

Washington (Mrs. MURRAY), the Senator from Florida (Mr. NELSON) and the Senator from Rhode Island (Mr. WHITEHOUSE) were added as cosponsors of S. 729, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to permit States to determine State residency for higher education purposes and to authorize the cancellation of removal and adjustment of status of certain alien students who are long-term United States residents and who entered the United States as children, and for other purposes.

S. CON. RES. 11

At the request of Ms. COLLINS, the names of the Senator from Florida (Mr. MARTINEZ), the Senator from Delaware (Mr. KAUFMAN), the Senator from California (Mrs. BOXER) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Con. Res. 11, a concurrent resolution condemning all forms of anti-Semitism and reaffirming the support of Congress for the mandate of the Special Envoy to Monitor and Combat Anti-Semitism, and for other purposes.

S. RES. 9

At the request of Mr. KAUFMAN, his name was added as a cosponsor of S. Res. 9, a resolution commemorating 90 years of U.S.-Polish diplomatic relations, during which Poland has proven to be an exceptionally strong partner to the United States in advancing freedom around the world.

S. RES. 20

At the request of Mr. VOINOVICH, the names of the Senator from Florida (Mr. MARTINEZ) and the Senator from Delaware (Mr. KAUFMAN) were added as cosponsors of S. Res. 20, a resolution celebrating the 60th anniversary of the North Atlantic Treaty Organization.

S. RES. 56

At the request of Mr. LUGAR, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. Res. 56, a resolution urging the Government of Moldova to ensure a fair and democratic election process for the parliamentary elections on April 5, 2009.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. AKAKA (for himself, Mr. BAUCUS, and Mr. BEGICH):

S. 734. A bill to amend title 38, United States Code, to improve the capacity of the Department of Veterans Affairs to recruit and retain physicians in Health Professional Shortage Areas and to improve the provision of health care to veterans in rural areas, and for other purposes; to the Committee on Veterans' Affairs.

Mr. AKAKA. Mr. President, I am today introducing legislation to make various improvements to VA rural health care. I am pleased to be joined in this effort by Senators MAX BAUCUS and MARK BEGICH. The legislation is designed to bring more doctors into

small communities; promote the use of volunteer counselors to help with mental health issues; expand telemedicine services; and create incentives for VA's community partners to provide high quality services to veterans.

As the drawdown of forces in Iraq begins, VA must be prepared to meet the health care needs of veterans upon their return.

Many veterans live in small towns and communities. This includes a large number of Guard members and Reservists who have served in such an integral role in Iraq and Afghanistan. Members of the Guard and Reserve face challenges that are different than those faced by their active duty counterparts, who return to military bases with the support of their unit and programs geared toward re-acclimating them to life outside of the combat zone. When members of the Guard or Reserves return home, they often are isolated from their units, leaving them to reintegrate back into their communities without a strong VA or DoD presence or support system.

When health care is needed, a rural community may not have providers who offer mental health services, such as group counseling, and may not be familiar with treating combat-related disorders.

I believe strongly that there is an obligation to care for all veterans in need, regardless of where they live. We must ensure that adequate resources are available to serve those who live in rural communities, and that VA works closely with local health care providers to help meet the need for care. It is critical that VA reach out to veterans living in rural communities so that they receive the care they need. Every resource must be united in the effort to care for wounded warriors, whether in a community hospital or VA clinic. When there is no VA presence in a community, VA may need to pay community providers for the reasonable costs of care.

Last month, the Committee on Veterans' Affairs held a hearing on health care for veterans in rural areas. We heard from the chief executive officer of a community hospital, from a former director of a rural health clinic, and from outreach organizations who work to bridge the gap between VA and community health care systems. These witnesses testified about how hard it is for veterans who live in rural areas to find health care in the communities where they live, and about how difficult it is for community hospitals and clinics to provide quality services with the limited resources available to them.

Committee on Veterans' Affairs staff also conducted an oversight visit to Hawaii and saw firsthand the needs of veterans living in rural communities on the neighbor islands. Many of those veterans find it hard to access VA health care because of travel restrictions and a shortage of services in their communities. Committee staff found

that technology was not being used to bridge this gap; indeed, the use of telemedicine is actually declining in Hawaii.

The legislation we are introducing today would help address the needs of veterans living in rural communities in a number of ways.

First, the bill would bring more doctors to targeted communities by repaying their student loans while they work for VA. Currently, VA's loan repayment program is capped at an amount that is less than 1/3 the average cost of medical school. This bill would remove the cap, allowing VA to offer full loan repayment so as to provide a much more effective recruitment tool.

In addition, this bill would encourage VA and HHS to use the National Health Service Corps Scholarship Program to recruit physicians for VA facilities located in underserved areas. The National Health Service Corps pays for medical school up front in exchange for a doctor's agreement to work in an underserved area after graduation.

To address the shortage of mental health providers in many communities, this legislation would also allow VA to shorten the credentialing and privileging process for licensed volunteer counselors who could provide mental health services to our veterans.

The legislation would also create a pilot program to place VA doctors in community hospitals so as to enable them to provide more continuous care for veterans. Under this pilot, VA doctors working in communities without a VA hospital would be able to follow their patients when admitted to the local hospital. Participating VA doctors would earn additional compensation for assuming these responsibilities, thereby creating financial incentives for doctors to stay within VA. Since many non-VA hospitals do not have mental health providers or other providers experienced in the treatment of conditions such as post-traumatic stress disorder that disproportionately affect veterans, this would also bring needed expertise into other care communities.

This bill would also allow VA to monitor the quality of care provided in non-VA facilities. Currently, there is no way for VA to do such quality assurance in a systematic way. This bill would encourage VA's community partners to participate in quality programs like peer review, or to seek accreditation by an outside organization.

This bill also would bring new technologies to rural communities. By modifying VA's internal mechanism for distributing funds, the legislation would provide incentives for VA hospitals and clinics to use telehealth technologies. VA currently bases the distribution of funds to its facilities on workload and does not currently count all telehealth visits in a facility's workload. By requiring VA to give hospitals and clinics credit for telehealth

visits, this bill will promote the natural expansion of these services to our veterans.

Finally, for those veterans who must travel by air to obtain their health care—because of their health status, geography or other barriers—this bill would allow VA to pay beneficiary travel benefits for airfare to those veterans who cannot afford it. In recognition of the cost of airfare, a different income eligibility standard from that used for ground transportation would be used in connection with reimbursement of the costs of air travel.

I urge our colleagues to work with me and the other members of the Veterans' Affairs Committee to improve access to health care for veterans who live in rural areas.

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 placed in the RECORD, as follows:

S. 734

*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 "Rural Veterans Health Care Access and Quality Act of 2009".

#### SEC. 2. ENHANCEMENT OF DEPARTMENT OF VETERANS AFFAIRS EDUCATION DEBT REDUCTION PROGRAM.

(a) ENHANCED MAXIMUM ANNUAL AMOUNT.—Paragraph (1) of section 7683(d) of title 38, United States Code, is amended by striking "\$44,000" and all that follows through "fifth years of participation in the Program" and inserting "the total amount of principle and interest owed by the participant on loans referred to in subsection (a)".

(b) NOTICE TO POTENTIAL EMPLOYEES OF ELIGIBILITY AND SELECTION FOR PARTICIPATION.—Section 7682 of such title is amended by adding at the end the following new subsection:

"(d) NOTICE TO POTENTIAL EMPLOYEES.—In each offer of employment made by the Secretary to an individual who, upon acceptance of such offer would be treated as eligible to participate in the Education Debt Reduction Program, the Secretary shall, to the maximum extent practicable, include the following:

"(1) A notice that the individual will be treated as eligible to participate in the Education Debt Reduction Program upon the individual's acceptance of such offer.

"(2) A notice of the determination of the Secretary whether or not the individual will be selected as a participant in the Education Debt Reduction Program as of the individual's acceptance of such offer."

(c) SELECTION OF EMPLOYEES WHO RECEIVE NOTICE OF SELECTION WITH EMPLOYMENT OFFER.—Section 7683 of such title is further amended by adding at the end the following new subsection:

"(e) SELECTION OF PARTICIPANTS.—(1) The Secretary shall select for participation in the Education Debt Reduction Program each individual eligible for participation in the Education Debt Reduction Program who—

"(A) the Secretary provided notice with an offer of employment under section 7682(d) of this title that indicated the individual would, upon the individual's acceptance of such offer of employment, be—

"(i) eligible to participate in the Education Debt Reduction Program; and

"(ii) selected to participate in the Education Debt Reduction Program; and

"(B) accepts such offer of employment.

