study relating to the construction of a multipurpose project in the Fountain Creek watershed located in the State of Colorado.

S. 2386

At the request of Mrs. FEINSTEIN, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2386, a bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act, to authorize temporary mortgage and rental payments.

S. 2388

At the request of Mrs. FEINSTEIN, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2388, a bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act, to increase the maximum amount of assistance to individuals and households.

S. 2485

At the request of Mr. TESTER, the name of the Senator from Tennessee (Mr. CORKER) was added as a cosponsor of S. 2485, a bill to amend the Public Health Service Act to provide for the participation of physical therapists in the National Health Service Corps Loan Repayment Program, and for other purposes.

S. 2521

At the request of Mr. LIEBERMAN, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 2521, a bill to provide benefits to domestic partners of Federal employees.

S. 2602

At the request of Mr. SALAZAR, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 2602, a bill to amend the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008, to terminate the authority of the Secretary of the Treasury to deduct amounts from certain States.

S. 2674

At the request of Mr. BURR, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 2674, a bill to amend titles 10 and 38, United States Code, to improve and enhance procedures for the retirement of members of the Armed Forces for disability and to improve and enhance authorities for the rating and compensation of service-connected disabilities in veterans, and for other purposes.

S. 2715

At the request of Mr. INHOFE, the names of the Senator from Kentucky (Mr. BUNNING) and the Senator from North Carolina (Mrs. DOLE) were added as cosponsors of S. 2715, a bill to amend title 4, United States Code, to declare English as the national language of the Government of the United States, and for other purposes.

S. 2719

At the request of Mrs. DOLE, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 2719, a bill to provide that Executive Order 13166 shall have no force or effect, and to prohibit the use of funds for certain purposes.

S. 2722

At the request of Mrs. DOLE, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 2722, a bill to prohibit aliens who are repeat drunk drivers from obtaining legal status or immigration benefits.

S. 2729

At the request of Mr. CORNYN, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 2729, a bill to amend title XVIII of the Social Security Act to modify Medicare physician reimbursement policies to ensure a future physician workforce, and for other purposes.

S. 2731

At the request of Mr. BIDEN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2731, a bill to authorize appropriations for fiscal years 2009 through 2013 to provide assistance to foreign countries to combat HIV/AIDS, tuberculosis, and malaria, and for other purposes.

S. 2736

At the request of Mr. KOHL, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 2736, a bill to amend section 202 of the Housing Act of 1959 to improve the program under such section for supportive housing for the elderly, and for other purposes.

S. 2743

At the request of Mr. CASEY, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 2743, a bill to amend the Internal Revenue Code of 1986 to provide for the establishment of financial security accounts for the care of family members with disabilities, and for other purposes.

S. 2766

At the request of Mr. NELSON of Florida, the names of the Senator from Georgia (Mr. CHAMBLISS) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 2766, a bill to amend the Federal Water Pollution Control Act to address certain discharges incidental to the normal operation of a recreational vessel.

S.J. RES. 29

At the request of Mr. WYDEN, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S.J. Res. 29, a joint resolution expressing Congressional support for the goals and ideals of National Health Care Decisions Day.

S. RES. 470

At the request of Mr. FEINGOLD, the names of the Senator from New Jersey (Mr. MENENDEZ), the Senator from Ohio (Mr. VOINOVICH), the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from Georgia (Mr. ISAKSON), the Senator from Florida (Mr. NELSON), the Senator from Minnesota (Ms. KLOBUCHAR), the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. Res. 470, a resolution calling on the relevant governments, multilateral bodies, and non-state actors in Chad, the Central African Republic, and Sudan to devote ample political commitment and material resources towards the achievement and implementation of a negotiated resolution to the national and regional conflicts in Chad, the Central African Republic, and Darfur, Sudan.

S. RES. 498

At the request of Mr. DODD, his name was added as a cosponsor of S. Res. 498, a resolution designating April 8, 2008, as ''National Cushing's Syndrome Awareness Day''.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CONRAD (for himself and Ms. STABENOW):

S. 2812. A bill to amend title XVIII of the Social Security Act to improve the provision of telehealth services under the Medicare program; to the Committee on Finance.

Mr. CONRAD. Mr. President, today I rise with my colleague, Senator STABENOW, to introduce an important piece of legislation for Medicare beneficiaries living in rural areas. The Medicare Telehealth Improvement Act will ensure that rural beneficiaries have access to health care services by connecting remote areas to the services often only available in large urban centers.

Fifteen years ago, I cofounded the Congressional Steering Committee on Telemedicine and Health Care Informatics to bring more attention to this technology and its potential. I took an interest in this technology because in large, rural, medically underserved States like mine, telemedicine provides access to care that is simply unavailable otherwise. In many areas of North Dakota, routine check-ups with a specialist can require a 200 mile round trip journey. That's fine for a young person on a nice spring day. But it doesn't work for seniors in the middle of a North Dakota blizzard.

That's why in 1997, we fought to provide Medicare coverage of telemedicine services. But access to this benefit was strictly limited. For example, the telehealth service must be provided in a health professional shortage area or county not classified as a metropolitan statistical area. In addition, only consultations, office visits, individual psychotherapy and pharmacologic management are covered services. Moreover, reimbursement, which is the same as the current physician fee schedule amount, is limited to physicians, nurse practitioners, physician assistants, nurse midwives, clinical nurse specialists, clinical psychologists, clinical social workers, and registered dieticians. Finally, only physician offices, hospitals, rural health

clinics, and Federally-qualified health centers are eligible to be originating sites and receive the ''facility fee.''

While this benefit has been helpful to seniors in rural areas, the adoption of telemedicine in the Medicare program has been slow. That is because we had to place too many restrictions on the benefit to control the estimated costs o covering these services. However, experience has shown that the use of telemedicine does not dramatically increase spending. In fact, it can actually save money.

That is why Senator STABENOW and I are introducing the Medicare Telehealth Improvement Act today. More seniors need to have access to this technology in all areas of health care, and our bill makes important changes in Medicare coverage.

First, the Medicare Telehealth Improvement Act would increase the number of originating sites eligible to receive the facility fee to include nursing homes, dialysis facilities and community mental health centers. Moreover, it would allow any other site that has telecommunications systems to be an originating site, but these sites would not be eligible for the facility fee.

Second, the bill allows more providers to participate. For a number of years, we have advocated to include physical therapists, occupational therapists, audiologists, and speech-language pathologists. This bill would make that change.

Finally, we would improve the Medicare process for updating the list of eligible services. Despite widespread support for the inclusion of new codes, CMS has not sufficiently updated the list of covered services in recent years. In response, our bill creates an advisory panel that would give recommendations on the addition or deletion of services.

Senator STABENOW and I have worked to garner support from a variety of stakeholders. In fact, the bill we are introducing today has the support of the American Telemedicine Association, the National Council on Community Behavioral Healthcare, the American Health Care Association, the American Health Information Management Association, the Center for Aging Services Technologies, the National Association for the Support of Long Term Care, and the National Center for Assisted Living.

This bill is a meaningful step to further adoption of telehealth in the Medicare program. It will allow seniors to seek care in the comfort of their communities, instead of having to drive hundreds of miles. I urge my colleagues to support this initiative to ensure that every senior has access to the care they need.

Mr. President, I ask unanimous consent that letters of support be printed in the RECORD.

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

AMERICAN TELEMEDICINE ASSOCIATION,
Washington, DC, March 12, 2008.

Hon. KENT CONRAD,
U.S. Senate,
Washington, DC.

DEAR SEN. CONRAD: I am pleased to express the strong support of the American Telemedicine Association for your proposed legislation, the Medicare Telehealth Improvement Act of 2008.

This legislation would improve the current Medicare telehealth program in three significant ways. First, it would increase the number of eligible sites by adding skilled nursing facilities, dialysis centers and community mental health centers to the list of approved originating sites. These are areas where telemedicine is proven to improve quality and reduce costs.

Second, this bill would expand the list of eligible providers under the Medicare telehealth program. This is not only appropriate but necessary as more and more health professions develop their telemedicine capabilities.

Finally, your legislation would improve the process used for updating covered Medicare telehealth services by creating an advisory committee of telemedicine practitioners to advise CMS on the appropriate addition of deletion of telehealth services. This committee, made up of physician and non-physician providers, will improve the process by providing the perspective of those directly involved in the provision of telehealth services.

The ATA is the leading resource and advocate promoting access to medical care for consumers and health professionals via telecommunications technology. ATA seeks to bring together groups from traditional medicine, academic medical centers, technology and telecommunications companies, e-health, medical societies, government and others to overcome barriers to the advancement of telemedicine through the professional, ethical and equitable improvement in health care delivery.

ATA is happy to support your proposed bill, the Medicare Telehealth Improvements Act of 2008.

Sincerely,

JONATHAN D. LINKOUS,
Executive Director.

MARCH 18, 2008.

Hon. KENT CONRAD,
Chairman, Senate Budget Committee, Hart Senate Office Building, U.S. Senate, Washington, DC.

DEAR CHAIRMAN CONRAD: Our coalition of long term care and health information technology organizations is pleased to support your efforts to expand the use of telehealth to skilled nursing facilities and other care settings serving Medicare patients. Telehealth will enhance the quality of care for those with chronic illnesses, permanent disabilities, or terminal illnesses and will improve the communication and information exchange between caregivers and patients.

According to the June 2007 Centers for Medicare & Medicaid Services Statistics report, roughly 1.8 million persons received Medicare-covered care in skilled nursing facilities in 2005. Long term care is a critical stakeholder in the adoption of health information technology and the use of telehealth to ensure continuous quality of care to our patients and residents.

Your recognition of the importance of telehealth in the long term care setting will go a long way toward bringing the benefits of this technology to millions of Medicare patients. Your legislation will facilitate the adoption of technologies that can save lives, reduce administrative costs, and provide better medical care, and we support your efforts wholeheartedly.

We look forward to continuing to work with you to secure passage of legislation to accelerate the adoption of telehealth to increase quality and safety for patients.

Sincerely,

AMERICAN HEALTH CARE ASSOCIATION.
AMERICAN HEALTH INFORMATION MANAGEMENT ASSOCIATION.
CENTER FOR AGING SERVICES TECHNOLOGIES.
NATIONAL CENTER FOR ASSISTED LIVING.
NATIONAL ASSOCIATION FOR THE SUPPORT OF LONG TERM CARE.

NATIONAL COUNCIL FOR COMMUNITY BEHAVIORAL HEALTHCARE,
Rockville, MD, March 31, 2008.

Hon. KENT CONRAD,
Hart Senate Office Bldg.,
Washington, DC.
Hon. DEBBIE STABENOW,
Hart Senate Office Bldg.,
Washington, DC.

DEAR SENATOR CONRAD AND SENATOR STABENOW: On behalf of the National Council on Community Behavioral Healthcare—representing 1,400 Community Mental Health Centers and other community mental health and substance abuse agencies serving over 6 million low-income Americans with mental illnesses and addiction disorders—I am writing to express our strong support for the Conrad/Stabenow Medicare Telehealth Improvement Act.

The National Council is particularly pleased that you included provisions designating CMHCs as originating sites, thereby authorizing to seek reimbursement directly from Medicare for tele-mental health services in rural areas.

Such proposals have long enjoyed strong bipartisan support. As an illustration, President George W. Bush's New Freedom Commission on Mental Health stated: ''Telehealth—using electronic information and telecommunications technologies to provide long-distance clinical care and consultation, patient and professional health-related education, public health and health administration—is a greatly underused resource for mental health services.'' The Commission went on to note that tele-mental health can increase access to care for patients in remote geographic areas, and is especially important for individuals with multiple chronic conditions, people with severe mental illnesses, underserved populations, children and the frail elderly [Achieving the Promise: Transforming Mental Health Care in America, pg. 80, July 2003].

