of compromise which was the hallmark of CHIP in 1997.

I must say it has also been difficult to conflict with my good friend from Utah, Health and Human Services Secretary Mike Leavitt.

He was an expert in health care policy when he was Governor of Utah, and he is even more of a leader on the national level now.

I know the concerns he expressed to me about the CHIP bill in 1997.

I recall our many conversations when he advocated for a greater Federal role in health coverage for needy children. And I also recall his admonitions that we could do better by the children and their parents if we were to provide the States with much-needed flexibility.

The final CHIP block grant reflected that flexibility I believe, and Mike Leavitt's good counsel helped us improve the law. I hear Secretary Leavitt's concerns when he says that he is concerned about paying for the reauthorization of this program through tobacco taxes. I am not comfortable with raising taxes either. However, when we first created the CHIP program in 1997, we believed that it was entirely fitting that the bill be funded through incentives to decrease the use of tobacco, a leading killer of Americans young and old. And, therefore, I am comfortable with raising tobacco taxes to pay for our CHIP program.

I understand his concerns about crowd-out and higher income children dropping their private health coverage in order to be covered through CHIP when CHIP was created to provide health care for low-income children.

And I agree with him 100 percent when he says that we are only fixing part of the problem by reauthorizing CHIP and not addressing what's wrong with the entire health care system.

He and I have visited on several occasions on these issues. I have benefited by that guidance, and I sincerely regret that ultimately we disagree on this bill. But I am willing to work with him to try to come up with an overall health care plan that will work.

I might add that I believe we have had an honest misunderstanding which has not only been raised by Secretary Leavitt but the President as well. They say that our legislation allows families with annual incomes of $83,000 to be covered under a State CHIP plan.

Let me be clear. Our legislation does not permit a State to cover these families unless the Secretary of Health and Human Services approves the State's application to cover individuals at that income level.

We do not change current law and put Congress in charge. We leave that decision in the hands of the Secretary.

We do not take away the Secretary's authority to make that decision.

I hope that point is clear.

At this point, it may be helpful for me to outline for my colleagues exactly what this bill does.

As I stated earlier, CHIPRA is a 5-year reauthorization which spends an additional $35 billion in Federal dollars on the CHIP program, in addition to the $25 billion in Federal dollars already built into the budget baseline.

So, in total, we are spending $60 billion in Federal dollars over the next 5 years on the CHIP program.

And I know that sounds very expensive, especially to my Republican colleagues. In contrast, the bill passed by the House in August would have spent an additional $50 billion on CHIP on top of the $25 billion in the budget baseline for a grand total of $75 billion.

As this chart indicates, we spend far more Federal money on Federal health programs then we are suggesting that we spend on the CHIP program over the next 5 years.

This chart compares projected spending in Medicare, Medicaid and the National Institutes of Health to the spending that we authorize for the CHIP program from fiscal year 2008 to fiscal year 2012.

For the Medicare Program, CBO projects that the Federal Government will spend $2.6 trillion, yes, trillion dollars over the next 5 years.

For the Medicaid Program, CBO projects that the Federal Government will spend $1.22 trillion over the next 5 years.

For the NIH, we project that the Federal Government will spend approximately $150 billion over the next 5 years.

In contrast, our bill authorizes $60 billion over the next 5 years. I think these numbers speak for themselves. We can spend billions, even trillions of dollars on programs for the elderly, disabled, very poor and for medical research but spending $60 billion to provide health care for the children of the working poor causes the President to issue a veto threat? Something here just doesn't add up, especially when you look at these numbers on this chart. The spending for the CHIP program hardly shows up on this chart compared to the other three programs.

Let me remind my colleagues that this legislation is built on compromise.

Is it perfect?

Far from it.

But does it cover more CHIP-eligible kids, our ultimate goal? Absolutely.

And that's why I am a strong advocate for this bill and urge my colleagues to support it.

This is a good compromise.

It is a $35 billion bill—not a $50 billion bill. The House ultimately agreed with the Senate on this issue. I do not blame them. They are very sincere in thinking you can just throw money at these things and you will do more good.

It does not include Medicare provisions. The House also dropped its insistence on this issue, even though

there was tremendous pressure to include Medicare provisions such as a fix for the sustainable growth rate formula flaw, which is the physician reimbursement rate, in 2008.

But let me be clear, all of us agree that these important Medicare issues must be addressed by the end of this year. Just not in this bill.

Before I continue, I would like to note that both the $35 billion limit and agreement not to include Medicare provisions were huge concessions by the House of Representatives.

Honestly, I never thought that the House leadership would agree to those terms; and, trust me, those were the two conditions that were nonnegotiable as far as I was concerned.

The moderation on the part of House leaders is a true indication that they are serious about getting a bipartisan CHIP reauthorization bill signed into law.

Key provisions of this legislation are the tools and resources it provides to enroll more of the CHIP-eligible children. As I previously stated, in addition to the 6 million children already covered by CHIP, this bipartisan compromise bill would provide coverage to almost 4 million more uninsured, low-income children.

The bill no longer allows new State waivers for adults to receive their health care through CHIP. Childless adults will be phased out of CHIP and will be covered through Medicaid.

States that currently cover parents may continue to do so; but after a transition period, States will no longer receive the enhanced CHIP match rate for covering parents.

The legislation rewards States for covering more low-income children by establishing a CHIP performance bonus payment for States that exceed their child enrollment targets.

We worked hard to make certain there will be no funding shortfalls with this legislation.

The bill provides States adequate money in their CHIP allotments so they will not experience funding shortfalls in their CHIP program.

As a safeguard, we created a Child enrollment contingency fund for States that experience a funding shortfall as a result of enrolling more low-income children.

Shortfalls have been a serious problem. They are something we want to avoid.

In addition, the proposal clarifies that States will only have 2 years to spend their CHIP allotments. Today, States have 3 years to spend their CHIP allotments.

It gives States a new option to provide coverage to pregnant women. Today, pregnant women are only covered in CHIP if the State has been granted a waiver to cover pregnant women or through the Administration's unborn child policy.

This is a proposal Senator KENNEDY and I seriously considered including in 1997. We ultimately concluded that the cost of childbirth hospitalization was so expensive, then, about $4,000 a birth, that the greater public good could be achieved if we focused those resources on providing more insurance policies to needy children.

It was not a policy we undertook with great comfort. Indeed, Senator KENNEDY argued strongly for coverage of pregnant women. But ultimately, we chose to advocate for the policy that covered the most children.

Today, we are both satisfied that the bill embodies the correct policy, if I may speak for the Senator from Massachusetts on this point.

CHIPRA provides beneficiaries and their families with coverage choices. If the State provides premium assistance through its CHIP program, CHIP beneficiaries may choose to be covered through the State CHIP program or receive premium assistance to receive health care through a private health plan. And States like Utah that already have premium assistance programs for their CHIP beneficiaries would have their programs grandfathered in, in other words, their programs would continue to exist.

It also provides CHIP beneficiaries with dental benefits, states will have a choice of four dental benchmark plans to provide to their CHIP beneficiaries, the dental benefits included in the House-passed bill; a benefit package equivalent to the federal employee health plan dental benefit that covers the most children; a benefit package equivalent to the State employee dental plan that covers the most children; or a benefit package equivalent to the most popular commercial dental plan that covers the most children.

As my colleagues are aware, I have a long record of advocating for better dental care for children. It alleviates so many health problems in the future.

In fact, in 2000, I introduced the Early Childhood Oral Health Improvement Act, which created grant programs to improve the oral health of children under 6 years of age. This bill was included in the Children's Health Act which was signed into law on October 17, 2000.

So, I know how important dental health is for children.

At the same time, it is fair to say that I have been concerned about mandating that States provide dental coverage for two basic reasons.

First, the inherent nature of CHIP, and a primary reason it could be enacted in a Republican-led Congress, is that it was a State block grant.

Mandates move us away from that important framework.

Second, the dental coverage that some advocated be included in this bill is more generous than most private-sector policies. Thus, including such coverage would be a giant incentive for crowd-out, that is, dropping private coverage in order to seek a more generous public coverage.

Ten years ago we called it substitution. Today, we call it crowd out. But it is the same thing.

I will not sugar coat it. It is a problem. It is a concern. And, we should take every step we can to keep it from occurring.

I think the dental policy we adopted was a good compromise, and I appreciate my colleagues agreeing to my suggestion for this coverage.

Our legislation also limits the Federal matching rate that States will receive for covering individuals with family incomes over 300 percent of FPL in their CHIP plans.

It clarifies the Administration's policy on crowd-out and provides States with guidance on how to ensure that their low-income children are covered through the CHIP plan before expanding coverage to higher income children.

Another key element of this bill is that it provides States with funds for outreach and enrollment.

It gives States a time-limited option to speed up enrollment in CHIP and Medicaid by using eligibility information from designated express lane agencies.

The bill gives States the option of verifying citizenship for both Medicaid and CHIP by submitting names and Social Security numbers to the Commissioner of Social Security.

It creates a new quality initiative through the Secretary of Health and Human Services, in consultation with the States, to develop evidence-based pediatric quality measures in order to evaluate the quality of care for children.

I introduced legislation to develop pediatric quality measures with Senators BAYH and LINCOLN and much of our bill is incorporated in this bipartisan compromise legislation.

The proposal includes mental health parity in the state CHIP programs so that if a State offers mental health coverage in its CHIP plan, it must be on par with limits for medical and surgical services.

Senator GORDON SMITH has done a stellar job bringing awareness about the need for mental health benefits for children and this provision is modeled after legislation that he introduced with Senator JOHN KERRY of Massachusetts.

At this point, I would also like to refute some of the inaccurate statements that I have heard the last few days regarding our bill.

First, some have alleged that our bill allows the Federal Government to continue covering childless adults and parents through CHIP.

Our bill puts the emphasis back on low-income, uninsured children. Simply put, our bill puts an immediate stop to States being granted future waivers to cover nonpregnant adults. In fact, the provisions included in the Senate-passed CHIP bill were included in the compromise, bipartisan CHIP bill.

At the beginning of fiscal year 2009, States will receive lower Federal matching rates for childless adults and

in fiscal year 2010, childless adults will not be covered under CHIP, they will be transitioned into Medicaid.

At the beginning of fiscal year 2010, only States with significant outreach efforts for low-income uninsured children will receive enhanced match rates for parents; others will receive the lower Medicaid match rate FMAP for adults.

Starting in fiscal year 2011, all States will receive a lower Federal match rate for parents. Those States covering more lower income kids or with significant outreach efforts will receive a Federal matching rate for parents covered under CHIP which is a midpoint between the Federal CHIP matching rate and the lower Medicaid matching rate. Other States will receive the lower Medicaid Federal matching rate, known as FMAP, for CHIP parents. Simply put, beginning in fiscal year 2011, States will no longer receive the higher CHIP matching rate for covering parents.