"(2) The Secretary may select for participation in the Education Debt Reduction Program an individual eligible for participation in the Education Debt Reduction Program who is not described by subparagraphs (A) and (B) of paragraph (1)."

#### SEC. 3. INCLUSION OF DEPARTMENT OF VETERANS AFFAIRS FACILITIES IN LIST OF FACILITIES ELIGIBLE FOR ASSIGNMENT OF PARTICIPANTS IN NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM.

The Secretary of Veterans Affairs shall transfer \$20,000,000 from accounts of the Veterans Health Administration to the Secretary of Health and Human Services to include facilities of the Department of Veterans Affairs in the list maintained by the Health Resources and Services Administration of facilities eligible for assignment of participants in the National Health Service Corps Scholarship Program.

#### SEC. 4. OFFICE OF RURAL HEALTH FIVE-YEAR STRATEGIC PLAN.

(a) STRATEGIC PLAN.—Not later than 180 days after the date of the enactment of this Act, the Director of the Office of Rural Health of the Department of Veterans Affairs shall develop a five-year strategic plan for the Office of Rural Health.

(b) CONTENTS.—The plan required by subsection (a) shall include the following:

(1) Specific goals for the recruitment and retention of health care personnel in rural areas, developed in conjunction with the Director of the Health Care Retention and Recruitment Office of the Department of Veterans Affairs.

(2) Specific goals for ensuring the timeliness and quality of health care delivery in rural communities that are reliant on contract and fee basis care, developed in conjunction with the Director of the Office of Quality and Performance of the Department.

(3) Specific goals for the expansion and implementation of telemedicine services in rural areas, developed in conjunction with the Director of the Office of Care Coordination Services of the Department.

(4) Incremental milestones describing specific actions to be taken for the purpose of achieving the goals specified under paragraphs (1) through (3).

#### SEC. 5. ENHANCEMENT OF VET CENTERS TO MEET NEEDS OF VETERANS OF OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM.

(a) VOLUNTEER COUNSELORS.—Subsection (c) of section 1712A of title 38, United States Code, is amended—

(1) by striking "The Under Secretary" and inserting "(1) The Under Secretary";

(2) in paragraph (1), as designated by paragraph (1), by striking ", and, in carrying" and all that follows through "screening activities"; and

(3) by adding at the end the following new paragraphs:

"(2) In carrying out this section, the Under Secretary may utilize the services of the following:

"(A) Paraprofessionals, individuals who are volunteers working without compensation, and individuals who are veteran-students (as described in section 3485 of this title) in initial intake and screening activities.

"(B) Eligible volunteer counselors in the provision of counseling and related mental health services.

"(3) For purposes of this subsection, an eligible volunteer counselor is an individual—

"(A) who—

"(i) provides counseling services without compensation at a center;

"(ii) is a licensed psychologist or social worker;

"(iii) has never been named in a malpractice action; and

"(iv) has never had, and has no pending, disciplinary action taken with respect to any license of the individual in any State; or

"(B) who is otherwise credentialed and privileged to perform counseling services by the Secretary.

"(4) Not later than one year after the date of the enactment of the Rural Veterans Health Care Access and Quality Act of 2009, the Secretary shall establish expedited credentialing and privileging procedures for eligible volunteer counselors for the provision of counseling and related mental health services under this section.

"(5) For each application received by the Secretary for credentialing and privileging of an eligible volunteer counselor under this subsection, the Secretary shall complete the credentialing and privileging process for such volunteer not later than 60 days after receiving such application."

(b) OUTREACH.—Subsection (e) of such section is amended—

(1) by striking "The Secretary" and inserting "(1) The Secretary"; and

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

"(2) Each center shall develop an outreach plan to ensure that the community served by the center is aware of the services offered by the center."

#### SEC. 6. TELECONSULTATION AND TELEMEDICINE.

(a) TELECONSULTATION AND TELERETINAL IMAGING.—

(1) IN GENERAL.—Subchapter I of chapter 17 of title 38, United States Code, is amended by adding at the end the following new section:

##### "§ 1709. Teleconsultation and teleretinal imaging

"(a) TELECONSULTATION.—(1) The Secretary shall carry out a program of teleconsultation for the provision of remote mental health and traumatic brain injury assessments in facilities of the Department that are not otherwise able to provide such assessments without contracting with third party providers or reimbursing providers through a fee basis system.

"(2) The Secretary shall, in consultation with appropriate professional societies, promulgate technical and clinical care standards for the use of teleconsultation services within facilities of the Department.

"(b) TELERETINAL IMAGING.—(1) The Secretary shall carry out a program of teleretinal imaging in each Veterans Integrated Services Network (VISN).

"(2) In each fiscal year beginning with fiscal year 2010 and ending with fiscal year 2015, the Secretary shall increase the number of patients enrolled in each teleretinal imaging program under paragraph (1) by not less than five percent from the number of patients enrolled in each respective program in the previous fiscal year.

"(c) DEFINITIONS.—In this section:

"(1) The term 'teleconsultation' means the use by a health care specialist of telecommunications to assist another health care provider in rendering a diagnosis or treatment.

"(2) The term 'teleretinal imaging' means the use by a health care specialist of telecommunications, digital retinal imaging, and remote image interpretation to provide eye care."

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item related to section 1708 the following new item:

"1709. Teleconsultation and teleretinal imaging."

(b) TRAINING IN TELEMEDICINE.—The Secretary of Veterans Affairs shall require each

Department of Veterans Affairs facility that is involved in the training of medical residents to work with each university concerned to develop an elective rotation in telemedicine for such residents.

(c) ENHANCEMENT OF VERA.—

(1) INCENTIVES FOR PROVISION OF TELECONSULTATION, TELERETINAL IMAGING, TELEMEDICINE, AND TELEHEALTH SERVICES.—The Secretary of Veterans Affairs shall modify the Veterans Equitable Resource Allocation system to provide incentives for the utilization of teleconsultation, teleretinal imaging, telemedicine, and telehealth coordination services.

(2) INCLUSION OF TELEMEDICINE VISITS IN WORKLOAD REPORTING.—The Secretary shall modify the Veterans Equitable Resource Allocation system to require the inclusion of all telemedicine visits in the calculation of facility workload.

(d) DEFINITIONS.—In this section:

(1) The terms “teleconsultation” and “teleretinal imaging” have the meanings given such terms in section 1720G of title 38, United States Code, as added by subsection (a).

(2) The term “telemedicine” means the use by a health care provider of telecommunications to assist in the diagnosis or treatment of a patient’s medical condition.

(3) The term “telehealth” means the use of telecommunications to collect patient data remotely and send data to a monitoring station for interpretation.

**SEC. 7. OVERSIGHT OF CONTRACT AND FEE BASIS CARE.**

(a) IN GENERAL.—Subchapter I of chapter 17 of title 38, United States Code, is amended by inserting after section 1703 the following new section:

**“§ 1703A. Oversight of contract and fee basis care**

“(a) CONSOLIDATION OF COMMUNITY BASED OUTPATIENT CLINIC CONTRACTING.—For each Veterans Integrated Services Network (VISN), the Secretary shall, acting through the Under Secretary for Health and to the maximum extent practicable, negotiate with each party that has contracts to provide services at more than one community based outpatient clinic in such Network to consolidate such contracts.

“(b) RURAL OUTREACH COORDINATORS.—The Secretary shall designate a rural outreach coordinator at each Department community based outpatient clinic at which not less than 50 percent of the veterans enrolled at such clinic reside in a highly rural area. The coordinator at a clinic shall be responsible for coordinating care and collaborating with community contract and fee basis providers with respect to the clinic.

“(c) INCENTIVES TO OBTAIN ACCREDITATION OF MEDICAL PRACTICE.—(1) The Secretary shall adjust the fee basis compensation of providers of health care services under the Department to encourage such providers to obtain accreditation of their medical practice from recognized accrediting entities.

“(2) In making adjustments under paragraph (1), the Secretary shall consider the increased overhead costs of accreditation described in paragraph (1) and the costs of achieving and maintaining such accreditation.

“(d) INCENTIVES FOR PARTICIPATION IN PEER REVIEW.—(1) The Secretary shall adjust the fee basis compensation of providers of health care services under the Department that do not provide such services as part of a medical practice accredited by a recognized accrediting entity to encourage such providers to participate in peer review under subsection (e).