Like other safety net providers in rural America, CMHCs struggle to recruit skilled medical staff in health professional shortage areas. The only practical means of expanding access to mental health services in these regions is through the application of new technologies—including tele-mental health care.

The National Council is committed to working with both of your offices to secure passage of the Medicare Telehealth Improvement Act.

Sincerely,

LINDA ROSENBERG,
President & CEO.

Ms. STABENOW. I am pleased to join with my good friend, Senator KENT CONRAD, in introducing the Medicare Telehealth Improvement Act, which improves access for many Medicare beneficiaries by expanding telehealth services.

As Senator CONRAD has noted, this legislation makes a number of technical corrections to promote telehealth. First, this bill would expand the number of sites that provide telehealth services under Medicare to include nursing homes, dialysis facilities, and community mental health centers. Also, it would expand the list of providers to include physical therapists, occupational therapists, speech-language pathologists, and other providers determined appropriate by the Secretary of Health and Human Services. Lastly, this bill would require the Centers for Medicare and Medicaid Services to update the list of covered telehealth services, along with the creation of a permanent advisory committee made up of physicians and nonphysicians to provide recommendations to the Secretary and continue expansions of telehealth services forward.

Michigan providers have been very innovative in using telehealth, often out of necessity because of geographic isolation. Telehealth allows providers to collaborate across great distances and share, rather than duplicate, services. This helps save money and improve patient access. One innovation is the use of tele-mental health services. Many Michigan community mental health centers have made tremendous strides in their ability to monitor patients and provide clinical consultations long distance.

I am very pleased that both the Michigan Association of Community Mental Health Boards and the National Council on Community Behavioral Healthcare support this legislation.

I believe that the Medicare Telehealth Improvement Act will build upon already successful initiatives happening in my home State of Michigan and across the country. I urge my colleagues to join with me and Senator CONRAD in expanding upon this promising technology.

Mr. President, I ask unanimous consent that a letter of support be printed in the RECORD.

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

MICHIGAN ASSOCIATION OF COMMUNITY MENTAL HEALTH BOARDS,
Lansing, Mi, March 28, 2008.

Hon. DEBBIE STABENOW,
U.S. Senator; SH–133 Hart Senate Office Bldg., Washington, DC.

DEAR SENATOR STABENOW: On behalf of the Michigan Association of Community Mental Health Boards (MACMHB)—representing county administered community mental health and substance abuse agencies serving low-income people with mental illnesses and addiction disorders statewide—I am writing to express our strong support for the Stabenow/Conrad Medicare Telehealth Improvement Act.

MACMHB is particularly pleased that you included provisions designating CMHCs as originating sites, thereby authorizing these agencies to seek reimbursement directly from Medicare for tele-mental health services.

As you well know, we have consistently struggled to expand access to mental health care in the vast northern reaches of Michigan for many years. In the best of times, MACMHB member agencies have fought to retain skilled professional staff, but the current economic challenges that our state confronts make personnel recruitment and retention along with services delivery in rural areas—even more difficult. By contrast, telemental health care can partially compensate for these staff shortages and, furthermore, we believe that these services can be successfully implemented and expanded in highly urbanized communities including metropolitan Detroit.

Passage of the Stabenow/Conrad telehealth improvement legislation would be of greatest benefit to individuals eligible for both Medicare and Medicaid—who compose roughly one-third of the combined caseload of our member agencies. This patient population is likely to have multiple chronic conditions in addition to severe mental illnesses, and they generally reside in underserved communities. The expansion of tele-mental health services will substantially improve our ability to provide long distance clinical consultation and health status monitoring for these ''dually eligible'' persons.

Senator Stabenow, we deeply appreciate your support. You can count on MACMHB and the National Council of Community Behavioral Healthcare to fight for passage of the Medicare Telehealth Improvement Act.

Sincerely,
DAVID A, KAKMIA, L.M.S.W.,
Executive Director.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 2814. A bill to authorize the Secretary of the Interior to provide financial assistance to the Eastern New Mexico Rural Authority for the planning, design, and construction of the Eastern New Mexico Rural Water System, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. BINGAMAN. Mr. President, today, I am introducing a bill, with Senator DOMENICI's support, that would authorize the Bureau of Reclamation to help communities in eastern New Mexico develop the Eastern New Mexico Rural Water System, ENMRWS. The water supply and long-term security to be made available by this project is absolutely critical to the region's future. I look forward to working with my colleagues here in the Senate to help make this project a reality.

This is the third time this bill has been introduced. In June 2004, it was the subject of a hearing before the Water & Power Subcommittee of the Energy & Natural Resources Committee. At that hearing, the Bureau of Reclamation raised a number of issues that needed to be addressed by the Project sponsors prior to securing Reclamation's support. Last August, the Energy & Natural Resources Committee conducted a field hearing on the project in Clovis, New Mexico, and it was clear that the sponsors have worked diligently to address the issues raised by Reclamation. Given that progress and the broad support that exists for the project, it is time to move forward with Federal authorization under Reclamation's rural water program.

The source of water for the ENMRWS is Ute Reservoir, a facility constructed by the State of New Mexico in the early 1960s. In 1966, Congress authorized Reclamation to study the feasibility of a project that would utilize Ute Reservoir to supply water to communities in eastern New Mexico, P.L. 89–561. Numerous studies were completed, but it was not until recently that several communities, concerned about their reliance on declining and degraded groundwater supplies in the area, began to plan seriously for the development of a regional water system that would make use of the renewable supply available from Ute Reservoir.

As part of that process, the Eastern New Mexico Rural Water Authority was formed to carry out the development of the ENMRWS. The Authority consists of six communities and two counties in eastern New Mexico, and has been very effective in securing local funds and State funding to support the studies and planning necessary to move the project forward. To date, the State of New Mexico has provided approximately $7.5 million to develop the ENMRWS.

Mr. President, this is a very important bill to the citizens of New Mexico. It has the broad support of the communities in the region as well as financial support from the State of New Mexico. There is no question that completion of the ENMRWS will provide communities in Curry and Roosevelt counties with a long-term renewable source of water that is needed to sustain current economic activity and support future development in the region. I hope my colleagues will support this legislation and help address one of the many pressing water needs in the rural West.

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

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

S. 2814

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Eastern New Mexico Rural Water System Authorization Act''.

SEC. 2. DEFINITIONS.

In this Act:

(1) AUTHORITY.—The term ''Authority'' means the Eastern New Mexico Rural Water Authority, an entity formed under State law for the purposes of planning, financing, developing, and operating the System.

(2) ENGINEERING REPORT.—The term ''engineering report'' means the report entitled ''Eastern New Mexico Rural Water System Preliminary Engineering Report'' and dated October 2006.

(3) PLAN.—The term ''plan'' means the operation, maintenance, and replacement plan required by section 4(b).

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

(5) STATE.—The term ''State'' means the State of New Mexico.

(6) SYSTEM.—

(A) IN GENERAL.—The term ''System'' means the Eastern New Mexico Rural Water

System, a water delivery project designed to deliver approximately 16,500 acre-feet of water per year from the Ute Reservoir to the cities of Clovis, Elida, Grady, Melrose, Portales, and Texico and other locations in Curry, Roosevelt, and Quay Counties in the State.

(B) INCLUSIONS.—The term ''System'' includes the major components and associated infrastructure identified as the ''Best Technical Alternative'' in the engineering report.

(7) UTE RESERVOIR.—The term ''Ute Reservoir'' means the impoundment of water created in 1962 by the construction of the Ute Dam on the Canadian River, located approximately 32 miles upstream of the border between New Mexico and Texas.

SEC. 3. EASTERN NEW MEXICO RURAL WATER SYSTEM.

(a) FINANCIAL ASSISTANCE.—

(1) IN GENERAL.—The Secretary may provide financial and technical assistance to the Authority to assist in planning, designing, conducting related preconstruction activities for, and constructing the System.

(2) USE.—

(A) IN GENERAL.—Any financial assistance provided under paragraph (1) shall be obligated and expended only in accordance with a cooperative agreement entered into under section 5(a)(2).

(B) LIMITATIONS.—Financial assistance provided under paragraph (1) shall not be used—

(i) for any activity that is inconsistent with constructing the System; or

(ii) to plan or construct facilities used to supply irrigation water for irrigated agricultural purposes.

(b) COST-SHARING REQUIREMENT.—

(1) IN GENERAL.—The Federal share of the total cost of any activity or construction carried out using amounts made available under this Act shall be not more than 75 percent of the total cost of the System.

(2) SYSTEM DEVELOPMENT COSTS.—For purposes of paragraph (1), the total cost of the System shall include any costs incurred by the Authority or the State on or after October 1, 2003, for the development of the System.

(c) LIMITATION.—No amounts made available under this Act may be used for the construction of the System until—

(1) a plan is developed under section 4(b); and

(2) the Secretary and the Authority have complied with any requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) applicable to the System.

(d) TITLE TO PROJECT WORKS.—Title to the infrastructure of the System shall be held by the Authority or as may otherwise be specified under State law.

SEC. 4. OPERATION, MAINTENANCE, AND REPLACEMENT COSTS.

(a) IN GENERAL.—The Authority shall be responsible for the annual operation, maintenance, and replacement costs associated with the System.

(b) OPERATION, MAINTENANCE, AND REPLACEMENT PLAN.—The Authority, in consultation with the Secretary, shall develop an operation, maintenance, and replacement plan that establishes the rates and fees for beneficiaries of the System in the amount necessary to ensure that the System is properly maintained and capable of delivering approximately 16,500 acre-feet of water per year.

SEC. 5. ADMINISTRATIVE PROVISIONS.

(a) COOPERATIVE AGREEMENTS.—

(1) IN GENERAL.—The Secretary may enter into any contract, grant, cooperative agreement, or other agreement that is necessary to carry out this Act.

(2) COOPERATIVE AGREEMENT FOR PROVISION OF FINANCIAL ASSISTANCE.—

(A) IN GENERAL.—The Secretary shall enter into a cooperative agreement with the Authority to provide financial assistance and any other assistance requested by the Authority for planning, design, related preconstruction activities, and construction of the System.

(B) REQUIREMENTS.—The cooperative agreement entered into under subparagraph (A) shall, at a minimum, specify the responsibilities of the Secretary and the Authority with respect to—

(i) ensuring that the cost-share requirements established by section 3(b) are met;

(ii) completing the planning and final design of the System;

(iii) any environmental and cultural resource compliance activities required for the System; and

(iv) the construction of the System.

(b) TECHNICAL ASSISTANCE.—At the request of the Authority, the Secretary may provide to the Authority any technical assistance that is necessary to assist the Authority in planning, designing, constructing, and operating the System.

(c) BIOLOGICAL ASSESSMENT.—The Secretary shall consult with the New Mexico Interstate Stream Commission and the Authority in preparing any biological assessment under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) that may be required for planning and constructing the System.

(d) EFFECT.—Nothing in this Act—

(1) affects or preempts—

(A) State water law; or

(B) an interstate compact relating to the allocation of water; or

(2) confers on any non-Federal entity the ability to exercise any Federal rights to—

(A) the water of a stream; or

(B) any groundwater resource.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—In accordance with the adjustment carried out under subsection (b), there is authorized to be appropriated to the Secretary to carry out this Act an amount not greater than $327,000,000.