Second, some criticize our bill and say it allows higher income children to be covered under the CHIP program.

Today, States may receive an enhanced Federal matching rate for their CHIP program through waivers for all income levels. Our bill discourages States from covering higher income individuals in the CHIP program.

After enactment of our bill, States with new waivers approved to cover those with family incomes over 300 percent of FPL would only receive the lower FMAP payment for these higher income individuals.

In addition, States that cover individuals with incomes over 300 percent of FPL in their CHIP plans will have to submit a State plan to the HHS Secretary to show how it is addressing crowd-out for higher income children covered under CHIP.

The State plan must be approved by the HHS Secretary before October 1, 2010; otherwise, the State will no longer receive Federal matching dollars for covering those over 300 percent of FPL in their CHIP plans.

Third, some say our bill makes CHIP an entitlement program and almost doubles the Federal dollars spent on CHIP over the last 10 years.

CHIP is not an entitlement program, it is a capped, block grant program, where States are given flexibility to cover their low-income, uninsured children.

I admit that it works so well, nobody wants to abolish it, including the President and most everyone in this body. As to its cost, as I noted earlier, the 6 million children who are already covered by CHIP were easier to find that the current 6 million, low-income, uninsured children under 200 percent of FPL.

CBO has explained it is much more expensive to find these uncovered children. That is why our bill gives States bonus payments for enrolling them. I hope their prediction does not prove true. If it doesn't, we will save money in the program. But if their prediction does prove true, there is still no excuse for enrolling these kids.

I also believe it is important to note that, according to the Centers for Medicare and Medicaid Services, in 2005, we spent a total $1.98 trillion on our Nation's health care system.

Private expenditures were $1.08 trillion and Federal spending was $900 billion.

Total Medicare spending was $342 billion in 2005 and Medicaid was $177 billion in Federal dollars.

Our bill today funds CHIP at $60 billion over five years—a fraction of the cost to provide care for low-income, uninsured children. Covering these children is worth every cent.

Another common criticism is the myth that our bill allows States to cover children from families with annual incomes of $83,000.

I have addressed this before, but it bears repeating.

Our bill neither prevents, nor requires, States' coverage of families at higher income levels. Only the Secretary of Health and Human Services decides whether a State may cover families with incomes up to $83,000 per year under their State CHIP program, not Congress.

Many have suggested, in error, that our bill allows illegal immigrants to be covered under CHIP.

In fact, during the House debate, I heard some state incorrectly that our bill provides benefits to illegal immigrants and opens the door for CHIP and Medicaid benefits for illegal immigrants by substantially weakening a requirement that persons applying for such services show proof of citizenship.

Nothing could be further from the truth.

In fact, our legislation has specific language stating that no illegal immigrants will be covered under CHIP.

For those who still don't believe me, it can be found under section 605, entitled No Federal Funding for Illegal Aliens.

Let me just read what it says: ''Nothing in this Act allows Federal payment for individuals who are not legal residents.''

Finally, much has been said about the Centers for Medicare and Medicaid Services' recent guidance on crowd out.

I will include for the RECORD a letter dated August 17, 2007, to the State Medicaid Directors from Dennis Smith, the director of the Center for Medicaid and State Operations for CMS.

The purpose of this letter was to give the State Medicaid Directors guidance on how CMS will review state plan amendments or waivers to raise income eligibility limits under the CHIP program in the future.

In this letter, CMS made it perfectly clear that the agency was very concerned about crowd-out and wanted States to target low-income, uninsured children under 200 percent of poverty before covering higher income children under CHIP.

So in order for States to cover higher income children, CMS made it clear that States must cover 95 percent of their children under 200 percent of poverty before expanding coverage to higher income children.

While I agree with the thrust of what the administration intended to achieve, I am not certain what Mr. Smith asks the States to do can be achieved.

States have told us it is virtually impossible for them to determine how many of those low-income children are currently covered.

Currently, good, solid data on the uninsured simply do not exist. So it is almost impossible to find good, solid numbers on the uninsured. On top of that, currently, States do not have to report income data to CMS.

Therefore, we knew that it would be impossible for States to determine how many low-income, uninsured children live in their States and whether or not those children were receiving health coverage.

We heard the States and we addressed their valid concerns in the bill by requiring that two studies will be conducted to study crowdout and figure out what States are doing to successfully cover low-income, uninsured children. Once the data are available, States covering individuals over 300 percent of poverty in their CHIP plans must submit to the HHS Secretary their plans for covering low-income children and reducing crowdout. If its plan is not approved by a certain date, a state would no longer receive CHIP money for covering those over 300 percent FPL with limited exception. To me, that sends a very clear message to all 50 States about the intention of the CHIP program—to cover low-income, uninsured children.

Let me conclude by emphasizing to my colleagues that passing this legislation is the right thing to do.

When we first wrote CHIP in 1997, our goal was to cover the several million children who had no health insurance coverage. These children were in a no-win situation—their family incomes were too high to qualify for Medicaid, but their families did not have enough money to purchase private health insurance.

When Senator KENNEDY, Senator Chafee, Senator ROCKEFELLER and I worked on the original legislation in 1997, our goal was to cover the several million children who had no health insurance.

Coverage of these uninsured children is still our top priority, and I believe our bipartisan CHIP bill will make a dramatic difference by covering almost 4 million additional low-income children.

The bill we are considering is very similar to the Senate-passed CHIP bill and captures the true essence of the 1997 law.

It is the true essence of bipartisan compromise.

To be fair, it does not make any of us Republicans comfortable to face a veto threat from our President.

It does not make me comfortable to face a veto threat issued by my colleague and good friend from Utah, Secretary Leavitt.

However, as Senator KENNEDY and I have been fond of saying to each other over the years, if neither side is totally comfortable, we must have done a good job.

This is a good bill. It accomplishes what we have set out to do—to cover low-income children without health coverage.

Yes, I admit, it is expensive. However, this is necessary spending when I think of the 6 million American children who are leading healthier lives because of our vision and commitment.

And when I compare $60 billion to the trillions of dollars our Government will spend on health care, I believe it is a worthwhile benefit.

We should not let the opportunity pass us by to build on that solid foundation and do even better for the children, our future.

I will add one more point that I want my Republican colleagues to take to heart. This is a bipartisan compromise bill. It is not the House-passed CHIP bill that would spend $75 billion over the next 5 years on CHIP.

In my opinion, the $50 billion CHIP legislation before the Senate is the better deal for the low-income children and the American people. It is my hope that my colleagues who disagree with me will take one more look at this legislation.

On the House side, I would like to recognize the hard work of my House colleagues: Energy and Commerce Committee Chairman JOHN DINGELL; House Energy and Commerce Health Subcommittee Chairman FRANK PALLONE; House Ways and Means Committee Chairman CHARLIE RANGEL; House Committee on Oversight and Reform Chairman HENRY WAXMAN; and of course, the Speaker of the House, NANCY PELOSI.

I also want to commend my Utah Governor, Jon Huntsman, Jr., for his continued support of legislation to reauthorize the CHIP program. In April, Governor Huntsman presented me with a proclamation expressing his and the Utah State Legislature's strong support for the CHIP program, which I greatly appreciated. In fact, Governor Huntsman and his staff have provided me with invaluable advice throughout this process. Utah's program, which covers 25,095 children, provides well-child exams; immunizations; doctor visits; hospital and emergency care; prescriptions; hearing and eye exams; mental health services; and dental care.

Finally, I must commend my good friends and colleagues from the Senate: Finance Committee Chairman MAX BAUCUS; Ranking Republican Member CHUCK GRASSLEY; Finance Health Subcommittee Chairman JAY ROCKEFELLER; and the Senate Majority Leader HARRY REID.

I would also like to mention all of the staff who put many hours into this bill and gave up time with their families to work on this bill—Pattie DeLoatche, Patricia Knight, Karen LaMontagne, Peter Carr, Jared Whitley, Hanns Kuttner, Becky Shipp, Rodney Whitlock, Mark Hayes, Alice Weiss, Michelle Easton, David Schwartz, Jocelyn Moore, Ellen Doneski, Ruth Ernst, Kate Leone, Bridgett Taylor, Amy Hall, Bobby Clark, Karen Nelson, Andy Schneider, Wendell Primus, Ed Grossman and Jessica Shapiro.

I would be remiss if I didn't mention some of the staff who laid the groundwork on the original CHIP law in 1997, particularly Patricia Knight, Rob Foreman, Bruce Artim, Nick Littlefield, David Nexon, Laurie Rubiner, Lisa Layman, Michael Iskowitz, Cybele Bjorklund and Mary Ella Payne.

Mr. President, I remember so vividly 10 years ago when Senator KENNEDY and I stood on this floor to argue for enactment of SCHIP. We had two posters.

We had one of a little boy named Joey.

And we had one of Joe Camel, the mascot for one manufacturer of cigarettes.

We asked our colleagues, whom do you support? Joe Camel or Joey?

It is somewhat ironic, even amazing, or even more—a reflection of history repeating itself—that I stand here today to pose the same question to my colleagues.

Whom do you support: Joe Camel or Joey?

Joey? He's now almost 20.

The Camel? Haven't seen him for a while, have we?

So, we are making progress.

But there is much to do.

This bill represents the congressional commitment to one of the most important goals we can strive for: a healthy population.

We must start with the kids, and that is what H.R. 976 does.

I would like to close by reading an excerpt from a letter written by Karen Henage, the parent of children are covered by the Utah CHIP program. Kim Henage writes, ''I firmly believe the CHIP Program gave our family the financial assistance and more so the emotional security (peace of mind) to survive our new start, so that we were able to make it make it through. We are a success story because of this assistance. I cannot express in mere words how much this meant to us. When we needed it, it was there for us. I wholeheartedly request your support of the continuation of this valuable program, that other families might survive as we did.''

I think Kim's letter says it all—we must pass this bill today so more families without health insurance will be able to become a CHIP success story like the Henages.

I ask unanimous consent to print the above-referenced letter from CMS in the RECORD.

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

DEPARTMENT OF HEALTH & HUMAN SERVICES,
Baltimore, MD, August 17, 2007.

DEAR STATE HEALTH OFFICIAL: This letter clarifies how the Centers for Medicare & Medicaid Services (CMS) applies existing statutory and regulatory requirements in reviewing State requests to extend eligibility under the State Children's Health Insurance Program (SCHIP) to children in families with effective family income levels above 250 percent of the Federal poverty level (FPL). These requirements ensure that extension of eligibility to children at these higher effective income levels do not interfere with the effective and efficient provision of child health assistance coordinated with other sources of health benefits coverage to the core SCHIP population of uninsured targeted low income children.