“(2) The Secretary shall provide incentives under paragraph (1) to a provider of health

care services under the Department in an amount equal to the amount the Secretary would provide to such provider under subsection (c) if such provider provided such services as part of a medical practice accredited by a recognized accrediting entity.

“(e) PEER REVIEW.—(1) The Secretary shall provide for the voluntary peer review of providers of health care services under the Department who provide such services on a fee basis as part of a medical practice that is not accredited by a recognized accrediting entity.

“(2) Each year, beginning with the first fiscal year beginning after the date of the enactment of this section, the Chief Quality and Performance Officer in each Veterans Integrated Services Network (VISN) shall select a sample of patient records from each participating provider in the Officer’s Veterans Integrated Services Network to be peer reviewed by a facility designated under paragraph (3).

“(3) The Chief Quality and Performance Officer in each Veterans Integrated Services Network shall designate Department facilities in such network for the peer review of patient records submitted under this subsection.

“(4) Each year, beginning with the first fiscal year beginning after the date of the enactment of this section, each provider who elects to participate in the program shall submit the patient records selected under paragraph (2) to a facility selected under paragraph (3) to be peer reviewed by such facility.

“(5) Each Department facility designated under paragraph (3) that receives patient records under paragraph (4) shall—

“(A) peer review such records in accordance with policies and procedures established by the Secretary;

“(B) ensure that peer reviews are evaluated by the Peer Review Committee; and

“(C) develop a mechanism for notifying the Under Secretary for Health of problems identified through such peer review.

“(6) The Under Secretary for Health shall develop a mechanism by which the use of fee basis providers of health care are terminated when quality of care concerns are identified.

“(7) The Chief Quality and Performance Officer in each Veterans Integrated Services Network shall be responsible for the oversight of the program in that network.”

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item related to section 1703 the following new item:

“1703A. Oversight of contract and fee basis care.”

**SEC. 8. TRAVEL BENEFITS FOR BENEFICIARIES IN REMOTE LOCATIONS.**

(a) COVERAGE OF COST OF TRANSPORTATION BY AIR.—

(1) IN GENERAL.—Subsection (a) of section 111 of title 38, United States Code, is amended by inserting after the first sentence the following new sentence: “Actual necessary expense of travel includes the reasonable costs of airfare if travel by air is the only practical way to reach a Department facility.”

(2) ELIMINATION OF LIMITATION BASED ON MAXIMUM ANNUAL RATE OF PENSION.—Subsection (b)(1)(D)(i) of such section is amended by inserting “who is not traveling by air and” before “whose annual”.

(3) DETERMINATION OF PRACTICALITY.—Subsection (b) of such section is amended by adding at the end the following new paragraph:

“(4) In determining for purposes of subsection (a) whether travel by air is the only practical way for a veteran to reach a De-

partment facility, the Secretary shall consider the medical condition of the veteran and any other impediments to the use of ground transportation by the veteran.”

(b) MILEAGE REIMBURSEMENT RATE FOR TRAVEL BY AIR.—Subsection (g)(1) of such section is amended by inserting after “is available)” the following: “or the mileage reimbursement rate for airplanes if travel by airplane is the only practical method of travel”.

**SEC. 9. PILOT PROGRAM ON INCENTIVES FOR PHYSICIANS WHO ASSUME INPATIENT RESPONSIBILITIES AT COMMUNITY HOSPITALS IN HEALTH PROFESSIONAL SHORTAGE AREAS.**

(a) PILOT PROGRAM REQUIRED.—The Secretary of Veterans Affairs shall carry out a pilot program to assess the feasibility and advisability of each of the following:

(1) The provision of financial incentives to eligible physicians who obtain and maintain inpatient privileges at community hospitals in health professional shortage areas in order to facilitate the provision by such physicians of primary care and mental health services to veterans at such hospitals.

(2) The collection of payments from third-party providers for care provided by eligible physicians to non-veterans while discharging inpatient responsibilities at community hospitals in the course of exercising the privileges described in paragraph (1).

(b) ELIGIBLE PHYSICIANS.—For purposes of this section, an eligible physician is a primary care or mental health physician employed by the Department of Veterans Affairs on a full-time basis.

(c) DURATION OF PROGRAM.—The pilot program shall be carried out during the three-year period beginning on the date of the commencement of the pilot program.

(d) LOCATIONS.—

(1) IN GENERAL.—The pilot program shall be carried out at not less than five community hospitals in each of not less than two Veterans Integrated Services Networks (VISNs). The hospitals shall be selected by the Secretary utilizing the results of the survey required under subsection (e).

(2) QUALIFYING COMMUNITY HOSPITALS.—A community hospital may be selected by the Secretary as a location for the pilot program if—

(A) the hospital is located in a health professional shortage area; and

(B) the number of eligible physicians willing to assume inpatient responsibilities at the hospital (as determined utilizing the result of the survey) is sufficient for purposes of the pilot program.

(e) SURVEY OF PHYSICIAN INTEREST IN PARTICIPATION.—

(1) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall conduct a survey of eligible physicians to determine the extent of the interest of such physicians in participating in the pilot program.

(2) ELEMENTS.—The survey shall disclose the type, amount, and nature of the financial incentives to be provided under subsection (h) to physicians participating in the pilot program.

(f) PHYSICIAN PARTICIPATION.—

(1) IN GENERAL.—The Secretary shall select physicians for participation in the pilot program from among eligible physicians who—

(A) express interest in participating in the pilot program in the survey conducted under subsection (e);

(B) are in good standing with the Department; and

(C) primarily have clinical responsibilities with the Department.

(2) VOLUNTARY PARTICIPATION.—Participation in the pilot program shall be voluntary. Nothing in this section shall be construed to

require a physician working for the Department to assume inpatient responsibilities at a community hospital unless otherwise required as a term or condition of employment with the Department.

(g) ASSUMPTION OF INPATIENT PHYSICIAN RESPONSIBILITIES.—

(1) IN GENERAL.—Each eligible physician selected for participation in the pilot program shall assume and maintain inpatient responsibilities, including inpatient responsibilities with respect to non-veterans, at one or more community hospitals selected by the Secretary for participation in the pilot program under subsection (d).

(2) COVERAGE UNDER FEDERAL TORT CLAIMS ACT.—If an eligible physician participating in the pilot program carries out on-call responsibilities at a community hospital where privileges to practice at such hospital are conditioned upon the provision of services to individuals who are not veterans while the physician is on call for such hospital, the provision of such services by the physician shall be considered an action within the scope of the physician's office or employment for purposes of chapter 171 of title 28, United States Code (commonly referred to as the "Federal Tort Claims Act").

(h) COMPENSATION.—

(1) IN GENERAL.—The Secretary shall provide each eligible physician participating in the pilot program with such compensation (including pay and other appropriate compensation) as the Secretary considers appropriate to compensate such physician for the discharge of any inpatient responsibilities by such physician at a community hospital for which such physician would not otherwise be compensated by the Department as a full-time employee of the Department.

(2) WRITTEN AGREEMENT.—The amount of any compensation to be provided a physician under the pilot program shall be specified in a written agreement entered into by the Secretary and the physician for purposes of the pilot program.

(3) TREATMENT OF COMPENSATION.—The Secretary shall consult with the Director of the Office of Personnel Management on the inclusion of a provision in the written agreement required under paragraph (2) that describes the treatment under Federal law of any compensation provided a physician under the pilot program, including treatment for purposes of retirement under the civil service laws.

(i) COLLECTIONS FROM THIRD PARTIES.—In carrying out the pilot program for the purpose described in subsection (a)(2), the Secretary shall implement a variety and range of requirements and mechanisms for the collection from third-party payors of amounts to reimburse the Department for health care services provided to non-veterans under the pilot program by eligible physicians discharging inpatient responsibilities under the pilot program.

(j) INPATIENT RESPONSIBILITIES DEFINED.—In this section, the term "inpatient responsibilities" means on-call responsibilities customarily required of a physician by community hospital as a condition of granting privileges to the physician to practice in the hospital.

(k) REPORT.—Not later than one year after the date of the enactment of this Act and annually thereafter, the Secretary shall submit to Congress a report on the pilot program, including the following:

(1) The findings of the Secretary with respect to the pilot program.

(2) The number of veterans and non-veterans provided inpatient care by physicians participating in the pilot program.

(3) The amounts collected and payable under subsection (i).

(l) HEALTH PROFESSIONAL SHORTAGE AREA DEFINED.—In this section, the term "health

professional shortage area" has the meaning given the term in section 332(a) of the Public Health Service Act (42 U.S.C. 254e(a)).