(b) ADJUSTMENT.—The amount made available under subsection (a) shall be adjusted to reflect changes in construction costs occurring after January 1, 2007, as indicated by engineering cost indices applicable to the types of construction necessary to carry out this Act.

(c) NONREIMBURSABLE AMOUNTS.—Amounts made available to the Authority in accordance with the cost-sharing requirement under section 3(b) shall be nonreimbursable and nonreturnable to the United States.

(d) AVAILABILITY OF FUNDS.—At the end of each fiscal year, any unexpended funds appropriated pursuant to this Act shall be retained for use in future fiscal years consistent with this Act.

By Mr. KENNEDY (for himself, Mr. SANDERS, Mrs. MURRAY, Mr. DODD, Mr. REED, and Mr. LEVIN):

S. 2815. A bill to amend the Higher Education Act of 1965 in order to increase unsubsidized Stafford loan limits for undergraduate students, provide for a secondary market for FFEL loans, allow for the in-school deferment of PLUS loans, augment the maximum Federal Pell Grant for the lowest income students, and expand the number of students eligible to obtain loans under the lender-of-last-resort program, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. KENNEDY. Mr. President, Americans are facing economic challenges at every turn. They see jobs disappearing, homes being foreclosed, debts soaring, and benefits worth less and less. Now families are finding that the loans they rely on to afford the high cost of college may also be at risk.

Some lenders have stopped making private student loans, and others have even temporarily stopped making loans under the Federal program. We can't allow problems in the credit market to prevent students from going to college.

We have been working with the Secretary of Education to take steps to see that all Federal backstops are in place and operational in order to protect students from these problems.

Today, I am introducing legislation for additional steps to protect students by reducing their reliance on loans, and by improving the existing Federal student loan programs to give them better terms and conditions.

The legislation does three things. It increases grant aid for the neediest students. It expands options for students and parents under the Federal loan programs so that fewer of them will have to turn to higher cost private loans. It takes steps to shore up the reliability of the current Federal loan programs so that families will have timely and reliable access to Federal loans.

Over 6 million students relied on Federal loans last year. It is essential to make sure this support is there for them when they need it. In the past 20 years, the cost of college has tripled, and more and more students are relying on student loans to afford a college education. In 1993, less than half of all graduates took out loans, but in 2004, nearly ⅔ did so.

The average U.S. student now graduates with more than $19,000 of student loan debt. As a result, they are under increasing pressure to give up lower-paying jobs and careers they may prefer, due to the burden of repaying their loan debts.

Legislation was enacted last year that increased grant aid and made Federal loans cheaper for students by reducing interest rates. We also provided that no graduates should have to pay more than 15 percent of their income in monthly loan payments, and that those who enter public service will have their loans completely forgiven. But these benefits will be meaningless if students cannot obtain the loans needed to gain a degree.

In recent weeks, the credit market crisis has made it more difficult for lenders to obtain capital for student loans. As a result, some lenders are leaving the student loan market and those operating outside the Federal loan program are cutting back on loans to high risk borrowers.

So far, because of the attractiveness of the Federal guarantee in the Federal loan program, other lenders are stepping in to fill the gaps in that program.

Since the interest rates in that program are capped, students are protected from inflated interest costs.

But students who need to go beyond the Federal loan program will have a more difficult time finding lenders, and their rates will go up.

Also, parents who traditionally had various options for borrowing to finance college for their children are seeing those options disappear. Some no longer have access to low-cost home equity lines of credit. Others are being turned down for additional loans as they struggle to pay their own mortgages.

As I mentioned, we are already taking action to ensure that programs already in place to protect students and families from credit market disruptions are fully operational.

I have urged Secretary Spellings to make it as easy as possible for colleges and families to participate in the existing loan program that allows students and parents to borrow directly from the Federal Government, without going through a bank. This Direct Loan program uses Treasury funds. It does not rely on capital from the private financial markets, so it's insulated from the market disruptions now taking place.

I have also urged the Secretary to put in place a plan to activate the ''Lender-of-Last-Resort'' program, which enables the Secretary to advance capital to designated lenders and guaranty agencies, so they can help students who are having trouble finding loans through other banks.

These programs are now in the law, and nearly 2,000 colleges are already signed up to use the Direct Loan Program.

We're also taking steps to help students and parents who must borrow outside the Federal loan program, since they are the ones most likely to be affected by the credit market decline.

Currently, however, many students and parents don't know about their Federal options. According to Department of Education estimates, between 40 and 60 percent of students who turn to high-cost private loans are not actually taking full advantage of Federal grants and loans first.

We're taking steps to correct that problem in the Higher Education Reauthorization bill that's in conference now.

But there is much more we can do to reduce families' reliance on high-cost private loans. The legislation I am offering today will increase access for students and families to low-cost Federal loans. It will also strengthen the backstops in the Federal program, to ensure students and families will continue to have access to Federal loans.

The legislation cuts back in several ways on the number of private loans that families have to take out:

It increases Pell Grant aid for the lowest income students.

It increases the amount that students can borrow under the Federal loan program.

It makes Federal loans for parents more attractive by enabling parents to defer payments on the loans while students are in college just as students can defer payments on their own loans.

It also takes steps to shore up the Federal loan program to ensure there are no disruptions in access for students.

It makes it easier for schools to use the ''Lender-of-Last-Resort'' program when students or schools have problems finding lenders.

It provides an additional backstop to give lenders access to the capital they need for new loans, if the situation worsens.

I will take a moment to describe each of these provisions.

The best way to help students and families afford college is to increase grant aid. More aid up front means fewer loans and less debt on graduation day. That is why the Democratic Congress delivered on our promise last year to raise the Pell Grant. The maximum grant will increase to $5,400 by 2012—an increase of $1,350 over the level at which it had stagnated under the current administration.

This increase in up-front aid means that students eligible for the maximum Pell grant will have to borrow $6,000 less in loans over the course of their college career.

The legislation I am introducing builds on that progress, and focuses on students who need it most. Currently, over 2.6 million students—half of all Pell Grant recipients—come from families whose income, under the Federal formula, makes them eligible for the maximum amount of Federal assistance because they are determined to be unable to contribute to their children's college bills. Still, after all grant aid, these families face an average unmet need of $5,600, which they are forced to borrow in order to pay for college. This bill brings additional assistance to these students, by increasing the maximum Pell Grant for these students by up to $750.

Because Federal grant aid has not kept pace with the rising cost of college in recent decades, many students have been forced to turn to loans. The bill helps students who still need to borrow for college by guaranteeing their access to additional low-cost federal loans, rather than forcing them to turn to the more expensive private loan market.

Currently, undergraduate students who are dependents of their parents can take out loans of between $3,500 and $5,500 annually, depending what year of college they're in. The total amount they can borrow is $23,000. Independent students can borrow about double that amount.

Consider what this means for a middle-class family in Massachusetts struggling to send a child to college.

Here is a family that makes $68,700—the median income in our State. On average, these families will spend $17,424 a year for college. Based on the federal formula, the parents are expected to contribute between $8,000 and $10,000 a year from their earnings with the rest to be obtained through grants and loans. After accounting for all federal, state, and institutional aid, this family still faces over $2,600 in unmet costs each year—on top of their expected family contribution. The estimate is conservative, because many parents don't have the $8,000–10,000 they're expected to contribute.

To make up the difference, many families can take out federal parent ''PLUS'' loans at a 7.9 percent interest rate. If they don't qualify for such loans because of poor credit, their children may have to turn to higher cost private loans.

The bill increases eligibility for Federal student loans in order to give students a better, lower-cost option than relying on private lenders.

It allows undergraduates dependent on their parents to borrow up to $1,000 more a year. It tracks current law by allowing independent students to borrow twice that amount. It also allows students whose parents are not able to borrow under the Federal parent loan program because of poor credit to borrow an additional $2,000 per year.

In addition, the bill increases the total amount that students can borrow over the course of their college career. Dependent students will be able to borrow up to $29,500. Independent students, and students whose parents don't have access to PLUS parent loans, can borrow up to $57,500.

Further, the legislation makes federal parent loans more attractive. Currently, most parents have the option of borrowing low-cost federal loans—up to the cost of attendance—for their children. In the 2006–2007 school year, 600,000 parents borrowed approximately $8 billion in PLUS loans, and the average loan was $13,600.

Many parents in recent years have not taken advantage of PLUS loans, because they had other options, such as home equity lines of credit, or private loans with good terms and conditions. This year, for the first time in a decade, the number of PLUS loan borrowers declined—by about 160,000. At the same time, student and parent dependence on private loans has increased. In the 2006–2007 school year, over $17 billion in private student loans were used to finance higher education.

With the credit crunch making it harder and more expensive for parents to borrow from private sources, this legislation will make it easier for parents to obtain Federal loans. Specifically, it allows parents to defer payment on those loans until their children graduate from school—just as students are able to do under their own Federal loans.

This provision protects parents from having to make any payments over the next few years, and allows them to use that time to meet other financial obligations, such as getting their mortgages back on track.

In addition to these provisions that significantly reduce families' need to turn to the private loan market, the legislation also takes two important steps to strengthen the backstops in the Federal loan program, to ensure that students and parents can continue to have timely, uninterrupted access to Federal loans.

First, it makes it easier for students and schools to participate in the ''Lender-of-Last-Resort'' program. Current law requires designated lenders to make loans to students who are having trouble finding a Federal student loan elsewhere. But the program requires individual students to demonstrate that they can't find a loan before they can turn to a ''lender of last resort.''

If the current market worsens, more lenders may stop making Federal student loans, and this ''lender-of-last-resort'' process will become untenable. Nationally, 18 million students are enrolled in colleges and universities. We can't require each of them to demonstrate they can't find another lender before using this safety net.

The legislation instead allows financial aid officers and colleges to make this determination on behalf of all their students, so that students can easily obtain a loan through a ''lender of last resort.'' Consider the difference this would make at state universities, some of which enroll more than 50,000 college and graduate students and generally rely on one or two primary lenders.

The Clinton Administration enacted such a policy in 1998—the last time lenders threatened to leave the program. The legislation requires the Secretary to make clear that colleges have this option should they need it.

Finally, many lenders who have announced they will not be able to make loans for this college year have had to make that decision because they cannot obtain capital for those loans through their traditional sources in the private financial markets.

Many of these lenders sell the loans they originate in order to replenish their capital and make new loans. But these so-called ''secondary markets'' have begun to close because of the credit crunch.

Some lenders can't find a buyer for their loans. They are stuck with the loans now on their books, and have no capital for new loans in the fall. Over the past month, this has caused some lenders to announce that they will stop making new Federal loans.

This legislation provides a back-up plan for lenders who need it, in case the private credit markets are unavailable to lenders. It allows the Secretary of Education to act as a ''secondary market of last resort,'' by buying the loans that lenders are currently holding on their books and cannot sell.

This will not cause students any greater complexity—under the program established by this legislation, student loans will continue to be serviced under the same terms and conditions that the borrower signed up for. The Department can contract with the same loan servicers that private banks use, and the transition will be seamless for borrowers.

We hope that these additional protections for students and families will not be needed. But given the uncertainties in the overall economy and the credit markets, Congress has an obligation to shore up programs on which millions of students heavily depend. Few things are more important than ensuring that families can afford a college degree for their children, and the goal of this legislation is to make that possible. I urge my colleagues to support it.

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

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

S. 2815

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Strengthening Student Aid for All Act''.

SEC. 2. INCREASING UNSUBSIDIZED STAFFORD LOAN LIMITS FOR UNDERGRADUATE STUDENTS.