Section 2101(a) of the Social Security Act describes the purpose of the SCHIP statute ''to initiate and expand the provision of child health assistance to uninsured, low-income children in an effective and efficient manner that is coordinated with other sources of health benefits coverage.'' Section 2102(b)(3)(C) of the Act, and implementing regulations at 42 CFR Part 457, Subpart H, require that State child health plans include procedures to ensure that SCHIP coverage does not substitute for coverage under group health plans (known as ''crowd-out'' procedures). In addition section 2102(c) of the Act requires that State child health plans include procedures for outreach and coordination with other public and private health insurance programs.

Existing regulations at 42 CFR. 457.805 provide that States must have ''reasonable procedures'' to prevent substitution of public SCHIP coverage for private coverage. In issuing these regulations, CMS indicated that, for States that expand eligibility above an effective level of 250 percent of the FPL, these reasonable crowd-out procedures would include identifying specific strategies to prevent substitution. Over time, States have adopted one or more of the following five crowd-out strategies: Imposing waiting periods between dropping private coverage and enrollment; imposing cost sharing in approximation to the cost of private coverage; monitoring health insurance status at time of application; verifying family insurance status through insurance databases; and/or preventing employers from changing dependent coverage policies that would favor a shift to public coverage.

As CMS has developed more experience and information from the operation of SCHIP programs, it has become clear that the potential for crowd-out is greater for higher income beneficiaries. Therefore, we are clarifying that the reasonable procedures adopted by States to prevent crowd-out pursuant to 42 CFR. 457.805 should include the above five general crowd-out strategies with certain important components. As a result, we will expect that, for States that expand eligibility above an effective level of 250 percent of the FPL, the specific crowd-out strategies identified in the State child health plan to include all five of the above crowd-out strategies, which incorporate the following components as part of those strategies: The cost sharing requirement under the State plan compared to the cost sharing required by competing private plans must not be more favorable to the public plan by more than one percent of the family income, unless the public plan's cost sharing is set at the five percent family cap; the State must establish a minimum of a one year period of

uninsurance for individuals prior to receiving coverage; and monitoring and verification must include information regarding coverage provided by a noncustodial parent.

In addition, to ensure that expansion to higher income populations does not interfere with the effective and efficient provision of child health assistance coordinated with other sources of health benefits coverage, and to prevent substitution of SCHIP coverage for coverage under group health plans, we will ask for such a State to make the following assurances: Assurance that the State has enrolled at least 95 percent of the children in the State below 200 percent of the FPL who are eligible for either SCHIP or Medicaid (including a description of the steps the State takes to enroll these eligible children); assurance that the number of children in the target population insured through private employers has not decreased by more than two percentage points over the prior five year period; and assurance that the State is current with all reporting requirements in SCHIP and Medicaid and reports on a monthly basis data relating to the crowd-out requirements.

We will continue to review all State monitoring plans, including those States whose upper eligibility levels are below an effective level of 250 percent of the FPL, to determine whether the monitoring plans are being followed and whether the crowd-out procedures specified in the SCHIP state plans are reasonable and effective in preventing crowd-out.

CMS will apply this review strategy to SCHIP state plans and section 1115 demonstration waivers that include SCHIP populations, and will work with States that currently provide services to children with effective family incomes over 250 percent of the FPL. We expect affected States to amend their SCHIP state plan (or 1115 demonstration) in accordance with this review strategy within 12 months, or CMS may pursue corrective action. We would not expect any effect on current enrollees from this review strategy, and anticipate that the entire program will be strengthened by the focus on effective and efficient operation of the program for the core uninsured targeted low-income population. We appreciate your efforts and share your goal of providing health care to low-income, uninsured children through title XXI.

If you have questions regarding this guidance, please contact Ms. Jean Sheil, Director, Family and Children's Health Programs.

Sincerely,

DENNIS G. SMITH,
Director, Center for Medicaid and State Operations.

Mr. HATCH. I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. CASEY. Mr. President, I commend the Senator from Utah for his remarks today, for his work on this bill, his work many months ago when this work began in the Senate, and for his leadership 10 years ago in 1997, when at that time, as today, we had bipartisan agreement on children's health insurance. I commend him and his colleague, Senator GRASSLEY.

On the Democratic side we have a lot of great leaders: Senator JAY ROCKEFELLER and Senator MAX BAUCUS, working mightily with Senator KENNEDY and so many others to get this done. We still have a long way to go. We know we had a resounding 69 votes in the Senate today, but we still have one impediment to getting this done. That impediment is the President of the United States.

I want to talk about some numbers today, but I want to focus initially on the benefits of this program. We are going to continue to have debates within this body and with the President about this issue. I will get to that. But let's step back for a minute and think about what this program means to one single child or what it means to one single family. Here is what it means. I come from Pennsylvania. We have some big cities in Pennsylvania: obviously, Pittsburgh and Philadelphia. But what if this child is born in a rural area. I come from a State where a huge percentage of our population is, in statistical categories, considered rural. The breadth of Pennsylvania, right through the middle of the State, out toward western Pennsylvania, we have a lot of people who live in rural areas. We know the benefits of this program help a lot of our children in cities and towns and also in rural areas. In fact, one-third of rural children get their health care from Medicaid or the Children's Health Insurance Program.

We also know a lot of African-American and Latino children have benefited tremendously in the 10 years this has been part of our law. Let's think about those children. No matter where they live, let's think about what this means to them. It means they can get well-child visits to the doctor during a year. The experts tell us you need at least six of those in your first year of life to be healthy. We ought to make sure every child in America can have six well-child visits in a year, but millions don't get that.

What happens to that child? That child would not grow. Their brains and cognitive development would not proceed as it should. They can't learn as fast. They can't read as quickly. They don't do as well in school. Down the road when they become part of the workforce, they have been shortchanged, if we don't do our job. It also means immunizations in the dawn of their lives and all of the preventative care a child should receive.

We should be doing everything we can in this body, not just with children's health insurance but with early learning opportunities and other programs we have to help our children to do a number of things, but principally to make sure children are healthy enough to learn. We know if they learn more in the dawn of their lives, they will earn more down the road. We have to make those investments. I don't see this as just a program, something that we are giving to people.

That is not what it is. The distinguished Senator from Utah said a couple moments ago, this is a capped block grant program and a good investment in that child and his or her future. But it is also an investment in our economic future. We can do a lot with this program to help families. But let's think about a mother. What does every mother want for their child, especially when they are very young? They want to nurture the child. They want to make sure the child has some kind of health care, has nutrition, and they want to shower that child with all the love and care a mother can provide.

One of the benefits to reauthorizing this program and getting the job done is that we can help a mother as she is trying to provide everything she can for her child, whether she lives in a farming community in central Pennsylvania or whether she lives in one of our towns in Pennsylvania or across the country or whether she lives in the inner city. Make no mistake, this comes down to a very simple question—maybe a couple, but one basic question—which is, does the President want to cover 10 million American children? There is only one answer to that question, only one answer we can justify. There is only one answer for which we can go back to our States and say we did the right thing. That answer is, absolutely, the President should want to cover 10 million American children because if he vetoes this and his point of view prevails, 10 million children will not have health insurance. By signing this legislation we are about to send to him, he can make sure 10 million American children have health insurance.

What upsets me about the President—I have been very critical of him, and I will continue to be so when it is warranted—is not just his position on this issue, not just his threat of a veto—that is bad enough. What upsets me and a lot of Americans, frankly, is the President had month after month after month to come to the Congress and say: I think we should have a $5 billion increase over 5 years. That is what he says. There is an overwhelming consensus now in the Congress that it should be a $35 billion increase. When you consider it over 5 years, that is only a billion a year. We spend $7 billion a year on a lot of things. But let's consider what he said. If he was going to take that position all those months ago, why didn't he come to the Congress? If health care for children is such a priority, why didn't he come to the Congress and say: We are far apart. The Congress is at $35 billion, and I am at $5 billion. We will work together.

He didn't do that. He just laid down his number and then he began, frankly, to misrepresent the facts. That has made this argument an unfortunate episode in the debate.

I have another question for the President. The question about 10 million children is very important, but I have a question for the President. What is the choice you are making? You are saying on the one hand, Mr. President, that 10 million American children should not have health insurance at the same time that in 2000 we will give away $100 billion to wealthy Americans. Is that right? I don't think so. That is immoral in my judgment, to give $100 billion to wealthy Americans

and say children who could benefit from this program, 4 million more, that they don't get health insurance.

It is equally immoral when the President of the United States and every Senator and every House Member gets their health insurance paid for. Yet some people say: No, we are going to wait on those children. Those 4 million children will have to wait, even though every Senator gets health care and this President gets health care every day of the week. I think that is immoral. He should recognize that.

This is about numbers and budgets and a program. We will talk about that a lot. That is important. I can justify every one of those numbers. OK. I know a lot about cutting out waste and fraud. I did that for 10 years in State government. I know that subject very well.

But this is a program that works. We have had a 10-year experiment with it, and it works, and everyone here knows that. It works very well to make sure we cover our children. All these other arguments about why we should not do it comes down to politics. The people who are supporting the President on this should answer the questions I posed.

Why shouldn't 10 million children get health care? Why do you get health care in the Senate and those children do not get health care, according to your point of view? They should answer that question when they are supporting this President. Why should every Member of the Senate get health care and these 4 million children—plus the 6.5 million or so we can cover—why shouldn't they get health care? Why should millionaires and multimillionaires and billionaires get tax cuts in 2008 and 2009 and on into the future and these children should not have health insurance?

So when you come to the floor to talk about this program, and when the President goes on television and preaches to us about why we should not do that, I hope you would be honest enough—I hope the President and every Member of this body would have the integrity to stand up and justify why 10 million kids should not have health insurance, why they, as a Member of the Senate, should have their health care paid for, and why all those wealthy Americans should get their tax cut—tens of billions this year—and these kids should not have health insurance.

I yield the floor.

The PRESIDING OFFICER (Mr. SALAZAR). The Senator from Oklahoma.

Mr. COBURN. Mr. President, I thank the leaders of this bill for the time to speak.

I am kind of flabbergasted at the last talk. I am one of the physicians in this country who has cared for kids on Medicaid. I have actually delivered over 2,000 babies on Medicaid. I have actually done well-child exams.

We have the Senate lecturing the President, and we should be lecturing ourselves. The debate on this bill is not about children. There is not anybody in the Senate who does not want to cover and continue the present SCHIP.

What this debate is about is how do we move toward national health care. That is what this debate is. So immoral? Is it immoral to spend $3,000 to buy $1,500 worth of care, like we are going to do in this bill? Is it immoral for the Senate to say it only costs $35 billion and then totally take a program that is costing $12 billion a year 5 years from now and cut it down to $700 million and say we met the budget rules, when in fact we did not? That is immoral. What about the children who are going to pay for the deficit associated with this bill?