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

S. 736. A bill to provide for improvements in the Federal hiring process and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Mr. AKAKA. Mr. President, today I introduce the Federal Hiring Process Improvement Act to help agencies fix the broken recruitment and hiring process in the Federal Government. I am pleased to be joined by my good friend Senator VOINOVICH in this effort.

The Federal Government is the largest employer in the U.S., but every day talented people interested in Federal service walk away because the hiring process is longer and more complicated than that of other employers. Too many Federal agencies have built entry barriers for new workers, done too little to recruit the right candidates, and invented an evaluation process that discourages qualified candidates.

In the private sector, many employers post job vacancies through a variety of online and other venues and require only a resume and cover letter to apply. Applying to the federal government should be similarly accessible and easy. However, agencies often require substantial essays and other documentation at the initial application stage.

Agencies need to adapt, just as the private sector has, to take advantage of modern technology to boost recruitment efforts and streamline the hiring process to make it more user friendly. Inexpensive outlets such as social networking sites offer agencies an opportunity to expand their profile and post job opportunities without emptying their wallets. It is easier than it was in the past to submit and track application materials during the application process. Agencies should accept candidate-friendly applications such as resumes and cover letters for the initial application and ask for additional information only as needed. Likewise, technology makes it possible to provide automated information to candidates, so candidates should receive timely and informative feedback about the application process.

Additionally, more employees with advanced and technical skills are needed in the modern federal workforce, so more pipelines into colleges and technical schools need to be developed to recruit candidates from diverse backgrounds.

Last year, I chaired a hearing of the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, where witnesses testified to the need for reforms in the hiring process. The Government Accountability Office testified to the broad failures of agencies to address such problems as passive recruitment strategies, unclear job va-

cancy announcements, and imprecise candidate assessment tools. Witnesses testified that young people are greatly interested in Federal Government service, but agencies need to meet them where they are. Developing broader recruitment strategies, using online resources and streamlining the hiring process are essential to attracting the next generation of Federal employees.

In response to the hearing, the Office of Personnel Management, OPM, developed the End-to-End Hiring Roadmap initiative that provides agencies a streamlined 80-day model from the time a manager seeks to fill a position to the time an offer is made. This initiative addresses strategic workforce planning, targeted recruitment, clear job announcements, and hiring flexibilities. The initiative also advocates accepting resumes and cover letters over the lengthy and onerous knowledge, skills, and abilities essays, KSAs, required for many Federal jobs.

This initiative includes many positive steps, but many agencies are not adopting them. OPM does not have the authority to require agencies to do so. Congress must step in.

The Federal Hiring Process Improvement Act requires agencies to develop strategic workforce plans, including hiring projections and critical skills gaps analyses of the workforce; post brief, clear job announcements in plain writing; Allow submission of resumes and cover letters and no longer require KSAs; provide timely notification to applicants of the status of their application; take no more than 80 days from the time a manager decides to fill a vacancy to the time an offer is made; keep an inventory of all applicants who elect to be considered for other Federal vacancies; and measure the effectiveness of hiring efforts and reforms.

Agencies must make reforming the recruitment and hiring process a top priority, and this bill furthers the discussion. The Federal Hiring Process Improvement Act will require agencies to abandon their stale recruitment and hiring processes and develop streamlined hiring practices that attract high-quality candidates. The future of the Federal workforce is depending on it.

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

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

S. 736

*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 "Federal Hiring Process Improvement Act of 2009".

**SEC. 2. DEFINITION.**

In this Act, the term "agency"—

(1) means an Executive agency as defined under section 105 of title 5, United States Code; and

(2) shall not include the Government Accountability Office.

**SEC. 3. STRATEGIC WORKFORCE PLAN.**

(a) IN GENERAL.—

(1) DEVELOPMENT OF PLAN.—Not later than 180 days after the date of enactment of this Act and in every subsequent year, the head of each agency, in consultation with the Chief Human Capital Officers Council, shall develop a strategic workforce plan as part of the agency performance plan required under section 1115 of title 31, United States Code, to include—

(A) hiring projections, including occupational and grade level;

(B) long-term and short-term strategic human capital planning to address critical skills deficiencies;

(C) recruitment strategies to attract highly qualified candidates from diverse backgrounds; and

(D) streamlining the hiring process to conform with the provisions in this Act.

(2) INCLUSION IN PERFORMANCE PLAN.—Section 1115(a) of title 31, United States Code, is amended—

(A) in paragraph (5), by striking “and” after the semicolon;

(B) in paragraph (6), by striking the period and inserting “and”; and

(C) by adding at the end the following:

“(7) include the strategic workforce plan developed under section 3 of the Federal Hiring Process Improvement Act of 2009.”.

(b) HIRING PROJECTIONS.—Agencies shall make hiring projections made under strategic workforce plans available to the public.

(c) SUBMISSION TO THE OFFICE OF PERSONNEL MANAGEMENT.—Each agency strategic workforce plan shall be submitted to the Office of Personnel Management.

#### SEC. 4. FEDERAL JOB VACANCY ANNOUNCEMENTS.

(a) TARGETED ANNOUNCEMENTS.—In consultation with the Chief Human Capital Officers Council, the head of each agency shall—

(1) take steps necessary to target highly qualified applicant pools with diverse backgrounds before posting job announcements;

(2) clearly and prominently display job announcements in strategic locations convenient to such targeted applicant pools; and

(3) seek to develop relationships with targeted applicant pools to develop regular pipelines for high-quality applicants.

(b) PUBLIC NOTICE REQUIREMENTS.—The requirements of subsection (a) shall not supersede public notice requirements.

(c) PLAIN WRITING REQUIREMENT.—

(1) DEFINITION.—In this subsection, the term “plain writing” means writing that the intended audience can readily understand and use because that writing is clear, concise, well-organized, and follows other best practices of plain writing.

(2) REQUIREMENT.—Not later than 180 days after the date of enactment of this Act, all Federal job announcements for competitive positions shall be written in plain writing.

#### SEC. 5. APPLICATION PROCESS AND NOTIFICATION REQUIREMENTS.

(a) APPLICATION PROCESS.—Not later than 180 days after the date of enactment of this Act and in consultation with the Chief Human Capital Officers Council, the head of each agency shall develop processes to—

(1) ensure that vacancy announcements are open for a reasonable period of time as determined by the head of the agency to allow targeted, highly qualified applicants from diverse backgrounds time to submit an application;

(2) ensure that vacancy announcements include contact information for applicants who seek further information about the announcement;

(3) review and revise the hiring process of the agency to create a streamlined and timely system for hiring decisions;

(4) allow applicants to submit a cover letter, resume, and answers to brief questions,

such as questions relating to United States citizenship and veterans status, to complete an application;

(5) allow applicants to submit application materials in a variety of formats, including word processing documents and portable document format;

(6) not require any applicant to provide a Social Security number or any other personal identifying information unnecessary for the initial review of an applicant for a position;

(7) not require lengthy writing requirements such as knowledge, skills, and ability essays as part of an initial application;

(8) not require the submission of additional material in support of an application, such as educational transcript, proof of veterans status, and professional certifications, unless necessary to complete the application process;

(9) ensure that applicants are given a reasonable amount of time after the closing date of the job announcement to provide additional necessary information; and

(10) include the hiring manager in all parts of the application process, including—

(A) targeted recruitment;

(B) drafting the job announcement;

(C) review of the initial applications;

(D) interviewing the applicants; and

(E) the final decisionmaking process.

(b) NOTIFICATION REQUIREMENTS.—

(1) IN GENERAL.—In consultation with the Chief Human Capital Officers Council, the head of each agency shall develop mechanisms under which each applicant for a Federal job vacancy shall receive timely notification of the status of their applications or provide the applicant the ability to check on the status of their applications.

(2) CONTENTS OF NOTIFICATION.—A notification to an applicant under this subsection shall include—

(A) notice of receipt of an application not later than 5 business days after the application was received by the employing agency;

(B) an explanation of the hiring process and an estimated timeline of the next actions in the process;

(C) notice the qualification and status of an applicant after all applications for the applicable position have been initially reviewed and ranked;

(D) notice of the qualifications and status of the applicant after all interviews for the applicable position are completed;

(E) for all applicants selected for an interview, notice of the ongoing process if selected, including the process for any needed security clearance or suitability review, not later than the date of the interview; and

(F) notice to nonaccepted applicants that the applicable position is not open not later than 10 business days after the date on which—

(i) the selected candidate has accepted an offer of employment; or

(ii) the job announcement has been cancelled.