(a) AMENDMENTS.—Section 428H(d) of the Higher Education Act of 1965 (20 U.S.C. 1078–8(d)) is amended—

(1) in paragraph (1), by striking ''paragraphs (2) and (3)'' and inserting ''paragraphs (2) through (5)''; and

(2) by adding at the end the following:

''(4) ANNUAL AND AGGREGATE LIMITS FOR UNDERGRADUATE DEPENDENT STUDENTS.—

''(A) ANNUAL LIMITS.—The maximum annual amount of loans under this section an undergraduate dependent student (except an undergraduate dependent student whose parents are unable to borrow under section 428B or the Federal Direct PLUS Loan Program) may borrow in any academic year (as defined in section 481(a)(2)) or its equivalent shall be the sum of the amount determined under paragraph (1), plus $1,000.

''(B) AGGREGATE LIMITS.—The maximum aggregate amount of loans under this section a student described in subparagraph (A) may borrow shall be $29,500. Interest capitalized shall not be deemed to exceed such maximum aggregate amount.

''(5) ANNUAL AND AGGREGATE LIMITS FOR UNDERGRADUATE INDEPENDENT STUDENTS.—

''(A) ANNUAL LIMITS.—The maximum annual amount of loans under this section an undergraduate independent student, or an undergraduate dependent student whose parents are unable to borrow under section 428B or the Federal Direct PLUS Loan Program, may borrow in any academic year (as defined in section 481(a)(2)) or its equivalent shall be the sum of the amount determined under paragraph (1), plus—

''(i) in the case of such a student attending an eligible institution who has not completed such student's first 2 years of undergraduate study—

''(I) $6,000, if such student is enrolled in a program whose length is at least one academic year in length; or

''(II) if such student is enrolled in a program of undergraduate education which is less than one academic year, the maximum annual loan amount that such student may receive may not exceed the amount that bears the same ratio to the amount specified in clause (i) as the length of such program measured in semester, trimester, quarter, or clock hours bears to one academic year;

''(ii) in the case of such a student at an eligible institution who has successfully completed such first and second years but has not successfully completed the remainder of a program of undergraduate education—

''(I) $7,000; or

''(II) if such student is enrolled in a program of undergraduate education, the remainder of which is less than one academic year, the maximum annual loan amount that such student may receive may not exceed the amount that bears the same ratio to the amount specified in subclause (I) as such remainder measured in semester, trimester, quarter, or clock hours bears to one academic year; and

''(iii) in the case of such a student enrolled in coursework specified in sections 484(b)(3)(B) and 484(b)(4)(B), $6,000 for coursework necessary for enrollment in an undergraduate degree or certificate program.

''(B) AGGREGATE LIMITS.—The maximum aggregate amount of loans under this section a student described in subparagraph (A) may borrow shall be $57,500. Interest capitalized shall not be deemed to exceed such maximum aggregate amount.''.

(b) CONFORMING AMENDMENTS.—Section 428H(d) of the Higher Education Act of 1965 (as amended by subsection (a)) (20 U.S.C. 1078–8(d)) is further amended—

(1) in paragraph (2)—

(A) in the paragraph heading, by striking ''INDEPENDENT, GRADUATE,'' and inserting ''GRADUATE'';

(B) in the matter preceding subparagraph (A), by striking ''an independent student'' and all that follows through ''Program)'' and inserting ''a student who is a graduate or professional student'';

(C) by striking subparagraphs (A) and (B);

(D) in subparagraph (D)—

(i) in the matter preceding clause (i), by inserting ''graduate'' before ''student'';

(ii) in clause (i), by striking ''$4,000'' and all that follows through ''degree,''; and

(iii) in clause (ii), by striking ''in the case'' and all that follows through ''degree,''; and

(E) by redesignating subparagraphs (C) and (D) (as amended by subparagraph (D)) as subparagraphs (A) and (B), respectively; and

(2) in the paragraph heading of paragraph (3), by striking ''INDEPENDENT, GRADUATE,'' and inserting ''GRADUATE''.

SEC. 3. IN-SCHOOL DEFERMENT OF PLUS LOANS.

Section 428B(d)(1) of the Higher Education Act of 1965 (20 U.S.C. 1078–2(d)(1)) is amended—

(1) by striking ''deferral during'' and inserting ''deferral—

''(B) during''; and

(2) by inserting before subparagraph (B) (as added by paragraph (1)) the following:

''(A) in the case of the parents of a dependent student, until the student ceases to be enrolled in an undergraduate program of study at an institution of higher education on at least a half-time basis; or''.

SEC. 4. SECONDARY MARKET OF LAST RESORT.

(a) IN GENERAL.—Part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) is amended by adding at the end the following:

''SEC. 440B. SECONDARY MARKET OF LAST RESORT.

''(a) IN GENERAL.—Notwithstanding any other provision of this Act and subject to subsections (b), (c), and (d), the Secretary—

''(1) shall serve as the secondary market of last resort for loans under section 428, 428B, 428C, or 428H;

''(2) shall buy any such loan that an eligible lender wishes to sell to the Secretary, at a price equal to the sum of—

''(A) the total of the outstanding principal of such loan and any accrued, unpaid interest due on such loan; and

''(B) a premium in the amount equal to the cost of originating a similar loan under part D;

''(3) shall hold and service such loan under section 428, 428B, 428C or 428H in the same manner as the Secretary holds and services similar loans under part D; and

''(4) may not alter the terms and conditions of a promissory note of such loan under section 428, 428B, 428C, or 428H except as necessary to comply with paragraphs (1) through (3), and shall not require the execution of a new promissory note.

''(b) REPRESENTATIVE SUBSET OF LOANS.—An eligible lender that wishes to sell to the Secretary loans under section 428, 428B, 428C, or 428H, that do not represent 100 percent of all loans under such sections that are held by the lender, shall offer for sale to the Secretary a subset of the loans under such sections held by the lender that is representative (including representative with respect to risk of default) of the lender's total portfolio of loans under such sections.

''(c) SUNSET PROVISION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the authority provided to the Secretary under subsection (a) shall expire on July 1, 2009.

''(2) EXTENSION.—If the Secretary determines that economic circumstances necessitate extending the authority provided under subsection (a) in order to continue to ensure timely, uninterrupted access to student loans, the Secretary may extend the sunset provision under paragraph (1). The Secretary may make multiple extensions under this paragraph, except that each such extension may not be for a period of more than 12 months.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

SEC. 5. NEGATIVE EXPECTED FAMILY CONTRIBUTION.

(a) DEPENDENT STUDENTS.—Section 475 of the Higher Education Act of 1965 (20 U.S.C. 1087oo) is amended—

(1) in subsection (b)(3)—

(A) in subparagraph (C)—

(i) by striking ''dividing the assessment resulting under paragraph (2)'' and inserting ''if the amount of the assessment resulting under paragraph (2) is a positive number, dividing such assessment''; and

(ii) by striking the semicolon and inserting a period; and

(B) by striking the matter following subparagraph (C); and

(2) in subsection (g)(6), by inserting ''and the absolute value of the amount of the lowest assessment of adjusted available income in the table described in section 475(e) (or a successor table prescribed by the Secretary under section 478),'' after ''subsection (c)(1)''.

(b) INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE.—Section 476 of the Higher Education Act of 1965 (20 U.S.C. 1087pp) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking ''dividing the sum resulting under paragraph (1)'' and inserting ''if the sum resulting under paragraph (1) is a positive number, dividing such sum''; and

(B) in the matter following paragraph (3)(B), by striking ''less than zero'' and inserting ''less than the amount of the lowest assessment of adjusted available income in the table described in section 477(d) (or a successor table prescribed by the Secretary under section 478)''; and

(2) in paragraph (b)(5), by inserting before the period at the end '', except that in no case shall the assessed amount be less than the amount of the lowest assessment of adjusted available income in the table described in section 477(d) (or a successor table prescribed by the Secretary under section 478).''.

(c) INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE.—Section 477(a) of the Higher Education Act of 1965 (20 U.S.C. 1087qq(a)) is amended—

(1) in paragraph (3), by striking ''dividing the assessment resulting under paragraph (2)'' and inserting ''if the amount of the assessment resulting under paragraph (2) is a positive number, dividing such assessment'';

(2) in paragraph (4)(B), by striking the semicolon and inserting a period; and

(3) by striking the matter following paragraph (4)(B).

(d) ASSESSMENT SCHEDULES AND RATES.—Section 478(e)(1) of the Higher Education Act of 1965 (20 U.S.C. 1087rr(e)(1)) is amended by striking ''increasing'' and inserting ''adjusting''.

(e) SIMPLIFIED NEEDS TESTS.—

(1) SIMPLIFIED NEEDS TESTS.—Section 479(c) of the Higher Education Act of 1965 (20 U.S.C. 1087ss) is further amended—

(A) in the subsection heading, by striking ''EXPECTED''; and

(B) in the matter preceding paragraph (1), by striking ''equal to zero'' and inserting ''equal to the amount of the lowest assessment of adjusted available income in the table described in section 477(d) (or a successor table prescribed by the Secretary under section 478)''.

(2) CONFORMING AMENDMENTS TO THE COLLEGE COST REDUCTION AND ACCESS ACT.—

(A) AMENDMENT.—Section 602(a)(3) of the College Cost Reduction and Access Act (Public Law 110–84) is amended in the quoted material inserted by subparagraph (C), by striking ''zero expected family contribution'' and inserting ''expected family contribution under this subsection.''.

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall take effect on July 1, 2009, as if enacted on the date of enactment of the College Cost Reduction and Access Act (Public Law 110–84).

(f) FEDERAL PELL GRANTS.—Section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b)) is amended by inserting after paragraph (7) the following:

''(8) INCREASED AMOUNT FOR STUDENTS WITH NEGATIVE EXPECTED FAMILY CONTRIBUTION.—

''(A) IN GENERAL.—Notwithstanding paragraph (2)(A) and any other provision of law and subject to subparagraph (B) and (C), in the case of a student whose expected family contribution is a negative number, such student shall be eligible for a Federal Pell Grant under this section in the amount equal to the sum of—

''(i) the maximum Federal Pell Grant for which a student shall be eligible during an award year, as specified in the last enacted appropriation Act applicable to that award year;

''(ii) the Federal Pell Grant increase described in paragraph (9) applicable to that award year; and

''(iii) an additional amount equal to the absolute value of the student's expected family contribution.

''(B) COST OF ATTENDANCE LIMIT.—Notwithstanding paragraph (3), in the case of a student whose expected family contribution is a negative number, the student's Federal Pell Grant under this subpart, as calculated under subparagraph (A), shall not exceed the student's cost of attendance at such institution, and if the amount of the student's Federal Pell Grant exceeds such cost of attendance for that year, such amount shall be reduced accordingly.

''(C) FORMULA OTHERWISE UNAFFECTED.—Except as provided in subparagraphs (A) and (B), nothing in this paragraph shall be construed to alter the requirements of this section, or authorize the imposition of additional requirements, for the determination and allocation of Federal Pell Grants under this section.''.

SEC. 6. LENDER-OF-LAST-RESORT.