I have actually cared for these kids. My practice has been a Medicaid-based practice and a SCHIP-based practice. The holier-than-thou attitude that if you oppose this bill, you do not care about children is completely disrespectful to those of us who happen to disagree, who maybe think a better way to cover children would be the Burr-Corker bill, which gives a tax credit to every kid in this country that covers enough to give them insurance and takes that Medicaid stamp off their head, since only 40 percent of the doctors in this country will cover SCHIP kids and Medicaid kids.

So the debate is not about the President being immoral. It is not about tax cuts. The real immoral fact of this bill is we are winking and nodding again to the American people that we are going to spend $121 billion over the next 10 years—not $60 billion over the next 5 years—$121 billion, and we have no way to pay for that. We had a $444 billion deficit last year. We could have paid for the war and decreased the deficit if this body would have had the courage to eliminate duplicative and fraudulent programs. There is no holier-than-thou attitude to go after those programs because they have an interest. As politicians, we do not want to upset anybody.

So it is easy—the greatest pleasure in the world is to spend somebody else's money and to claim it is in the name of children. I have been on the ground with children. I have taken care of the poorest of the poor. We have a pregnancy component in this bill. Title 19 now is at 300 percent of the poverty level in this country. We have people dropping their insurance to qualify for title 19. We do not need pregnancy covered in the SCHIP bill. It is already covered. But we claim that to rationalize to make the bill better.

I have no disrespect for people in this body who claim they want national health care, government-run national health care. Well, American public—guess what—if you think health care is expensive now, wait till it is free. Wait till it is free. That is exactly what we are doing with this bill.

We can reauthorize SCHIP, and we can make it higher than a $5 billion increase to truly cover those kids who need it. This body rejected an insurance contribution component amendment I offered that would actually expand further the number of kids.

The other point that is not being made is, for every kid you cover who does not have health insurance today, you are going to drop another kid from health insurance that is being paid for by their parents, and they are getting no benefit in terms of a reduction of their health insurance. So what we are doing is shifting taxes to those same parents to pay for a program, twice as much money for the benefit we will get for the kids.

I am not against well-child exams. I am not against immunizations. I give them out of my pocket of my own practice now for free. They cost me an average of $146 a kid.

The claim of superiority that somehow if you do not want to have this bill you do not care for children is gobbledygook. What about the kids in the future who are going to pay for the mistakes we are making? What about the kids who are born today who owe $400,000 on our unfunded liabilities? We have done that. If we care so much about kids, why aren't we fixing that problem? They are never going to get a college education or own a home, and they are never going to have health coverage because we will have bankrupt this country by the way we do not control how we spend money.

So to be lectured and lecturing the President because, finally, he is exhibiting some fiscal responsibility into the future, and us to play games on the true cost of this program, that is what is immoral. It is not the President being immoral. The fact is it is not our money, it is the money of the people of this country, and we are going to decide we are going to spend money and not tell them what it is really going to cost because that is what this bill does in the outyears, the 6th through the 11th year of this bill if we cut this program to $700 million a year.

Now, nobody in their right mind will honestly say we are going to let that happen. So if we are not going to let that happen, how about being honest with the American people about the true cost of what we are doing? It is $121 billion. It is not $60 billion. Even the staff admits that. Both the Democratic and Republican staff admit that.

For us to sit up here and claim it is only a $35 billion increase—well, only a $35 billion increase is a 120-percent increase in the program, just a 120-percent increase in the program.

We ought to have a debate about national health care and how we solve the problems of health care in this country. There is a way to solve it. It is to make sure everybody in this country has access and give them the freedom and the power to choose what is best for them rather than us tell them what they have to have. That is the debate we ought to have.

This is a farce. This debate is a farce. It is a farce about saying we want to

cover more children, when we are really taking children who are already covered and putting them under a government program and then charging those children's kids for the cost of the program. That is what we are doing. It is not about caring for kids. It is about lying to the American public about what this program does.

So I do not have any hard feelings about the fact that people want to have national health care and a government-run program, but let's have the debate about what it really is and not have a debate demeaning the President when he finally stands up and says we have an obligation, for the next few generations, to start doing it right, and finally he is starting to do it right. And now we are saying he is immoral. Of the 10 million kids, 5 million already have coverage. We are going to ask the American taxpayer—in spite of what we are doing, in spite of the fact we borrowed $434 billion—we are going to load that on them.

They already have coverage. They already have immunization. They already have well-child care, and we are going to add that cost to the American taxpayer. Do you know who that taxpayer is? That is that child's child because we are not going to pay for it. We are going to refuse to be responsible. We played the game of pay-go on this, the great pay-go rule, where we now bastardize our own ethics to say we paid for something, knowing we did not. Because nobody in this body believes this is going to go to $700 million 5 years from now. Nobody believes that. Everybody knows that. So everybody knows we are telling an untruth to the American people about the true cost of this program.

I care a ton about my patients. But I also care enough about this country to be able to speak the truth about what we are doing. And what we are doing is absolutely untruthful in how we characterize the spending on this program. You can debate that. I will debate that all day with anybody up here. This body knows I know our numbers, and the numbers on this bill are untruthful.

So what we ought to say is, we think we ought to expand the SCHIP program, and it costs $121 billion. Let's have a debate about what it really costs. That is why the President says we should not do it. And we should not go to 300 percent, and we should not have adults on a program where in many States it consumes 75 percent of the dollars.

I will readily grant you, we have a big problem with health care in this country. One of the major reasons we have a big problem with health care in this country is government-run health care programs that drive the cost and the overutilization in many areas where we cannot function properly.

What is happening today in our country with quality of care is because we have so much government run. We have physicians trying to see too many patients. The one thing we are taught in medical school is, if you will listen to your patients, they will tell you what is wrong. Right now, 8 percent of the cost of health care in this country is associated with tests we order that no patient needs. It is because this body will not look at the malpractice situation we have in this country and the liability situation and fix it to where it truly represents a system where people who are injured are taken care of. What we have is a system that games it. So consequently we are all paying 8 percent more for health care because providers have to order tests to cover their backside.

The other thing we know is another 3 percent of the cost of health care is associated with tests that doctors are ordering because they are not listening well—$50 billion worth of tests that people do not need because we will not take the time to listen to them.

I will summarize and finish my point with this: Washington has an 11-percent approval rating for a very good reason. Because we do not deserve to be trusted, because we do exactly what we are doing on this bill. We are lying to the American people about what it costs, who it will cover, and how it will be delivered.

Now, some other details of the bill are debatable, but those facts are not debatable, and the American people, hopefully soon, are going to wake up to the dishonesty and the farce that we perpetrate on them as we debate those issues.

Let's have a debate about national health care. Let's really debate it. Let's look at the options. Our bill, in several other places—the Burr-Corker bill, the Universal Health Care Choice and Access Act—gives everybody in this country an equal tax credit. Everybody gets treated the same. You want to punish the millionaires? Take away some of their tremendous excess tax benefits from health care. But we would not do that. We do not have one person who will come forward and say: Let's equalize the Tax Code on the other side. Let's equalize the Tax Code so everybody has the same shot. Let's let a market help us access that. Let's make sure it is 100 percent access. If you do not have access, you cannot have care.

This bill is not going to provide that much access. Fifty percent of what it does has to do with people who already have access. Those are not my numbers. Those are Congressional Budget Office numbers.

So let's be honest about what we are doing. Let's talk about health care. If we want to go to national health care, if we have the votes to do it, then let's do it. But let's do not, under the guise of helping children, expand national health care. This Senator will vote to reauthorize a higher level of funding for SCHIP to cover kids who are truly poor—those who don't have access. I will help anytime, any way to do that. That has been my practice. That has been my heritage. That has been my history in caring for poor folks in Oklahoma. But I am not about to go along with a lie, that what we are doing is something different than what we say we are doing.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

VETO THREATS

Mr. BYRD. Mr. President, with 3 days to go before the start of the new fiscal year, there is much inside-the-beltway chatter about continuing resolutions, omnibuses, minibuses, budget showdowns, and Government shutdowns.

Nowhere is that chatter louder than that which is coming from the other end of Pennsylvania Avenue. The President has threatened almost daily that he will veto any appropriations bill that exceeds his budget request. These veto threats include all of the spending bills that provide funding for our domestic programs—programs that, in one way or another, benefit each American and every American. These bills help to educate our children, help to secure our homeland, help to support rural America, and help to promote a competitive economy. These domestic spending bills provide the essential building blocks for the foundation of our great country.

On the one hand, the President is seeking over $190 billion in emergency appropriations to fight the wars in Iraq and Afghanistan. That is $190 billion for the cost of the wars for 1 year—1 year—1 year. At the same time, the President wants to veto critical domestic spending bills because they total $22 billion above his, the President's, budget request—less than 1 percent of our entire budget, and about what we spend in 2 months' time fighting an unpopular war in Iraq. All the chatter from the White House even asserts that the $22 billion for programs here in America means increasing taxes and putting America's economic growth at risk.

This, of course, begs the question of the economic impact of the almost $450 billion we have spent on the war in Iraq, a war which I oppose.

The President characterizes the $22 billion above his request as ''increased'' spending. In fact, $19 billion of the $22 billion ''increase'' simply represents restorations of the President's—the President's—the President's relentless attempts to savage important domestic initiatives.

This week, the FBI announced that violent crime is on the rise for the second straight year. Yet the President proposes to cut State and local law enforcement funding by $1.5 billion.

Hurricane Katrina proved that the Government is not prepared to handle major disasters, be they natural disasters or terrorist attacks. Yet the President—our President—has proposed to cut first responder grants by $1.2 billion. Those grants equip and train our police, our fire and emergency medical personnel to respond to a disaster.

The President—our President—proposes over $3 billion in cuts for education programs, including special education, safe and drug-free schools, and improving teacher quality.

Despite an aging population in this country, the President proposes a cut of $279 million for studying cancer, diabetes, and heart disease at the National Institutes of Health. Under the President's budget, the National Institutes of Health would have to eliminate 700 research grants that could lead to cures for treatments for cancer, diabetes, Alzheimer's, and other diseases.

The President also proposes to cut $2.7 billion for elderly and disabled housing and community development grants.

When the Interstate 35 bridge collapsed into the Mississippi River, it focused the Nation on the need to invest in our crumbling infrastructure. Yet the President proposes to cut over $3 billion from infrastructure programs, such as highway and transit funding, bridge repairs, rural wastewater grants, levees and dams, clean water grants, and airport safety and improvements. The President—our President—even proposes to reduce funding for the highway and transit levels that are guaranteed in the highway law that he, the President—our President—signed in 2005.

The President proposed cuts of $1 billion from health programs such as rural health, preventive health, and mental health grants, as well as over $300 million from the Low-Income Home Energy Assistance Program.