#### SEC. 6. APPLICANT INVENTORY.

(a) IN GENERAL.—Section 3330 of title 5, United States Code, is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

“(e)(1) The Office of Personnel Management shall establish and keep current a comprehensive inventory of individuals seeking employment in the Federal Government.

“(2) The inventory under this subsection shall—

“(A) be made available to agencies for use in filling vacancies;

“(B) contain information voluntarily provided by applicants for employment, including—

“(i) the resume and contact information provided by the applicant; and

“(ii) any other information which the Office considers appropriate;

“(C) retain information for no longer than 1 calendar year;

“(D) not include information relating to—

“(i) the application of the applicant for a specific vacancy announcement; or

“(ii) any other information relating to vacancy announcements; and

“(E) shall provide for a mechanism to allow—

“(i) applicants to update resume contact information; and

“(ii) agency officials to search information in the inventory by agency and job classification.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 180 days after the date of enactment of this Act.

#### SEC. 7. TRAINING.

Not later than 120 days after the date of enactment of this Act—

(1) in consultation with the Chief Human Capital Officers Council, the Office of Personnel Management shall develop and notify agencies of a training program for human resources professionals to implement the requirements of this Act; and

(2) each agency shall develop and submit to the Office of Personnel Management a plan to implement the training program.

#### SEC. 8. REDUCTION IN THE LENGTH OF THE HIRING PROCESS.

(a) AGENCY PLANS.—In consultation with the Chief Human Capital Officers Council, the head of each agency shall develop a plan to reduce the length of the hiring process.

(b) REQUIREMENTS.—To the extent practical, the plan shall require that each agency fill identified vacancies not later than an average of 80 calendar days after the date of identification of the vacancy.

(c) REPORTS.—Each agency shall submit an annual report to Congress on the period of time required to fill each vacancy, and whether vacancies are cancelled or reopened.

#### SEC. 9. MEASURES OF FEDERAL HIRING EFFECTIVENESS.

(a) IN GENERAL.—Each agency shall measure and collect information on indicators of hiring effectiveness with respect to the following:

(1) RECRUITING AND HIRING.—

(A) Ability to reach and recruit well-qualified talent from diverse talent pools.

(B) Use and impact of special hiring authorities and flexibilities to recruit most qualified applicants.

(C) Use and impact of special hiring authorities and flexibilities to recruit diverse candidates, including veteran, minority, and disabled candidates.

(D) The age, educational level, and source of applicants.

(E) Length of time between the time a position is advertised and the time a first offer of employment is made.

(F) Length of time between the time a first offer of employment for a position is made and the time a new hire starts in that position.

(G) Number of internal and external applicants for Federal positions.

(2) HIRING MANAGER ASSESSMENT.—

(A) Manager satisfaction with the quality of new hires.

(B) Manager satisfaction with the match between the skills of newly hired individuals and the needs of the agency.

(C) Manager satisfaction with the hiring process and hiring outcomes.

(D) Mission-critical deficiencies closed by new hires and the connection between mission-critical deficiencies and annual agency performance.

(3) **APPLICANT ASSESSMENT.**—Applicant satisfaction with the hiring process (including clarity of job announcement, reasons for withdrawal of application should that apply, user-friendliness of the application process, communication regarding status of application, and timeliness of hiring decision).

(4) **NEW HIRE ASSESSMENT.**—

(A) New hire satisfaction with the hiring process (including clarity of job announcement, user-friendliness of the application process, communication regarding status of application, and timeliness of hiring decision).

(B) Satisfaction with the onboarding experience (including timeliness of onboarding after the hiring decision, welcoming and orientation processes, and being provided with timely and useful new employee information and assistance).

(C) New hire attrition.

(D) Investment in training and development for employees during their first year of employment.

(E) Other indicators and measures as required by the Office of Personnel Management.

(b) **REPORTS.**—

(1) **IN GENERAL.**—Each agency shall submit an annual report of the information collected under subsection (a) to the Office of Personnel Management.

(2) **AVAILABILITY OF RECRUITING AND HIRING INFORMATION.**—Each year the Office of Personnel Management shall provide the information under subsection (c)(1) in a consistent format to allow for a comparison of hiring effectiveness and experience across demographic groups and agencies to—

(A) Congress before that information is made publicly available; and

(B) the public on the website of the Office.

(c) **REGULATIONS.**—Not later than 180 days of the date of enactment of this Act, the Office of Personnel Management shall prescribe regulations directing the methodology, timing, and reporting of the data described in subsection (a).

#### **SEC. 10. REGULATIONS.**

(a) **IN GENERAL.**—Except as provided under section 9(c), not later than 120 days after the date of enactment of this Act, the Director of the Office of Personnel Management shall prescribe regulations as necessary to carry out this Act.

(b) **CONSULTATION.**—The Director of the Office of Personnel Management shall consult the Chief Human Capital Officers Council in the development of regulations under this section.

#### **SEC. 11. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated such sums as may be necessary for the Office of Personnel Management to carry out this Act for fiscal year 2009 and for each subsequent fiscal year.

Mr. VOINOVICH. Mr. President, I am pleased to join my good friend and partner in Federal workforce issues, Senator DANIEL K. AKAKA, to introduce the Federal Hiring Process Improvement Act of 2009.

When we discuss hiring, we discuss a process that affects every individual employed by the government today. Making the right hiring decisions affects the current workforce's ability to continue doing their jobs. It also is the same process these employees must go through when pursuing new opportunities within the Government, including promotions.

Additionally, we need to convey to the thousands of men and women at all stages of their career that the Federal

Government is more than just an employer, but a place where Americans can utilize and grow their skills in service to their Nation.

As the old cliché goes, “You never get a second chance to make a first impression.” We need to convey to these Americans that the Federal Government wants them. If we do not, someone else will.

The Baby Boomers are retiring at a time when needs and demands on Government continue to grow. The Office of Personnel Management has identified certain areas of critical hiring importance: air traffic controllers, border patrol officers, engineers, food inspectors, human resources specialists, nurses, visa examiners, patent examiners, scientists, veterinarians, accountants, and acquisition professionals. In addition, the Partnership for Public Service has estimated the Federal Government will lose approximately 530,000 employees over the next 5 years, including many mission critical jobs.

We know the challenges confronting the Federal Government. Now we must make sure our processes result in hiring the right person, at the right place, at the right time, to get the job done.

Over and over, we hear of the problems in the Federal hiring process. It takes too long; it is too burdensome, and so forth. The quality of technology has improved, but our processes have not. This does nothing to dispel any preconceived notions that the Federal Government is nothing but a bureaucratic system.

Accordingly, Senator AKAKA and I are introducing legislation to streamline the hiring process. The Federal Hiring Process Improvement Act brings together commonsense solutions to a government-wide management challenge. Our legislation would require job announcements to be written in plain language; guarantee agencies provide feedback to applicants at a minimum of four key points during the process; and ensure individual hiring decisions are made within 80 days or less. In addition, our legislation would require agencies to improve their workforce planning and make hiring projections available to the public.

Too often, we have heard that processes exist for what I believe to be unacceptable reasons, such as, that is how it always has been done. But to be an employer of choice, the government must understand what the competition is doing and adapt to the changing environment. This legislation is an important first step in meeting that goal.

By Ms. COLLINS (for herself and Mr. UDALL of Colorado):

S. 737. A bill to amend the Energy Independence and Security Act of 2007 to authorize the Secretary of Energy to conduct research, development, and demonstration to make biofuels more compatible with small nonroad engines, and for other purposes; to the Committee on Energy and Natural Resources.

Ms. COLLINS. Mr. President, today I, along with Senator UDALL of Colorado, am introducing legislation that would amend the Energy Independence and Security Act of 2007 to expand on a research, development, and demonstration program, authorized in that bill, to include efforts to make biofuels more compatible with small non-road engines.

The Energy Independence and Security Act of 2007, directed the Secretary of the Department of Energy, DOE, in coordination with the Secretary of the Department of Transportation, DOT, and in consultation with the Administrator of the Environmental Protection Agency, EPA, to carry out a program of research and development regarding the impact that biofuels, like ethanol, may have on existing fuel storage and delivery infrastructure used for petroleum-based fuels. It is critical that these biofuels also are safe to use in operating small non-road engines. My bill requires these agencies to expand their research program to include small engines such as those in snowmobiles, boats, lawnmowers, and chainsaws.