(a) IN GENERAL.—Section 428(j) of the Higher Education Act of 1965 (20 U.S.C. 1078(j)) is amended—

(1) in the first sentence of paragraph (1), by striking ''part.'' and inserting ''part or who attend an institution of higher education in the State that is designated under paragraph (4).'';

(2) in paragraph (2)(B), by inserting '', in the case of students applying for loans under this subsection because of an inability to otherwise obtain loans under this part,'' after ''lender, nor'';

(3) in paragraph (3)(C)—

(A) in the first sentence, by inserting ''or designates an institution of higher education for participation in the program under this subsection under paragraph (4),'' after ''under this part''; and

(B) in the third sentence, by inserting ''or to eligible borrowers who attend an institution in the State that is designated under paragraph (4)'' after ''problems''; and

(4) by adding at the end the following:

''(4) INSTITUTION-WIDE STUDENT QUALIFICATION.—Upon the request of an institution of higher education, the Secretary shall designate such institution for participation in the lender-of-last-resort program under this paragraph in the State where the institution is located. If the Secretary designates an institution under this paragraph, the guaranty agency shall make loans, in the same manner as such loans are made under paragraph (1), to students of the designated institution who are eligible to receive interest benefits paid on the students' behalf under subsection (a) of this section, regardless of whether the students are otherwise unable to obtain loans under this part.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of enactment of this Act.

SEC. 7. MANDATORY ADVANCES.

(a) IN GENERAL.—Section 421(b) of the Higher Education Act of 1965 (20 U.S.C. 1071(b)) is amended—

(1) in paragraph (4), by striking ''programs, and'' and inserting ''programs,'';

(2) in paragraph (5), by striking ''agencies.'' and inserting ''agencies, and''; and

(3) by adding at the end the following:

''(6) there is authorized to be appropriated, and there are appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the purpose of carrying out section 427(c)(7).''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of enactment of this Act.

SEC. 8. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall take effect on July 1, 2008.

BY Mr. VOINOVICH (for himself and Mr. AKAKA):

S. 2816. A bill to provide for the appointment of the Chief Human Capital Officer of the Department of Homeland Security by the Secretary of Homeland Security; to the Committee on Homeland Security and Governmental Affairs.

Mr. VOINOVICH. Mr. President, I rise today to introduce legislation to

correct what I perceive to be an anomaly in the law. I am grateful to be joined in my efforts by my good friend and partner in human capital reform, Senator AKAKA.

The enabling statute of the Department of Homeland Security requires the Chief Human Capital Officer, or CHCO, to be appointed by the President. This differs from all other departments and agencies where the head of the agency designates the CHCO. Using that authority, agency heads have varied in appointing Chief Human Capital Officers who are political appointees as well as career employees.

This bill would strike the provision of statute that requires the Chief Human Capital Officer to be appointed by the President. Therefore, the Department would be covered by section 1401 of title 5, which directs the head of each agency to appoint the CHCO. Of the 23 agencies that make up the Chief Human Capital Officers Council, 11 are career employees.

As the Department prepares for its first transition between administrations, it is imperative that there are able and capable individuals in place to continue its important mission and all related functions. Key to a successful Department of Homeland Security is a well trained workforce. I believe central to this smooth transition would be a career Chief Human Capital Officer. While I have no intention of mandating that position be a career position, I believe the Secretary of the Department of Homeland Security should have the flexibility and authority to hire a career employee to that position, just as all other agency heads do, and I urge my colleagues to support this bill.

By Mr. SALAZAR (for himself, Ms. COLLINS, Mr. BAUCUS, Mr. COLEMAN, and Mr. TESTER):

S. 2817. A bill to establish the National Park Centennial Fund, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. SALAZAR. Mr. President, today I am proud to introduce the National Park Centennial Fund Act, a bill that will help restore the grandeur of our national parks in preparation for the 100th birthday of the National Park System in 2016. I am pleased to introduce this bill with Senator COLLINS, Senator BAUCUS, Senator COLEMAN, and Senator TESTER. I want to thank them for their work and for their support of this bill, which I hope we can pass this year.

Nearly a century ago, following the extraordinary vision of leaders whose dreams were ahead of their time, we as Americans pledged to protect our Nation's most special lands and treasures. At places like Yellowstone, Yosemite, Mesa Verde, and Gettysburg we have set aside for permanent protection those landscapes that conjure the sublime, those historic treasures that tell the American story, and those cultural sites that help define us as a people.

In 2016, we will celebrate the 100th anniversary of the National Park System. The centennial celebration will be an opportunity to resurrect the spirit that drove people like Enos Mills, one of the founders of Rocky Mountain National Park, to work tirelessly to protect our Nation's crown jewels for future generations. ''In years to come when I am asleep beneath the pines,'' Mills proclaimed in 1909, ''thousands of families will find rest and hope in this park.'' He was right. Thanks to the excellent work of the Park Service and its employees over the past 90 years, the 3.2 million visitors that come to Rocky Mountain National Park each year experience the same wild lands and spectacular vistas that our ancestors enjoyed.

The coming of the 2016 centennial of the National Park System is an opportunity to restore the luster of our national parks and inspire future generations to protect these national treasures.

Secretary Kempthorne took an important step in this direction when, in August 2006, he announced that the National Park Service will undertake the Centennial Initiative to prepare for the 100th anniversary of the Park System in 2016. As part of the Centennial Initiative, Secretary Kempthorne proposed the creation of a partnership between: the federal government; the private, philanthropic sector; and other non-federal sources. The goal of this partnership would be to increase philanthropic contributions to the parks by providing Federal matching funds for donations made by Americans for projects that improve the parks and visitor experiences. This program is called the Centennial Challenge.

When Secretary Kempthorne presented this proposal to the Senate Energy and Natural Resources Committee last year, I offered my strong support for the concept. However, the legislation offered by the Administration to put the Centennial Challenge into action suffered from a number of deficiencies—namely, a lack of a spending offset and an unclear delineation of the public's and Congress' role in the program. There were also concerns about the bill's effect on other Park Service accounts, friends groups, and existing philanthropic initiatives.

The National Park Centennial Fund Act that we are introducing today answers many of these questions and, I believe, is a legislative package that is worthy of bipartisan support and passage.

This bill takes Secretary Kempthorne's Centennial Challenge proposal from vision to reality by establishing the Centennial Challenge Fund, a matching donation fund in the federal treasury that will provide up to $100 million a year to the national parks in support of signature ''Centennial projects and programs.'' This would allow supporters of the parks to match their contributions with federal dollars to carry out a program or a project at a national park unit, provided that the project or program is approved by the Park Service and Congress.

This bill provides $100 million in mandatory spending for each of the fiscal years from 2008 to 2017 to carry out special, select Centennial projects throughout the National Park System. Non-federal philanthropic participation is encouraged, but not required, for a project to be executed with Federal money from the Centennial Fund.

To ensure that Congress has the opportunity to review and approve the proposed project list, the bill requires the Secretary oflnterior to submit to Congress, as part of the President's annual budget submission, a list of proposed Centennial projects. The yearly project lists are to be developed by the Secretary with input from the public and National Park Service employees.

Projects must meet specific criteria set forth in the bill. All projects must be consistent with Park Service policies and adopted park planning documents and be representative of the breadth of the national park system. The bill also requires that project proposals fall into one of seven categories or ''initiatives'' defined in the bill: Education, Diversity, Supporting Park Professionals, Environmental Leadership, Natural Resource Protection, Cultural Resource Protection, and Visitor Enjoyment and Health, and Construction. No more than 30 percent of the amounts available in the fund in any fiscal year may be spent on construction activities.

The National Park Centennial Fund Act also specifies that the Federal dollars made available from the Centennial Fund shall supplement and not replace annual Park Service expenditures, and that adequate permanent staffing levels must be maintained. The Secretary is required to submit a report to Congress each year detailing Centennial Fund accounting, results, and Park Service staffing levels.

The National Park Centennial Fund Act bill proposes to pay for the Centennial Fund by establishing a new conservation royalty from unanticipated off-shore oil and gas revenues in the Gulf of Mexico that the Federal Government is now collecting. In 2008, offshore oil and gas lease sales have already generated more than $4 billion in revenue above Department of Interior projections. Rather than returning all these revenues—which were generated from the depletion of a natural resource—to the Federal treasury, the National Park Centennial Fund Act reinvests up to $1 billion in the Centennial Fund and the permanent protection of our national treasures.

Moreover, the bill supplements the funding from this conservation royalty with revenues that would be generated through the sale of a new postage stamp celebrating the 100th anniversary of the National Park System.

I want to again thank my colleagues, Senator COLLINS, Senator BAUCUS, Senator COLEMAN, and Senator TESTER, for their support and for their work on this

bill. This is an effort that is worthy of broad, bipartisan support, and it is a bill which I hope we will pass this year.

Finally, I would like to note that I see another bill that I have introduced, S. 2194, as complementary to this effort. The National Park Ranger School Partnership Act, which I introduced with Senator CONRAD, would provide greater opportunities for our kids to experience and learn from the tremendous resources in our national parks by establishing partnerships between NPS and local schools under the No Child Left Behind Act. The bill would also create a pilot grant program aimed at getting more school children into the national parks.

I look forward to working with my colleagues to pass both of these bills.

Ms. COLLINS. Mr. President, I am proud to join Senator SALAZAR in introducing the National Park Centennial Fund Act. This bill celebrates the 100th anniversary of the National Park System by infusing our parks with $1 billion over 10 years, which will be matched by an additional $1 billion in private donations. This challenge fund adds to efforts to increase the operations budget of the National Park Service by $1 billion over the next decade.

We Americans love our National Parks. In fact, in a December 2007 Harris Interactive Poll, the National Park Service ranked as the most popular Federal Government service.

In 1872, Congress designated Yellowstone as the world's first national park, and in 1916 the National Park Service formally was created to manage what had become a 6 million acre system of national protected areas.

Today the National Park System protects more than 84 million acres. National Parks conserve our culture and our places of natural beauty and value. They also provide recreation opportunities for more than 270 million visitors each year.

My State of Maine is home to the first National Park east of the Mississippi River, Acadia National Park, a true gem on Maine's rocky coast. Visitors enjoy granite mountain tops, sparkling lakes, forested valleys, meadows, marshes, and a spectacular coastline. They can hike up Cadillac Mountain, the tallest mountain on the east coast, which offers amazing views of Porcupine Islands and Frenchman Bay.

The National Park Centennial Fund Act will maintain and improve all of our parks for the next century of enjoyment. The bill establishes a mandatory annual fund of $100 million, which will be matched by private donations for projects in parks around the country.

Eligible projects will be prioritized through input from both the public and a broad cross-section of National Park Service employees. Centennial challenge projects may fall into one of these categories: education, diversity, supporting park professionals, environmental leadership, natural resource protection, cultural resources protection or visitor enjoyment and health.

For example, at Acadia National Park, officials are undertaking an environmental leadership project to make Acadia virtually car-free by providing a variety of public transportation options within the park. This partnership with the local community will include providing a central parking and bus boarding area for park visitors to use the Island Explore bus system. Since 1999, these low-emissions propane vehicles have carried more than 1.5 million riders. In doing so, they removed 424,000 vehicles from the park and reduced pollution by 24 tons.

We propose two offsets in the National Park Centennial Fund Act. The first is a postal stamp for National Parks, estimated to raise about $10 million annually.

The second offset is from unanticipated revenues from offshore oil and gas leases. Thus far for fiscal year 2008, bids and royalties from offshore oil and gas leases are $4.2 billion higher than CBO anticipated. The National Park Centennial Fund Act bill would take these revenues that were not anticipated each year and dedicate them into the centennial fund until the total in the fund reaches $1 billion. If we are depleting one natural resource, I believe we should return part of the revenues to the protection of other natural resources like our National Parks.

Mr. President, I thank Senator SALAZAR for his leadership on this bill and Senators BAUCUS, COLEMAN and TESTER for their support. I urge all my colleagues to consider joining us on this important legislation.