Between 1998 and 2004, disease outbreaks in food produce have almost doubled. In 2003, there were 870 food inspectors at the FDA. In 2006, there were 640. The FDA lost 230 inspectors in less than 4 years. So it is no surprise food inspection dropped by nearly half during that time. Yet the President—our President—does not propose to restore those reductions in the number of inspectors.

All of these foolish cuts have been restored in the bipartisan bills that were approved by the Senate Appropriations Committee by nearly unanimous votes and, regrettably, that the President—our President—has said he will veto. In the 12 bills that have been reported from the committee, we have significantly reduced funding used for congressionally directed spending, and we have added unprecedented transparency and accountability.

As one can clearly see, this White House standoff is not over some irresponsible plan for an expansion of Government or pork-barrel projects. Rather, it is the President's—our President's—effort to prevent cancellation of his ill-conceived and poorly justified proposed budget cuts. Congress wants to support vital core missions of Government, such as the Federal Emergency Management Agency, the Food and Drug Administration, and the Customs and Border Protection Agency. Congress wants to make reasonable choices and set important priorities for our Nation.

There are consequences—yes, consequences—for failing to invest in America's safety and in America's future. Hurricane Katrina proved that. The collapse of the I–35 bridge proved that. Increases in violent crime prove that. Increases in food-borne illnesses prove that. Every headline about unsafe products being imported into this country proves that.

Americans rightly expect their Government to work.

Regrettably, rather than recognizing the consequences of his budget, the President—our President—is spoiling for a political fight. He refuses to recognize the facts, even as those facts evolve in a changing world.

According to the administration's latest National Intelligence Estimate:

> We judge the U.S. homeland will face a persistent and evolving terrorist threat over the next three years. The main threat comes from Islamic terrorist groups and cells, especially al-Qaida, driven by their undiminished intent to attack the United States.

Yet the President threatens to veto the Homeland Security bill that passed the Senate 89 to 4 because it is $2.2 billion above his request, with increases for first responder grants, for border security, and for enforcing our immigration laws.

The President—our President—is determined to veto 8 of our 12 appropriations bills over $22 billion. Some have argued that $22 billion is not a lot of money. I don't share that view; $22 billion is a lot of money. That is why we are fighting for the additional funding above the President's inadequate request. This fight is about priorities.

This Congress passed a budget resolution that balances the budget by 2012 and provides for the increase above the President's request for domestic programs.

Consistent with the budget resolution, the Appropriations Committee has reported all 12 bills. Four have passed the Senate, and with passage of the continuing resolution, we will continue to press for passage of the remaining bills. The President's veto threats inevitably—yes, the President's veto threats inevitably slow this process.

In the 12 bills that have been reported by the Appropriations Committee, we invest the $22 billion in America's future. By comparison:

In fiscal year 2008, the total cost of President Bush's tax cuts is $252 billion—11 times the amount of spending in question.

In fiscal year 2008, the cost of the tax cuts for the wealthiest 1 percent of taxpayers is almost $70 billion—three times the amount of spending in question.

In fiscal year 2008, special interest tax expenditures will cost $1 trillion—45 times the amount of spending in question. Corporate tax expenditures will cost $91 billion—over four times the amount of spending in question.

So $22 billion is, in fact, a lot of money; money that, if well spent, can help to make America be a safer, healthier, more prosperous country. We are committed to making those careful choices. We will root out waste. We will cut or eliminate ineffective programs. We will make careful choices.

When President Bush came to town almost 7 years ago, he vowed to reach across the aisle for the common good of our Nation. Now is his chance. This is the President's chance to make good on that pledge. He can continue his purely partisan fight over $22 billion in needed spending, or the President can work with the Congress to confront problems that face Americans here at home.

It is my fervent hope the President will put away his veto pen so we can get on with the business of adequately funding programs that contribute to a safe and prosperous United States of America.

God bless America always.

The PRESIDING OFFICER. Who yields time?

The Senator from New Jersey is recognized.

Mr. MENENDEZ. Mr. President, I rise today, as I did when we started this whole debate on children's health insurance, on behalf of the Nation's children and working families. I wasn't intending to come to the floor, but as I have listened to the debate over the last several days, I am amazed we have to defend a program that I cannot believe actually needs defending.

Today, we rise to protect the Nation's children. In this great Chamber, I often hear Members say our children are our greatest asset, and they most certainly are, but they are also our most fragile asset. And nothing is more important in preserving that asset than preserving their health so they can fulfill their God-given potential.

The issue before us today is a matter of values. It is not just about a law or about a program, it is also about a matter of values. Do we value our children sufficiently to ensure that those who otherwise do not have the ability to insure themselves will have the ability to have health care coverage so no child in America goes to sleep at night worried that they not get ill because their parents cannot afford to take care of them? That is the issue before the Senate, the issue before the country, and the issue that will be before the President.

If our values match our action, then this bill needs to be passed by the Senate and signed into law by the President.

This is common sense to me. The bill before us today will keep 6 million children insured and will cover an additional 4 million children who presently go to sleep at night and, because they have no health care coverage, their parents worry over them; and if they get ill, what happens? They wait longer and their illness gets worse. What do they do? They go to an emergency

room, which is far more costly to their lives, as well as to our collective economic consequence. The deal the Senate has before it is to save children's lives and keep children healthy. Bottom line: It is a deal that will keep millions of American children and families from being pushed into the ranks of the uninsured.

I find it interesting that my colleagues talk about fiscal responsibility—now we are going to be fiscally responsible—when we have supplementals that keep coming here without payment for them and without any limitation whatsoever—a blank check. But now we are going to be fiscally responsible on the backs of children.

I want to take a moment to look at the families who are actually affected by the Children's Health Insurance Program. We are not talking about the poor, because if you are poor in this country, you get Medicaid. If you are wealthy, of course, you have the wherewithal to pay for the insurance. We are talking about children whose families work in some of the toughest jobs this country has. They work at jobs that offer no health care, and they certainly don't make enough money to afford private health care coverage. This program is their last resort. I have been watching the floor this week and I have noticed that my State of New Jersey has quite unfairly become the punching bag by some Members of this body for our successful Children's Health Insurance Program. On behalf of New Jersey families, I simply cannot let that go unnoticed. On behalf of the families that the opponents of this legislation say don't deserve to have a doctor or receive medical attention, I am insulted. On behalf of children who are asking for an eyeglass to see a blackboard or get an immunization shot to ward off illness, I am offended.

I will tell you about one of these families in Keyport, NJ. They earn just over $50,000 a year and they have a 16-year-old daughter. They cannot afford private health insurance coverage in New Jersey, but through the Children's Health Insurance Program they can provide their daughter with the much needed health care—health care that protected her when she came down with a flu that would not go away, and care that provides relief to her parents, who don't have to worry about medical bills if their child gets sick.

Even on New Jersey FamilyCare they pay a premium of $74 a month because they are higher on the Federal poverty level. But that is far less than private insurance would cost them, which they could not possibly afford on that $50,000 income for that family of three.

Talking about premiums, let me take a moment to talk about families at 350 percent of the Federal poverty level in New Jersey, since that is a particular point of contention in this debate. Families at 350 percent of the Federal poverty level in New Jersey earn about $60,000 for a family of three. These families, under New Jersey FamilyCare, are paying $125 each month in premiums and between $5 and $35 in copays. It is not a free ride. In fact, most federally elected officials, including my colleagues in the Senate, pay about $190 each month in premiums for their family coverage and their earnings are well above 350 percent of the Federal poverty level. It is hard to see how it is OK for Members of this body but it is not OK for children in this country.

If the President made the decision, it seems he would say ''tough luck'' to these families, ''go ahead and roll the dice on your daughter's health care.'' That is not an action that I think is dignified by a compassionate conservative. The President doesn't want to cover families above 200 percent of the Federal poverty level—this child and so many others like her. I believe that is disgraceful and it should be embarrassing to even threaten a veto of this bill.

Here is my question to those who oppose this bill: Is the greatest Nation on the Earth going to permit its children to have no health coverage?

The President gets some of the best health care coverage in the world, paid by the taxpayers of this country. He can go, as Members of this body can, to Bethesda Naval Hospital, or Walter Reed, or, in the case of the Members of this body, to the Capitol doctor. That is subsidized by the taxpayer. Talk about socialized medicine. It is good enough for Members of this Chamber but not for these children. The President gets the best health care coverage in the world. He deserves to have it, but so do the children of this country.

When you think about using your veto pen, Mr. President, think about your health care coverage that we all pay for as taxpayers. Do these children deserve less?

In New Jersey there are 130,000 children depending on this program for their health coverage. They, along with 6 million children nationwide, depend on this program to stay healthy and, in some cases, stay alive. Proper coverage is often the difference between life and death, between health and sickness, between compassion and heartlessness.

I urge my colleagues to act wisely as this is not a political game, nor is it time to make a point. This is about one thing only: the health of our Nation's children.

What troubles me is that the President is prepared to turn his back and close the doors but, simply put, if his priorities were different, we could provide health care to all children in this country. If we were to take what we spend in Iraq in one day—$300 million—and spend that on children's health care, we could cover 245,000 children. In the past 41 days, we have spent over $12 billion on the war, and what changed in Iraq during that time? But I can tell you what we can do in the lives of children in this country.

Finally, I bristle when colleagues come to this floor and still bring up the red herring of immigrant children being covered who should not have the right. The law has been clear—the law that exists, the law we are renewing. Undocumented immigrants have never—I underline ''never''—been eligible for regular Medicaid or the Children's Health Insurance Program. This bill maintains that prohibition. It maintains that. So to continue to come to the floor and bring the bogeyman of those who are coming because they want the health care coverage that this program would provide, it is not permitted under the law, has not been, and is not under this law, and won't be under this law.

I will tell you what is incredibly remarkable. During the immigration debate, we heard a great deal that we should differentiate between those who follow law and the rules and came here legally, and did the right thing and are living legally as permanent residents of the United States versus those who do not. Guess what. We don't even cover the children of those legal permanent residents of the United States who have obeyed the law, followed the rules, and ultimately are working hard in our country. Many of them, by the way—over 70,000—are serving in the Armed Forces of the United States. So to say that children are getting covered who are not legal and who are not permitted under the law, that is outrageous. This bill doesn't do it, but we should cover those children of legal permanent residents who have obeyed the law and the rules and are contributing to our society. But we don't do that either. So I hope we stop using children, whether they be those who cannot afford, because of their status in life and because of their parents' hard work but they don't make enough money, to have insurance and ultimately don't get it at their workplace, or those children who, through no fault of their own, find themselves in this country but who are not covered under this provision anyhow under the law—stop using all of these images to try to undermine the very essence of what this bill is all about.