Previous testing done through DOE shows that increased ethanol content in smaller engines creates a leaner burning mixture, which may increase idle speed on some small engines, creating unanticipated clutch engagement on equipment such as chainsaws and handheld trimmers. Also, ethanol is more corrosive and less efficient than traditional gasoline blends. During these difficult economic times, equipment damage due to ethanol-gasoline fuel blends only adds to the many challenges facing Maine's farmers, fishermen, independent woodsmen, and recreational industry.

As we pursue strategies to lessen our dependence on foreign oil, we must also take action to ensure that ethanol fuel blends are safe and efficient for small engines. I urge my colleagues to support this important legislation.

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

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

S. 737

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

#### **SECTION 1. BIOFUELS DISTRIBUTION AND ADVANCED BIOFUELS INFRASTRUCTURE.**

Section 248 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17054) is amended—

(1) in subsection (a), by striking “and new alternative distribution infrastructure” and inserting “, new alternative distribution infrastructure, and effects on small engines”; and

(2) in subsection (b)—

(A) in paragraph (8), by striking “and” after the semicolon at the end;

(B) by redesignating paragraph (9) as paragraph (10); and

(C) by inserting after paragraph (8) the following:

“(9) problems associated with the use of biofuels in small nonroad engines; and”.

By Mr. SPECTER:

S. 740. A bill to amend the Internal Revenue Code of 1986 to expand the homebuyer tax credit, and for other purposes; to the Committee on Finance.

Mr. SPECTER. Mr. President, I have sought recognition to introduce legislation to further expand the home buyer tax credit.

A robust home buyer tax credit will spur consumer demand and help to stop the fall in home values, which continues to affect millions of Americans. This decline is destroying the savings and net worth of Americans, whose homes are their most valuable asset. Many now have mortgages that exceed the value of their homes.

The Housing and Economic Recovery Act of 2008 created a tax credit for first-time home buyers of \$7,500 through June of 2009. However, taxpayers were required to repay the tax credit in equal installments over 15 years, which greatly reduced its effectiveness. The 2009 Stimulus bill waived the repayment requirement for purchases made in 2009, increased the value of the credit to \$8,000, and extended eligibility for purchases made through November of 2009.

Further improvements are necessary, in my judgment, to bring about a recovery in the housing market that will ultimately contribute to the turnaround of the broader economy. First, this bill would amend the Stimulus bill and raise the value to \$15,000, or 10 percent of the value of the home, whichever is less.

Second, this bill would make the home buyer tax credit available to any individual who purchases a home, not just first-time home buyers. Doing so would stimulate demand for the entire range of homes on the market.

Finally, this bill would remove the income eligibility threshold. Again, doing so would stimulate demand for the entire range of homes on the market. Currently, the credit is reduced for individuals with modified adjusted gross income, AGI, of more than \$75,000, \$150,000 for joint filers, and is zero for those individuals with modified AGI in excess of \$95,000, \$170,000 for joint filers.

The need for a robust home buyer tax credit is clear. According to the National Association of Realtors, pending home sales hit a record low in January 2009. The Pending Home Sales Index, which measures the number of sales contracts signed each month, fell 7.7 percent to 80.4, the lowest mark since 2001 when tracking began.

At the same time, the housing affordability index rose 13.6 percentage points to a record high of 166.8. A value of 100 means that a family with the country's median income has exactly enough income to qualify for a mortgage on a median-priced existing single-family home. The higher the index, the better housing affordability is for buyers.

These two figures, taken together, demonstrate that a robust home buyer

tax credit is needed to spur demand from Americans that are hesitant to buy homes for fear that prices will not stabilize.

Recent reports indicate a 13-month supply of unsold new homes, compared with a 4-month supply under more normal circumstances. Add to that a continually increasing number of foreclosed homes. According to the RealtyTrac 2008 Year-End Foreclosure Market Report, a total of 3.2 million foreclosure filings—default notices, auction sale notices and bank repossessions—were reported on 2.3 million U.S. properties during 2008, an 81 percent increase in total properties from 2007 and a 225 percent increase in total properties from 2006.

Jobs across all industries have been lost as a result of the housing crisis. According to a March 2, 2009, op-ed in the Washington Post by Robert J. Samuelson, "Since late 2007, housing-related jobs—carpenters, real estate agents, appraisers—have dropped by 1 million, a quarter of all lost jobs."

I applaud the efforts of Senator JOHN-ONY ISAKSON, who has been the leader on this issue in the Senate. I cosponsored his legislation in the 110th Congress to create a home buyer tax credit. In the 111th Congress, I supported his amendment to the Stimulus bill to make improvements to the credit and I have decided to join him as a cosponsor of S. 253, which seeks to make further improvements.

The bill I am introducing is different from S. 253 in three main ways. First, my bill would improve the home buyer credit using the 2009 Stimulus bill as a starting point. Second, my bill would increase the value of the credit to \$15,000, or 10 percent of the home value, whichever is less, whereas S. 253 would increase the credit amount to 10 percent of the home price capped at 3.5 percent of Federal Housing Administration loan limits. These limits are geographically dependent and would yield a credit ranging between approximately \$10,000 and \$22,000. Finally, my bill would remove income limitations on the credit, whereas S. 253 limits the credit for individuals earning up to \$125,000, or \$250,000 in the case of a joint return.

I believe it is important for both bills to be pending so that additional ideas can be debated. To that end, I look forward to working with Senator ISAKSON to build consensus and support for further improvements. As long as forecasts predict that home prices are falling and that the economy will remain weak, a large fraction of potential homebuyers may choose to remain on the sidelines without a robust tax credit in place.

I urge my colleagues to support this legislation, or the legislation introduced by Senator ISAKSON, to make further improvements to the home buyer tax credit.

By Mr. SPECTER

S. 741. A bill to amend the Internal Revenue Code of 1986 to impose a flat

tax only on individual taxable earned income and business taxable income, and for other purposes; to the Committee on Finance.

Mr. SPECTER. Mr. President, American taxpayers face another Federal income tax deadline. The date of April 15 stabs fear, anxiety, and unease into the hearts of millions of Americans. Every year during "tax season," millions of Americans spend their evenings pouring over page after page of IRS instructions, going through their records looking for information and struggling to find and fill out all the appropriate forms on their Federal tax returns. Americans are intimidated by the sheer number of different tax forms and their instructions, many of which they may be unsure whether they need to file. Given the approximately 582 possible forms, not to mention the instructions that accompany them, simply trying to determine which form to file can in itself be a daunting and overwhelming task. According to the 2008 annual report to Congress, released on January 7, 2009 by the National Taxpayer Advocate for the IRS, U.S. taxpayers and businesses spend about 7.6 billion hours a year complying with the filing requirements of the Internal Revenue Code. This figure does not include the millions of additional hours that taxpayers must spend when they are required to respond to an IRS notice or audit. Much of this time is spent burrowing through IRS laws and regulations which fill over 17,000 pages and have grown from 744,000 words in 1955 to 7.1 million words in 2005. By contrast, the Pledge of Allegiance has only 31 words, the Gettysburg Address has 267 words, the Declaration of Independence has about 1,300 words, and the Bible has only about 1,773,000 words.

The majority of taxpayers still face filing tax forms that are far too complicated and take far too long to complete. According to the IRS's most available data, the average time burden for all taxpayers filing a 1040, 1040A, or 1040EZ in 2006 was 26.4 hours, with an average cost of \$207 per return. Taxpayers filing 1040 forms had an average burden of approximately 34 hours. Moreover, this complexity is getting worse each year. According to the estimated preparation time listed on the forms by the IRS, the 1999 Form 1040 was estimated to take 12 hours and 51 minutes to complete. Thus, the time it now takes to fill out these tax forms has more than doubled over an eight year period.

It is no wonder that more than 80 percent of individual taxpayers pay transaction fees to help file tax returns. Well over half of all taxpayers, 61 percent according to a recent survey, now hire an outside professional to prepare their tax returns for them. However, the fact that only about 35 percent of individuals itemize their deductions shows that a significant percentage of our taxpaying population believes that the tax system is too

complex for them to deal with. We all understand that paying taxes will never be something we enjoy, but neither should it be cruel and unusual punishment. Further, the pace of change to the Internal Revenue Code is brisk. Since the beginning of 2001, there have been more than 3,250 changes to the tax code, an average of more than one a day, including more than 500 changes in 2008 alone. And we are far from being finished. Year after year, we continue to ask the same question—isn't there a better way?