By Mr. ROCKEFELLER (for himself, Ms. SNOWE, and Mr. KENNEDY):

S. 2819. A bill to preserve access to Medicaid and the State Children's Health Insurance Program during an economic downturn, and for other purposes; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, I rise today with my esteemed colleagues—Senator OLYMPIA SNOWE of Maine and Senator EDWARD KENNEDY of Massachusetts—to introduce a timely and vital piece of legislation, the Economic Recovery in Health Care Act of 2008. This bill will preserve access to health care for our most vulnerable citizens during this time of economic uncertainty.

Earlier this week, Federal Reserve Chairman Ben Bernanke confirmed what we have all long-suspected—that the U.S. economy could be headed for a protracted recession. The tell-tale warning signs of recession have been visible in the states for at least a full quarter now. According to the National Governors Association, the recent economic downturn has left 18 States with budget shortfalls totaling $14 million in 2008, and 21 States project shortfalls totaling more than $32 million in 2009. If the current downturn follows the path of most recessions, between 35 and 40 States will face severe budget shortfalls in 2009.

As a former Governor, who survived the tough times of the 1980s, I can attest to the enormous budget pressures States face when the economy slows. State revenues often evaporate rapidly during an economic downturn. Unlike the Federal Government, States cannot borrow infinite amounts of debt from China and other countries. By law, 49 States—including West Virginia—are required to balance their budgets and, in times of economic downturn, this task becomes significantly more difficult.

Some of my colleagues may be wondering why health care is such a big deal when we have all these other problems to worry about—the mortgage crisis, the credit crunch, and a weak dollar. Well, I would say to my colleagues that we don't have to look very far for an answer to this very question. As we saw during the economic downturn of 2001–2003, decreased access to health care coverage was a huge crisis for working families.

There was a huge loss in private health care coverage. Data from the Center for Studying Health System Change indicates that the proportion of the under-65 population with employer-sponsored coverage fell from 67 percent in 2001 to 63.4 percent in 2003. After adjusting for population growth, this means that nearly 9 million fewer people were covered by employer-sponsored health insurance during the recession than would have been the case if coverage rates remained unchanged.

Medicaid also didn't fare very well during the last recession. It is consistently the first program slated for cuts during a state budget squeeze. According to the Kaiser Commission on Medicaid and the Uninsured, between fiscal years 2002 and 2005, the loss of revenue led all 50 States to reduce Medicaid provider payment rates and implement prescription drug cost controls, 38 States to reduce Medicaid eligibility and 34 States to reduce benefits.

These cuts placed a huge burden on Medicaid providers and the working families who depend on Medicaid to meet their health care needs. While Congress did ultimately respond to the last economic downturn by providing $20 billion in State fiscal relief in 2003, and this relief went a long way to preserve health care coverage for millions of working families, we cannot discount the fact that one million low-income people had already lost Medicaid coverage because we waited two years into the recession to act.

In response to this current downturn, state legislatures are already beginning to limit access to Medicaid and CHIP in preparation for the harsh economic times ahead. According to the Center on Budget and Policy Priorities, at least 10 states have implemented or are considering budget cuts that will reduce access to Medicaid or CHIP for working families. For example, Nevada has capped the State's CHIP program

at its approximate current number of enrollees. As a result, hundreds of children will be denied coverage. California has proposed increasing co-payments and premiums for children enrolled in CHIP and reducing CHIP dental services. I want to remind my colleagues that it was only 1 year ago that millions across the country mourned the death of 12-year-old Deamonte Driver, whose lack of dental care led to fatal brain infection.

At least four States are cutting or proposing to cut Medicaid services for the elderly or disabled, or significantly increasing the cost of these services. For example, Maine has proposed cuts that will remove 7,000 mentally ill and poor adults from Medicaid; and Rhode Island is requiring low-income elderly people to pay more for adult daycare.

Several States have proposed reductions in or delayed payments to providers. For example, New Jersey has proposed a reduction in funding for hospital charity of 15 percent, which will impact hospitals' ability to care for some of the State's most vulnerable residents.

There is no question that our States are in economic peril. However, children don't stop getting sick just because the economy slows. Seniors don't suddenly stop needing long-term care services simply because the economy slows. Instead, the need for access to Medicaid and CHIP grows during times of economic uncertainty, and we must act to ensure that Medicaid and CHIP coverage is available when families need it the most.

The Economic Recovery in Health Care Act provides the timely, targeted, and temporary Federal response necessary to avoid a health care crisis during this current economic slowdown. Our legislation accomplishes this objective in two ways.

First, our bill responds to the Medicaid administrative regulations recently proposed by the administration, which, if allowed to go into effect, would further aggravate the impact of the economic downturn on States and working families. The Congressional Budget Office estimates that these regulations would reduce Federal Medicaid matching payments by approximately $18 billion over 5 years and $42 billion over 10 years. However, State reports to the House Oversight Committee indicate that the cost shift to States could be far greater.

Now is a time when States need greater financial support from the Federal Government, not less financial support and more restrictions that make providing quality care to those most in need nearly impossible.

Our bill will preserve access to Medicaid for seniors, pregnant women, individuals with disabilities, and children during the economic downturn by temporarily extending—through April 1, 2009—the Medicaid moratoria on payments to public providers, graduate medical education, school-based services, and rehabilitative services that Congress has already enacted. The Economic Recovery in Health Care Act would also preserve access to Medicaid by delaying—through April 1, 2009—implementation of the following additional Medicaid regulations, which are already in effect or scheduled to go into effect in the near future: targeted case management, allowable provider taxes, outpatient clinic and hospital services, and the Departmental Appeals Board rule. Our bill would also preserve access to CHIP for low-income children by implementing a 1-year moratorium on the August 17 CHIP guidance.

The second major component of our legislation is targeted State fiscal relief. Leading economists have found that targeted State aid would generate increased economic activity of $1.36 for each dollar of cost. Our legislation provides approximately $12 billion in targeted State fiscal relief, equally divided between an increase in Federal Medicaid matching payments and targeted grants to States.

Unlike the State fiscal relief provided in 2003 and previous fiscal relief proposals offered this year, each State must meet certain criteria in order to qualify for an increase in federal matching payments and the targeted grants. The criteria would be based on the average of State ranks in unemployment, food stamp participation, and foreclosures. These three economic indicators closely align with State budget deficits and would allow us to more appropriately target State fiscal relief to the States with the most need.

I urge my colleagues to strongly support this important legislation. Medicaid is a Federal-State partnership, and the Federal Government bears the primary responsibility for ensuring that the Federal guarantee of health benefits is not denied to eligible working families, particularly during an economic downturn. With all the worries that working American families are currently facing, they should not have to add health care to their growing list of concerns.

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

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

S. 2819

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Economic Recovery in Health Care Act of 2008''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) State and local governments are an integral part of our national economic engine. They provide health care and a wealth of social services to millions of Americans, particularly when the economy is weak.

(2) During the last economic downturn, the number of uninsured Americans would have been millions more if Medicaid and the State Children's Health Insurance Program (CHIP) had not responded to the twin challenges of an economic downturn and a sharp drop-off in private health insurance coverage.

(3) In the last year, our unemployment rate has increased to 5.0 percent with nearly 900,000 more Americans without jobs. Because the majority of Americans get their health insurance through their jobs, the loss of a job often results in a simultaneous loss of health insurance coverage.

(4) Medicaid fills the gap for working families when they lose access to private coverage. For every 1 percent increase in the unemployment rate, Medicaid enrollment increases by 2,000,000 to 3,000,000 people.

(5) States experience enormous budget pressures when the economy slows. By law, 49 States are required to balance their budgets and, in times of economic downturn, this task becomes significantly more difficult.

(6) According to the National Governors Association, 18 States already face budget shortfalls totaling $14,000,000,000 in 2008, and 21 States project shortfalls totaling more than $32,000,000,000 in 2009. If the current downturn follows the path of most recessions, between 35 and 40 States will face severe budget shortfalls in 2009.

(7) A critical factor in helping States sustain Medicaid enrollment during the last economic downturn was the $20,000,000,000 in State fiscal relief that Congress enacted in 2003.

(8) Not only should Congress enact a similar State fiscal relief provision in 2008, but Congress should also delay the implementation of administrative regulations that would reduce Federal Medicaid matching payments at a time when States need greater Federal resources.

(9) There is no question that health care is economic stimulus.

(10) Keeping Medicaid and CHIP whole shores up the safety net for vulnerable working families. People who are able to get the health services they need are more likely to be able to continue working and contribute to the economy as it recovers.

(11) Leading economists have found that targeted State aid would generate increased economic activity of $1.36 for each dollar of cost. The increase in Federal dollars to States generates business activity, jobs, and wages that States would not otherwise see.

SEC. 3. PRESERVING ACCESS TO MEDICAID AND CHIP DURING AN ECONOMIC DOWNTURN.

(a) PROHIBITION.—Effective on the date of enactment of this Act, notwithstanding any other provision of law, the Secretary of Health and Human Services shall not finalize, implement, enforce, or otherwise take any action to give effect to the following administrative actions (or to any administrative actions relating to the same subject matters that are similar to the following administrative actions or that reflect the same or similar policies set forth in the following administrative actions) prior to April 1, 2009:

(1) The proposed and final rule entitled ''Medicaid Program; Health-Care Related Taxes'', published, respectively, on March 23, 2007, on pages 13726 through 13734 of volume 72, Federal Register, and on February 22, 2008, on pages 9685 through 9699 of volume 73, Federal Register, with the exception of the proposed amendments to sections 433.56(a)(8) and 433.68(f)(3)(i) of title 42, Code of Federal Relations.

(2) The proposed rule entitled ''Medicaid Program; Graduate Medical Education'', published on May 23, 2007, on pages 28930 through 28936 of volume 72, Federal Register.

(3) The State Health Official Letter 07-001, dated August 17, 2007, issued by the Director of the Center for Medicaid and State Operations in the Centers for Medicare & Medicaid Services regarding certain requirements under the State Children's Health Insurance Program (CHIP) relating to the prevention of the substitution of health benefits

coverage for children (commonly referred to as ''crowd-out'') and the enforcement of medical support orders. Any change made on or after August 17, 2007, to a Medicaid or CHIP State plan or waiver to implement, conform to, or otherwise adhere to the requirements or policies in such letter shall not apply prior to April 1, 2009.

(4) The proposed rule entitled ''Medicaid Program; Clarification of Outpatient Clinic and Hospital Facility Services definition and Upper Payment Limit'', published on September 28, 2007, on pages 55158 through 55166 of volume 72, Federal Register.

(5) The interim final rule entitled ''Medicaid Program; Optional State Plan Case Management Services'', published on December 4, 2007, on pages 68077 through 68093 of volume 72, Federal Register.

(6) The proposed rule entitled ''Revisions to Procedures for the Departmental Appeals Board and Other Departmental Hearings'', published on December 28, 2007, on pages 73708 through 73720 of volume 72, Federal Register.

(b) EXTENSION OF PRIOR MORATORIA.—

(1) MORATORIUM RELATING TO THE COST LIMIT FOR PROVIDERS OPERATED BY UNITS OF GOVERNMENT AND PROVISIONS TO ENSURE THE INTEGRITY OF FEDERAL-STATE FINANCIAL PARTNERSHIP.—Section 7002(a)(1) of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007 (Public Law 110–28) is amended by striking ''the date that is 1 year after the date of enactment of this Act'' and inserting ''April 1, 2009''.