You either stand with children in this country who, through no fault of their own, have no health care coverage whatsoever, or you stand against them. You stand for the proposition that no child in America should go to sleep at night without health care coverage; you stand for the proposition that it is in the societal interest of this country to ensure that the greatest asset we always talk about, our children—they are also the most fragile asset—can be protected; you stand for the proposition that in this great country of ours, among the high and mighty here, who have great health care coverage, well over 350 percent of the Federal poverty level, that we deserve no more than children in this country do.

That is what this debate and vote is all about.

Before I close, there is one part of this bill that is missing and it leaves

this entire bill and mission to increase children's health care unfulfilled. And that is the lack of language to provide health care for legal immigrant children and pregnant women in this bill.

I am a proud cosponsor of the bipartisan Legal Immigrant Chidren's Health Improvement Act, also known as ICHIA, which would have repealed the morally objectionable law that prohibits new legal immigrants from accessing Medicaid and SCHIP until they have lived in the United States for 5 years. This bill today should have included a provision that would have given States the flexibility to provide coverage to this population.

I am proud of my home State of New Jersey. They have taken it upon themselves to use 100 percent State funds to cover over 8,000 legal immigrant pregnant women and children—at a cost of over $22 million. My State has temporarily fixed the problem but it is up to Congress to pass the solution into law.

How can you tell a 7-year-old child with an ear infection he has to wait 5 years to see a doctor? We cannot bar these families from accessing our health care system simply because they haven't lived here long enough.

During the immigration debate, our colleagues emphasized the difference between those here legally and those here illegally, so it is appalling to me that a legal immigrant child, whose family waited their time, came here legally and obeyed the law, are still subject to republican criticism and are denied health care.

These fully legal, taxpaying pregnant women and their children deserve to be covered under our children's health program. I am disheartened that we could not agree to include this language but you have my promise that I will work to pass ICHIA in coming months. This is not a question of if but a question of when it will pass.

In conclusion, a great Republican, Abe Lincoln, once said:

> A child is a person who is going to carry on what you have started. They are going to sit where you are sitting, and when you are gone; attend to those things, which you think are important. The fate of humanity is in their hands. So it might be well to pay them some attention.

I ask my colleagues to now pay attention to our children and support this important bill. I ask this for our children, for our families and for the well-being of our country.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BUNNING. Mr. President, I wish to talk about the Children's Health Insurance Program, known as SCHIP. In Kentucky, it is known as KCHIP.

Several weeks ago, the Senate debated a bill that would reauthorize this program. Now we are debating a bill that looks very much like the last bill. I did not support the Senate-passed bill and, unfortunately, I cannot support this version presently on the floor.

The tobacco tax funding mechanism is an irresponsible way to pay for children's health care. The increased tax is fundamentally unfair, particularly to my State and the States that surround Kentucky.

It pays for a government program intended for low-income kids—one that I support and continue to support—by raising taxes. The bill expands its coverage to middle-income adults and some illegal immigrants in other States. It redistributes income from low-income smokers to States with the highest per capita incomes. It could be called Robin Hood in reverse.

I have a chart that illustrates what this bill really does. It is compiled from data drawn from a CDC database on tobacco consumption and projections by Family USA concerning SCHIP spending.

As we can see, the States in red will pay more in tobacco tax over the next 5 years than they will receive. In my State of Kentucky, we will pay $602 million more in tobacco taxes than we will receive in SCHIP money under the same 5 years.

Virginians, our good friends from Virginia, will pay $576 million more, and the citizens of Florida, our good friends down in the panhandle, will pay $703 million more than they receive.

California, our good friends out on the left coast, will receive a net benefit—in other words, more than they pay—of $2.5 billion. How fair is this?

New taxes paid by low-income smokers in my State will go to pay for an extravagant expansion of SCHIP in California, New York, Texas, and all the States in light and dark green, and that includes New Jersey, New Mexico, Arizona, California, New York, and many others.

Many people predict that the new Federal tobacco tax needed to pay for this expansion of SCHIP is likely to cause the States to increase their own tax cigarette taxes to avoid State revenue shortfalls. This will lead to artificially high-priced cigarettes that are irresistible targets for foreign cigarette counterfeiters and bootleggers in the United States.

This is not just somebody's dream. There is new evidence of the absolute folly of this plan to increase tobacco taxes by over 150 percent. We will not see the revenue projected, but you can be sure organized crime will profit from this situation.

In August of this year, the New York Police Department and Federal authorities found 600,000 cartons of counterfeit cigarettes made in China in a warehouse in Queens. In the same raid, the NYPD found 125,000 phony revenue stamps. The counterfeiters planned to use these phony stamps to evade taxes in Virginia, New York, and Kentucky, passing them off as real stamps so that cigarettes can be sold in ordinary stores.

This was not an isolated incident. There are many other similar incidents of fake cigarettes in the United States from countries such as China and Russia.

If you are concerned about lead in toys made in China, you should also be concerned about this SCHIP bill because it will almost certainly expose smokers, including some children, to the toxic substance in counterfeit Chinese and Russian cigarettes.

According to an article last week in the New York Times, chemical studies of counterfeit cigarettes have shown that they contain high levels of lead. Unlike the lead paint on toys, this lead will certainly be consumed by smokers. It is much more dangerous. So much for improving health care.

In addition to all the other problems, this new tax is a poor foundation for the proposed expansion of SCHIP. We are matching a declining source of revenue with a growing Federal program. It doesn't make any fiscal sense.

If we were honest and truly wanted to fully fund SCHIP spending with a tobacco tax, the Federal Government would have to encourage people to smoke. As a matter of fact, the Federal Government would possibly need an additional 22.4 million smokers by the year 2017 to pay for this bill.

Expanding SCHIP to cover adults, as well as kids, will lead to even more tax increases in future years because no one will pay these tobacco taxes if smuggled cigarettes and cigarettes from Internet Web sites are freely available.

I also don't believe this bill focuses on those who need health care insurance the most. When richer families are made eligible for SCHIP, kids will move from private coverage to Government health care. In fact, the Congressional Budget Office tells us that this bill will result in 2 million children moving off private coverage. It is absurd to me that children above the 300 percent poverty level will be added to this program.

New York still has the possibility of covering families that will make over $82,000 a year. It is not a fact, it is a possibility. These are families paying AMT taxes, a tax which is supposedly only affecting the wealthy. This expansion of the bill is a push for Government-funded national health care which is not the original intent of SCHIP.

The way the bill is funded also should raise great concerns to anyone if they care about fiscal responsibility. The budget gimmick used to fund it is irresponsible. It jeopardizes coverage under the program and basically guarantees another tax increase 5 years from today or when we pass this bill.

Under the bill, SCHIP spending from 2008 to 2012 totals over $27 billion. However, for 2013, spending drops to $2.3 billion and falls to negative amounts in each year after that until 2017, representing projected cuts—I say that again, projected cuts—to the SCHIP program.

So what we have here is a 10-year tax for a 5-year program. Does anybody really think we will kick millions of kids off this program in 2013 to accommodate this lowered spending? Of course we won't. However, we will have

to find a new way to pay for it. If a private company ran its books like this, the CEO would be fired or end up in the big house, in jail.

Another stunning example of how this bill undermines the original purpose of SCHIP is that it makes it easier for illegal aliens to get health care intended for poor children. This bill guts existing protections put in place to stop illegal immigrants from getting taxpayer-funded SCHIP and Medicaid benefits. Earlier this year, we spent nearly a month debating immigration reform. This bill is a step backwards, and it certainly sends the wrong message. It takes money that is supposed to go to our poor children and gives it to others who have come to this country illegally.

Let me make it clear that I want to see the SCHIP program continued as it is, and I want to see it reauthorized. However, I want to see it done responsibly. This bill does not do that. So I must oppose it and urge my colleagues to do the same.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Pennsylvania.

Mr. CASEY. Mr. President, I rise for a few moments because I know there are other people in this Chamber who have worked for many years on this bill who wish to speak. Senator KENNEDY is here. I wish to take a few moments to rebut what was said about a half an hour ago. Our colleague from Oklahoma was making some arguments, and I want to rebut some of them. I know this has been a long debate, but it is important.

He and others have made the claim about government-run health insurance over and over, and I think that is a White House talking point. I understand where they get the line. This is a program which uses private insurance carriers to provide the services especially to do the administration. So that argument really does not make a lot of sense.

Secondly, he talked about shifting costs and people paying more taxes. It is very clear, just as the argument of our colleague from Kentucky made clear, that the increase in this program, the $35 billion to cover 4 million more children, comes from tobacco tax increases. We can have debates about whether it is right or wrong, but most people in America support an increase in the tobacco tax to pay for this legislation. We are not talking about an income tax or any other kind of tax.

Thirdly, fiscal responsibility. We heard people talk about that issue today. No one on this side of the aisle needs a lecture from that side of the aisle or anywhere else about fiscal responsibility. This administration is the administration that brought us to a $9 trillion debt level and huge deficits. I think that is disingenuous.

I want to read a quotation from a recognized expert from MIT, Professor Jonathan Gruber, on private versus public:

> I have undertaken a number of analyses to compare public sector costs of public sector expansions such as SCHIP to alternatives such as tax credits. I find that the public sector provides much more insurance coverage at a much lower cost under SCHIP than these alternatives. Tax subsidies mostly operate to ''buy out the base'' of insured without providing much new coverage.

That quote is from a recognized expert.

We heard discussions about the cost over 5 years. This is a 5-year reauthorization. The cost is not, as it was alleged before, some lie. The cost over 5 years is very simple: $25 billion is in the program now. We want to add $35 billion, so it is a $60 billion cost over 5 years. It makes all the sense in the world to spend $12 billion a year on health insurance when billionaires get $100 million in 1 year, or I should say over $200,000 of income. They get $100 million a year if they make that kind of money.

My last point is, he and others talked about this being a debate about national health insurance. We can have that debate. We agreed on that. That is one thing we all agree on, both sides of the aisle. We should have a debate about health insurance. This is not national health insurance. This is not the debate about health insurance generally. This is a very focused debate about whether the President of the United States is in favor of providing health care for 10 million children and whether he is going to make that commitment. It is very simple. If you are supporting the President, then you are supporting a policy which will lead to the failure of this country to provide health care for 10 million children, and that would be a terrible mistake for those kids, for their communities, but especially, over the long term, for our economic future. We can't compete around the world unless our kids are healthy and they learn more now and earn more in the future.

Mr. AKAKA. Mr. President, I support the Children's Health Insurance Program Reauthorization Act of 2007.

The Children's Health Insurance Program is a successful program that has improved the quality of life for our Nation's children. According to the Center on Budget and Policy Priorities, the Children's Health Insurance Program has reduced the number of uninsured children by one-third since its enactment in 1997.

The Children's Health Insurance Program Reauthorization Act will preserve the access of health care for the 6.6 million children currently enrolled in the Children's Health Insurance Program. It will also expand health care access to an estimated 4 million children.