My flat tax legislation would make filing a tax return a manageable chore, not a seemingly endless nightmare, for most taxpayers. My flat tax legislation will fundamentally revise the present tax code, with its myriad rates, deductions, and instructions. This legislation would institute a simple, flat 20 percent tax rate for all individuals and businesses. This proposal is not cast in stone, but is intended to move the debate forward by focusing attention on three key principles which are critical to an effective and equitable taxation system: simplicity, fairness, and economic growth.

My flat tax plan would eliminate the kinds of frustrations I have outlined above for millions of taxpayers. This flat tax would enable us to scrap the great majority of the IRS rules, regulations and instructions and delete most of the 7.1 million words in the Internal Revenue Code. Instead of billions of hours of non-productive time spent in compliance with, or avoidance of, the tax code, taxpayers would spend only the small amount of time necessary to fill out a postcard-sized form. Both business and individual taxpayers would thus find valuable hours freed up to engage in productive business activity or for more time with their families, instead of pouring over tax tables, schedules, and regulations.

My flat tax proposal is dramatic, but so are its advantages: a taxation system that is simple, fair, and designed to maximize prosperity for all Americans. A summary of the key advantages are:

A 10-line postcard filing would replace the myriad forms and attachments currently required, thus saving Americans up to 7.6 billion hours they currently spend every year in tax compliance.

The flat tax would eliminate the lion's share of IRS rules, regulations and requirements, which have grown from 744,000 words in 1955 to 7.1 million words currently. It would also allow us to slash the mammoth IRS bureaucracy of approximately 87,000 employees, creating opportunities to put their expertise to use elsewhere in the government or in private industry.

Economists estimate a growth due to a flat tax of over \$2 trillion in national wealth over 7 years, representing an increase of approximately \$7,500 in personal wealth for every man, woman and child in America. This growth would also lead to the creation of 6 million new jobs.

Investment decisions would be made on the basis of productivity rather than simply for tax avoidance, thus leading to even greater economic expansion.

Economic forecasts indicate that interest rates would fall substantially, by as much as two points, as the flat tax removes many of the current disincentives to savings.

Americans would be able to save or invest the \$265 billion they currently spend every year in tax compliance.

As tax loopholes are eliminated and the tax code is simplified, there will be far less opportunity for tax avoidance and fraud. Currently, the IRS is estimating a tax gap of \$300 billion a year.

Simplification of the tax code will allow us to save significantly on the \$10 billion annual budget currently allocated to the Internal Revenue Service.

The most dramatic way to illustrate the flat tax is to consider that the income tax form for the flat tax is printed on a postcard—it will allow all taxpayers to file their April 15 tax returns on a simple 10-line postcard. This postcard will take 15 minutes to fill out.

This is a win-win situation for America because it lowers the tax burden on the taxpayers in the lower brackets. For example in the 2006 tax year, the standard deduction is \$5,150 for a single taxpayer, \$7,550 for a head of household and \$10,300 for a married couple filing jointly, while the personal exemption for individuals and dependents is \$3,300. Thus, under the current tax code, a family of four which does not itemize deductions would pay taxes on all income over \$23,500—that is personal exemptions of \$13,200 and a standard deduction of \$10,300. By contrast, under my flat tax bill, that same family would receive a personal exemption of \$30,000, and would pay tax on income over that amount.

The tax loopholes enable write-offs of some \$393 billion a year. What is eliminated under the flat tax are the loopholes, the deductions in this complicated code which can be deciphered, interpreted, and found really only by the \$500-an-hour lawyers. That money is lost to the taxpayers. \$120 billion would be saved by the elimination of fraud because of the simplicity of the Tax Code, the taxpayer being able to find out exactly what they owe.

This bill is modeled after a proposal organized and written by two very distinguished law professors from Stanford University, Professor Hall and Professor Rabushka. Their model was first introduced in the Congress in the fall of 1994 by Majority Leader Richard Armitage. I introduced the flat tax bill—the first one in the Senate—on March 2, 1995, Senate bill 488. On October 27, 1995, I introduced a Sense of the Senate Resolution calling on my colleagues to expedite Congressional adoption of a flat tax. The Resolution, which was introduced as an amendment to pending legislation, was not adopted. I reintroduced my legislation in the 105th Con-

gress with slight modifications to reflect inflation-adjusted increases in the personal allowances and dependent allowances. I re-introduced the bill on April 15, 1999, Tax Day, in a bill denominated as S. 822. I then introduced my flat tax legislation as an amendment to S. 1429, the Tax Reconciliation bill; the amendment was not adopted. During the 108th Congress, I introduced my flat tax legislation once again on April 11, 2003. On May 14, 2003, I offered an amendment to the Tax Reconciliation legislation urging the Senate to hold hearings and consider legislation providing for a flat tax; this amendment passed by a vote of 70 to 30 on May 15, 2003. I then testified on this issue at a subsequent hearing held by the Joint Economic Committee on November 5, 2003. On April 15, 2005 and again on April 10, 2007, I again reintroduced my flat tax legislation in a bill denominated as S. 812 and S. 1081 respectively.

Over the years and prior to my legislative efforts on behalf of flat tax reform, I have devoted considerable time and attention to analyzing our nation's tax code and the policies which underlie it. I began the study of the complexities of the tax code over 40 years ago as a law student at Yale University. I included some tax law as part of my practice in my early years as an attorney in Philadelphia. In the spring of 1962, I published a law review article in the *Villanova Law Review*, "Pension and Profit Sharing Plans: Coverage and Operation for Closely Held Corporations and Professional Associations," 7 *Villanova L. Rev.* 335, which in part focused on the inequity in making tax-exempt retirement benefits available to some kinds of businesses but not others. It was apparent then, as it is now, that the very complexities of the Internal Revenue Code could be used to give unfair advantage to some. Einstein himself is quoted as saying "the hardest thing in the world to understand is the income tax."

The Hall-Rabushka model envisioned a flat tax with no deductions whatsoever. After considerable reflection, I decided to include in the legislation limited deductions for home mortgage interest for up to \$100,000 in borrowing and charitable contributions up to \$2,500. While these modifications undercut the pure principle of the flat tax by continuing the use of tax policy to promote home buying and charitable contributions, I believe that those two deductions are so deeply ingrained in the financial planning of American families that they should be retained as a matter of fairness and public policy—and also political practicality. With those two deductions maintained, passage of a modified flat tax will be difficult, but without them, probably impossible.

In my judgment, an indispensable prerequisite to enactment of a modified flat tax is revenue neutrality. Professor Hall advised that the revenue neutrality of the Hall-Rabushka proposal, which uses a 19 percent rate, is

based on a well-documented model founded on reliable governmental statistics. My legislation raises that rate from 19 percent to 20 percent to accommodate retaining limited home mortgage interest and charitable deductions.

This proposal taxes business revenues fully at their source, so that there is no personal taxation on interest, dividends, capital gains, gifts or estates. Restructured in this way, the tax code can become a powerful incentive for savings and investment—which translates into economic growth and expansion, more and better jobs, and raising the standard of living for all Americans.

The key advantages of this flat tax plan are threefold: First, it will dramatically simplify the payment of taxes. Second, it will remove much of the IRS regulatory morass now imposed on individual and corporate taxpayers, and allow those taxpayers to devote more of their energies to productive pursuits. Third, since it is a plan which rewards savings and investment, the flat tax will spur economic growth in all sectors of the economy as more money flows into investments and savings accounts.

Professors Hall and Rabushka have projected that within seven years of enactment, this type of a flat tax would produce a 6 percent increase in output from increased total work in the U.S. economy and increased capital formation. The economic growth would mean a \$7,500 increase in the personal income of all Americans. No one likes to pay taxes. But Americans will be much more willing to pay their taxes under a system that they believe is fair, a system that they can understand, and a system that they recognize promotes rather than prevents growth and prosperity. My flat tax legislation will afford Americans such a tax system.

Mr. President, I ask unanimous consent that a copy of my flat tax postcard, a variety of specific cases that illustrate the fairness and simplicity of this flat tax, and an example flat tax table be printed in the RECORD.