(2) MORATORIA RELATING TO REHABILITATION SERVICES, SCHOOL-BASED ADMINISTRATION AND SCHOOL-BASED TRANSPORTATION.—Section 206 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110–173) is amended by striking ''June 30, 2008'' and inserting ''April 1, 2009''.

SEC. 4. TEMPORARY, TARGETED STATE FISCAL RELIEF.

(a) DEFINITIONS.—In this section:

(1) ROUND ONE QUALIFYING STATE.—

(A) IN GENERAL.—Subject to subparagraph (B), the term ''Round One Qualifying State'' means with respect to a State that is 1 of the 50 States or the District of Columbia, a State that has 1 of 28 highest averages of the State rankings for each of the following 3 qualifying criteria, based on the most recent data available as of April 1, 2008:

(i) REDUCTION IN EMPLOYMENT.—The year-to-year reduction in total employment, based on the average total employment for the State or District in the 3 most recent months compared to the average total employment for the State or District in the same months a year earlier, as determined based on the most recent monthly publications of the Current Employer Statistics Survey of the Bureau of Labor Statistics.

(ii) INCREASE IN FOOD STAMPS PARTICIPATION.—The year-to-year increase in food stamps participation, based on average monthly participation for the State or District in the 3 most recent months compared to the average monthly participation for the State or District in the same months a year earlier, as determined based on the most recent monthly publications of Food and Nutrition Service Data of the Department of Agriculture.

(iii) INCREASE IN THE FORECLOSURE RATE.—The year-to-year increase in the foreclosure rate for the State or District, based on the foreclosure rate for the State or District for the most recent quarter compared to the same quarter a year earlier, as determined by the Mortgage Bankers Association's National Delinquency Survey, as published in most recent report entitled, ''Recent Foreclosure Trends Report for all States''.

(B) COMMONWEALTHS AND TERRITORIES INCLUDED.—Such term includes a commonwealth or territory specified in paragraph (4).

(2) ROUND TWO QUALIFYING STATE.—The term ''Round Two Qualifying State'' means a State that is 1 of the 50 States or the District of Columbia and that—

(A) has 1 of 38 highest averages of the State rankings for the 3 qualifying criteria identified in clauses (i), (ii), and (iii) of paragraph (1)(A), based on the most recent data available as of October 1, 2008; and

(B) is not a Round One Qualifying State.

(3) FMAP.—The term ''FMAP'' means the Federal medical assistance percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).

(4) STATE.—The term ''State'' means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa.

(b) ASSISTANCE FOR ROUND ONE QUALIFYING STATES.—

(1) TEMPORARY INCREASE OF MEDICAID FMAP.—

(A) PERMITTING MAINTENANCE OF FISCAL YEAR 2007 FMAP FOR LAST 2 CALENDAR QUARTERS OF FISCAL YEAR 2008.—Subject to subparagraphs (E), (F), (G), and (H), if the FMAP determined without regard to this paragraph for a Round One Qualifying State for fiscal year 2008 is less than the FMAP as so determined for fiscal year 2007, the FMAP for the State for fiscal year 2007 shall be substituted for the State's FMAP for the third and fourth calendar quarters of fiscal year 2008, before the application of this paragraph.

(B) PERMITTING MAINTENANCE OF FISCAL YEAR 2008 FMAP FOR FIRST 3 QUARTERS OF FISCAL YEAR 2009.—Subject to subparagraphs (E), (F), (G), and (H), if the FMAP determined without regard to this paragraph for a Round One Qualifying State for fiscal year 2009 is less than the FMAP as so determined for fiscal year 2008, the FMAP for the State for fiscal year 2008 shall be substituted for the State's FMAP for the first, second, and third calendar quarters of fiscal year 2009, before the application of this paragraph.

(C) GENERAL 1.667 PERCENTAGE POINTS INCREASE FOR LAST 2 CALENDAR QUARTERS OF FISCAL YEAR 2008 AND FIRST 3 CALENDAR QUARTERS OF FISCAL YEAR 2009.—Subject to subparagraphs (E), (F), (G), and (H), for each Round One Qualifying State for the third and fourth calendar quarters of fiscal year 2008 and for the first, second, and third calendar quarters of fiscal year 2009, the FMAP (taking into account the application of subparagraphs (A) and (B)) shall be increased by 1.667 percentage points.

(D) INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Subject to subparagraphs (E), (F), (G), and (H), with respect to the third and fourth calendar quarters of fiscal year 2008 and the first, second, and third calendar quarters of fiscal year 2009, the amounts otherwise determined for the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa under subsections (f) and (g) of section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 3.334 percent of such amounts.

(E) SCOPE OF APPLICATION.—The increases in the FMAP for a Round One Qualifying State and the increases in the cap amounts under subparagraph (D) under this paragraph shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(i) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r–4);

(ii) payments under title IV or XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.); or

(iii) any payments under XIX of such Act that are based on the enhanced FMAP described in section 2105(b) of such Act (42 U.S.C. 1397ee(b)).

(F) STATE ELIGIBILITY.—

(i) IN GENERAL.—Subject to clause (ii), a Round One Qualifying State is eligible for an increase in its FMAP under subparagraph (C) or an increase in a cap amount under subparagraph (D) only if the eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) is no more restrictive than the eligibility under such plan (or waiver) as in effect on December 31, 2007.

(ii) STATE REINSTATEMENT OF ELIGIBILITY PERMITTED.—A Round One Qualifying State that has restricted eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) after December 31, 2007, is eligible for an increase in its FMAP under subparagraph (C) or an increase in a cap amount under subparagraph (D) in the first calendar quarter (and subsequent calendar quarters) in which the State has reinstated eligibility that is no more restrictive than the eligibility under such plan (or waiver) as in effect on December 31, 2007.

(iii) RULE OF CONSTRUCTION.—Nothing in clause (i) or (ii) shall be construed as affecting a Round One Qualifying State's flexibility with respect to benefits offered under the State medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)).

(G) REQUIREMENT FOR CERTAIN STATES.—In the case of a Round One Qualifying State that requires political subdivisions within the State to contribute toward the non-Federal share of expenditures under the State Medicaid plan required under section 1902(a)(2) of the Social Security Act (42 U.S.C. 1396a(a)(2)), the Round One Qualifying State shall not require that such political subdivisions pay a greater percentage of the non-Federal share of such expenditures for the third and fourth calendar quarters of fiscal year 2008 and the first, second, and third calendar quarters of fiscal year 2009, than the percentage that would have been required by the State under such plan on December 31, 2007.

(H) REQUIREMENTS.—A Round One Qualifying State—

(i) may not use the additional Federal funds paid to the State as a result of this paragraph for purposes of increasing any reserve or rainy day fund maintained by the State; and

(ii) shall expend the additional Federal funds paid to the State as a result of this paragraph within 1 year of the date on which the State receives such funds.

(2) TARGETED GRANTS TO ROUND ONE QUALIFYING STATES.—

(A) APPROPRIATION.—There is authorized to be appropriated and is appropriated for making payments to Round One Qualifying States under this paragraph—

(i) $2,500,000,000 for fiscal year 2008; and

(ii) $2,500,000,000 for fiscal year 2009.

(B) PAYMENTS.—

(i) FISCAL YEAR 2008.—From the amount appropriated under subparagraph (A)(i) for fiscal year 2008, the Secretary of the Treasury shall, not later than the later of the date that is 45 days after the date of enactment of

this Act or the date that a Round One Qualifying State provides the certification required by subparagraph (E) for fiscal year 2008, pay each such State the amount determined for the State for fiscal year 2008 under subparagraph (C).

(ii) FISCAL YEAR 2009.—From the amount appropriated under subparagraph (A)(ii) for fiscal year 2009, the Secretary of the Treasury shall, not later than the later of October 1, 2008, or the date that a Round One Qualifying State provides the certification required by subparagraph (E) for fiscal year 2009, pay each such State the amount determined for the State for fiscal year 2009 under subparagraph (C).

(C) PAYMENTS BASED ON POPULATION.—

(i) IN GENERAL.—Subject to clause (ii), the amount appropriated under subparagraph (A) for each of fiscal years 2008 and 2009 shall be used to pay each Round One Qualifying State an amount equal to the relative population proportion amount described in clause (iii) for such fiscal year.

(ii) MINIMUM PAYMENT.—

(I) IN GENERAL.—No Round One Qualifying State shall receive a payment under this paragraph for a fiscal year that is less than—

(aa) in the case of a Round One Qualifying State that is 1 of the 50 States or the District of Columbia, ½ of 1 percent of the amount appropriated for such fiscal year under subsection (a); and

(bb) in the case of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, or American Samoa, 1/10 of 1 percent of the amount appropriated for such fiscal year under subsection (a).

(II) PRO RATA ADJUSTMENTS.—The Secretary of the Treasury shall adjust on a pro rata basis the amount of the payments to Round One Qualifying States determined under this paragraph without regard to this subclause to the extent necessary to comply with the requirements of subclause (I).

(iii) RELATIVE POPULATION PROPORTION AMOUNT.—The relative population proportion amount described in this clause is the product of—

(I) the amount described in subparagraph (A) for a fiscal year; and

(II) the relative State population proportion (as defined in clause (iv)).

(iv) RELATIVE STATE POPULATION PROPORTION DEFINED.—For purposes of clause (iii)(II), the term ''relative State population proportion'' means, with respect to a Round One Qualifying State, the amount equal to the quotient of—

(I) the population of the State (as reported in the most recent decennial census); and

(II) the total population of all such States (as reported in the most recent decennial census).

(D) USE OF PAYMENT.—

(i) IN GENERAL.—Subject to clause (ii), a Round One Qualifying State shall use the funds provided under a payment made under this paragraph for a fiscal year to—

(I) provide essential government services;

(II) cover the costs to the State of complying with any Federal intergovernmental mandate (as defined in section 421(5) of the Congressional Budget Act of 1974) to the extent that the mandate applies to the State, and the Federal Government has not provided funds to cover the costs; or

(III) compensate for a decline in Federal funding to the State.

(ii) REQUIREMENTS.—A Round One Qualifying State—

(I) may only use funds provided under a payment made under this paragraph for types of expenditures permitted under the most recently approved budget for the State;

(II) may not use the additional Federal funds paid to the State as a result of this paragraph for purposes of increasing any reserve or rainy day fund maintained by the State; and

(III) shall expend the additional Federal funds paid to the State as a result of this paragraph within 1 year of the date on which the State receives such funds.

(E) CERTIFICATION.—In order to receive a payment under this section for a fiscal year, a Round One Qualifying State shall provide the Secretary of the Treasury with a certification that the State's proposed uses of the funds are consistent with subparagraph (D).

(c) ASSISTANCE FOR ROUND TWO QUALIFYING STATES.—

(1) TEMPORARY INCREASE OF MEDICAID FMAP.—

(A) PERMITTING MAINTENANCE OF FISCAL YEAR 2008 FMAP FOR FIRST 3 QUARTERS OF FISCAL YEAR 2009.—Subject to subparagraph (C), if the FMAP determined without regard to this paragraph for a Round Two Qualifying State for fiscal year 2009 is less than the FMAP as so determined for fiscal year 2008, the FMAP for the State for fiscal year 2008 shall be substituted for the State's FMAP for the first, second, and third calendar quarters of fiscal year 2009, before the application of this paragraph.

(B) GENERAL 1.667 PERCENTAGE POINTS INCREASE FOR FIRST 3 CALENDAR QUARTERS OF FISCAL YEAR 2009.—Subject to subparagraph (C), for each Round Two Qualifying State for the first, second, and third calendar quarters of fiscal year 2009, the FMAP (taking into account the application of subparagraph (A)) shall be increased by 1.667 percentage points.