An estimated 5 percent of children in Hawaii do not have health insurance. This is approximately 16,000 children. My home State of Hawaii has continued to develop innovative programs to increase access to health insurance. The Hawaii State Legislature established the Keiki Care Program this year. The Keiki Care Program is a public-private partnership intended to make sure that every child in Hawaii has access to health care.

It would be irresponsible to reduce Federal resources to States for children's health care. Without access to insurance, children will not be able to learn, be active, and grow into healthy adults.

I greatly appreciate the inclusion of a provision to restore Medicaid disproportionate share hospital, DSH, allotments for Hawaii and Tennessee. Medicaid DSH payments are designed to provide additional support to hospitals that treat large numbers of Medicaid and uninsured patients.

I developed this provision as an amendment with my colleagues, Senators ALEXANDER, INOUYE, and CORKER. I am proud that we were able to have this bipartisan amendment included in the Children's Health Insurance Program Reauthorization Act. Hawaii would be provided with a $10 million Medicaid DSH allotment for fiscal year 2008. For fiscal year 2009 and beyond, Hawaii's allotment would increase with annual inflation updates just like other low DSH States.

We must enact this legislation so that Hawaii and Tennessee can receive Medicaid DSH allotments in fiscal year 2008 and beyond. In The Tax Relief and Health Care Act of 2006, DSH allotments were provided for Hawaii and Tennessee for 2007. The act included $10 million for a Hawaii Medicaid DSH allotment. The Hawaii State Legislature enacted legislation to provide the necessary matching funds required to utilize the Federal resources.

Hawaii and Tennessee are the only two States that do not have DSH allotments. I will explain some of the history behind the lack of the DSH allotment for Hawaii and why it is so important that this legislation be enacted. The Balanced Budget Act of 1997, BBA, created specific DSH allotments for each State based on their actual DSH expenditures for fiscal year 1995. In 1994, Hawaii implemented the QUEST demonstration program that was designed to reduce the number of uninsured and improve access to health care. The prior Medicaid DSH program was incorporated into QUEST. As a result of the demonstration program, Hawaii did not have DSH expenditures in 1995 and was not provided a DSH allotment.

The Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 made further changes to the DSH program, which included the establishment of a floor for DSH allotments. However, States without allotments were again left out.

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 made additional changes in the DSH program. This included an increase in DSH allotments for low DSH States. Again, States without allotments were left out.

Hawaii and Tennessee should be treated like other extremely low DSH

States and be provided with Medicaid DSH allotments every year. Other States that have obtained waivers similar to Hawaii's have retained their DSH allotments.

Hospitals in Hawaii are struggling to meet the elevated demands placed on them by the increasing number of uninsured people. DSH payments will help Hawaii hospitals meet the rising health care needs of our communities and reinforce our health care safety net. All States need to have access to resources to ensure that hospitals can continue to provide services for uninsured and low-income residents.

The President's expected veto of this legislation is detrimental to the health of our Nation's children. It also will be very harmful to Hawaii. The resources necessary to ensure that children have access to health care.

This administration fails to understand the health care needs of the country and especially Hawaii. This legislation will help the State of Hawaii provide essential health care access to children that currently lack health insurance. It will also provide much needed assistance to our hospitals that care for Medicaid beneficiaries and uninsured patients.

Mr. LEVIN. Mr. President, I strongly support the Children's Health Insurance Program Reauthorization Act of 2007, a bipartisan bill that would provide health care insurance to millions of children who are not now covered.

I hope the President will reconsider his position and sign the bipartisan compromise when it reaches his desk.

Currently, 6.6 million children are enrolled in CHIP. There are still 9 million uninsured children nationwide, 6 million of which are eligible for either Medicaid or CHIP. In Michigan, while 55,000 children are covered under CHIP, 90,000 Michigan children are currently eligible for Medicaid or MIChild, Michigan's CHIP program, but are not receiving services. In addition, according to the Robert Wood Johnson Foundation, the recent decline in employer-sponsored health care coverage is threatening the access to private health care coverage for many more children. In fact, the Census Bureau has reported that, between 2004–2006, the number of uninsured children has increased by approximately one million children.

Although the existing CHIP has been successful, it still fails to address the problem fully. Too many children qualify for the program but are unable to receive insurance because of inadequate funding.

Much like the Senate bill to reauthorize this successful children's health program, the bill we will pass today will reauthorize CHIP and increase funding for the program by $35 billion over 5 years. The Children's Health Insurance Program Reauthorization Act of 2007, a compromise worked out between the House and Senate, would ensure that there is sufficient funding to cover the children currently enrolled and to expand the program to additional children in need.

The Congressional Budget Office estimates that 3.8 million uninsured children would gain health coverage under this plan and according to a study done by The Urban Institute, 80 percent of the children covered under CHIP will come from families under 200 percent of the Federal poverty level.

We have a moral obligation to provide Americans access to affordable and high quality health care. No person, young or old, should be denied access to adequate health care, and the expanded and improved Children's Health Insurance Program is an important step toward achieving that goal.

Mr. DOMENICI. Mr. President, I rise today in support of the Children's Health Insurance Program Reauthorization Act of 2007, H.R. 976. Reauthorizing the State Children's Health Insurance Program, SCHIP, before it expires is critical to ensure health care access for millions of our Nation's children.

My home State of New Mexico has a terrible problem with uninsured children. Recent reports have New Mexico at the bottom in the Nation for coverage of children. In 1997, while I was chairman of the Senate Budget Committee, I helped to create SCHIP as part of the Balanced Budget Act. The program has been a success. Over the past decade, SCHIP has helped reduce the number of children without insurance.

The bill we are voting on today is a compromise. In August, both the House and the Senate passed two very different versions of an SCHIP reauthorization. At that time, I came down to the floor and I said I did not like what the House of Representatives was doing. I did not support the massive increases in spending and eligibility proposed by the House and I did not want a reauthorization that included revisions to the Medicare Program. The conference committee listened to these concerns, and I am pleased that the bill before us today closely resembles the SCHIP bill passed by the Senate 68–31 in August.

My comment to children's health care remains firm today. I support the passage of the compromise SCHIP reauthorization. It is a good bill. It provides $35 billion in new resources to provide health coverage for millions more children in working families. It will strengthen outreach and enrollment efforts to make sure that all children who are eligible for the program get the services they need. It also makes improvements to the program by including language on mental health parity and dental health coverage.

Mr. JOHNSON. Mr. President, I rise today to express my support for legislation that is critically important to more than 6 million children in the United States, including more than 14,000 South Dakota children, who are covered by the State Children's Health Insurance Program, or CHIP.

I voted for this program when Congress created it 10 years ago and I have watched with great satisfaction as the number of uninsured children in our country dropped. More children have health insurance coverage today, which ensures that they have every chance to do their best in school and live long, healthy, productive lives.

Congress originally authorized this program for 10 years in order to provide an opportunity to evaluate the program and make sure that we are doing right by our children. Well, the studies are in with impressive results: while the number of uninsured adults has steadily risen since CHIP was enacted, the number of uninsured low-income children has dropped by nearly one-third.

Yet there is much more work to do. In my State alone, more than 12,000 children are eligible for health coverage through either Medicaid or CHIP but remain uninsured. These uninsured children don't receive their vaccinations, miss screening and other preventive measures, and access health care at much later stages of their illnesses than insured children. The fact that so many children, through no fault of their own, face these struggles with health care is something about which our Nation should be ashamed.

The President says he will veto this bill, which he calls ''an incremental step toward the goal of government-run health care for every American.'' Nothing could be further from the truth. If the President's plan of providing private health insurance worked, we wouldn't have 9 million uninsured children in the United States today, including 18,000 South Dakota children. But the bottom line, as an editorial in one South Dakota newspaper put it, is this:

> The uninsured children of families struggling to get by do not need lectures about the encroachment of socialized medicine or the virtues of personal responsibility. They need health coverage.

During the past 9 months, I have received a personal lesson in the great value of health insurance. Our Nation's children shouldn't have to learn this lesson the hard way. I urge my colleagues to support the Children's Health Insurance Program Reauthorization Act, and I hope the President will do right by our Nation's children and sign this bill into law.

Mrs. BOXER. Mr. President, I rise today to continue my support for the reauthorization of the Children's Health Insurance Program—an essential effort to ensure the health of our Nation's children. Since the inception of this program, I have agreed with the goals of this program and strongly believe that it is necessary to meet our responsibilities and fulfill our commitment to children.

Although I wholeheartedly support the compromise agreement on the reauthorization of this program, it is exactly that: a compromise.

For the past 10 years, the Children's Health Insurance Program has helped

provide health care for millions of children from working families that do not qualify for Medicaid, but can't afford private insurance. These are the children of working families whose companies do not offer health insurance to their employees.

As the cost of health insurance rises and an increasing number of employers are unable or unwilling to provide health insurance to their employees and their families, the number of families who do not have health insurance has continued to rise.

While the number of the uninsured continues to rise, the percentage of low-income children without health insurance has dropped more than one-third since the creation of the Children's Health Insurance Program.

Currently the Children's Health Insurance Program provides coverage for 6.6 million children nationwide. This reauthorization would provide health care coverage for an additional 3.2 million children who are uninsured today. In California, an estimated 250,000 children will be added.

The Children's Health Insurance Program has always enjoyed the bipartisan support of our Congress, our Governors, and our President—and the legislation we are voting on today reflects that spirit of cooperation.

I am glad to see that we have worked with many of our Republican colleagues on an issue so critical to the health of children across this Nation.

This bipartisan, bicameral agreement is largely based on the legislation passed by the Senate in July, which would fund outreach and enrollment efforts, allow States to use information from food stamp programs and other initiatives for low-income families to find and enroll eligible children, and give States the option to cover pregnant women for prenatal care vital to healthy newborn children.

In desperation and defiance, opponents of the Children's Health Insurance Program have made outrageous allegations maligning the effectiveness and success of this program.

Critics have claimed that this program extends to eligibility to wealthy families in America—this could not be further from the truth. In my own State of California, the average family income of children covered by this program is just 163 percent of the Federal poverty level—less than $34,000 a year for a family of four.

There have been claims that Children's Health Insurance funding goes to illegal immigrants—this is completely false. The reality is that undocumented immigrants have never been eligible for Medicaid or the Children's Health Insurance Program. Actually, there are restrictions within this program which deny health insurance to low-income children who are legal immigrants.

The President is spending $10 billion each month in Iraq, but has threatened to veto a bill that will provide 10 million children with access to health care. Under the President's proposal, he is willing to fund the Children's Health Insurance Program with an increase of $1 billion a year—the cost of 3 days in Iraq.

If we fail to renew this program or if the President vetoes this bill as he has threatened to do, it is the children who will pay the price.

As we near the September 30 deadline to reauthorize this program, I strongly urge and implore that the President reconsider his position on this bill. The need of children knows no partisan or political barriers, and should not have to overcome the obstacles created by the President.