(C) APPLICATION OF REQUIREMENTS FOR ROUND ONE QUALIFYING STATES.—Subparagraphs (E), (F), (G), and (H) of subsection (b)(1) apply to a Round Two Qualifying State receiving an increase in its FMAP under subparagraph (B) in the same manner as such subparagraphs apply to a Round One Qualifying State under such subsection.

(2) TARGETED GRANTS TO ROUND TWO QUALIFYING STATES.—

(A) APPROPRIATION.—There is authorized to be appropriated and is appropriated for making payments to Round Two Qualifying States under this paragraph, $1,000,000,000 for fiscal year 2009.

(B) PAYMENTS.—From the amount appropriated under subparagraph (A) for fiscal year 2009, the Secretary of the Treasury shall, not later than the later of October 1, 2008, or the date that a Round Two Qualifying State provides the certification required by subparagraph (E) of subsection (b)(2) for fiscal year 2009, pay each such State the amount determined for the State for fiscal year 2009 under subparagraph (C).

(C) PAYMENTS BASED ON POPULATION.—

(i) IN GENERAL.—Subject to clause (ii), the amount appropriated under subparagraph (A) for fiscal year 2009 shall be used to pay each Round Two Qualifying State an amount equal to the relative population proportion amount described in clause (iii) for such fiscal year.

(ii) MINIMUM PAYMENT.—

(I) IN GENERAL.—No Round Two Qualifying State shall receive a payment under this paragraph for fiscal year 2009 that is less than ½ of 1 percent of the amount appropriated for such fiscal year under subsection (a).

(II) PRO RATA ADJUSTMENTS.—The Secretary of the Treasury shall adjust on a pro rata basis the amount of the payments to Round Two Qualifying States determined under this paragraph without regard to this subclause to the extent necessary to comply with the requirements of subclause (I).

(iii) RELATIVE POPULATION PROPORTION AMOUNT.—The relative population proportion amount described in this clause is the product of—

(I) the amount described in subparagraph (A) for a fiscal year; and

(II) the relative State population proportion (as defined in clause (iv)).

(iv) RELATIVE STATE POPULATION PROPORTION DEFINED.—For purposes of clause (iii)(II), the term ''relative State population proportion'' means, with respect to a Round Two Qualifying State, the amount equal to the quotient of—

(I) the population of the State (as reported in the most recent decennial census); and

(II) the total population of all such States (as reported in the most recent decennial census).

(D) APPLICATION OF REQUIREMENTS FOR ROUND ONE QUALIFYING STATES.—Subparagraphs (D) and (E) of subsection (b)(2) apply to a Round Two Qualifying State receiving a payment under subparagraph (B) in the same manner as such subparagraphs apply to a Round One Qualifying State under such subsection.

(d) REPEAL.—Effective as of October 1, 2009, this section is repealed.

BY Mr. ROCKEFELLER (for himself and Mr. GRAHAM):

S. 2820. A bill to amend part A of title IV of the Social Security Act to extend and expand the number of States qualifying for supplemental grants under the Temporary Assistance for Needy Families program; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, I rise today to introduce the bipartisan reauthorization and expansion for the Temporary Assistance for Needy Families, TANF, Supplemental Grants with my colleague, Senator LINDSEY GRAHAM of South Carolina.

The TANF Supplemental Grants will expire this year without action. Currently 17 States depend on these grants, but our legislation would expand and improve on the grants. Welfare reform was passed in 1996, and since then neither the basic TANF Block Grant nor the TANF Supplemental Grant has been increased. This means that the value of the TANF funding in constant dollars has declined by almost 20 percent.

In 2010, Congress will need to review the entire TANF program, but between now and then our legislation seeks to provide modest help for States that are struggling to serve vulnerable children in needy families. Our legislation would provide a modest increase for any State which spends less than the national average per underprivileged child on TANF activities of Federal and State resources. This would help States that cannot meet the average ''catch up,'' and provide more services to underprivileged children. To be reasonable, the increase is capped at $10 million or 10 percent of their existing TANF grant for States that have never received a TANF Supplemental Grant. For States that are receiving a TANF Supplemental Grant, they could qualify for up to $2.5 million in additional funding or 2.5 percent of their existing TANF grant.

This is a modest but important effort to help every state provide for vulnerable children who are receiving less

than that national average for an underprivileged child. This proposal should help the most vulnerable at a time when the economic slowdown is creating more obstacles for families to make a successful transition from welfare to work.

In West Virginia, our neediest children are not even receiving the average amount spent on America's underprivileged children, and that is true in too many States. Our children and families are struggling to meet the bold goals of welfare reform with fewer resources and tougher standards. This reauthorization is a chance to help those States that are struggling to achieve the national average for funding. It would be base funding for underprivileged children rather than population growth. It will target resources to vulnerable children.

Mr. GRAHAM. Mr. President, I rise in support of the reauthorization of the TANF Supplemental Grant program. Today Senator ROCKEFELLER and I introduced legislation that would reauthorize these grants and more accurately ensure that the dollars spent on this program are directed to poor children in the States that need it most.

I am committed to ensuring that Federal dollars spent on welfare services and benefits are spent efficiently and provided to our citizens in a way that encourages self-sufficiency. In South Carolina, I am pleased that our Department of Social Services continues to work toward that end. Currently, less than half of States' TANF block grants are spent on welfare checks, and the majority of funding is spent on moving welfare recipients into the workforce. More and more States are using TANF dollars to help beneficiaries purchase services such as childcare, transportation and job training.

However, the neediest States continue to struggle to provide welfare-to-work services to poor families with children. South Carolina can only afford to spend 29 percent of the national average per poor child on TANF services compared to some States that spend well over the national average. It is important that this discrepancy be addressed.

The TANF Supplemental Grant program was created in 1996 to provide additional assistance to States that spend less money per poor person on TANF services. However, many States, like South Carolina, spend well below the national average and do not qualify for this assistance. To date, South Carolina has the lowest spending per poor person of any State in the country that does not receive a supplemental grant. Many States that do receive supplemental grants spend more than twice the TANF funds per poor person than South Carolina.

The Supplemental Grant program will expire on September 30, 2008. Reauthorizing this program is an opportunity to provide assistance, based on updated statistics, to States, like South Carolina, that cannot afford to spend the national average per poor child on TANF services. Especially during economically challenging times, providing this assistance to States can help our neediest families with children to get back on their feet and back to work.

In working to pass this legislation, I look forward to collaborating with the Senate Finance Committee and Senator ROCKEFELLER on identifying an appropriate mechanism to offset the costs of this proposal. I am hopeful that the Senate will consider this legislation in a timely manner.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 499—URGING PALESTINIAN AUTHORITY PRESIDENT MAHMOUD ABBAS, WHO IS ALSO THE HEAD OF THE FATAH PARTY, TO OFFICIALLY ABROGATE THE 10 ARTICLES IN THE FATAH CONSTITUTION THAT CALL FOR ISRAEL'S DESTRUCTION AND TERRORISM AGAINST ISRAEL, OPPOSE ANY POLITICAL SOLUTION, AND LABEL ZIONISM AS RACISM

Mr. SPECTER (for himself, Mr. WYDEN, and Mr. CASEY) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 499

Whereas, on October 3, 2006, President Mahmoud Abbas of the Palestinian Authority said, ''It is not required of Hamas, or of Fatah, or of the Popular Front to recognize Israel'';

Whereas, on February 8, 2007, President Mahmoud Abbas openly signed the Mecca Agreement with Hamas, which does not recognize Israel and calls ''for confronting the [Israeli] occupation'';

Whereas, in 2007, there continue to exist 10 specific articles out of 27 articles in Chapter 1 of the Fatah Constitution that call for Israel's destruction, call for the armed struggle and armed revolution against Israel to continue, call for the prevention of Jewish immigration to Israel, oppose any political solution, and label Zionism as racism;

Whereas the 10 articles of the Fatah Constitution that oppose Israel and Zionism are: (1) ''Article (4): The Palestinian struggle is part and parcel of the world-wide struggle against Zionism, colonialism and international imperialism.''; (2) ''Article (7): The Zionist Movement is racial, colonial and aggressive in ideology, goals, organization and method.''; (3) ''Article (8): The Israeli existence in Palestine is a Zionist invasion with a colonial expansive base, and it is a natural ally to colonialism and international imperialism.''; (4) ''Article (12): Complete liberation of Palestine, and eradication of Zionist economic, political, military and cultural existence.''; (5) ''Article (17): Armed public revolution is the inevitable method to liberating Palestine.''; (6) ''Article (19): Armed struggle is a strategy and not a tactic, and the Palestinian Arab People's armed revolution is a decisive factor in the liberation fight and in uprooting the Zionist existence, and this struggle will not cease unless the Zionist state is demolished and Palestine is completely liberated.''; (7) ''Article (22): Opposing any political solution offered as an alternative to demolishing the Zionist occupation in Palestine, as well as any project intended to liquidate the Palestinian case or impose any international mandate on its people.''; (8) ''Article (23): Maintaining relations with Arab countries . . . with the proviso that the armed struggle is not negatively affected''; (9) ''Article (24): Maintaining relations with all liberal forces supporting our just struggle in order to resist Zionism and imperialism''; and (10) ''Article (25): Convincing concerned countries in the world to prevent Jewish immigration to Palestine as a method of solving the problem.'': Now, therefore be it

Resolved, That the Senate—

(1) urges President Mahmoud Abbas of the Palestinian Authority, who is also head of the Fatah Party, to officially abrogate the 10 articles from the Fatah Constitution that call for the destruction of Israel and terrorism against Israel, oppose any political solution, and label Zionism as racism; and

(2) condemns the continuing existence of these articles as part of the Fatah Constitution.

Mr. SPECTER. Mr. President, I have sought recognition to offer legislation to encourage Palestinian Authority President Mahmoud Abbas, who is also the chairman of the Fatah Party, to officially abrogate the 10 articles in the Fatah Constitution that call for Israel's destruction and terrorism against Israel, oppose any political solution, and label Zionism as racism.

In order to move the Middle East peace process forward, it is necessary that the Fatah Party recognize Israel's legitimacy. The Fatah Constitution makes this impossible. At present, 10 articles in the constitution oppose Israel and Zionism. They read as follows:

(1) ''Article [4]: The Palestinian struggle is part and parcel of the world-wide struggle against Zionism, colonialism and international imperialism.''

(2) ''Article [7]: The Zionist Movement is racial, colonial and aggressive in ideology, goals, organization and method.''

(3) ''Article [8]: The Israeli existence in Palestine is a Zionist invasion with a colonial expansive base, and it is a natural ally to colonialism and international imperialism.''

(4) ''Article [12]: Complete liberation of Palestine, and eradication of Zionist economic, political, military and cultural existence.''

(5) ''Article [17]: Armed public revolution is the inevitable method to liberating Palestine.''

(6) ''Article [19]: Armed struggle is a strategy and not a tactic, and the Palestinian Arab People's armed revolution is a decisive factor in the liberation fight and in uprooting the Zionist existence, and this struggle will not cease unless the Zionist state is demolished and Palestine is completely liberated.''

(7) ''Article [22]: Opposing any political solution offered as an alternative to demolishing the Zionist occupation in Palestine, as well as any project intended to liquidate the Palestinian case or impose any international mandate on its people.''

(8) ''Article [23]: Maintaining relations with Arab countries . . . with the proviso that the armed struggle is not negatively affected.''

(9) ''Article [24]: Maintaining relations with all liberal forces supporting our just struggle in order to resist Zionism and imperialism.''