There is not a man or woman in this chamber who wouldn't do everything within their power to ensure the health of their own children—we should do no less for the children of our Nation.

The Members of this Congress have overwhelmingly expressed a commitment to children's health. Earlier this year, we passed a budget resolution which set aside $50 billion for the Children's Health Insurance Program, reaffirming our commitment to the continued success of this program.

We can still do more and we will, but this bill is a step forward in the right direction.

I would like to thank Senators BAUCUS and ROCKEFELLER, Senators GRASSLEY and HATCH and the members of the Finance Committee who worked so tirelessly to bring this legislation forward in a bipartisan way, and keep the focus of this bill where it should be—on the children.

Mr. FEINGOLD. Mr. President, today we are voting on the reauthorization of a program that has wide support in our country and that has reduced the number of uninsured children nationwide by over 6 million. In fact, CHIP has helped lower the rate of noninsurance among low-income children by one-third since its enactment in 1997. That is a huge accomplishment, and has helped address a problem in our country that is unacceptable—the millions of uninsured families.

In my home State of Wisconsin, CHIP, known as BadgerCare, provides health insurance for over 67,000 families. Wisconsin has done an incredible job of covering uninsured children as well as their parents, and the positive effects of this program are felt at schools, in the workforce, and at home. This bill helps support Wisconsin's efforts and provides low-income families in my State with better access to preventive care, primary care, and affordable care. The end result is healthier families. BadgerCare is vital to the well-being of many families in Wisconsin and I am very pleased that this bill supports the program in my State, including Wisconsin's choice to cover parents of CHIP and Medicaid children.

We know from numerous reports that when we cover parents, we bring more uninsured children into the program as well. States like Wisconsin have proven time and again that covering parents means covering more kids. I worked hard with my colleagues and the Senate Finance Committee to make sure that Wisconsin could keep families in the CHIP program, and I am very pleased that those efforts have paid off.

This legislation is not perfect. I would like to be voting on a more expansive package today that would offer health care access to more children and families. I am very disappointed that this legislation does not include language that would allow access to the program for legal immigrants. Unfortunately, it appears that, because of Republican opposition to this policy, legal immigrant children will continue to have to wait five years before they become eligible for CHIP and Medicaid. I will do my best to help change the discriminatory policy in the future.

Despite the flaws in this legislation, the CHIP reauthorization bill marks an important step forward in getting coverage to those who need it. I will support this bill's final passage, and I hope the President will reconsider his ill-advised decision to veto it. I look forward to the day that everyone in our country has access to the basic right of health care.

Mr. DODD. Mr. President, I rise today in strong support of H.R. 976, the Small Business Tax Relief Act. This is a bipartisan agreement to do what is right for our nation's children. There are few more important issues facing the senate than the health and well-being of our Nation's youth. The vote to pass this legislation is a vote for children.

As the father of two young daughters, I keenly understand how important it is to know that if one of them gets sick they have the health insurance coverage that will provide for them. For millions of parents, every slight sniffle or aching tooth could mean the difference between paying the rent and paying for medical care. Today we have an opportunity to help give those parents peace of mind about their children's health.

It is our national shame that 9 million children wake up every day lacking any form of health insurance. Every day, this means millions of regular checkups are sidelined, dental exams go unscheduled, and early diagnoses of chronic conditions such as asthma or diabetes are postponed. For families, such delays set the stage for children to grow up underperforming in school, developing preventable or treatable conditions, or worse, permanent disability or even premature death.

The lack of health insurance causes more than poor health outcomes. Access to affordable health care is essential to alleviating child poverty. Low-income families without insurance often get stuck in an endless cycle of medical debt, a primary cause of bankruptcy filings in this country. Parents already struggling to make ends meet

should not have to choose between providing their children needed medications and putting a roof over their heads or food on their table.

I commend the chairman and ranking member of the Finance Committee for working so hard with our colleagues in the House of Representatives to put together a bill that will benefit the lives of millions of children and their families. Their leadership over the years, and that of Senators HATCH, ROCKEFELLER, KENNEDY and many others, helped create the Children's Health Insurance Program, CHIP, and reduce the number of uninsured children by one-third. Their persistence now to expand this bill in the face of considerable opposition shows their commitment to children's health. This bill is a tremendous investment in the health and future of our children.

Specifically, the bill continues providing coverage for 6.6 million children currently enrolled in CHIP and provides coverage for 3.1 million children who are currently uninsured today. It gives States the resources they need to keep up with the growing numbers of uninsured children. It provides tools and incentives to cover children who have fallen through the cracks of current programs. And it will prevent the President from unfairly and shortsightedly limiting States' efforts to expand their CHIP programs to cover even more children. All together these efforts will reduce the number of uninsured children by one third over the next 5 years.

In my own State of Connecticut, our CHIP program, commonly known as HUSKY B, has brought affordable health insurance to more than 130,000 children in working families since its inception in 1998. H.R. 976 is essential to States like Connecticut so that they may continue to operate programs like HUSKY B and build on their proven success to insure even more children.

I am additionally very pleased that my Support for Injured Servicemembers Act amendment was included in the final SCHIP bill. This amendment provides up to 6 months of Family and Medical Leave Act, FMLA, leave for family members of military personnel who suffer from a combat-related injury or illness. FMLA currently allows three months of unpaid leave. Fourteen years ago, FMLA declared the principle that workers should never be forced to choose between the jobs they need and the families they love.

If ordinary Americans deserve those rights, how much more do they apply to those who risk their lives in the service of our country? Soldiers who have been wounded in our service deserve everything America can give to speed their recoveries but most of all, they deserve the care of their closest loved ones. That is exactly what is offered in the Support for Injured Servicemembers Act.

Senator Bob Dole and former Secretary of Health and Human Services Donna Shalala have been instrumental in this effort through the President's Commission on Care for America's Returning Wounded Warriors. It's not surprising that the Commission found that family members play a critical role in the recovery of our wounded servicemembers. The commitment shown by the families and friends of our troops is truly inspiring. According to the Commission's report, 33 percent of active duty servicemembers report that a family member or close friend relocated for extended periods of time to help their recoveries. It also points out that 21 percent of active duty servicemembers say that their friends or family members gave up jobs to find the time. Last week in a hearing of the Subcommittee on Workforce Protections, we heard from one of those families and there are thousands more to be heard. The House is moving forward with companion legislation and I am grateful to my colleagues Congresswoman WOOLSEY and Chairman MILLER and their cosponsors.

I am pleased that Senator CLINTON is the lead cosponsor of my amendment. In addition, I am pleased that Senators DOLE, GRAHAM, KENNEDY, CHAMBLISS, REED, MIKULSKI, MURRAY, SALAZAR, LIEBERMAN, MENENDEZ, BROWN, NELSON of Nebraska, and CARDIN are cosponsoring this amendment. I thank Senator BAUCUS and Senator GRASSLEY for accepting this important amendment and appreciate the support of all of my colleagues in this effort.

I am troubled by the comments by President Bush and members of his administration about this bill. This legislation is vital to the health and well being of our children. The CHIP program is a model of success and this bill provides sustainable and predictable health care coverage for low income children regardless of their health status. It represents the hard work and agreement of an overwhelming majority of Members on both sides of the aisle. It is a testament to how important issues like children's health care can be addressed in a bipartisan manner by a united Congress. The President's policy of block and delay would mean Connecticut and other States would have to take away existing health coverage for hundreds of thousands of children when they should be covering more kids.

But despite the bipartisan agreement of this Congress, the President threatens to veto this legislation. If he does, all Americans will know whether the President stands for children or would rather stand in the way of children's access to critically needed health care.

I urge my colleagues to support this critical legislation and I urge President Bush to do what is right and sign it into law.

FURTHER CHANGES TO S. CON. RES. 21

Mr. CONRAD. Mr. President, section 301 of S. Con. Res. 21, the 2008 budget resolution, permits the chairman of the Senate Budget Committee to revise the allocations, aggregates, and other appropriate levels for legislation that reauthorizes the State Children's Health Insurance Program, SCHIP. Section 301 authorizes the revisions provided that certain conditions are met, including that the legislation not result in more than $50 billion in outlays for SCHIP over the period of fiscal years 2007 through 2012 and that the legislation not worsen the deficit over the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

I find that H.R. 976, the Children's Health Insurance Program Reauthorization Act of 2007, satisfies the conditions of the deficit-neutral reserve fund for SCHIP legislation. Therefore, pursuant to section 301, I am adjusting the aggregates in the 2008 budget resolution, as well as the allocation provided to the Senate Finance Committee.

I ask unanimous consent that the following revisions to S. Con. Res. 21 be printed in the RECORD.

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

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2008–S. CON. RES. 21; FURTHER REVISIONS TO THE CONFERENCE AGREEMENT PURSUANT TO SECTION 301 DEFICIT-NEUTRAL RESERVE FUND FOR SCHIP LEGISLATION

In billions of dollars

Section 101.	
(1)(A) Federal Revenues:	
FY 2007	1,900.340
FY 2008	2,022.051
FY 2009	2,121.498
FY 2010	2,176.937
FY 2011	2,357.666
FY 2012	2,495.044
(1)(B) Change in Federal Revenues:	
FY 2007	–4.366
FY 2008	–28.745
FY 2009	14.572
FY 2010	13.216
FY 2011	–36.884
FY 2012	–102.052
(2) New Budget Authority:	
FY 2007	2,371.470
FY 2008	2,504.975
FY 2009	2,523.486
FY 2010	2,579.022
FY 2011	2,697.385
FY 2012	2,734.795
(3) Budget Outlays:	
FY 2007	2,294.862
FY 2008	2,469.884
FY 2009	2,570.685
FY 2010	2,607.628
FY 2011	2,703.144
FY 2012	2,716.346

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2008—S. CON. RES. 21; FURTHER REVISIONS TO THE CONFERENCE AGREEMENT PURSUANT TO SECTION 301 DEFICIT NEUTRAL RESERVE FUND FOR SCHIP LEGISLATION

In millions of dollars

Current Allocation to Senate Finance Committee:	
FY 2007 Budget Authority	1,011,527
FY 2007 Outlays	1,017,808
FY 2008 Budget Authority	1,078,905
FY 2008 Outlays	1,079,914
FY 2008–2012 Budget Authority	6,017,379
FY 2008–2012 Outlays	6,021,710
Adjustments:	
FY 2007 Budget Authority	0
FY 2007 Outlays	0
FY 2008 Budget Authority	9,098
FY 2008 Outlays	2,412
FY 2008–2012 Budget Authority	47,678
FY 2008–2012 Outlays	34,907
Revised Allocation to Senate Finance Committee:	
FY 2007 Budget Authority	1,011,527
FY 2007 Outlays	1,017,808
FY 2008 Budget Authority	1,088,003