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

2008 INDIVIDUAL TAX RETURN

ARLEN SPECTER FLAT TAX

Form 1—Individual Wage Tax—2008

Your full name with initial (if joint return, also give spouse's name and initial) \_\_\_\_\_ Your social security number \_\_\_\_\_

Home address (number and street including apartment number or rural route) \_\_\_\_\_ Spouse's social security number \_\_\_\_\_

City, town, or post office, state, and ZIP code \_\_\_\_\_

1. Wages, salary, pension and retirement benefits \_\_\_\_\_ 1 \_\_\_\_\_

2. Personal allowance (enter only one) \_\_\_\_\_ 2 \_\_\_\_\_  
 —\$25,000 for married filing jointly  
 —\$12,500 for single  
 —\$18,750 for single head of household

3. Number of dependents, not including spouse, multiplied by \$6,250 \_\_\_\_\_ 3 \_\_\_\_\_

4. Mortgage interest on debt up to \$125,000 for owner-occupied home \_\_\_\_\_ 4 \_\_\_\_\_

5. Cash or equivalent charitable contributions (up to \$3,125) \_\_\_\_\_ 5 \_\_\_\_\_

6. Total allowances and deductions (lines 2, 3, 4 and 5) \_\_\_\_\_ 6 \_\_\_\_\_

7. Taxable compensation (line 1 less line 6, if positive; otherwise zero) \_\_\_\_\_ 7 \_\_\_\_\_

8. Tax (20% of line 7) \_\_\_\_\_ 8 \_\_\_\_\_

9. Tax withheld by employer \_\_\_\_\_ 9 \_\_\_\_\_

10. Tax or refund due (difference between lines 8 and 9) \_\_\_\_\_ 10 \_\_\_\_\_

A variety of specific cases illustrate the fairness and simplicity of this flat tax:

CASE #1—Married couple with two children, rents home, yearly income \$35,000:

Under Current Law:

Income .....	\$35,000
Four personal exemptions .....	\$14,000
Standard deduction .....	10,900
Taxable income .....	10,100
Child Tax Credit .....	1,000
Tax due under current rates .....	\$10
Marginal rate .....	10.0%
Effective tax rate .....	.03%

Under Flat Tax:

Personal allowance .....	\$25,000
Two dependents .....	\$12,500

Taxable income .....	\$0
Tax due under flat tax .....	<sup>1</sup> \$0
Effective tax rate .....	0%
<sup>1</sup> Decrease of \$10	

Case #2—Single individual, rents home, yearly income \$50,000.

Under Current Law:

Income .....	\$50,000
One personal exemption .....	\$3,500
Standard deduction .....	5,450
Taxable income .....	\$41,050
Tax due under current rate .....	\$6,606.25
Marginal rate .....	25.0%
Effective rate .....	13.2%

Under Flat Tax:

Personal allowance .....	\$12,500
Taxable income .....	\$37,500
Tax due under flat tax .....	<sup>1</sup> \$7,500
Effective rate .....	15.0%
<sup>1</sup> Increase of \$893.75	

CASE #3—Married couple with no children, \$150,000 mortgage at 9%, yearly income \$75,000:

Under Current Law:

Income .....	\$75,000
Two personal exemptions .....	\$7,000
Home mortgage deduction .....	\$13,500
State & local taxes .....	\$3,000
Charitable deduction .....	\$1,500
Taxable income .....	\$50,000
Tax due under current rates .....	\$6,697.50
Marginal rate .....	15.00%
Effective tax rate .....	8.93%

Under Flat Tax:

Personal allowance .....	\$25,000
Home mortgage deduction .....	\$11,250
Charitable deduction .....	\$1,500
Taxable income .....	\$37,250
Tax due under flat tax .....	\$7,450
Effective tax rate .....	9.93%
<sup>1</sup> Increase of \$752.50	

CASE #4—Married couple with three children, \$250,000 mortgage at 9%, yearly income \$125,000:

Under Current Law:

Income .....	\$125,000
Five personal exemptions .....	\$17,500
Home mortgage deduction .....	\$22,500
State & local taxes .....	\$5,000
Retirement fund deductions .....	\$6,000
Charitable deductions .....	\$2,500
Taxable income .....	\$71,500
Child Tax Credit .....	\$2,250
Tax due under current rates .....	\$8,312.50
Marginal rate .....	25.00%
Effective tax rate .....	6.65%

Under Flat Tax:

Personal allowance .....	\$25,000
Three dependents .....	\$18,750
Home mortgage deduction .....	\$11,250
Charitable deduction .....	\$2,500
Taxable income .....	\$67,500
Tax due under flat tax .....	\$13,500
Effective tax rate .....	10.8%
<sup>1</sup> Increase of \$5,187.50***	

ANNUAL TAXES UNDER 20% FLAT TAX FOR MARRIED COUPLE WITH TWO CHILDREN FILING JOINTLY

Income	Home mortgage	Deductible mtg interest	Charitable contribution	Personal allowance (w/ children)	Taxable income	Effective tax rate (percent)	Taxes owed
\$30,000					0	0	None
30,000	\$60,000	\$5,400	\$600	\$30,000	0	0	None
40,000	80,000	7,200	800	30,000	\$2,000	1	\$400
50,000	100,000	9,000	1,000	30,000	10,000	4	2,000
60,000	120,000	9,000	1,200	30,000	19,800	6.6	3,960
70,000	140,000	9,000	1,400	30,000	29,600	8.6	5,920
80,000	160,000	9,000	1,600	30,000	39,400	9.9	7,880
90,000	180,000	9,000	1,800	30,000	49,200	10.9	9,840
100,000	200,000	9,000	2,000	30,000	59,000	11.8	11,800
125,000	250,000	9,000	2,500	30,000	83,500	13.4	16,700
150,000	300,000	9,000	2,500	30,000	108,500	14.5	21,700
200,000	400,000	9,000	2,500	30,000	158,500	15.9	31,700
250,000	500,000	9,000	2,500	30,000	208,500	16.7	41,700
500,000	1,000,000	9,000	2,500	30,000	458,500	18.3	91,700

ANNUAL TAXES UNDER 20% FLAT TAX FOR MARRIED COUPLE WITH TWO CHILDREN FILING JOINTLY—Continued

Income	Home mortgage	Deductible mtg interest	Charitable contribution	Personal allowance (w/ children)	Taxable income	Effective tax rate (percent)	Taxes owed
1,000,000 .....	2,000,000	9,000	2,500	30,000	958,500	19.2	191,700

\* Assumes home mortgage of twice annual income at a rate of 9% and charitable contributions up to 2% of annual income.

By Mr. UDALL, of New Mexico:  
S. 743. A bill to require air carriers to provide training for flight attendants and gate attendants regarding serving alcohol, recognizing intoxicated passengers, and dealing with disruptive passengers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. UDALL of New Mexico. Mr. President, I rise today to introduce the Airline Personnel Training Enhancement Act of 2009 and to ask for Senators' support for this important measure to improve safety in the air and on the ground.

The story of this legislation begins with a tragedy. On November 11, 2006, Paul and Renee Gonzales were driving back from a soccer tournament with four of their daughters. They were roughly 1 hour from their home in Las Vegas, NM, when they saw Dana Papst's vehicle. Papst had been driving on the wrong side of I-25 for about 5 miles before his car collided with the Gonzales's minivan at 60 to 75 miles per hour. Five of the six members of the Gonzales family were killed. Papst later died at the hospital.

I cannot say for certain whether this tragedy could have been prevented by a change in laws. But I do know this: A few hours before Dana Papst took six lives, including his own, he was flying back to Albuquerque after a business trip. On that flight, he was noticeably intoxicated. Yet he was served alcohol by airline personnel. When his truck collided with the Gonzales's minivan, his blood-alcohol level was four times the legal limit.

When I heard about Dana Papst and the Gonzales family, I began to look for legislation that could prevent tragedies like this in the future. I learned that under existing law, Papst should not have been served alcohol on his flight. In fact, somebody as drunk as Papst never should have been allowed on that flight. But airlines are not required to teach their personnel how to handle an intoxicated passenger.

To address this problem, I introduced the Airline Personnel Training Enhancement Act in the other body during the last Congress. I am introducing it again today.

This legislation requires air carriers to train their employees on recognizing and dealing with drunk or disruptive passengers. This training will help employees make informed decisions when allowing people to board flights, when deciding whether a passenger should be served alcohol, and when dealing with belligerent passengers. Many States require people who serve alcohol in restaurants and bars to be properly trained. This legislation simply closes

a large and potentially deadly loophole. I hope it will lead to fewer deaths on our roads.

New Mexico, like so many other States, has too many crosses on its highways, too many stories of loss and regret. Drunk driving claimed 155 New Mexico lives the year Paul and Renee Gonzales were killed. It claimed 188 the year before, and 211 the year before that. We have the power to help reduce these numbers. I hope we will use it.

But my legislation is not just about drunk driving. As I began to study the training of airline personnel, I discovered a large and frightening threat to the traveling public. Outbursts by belligerent passengers are more and more common. But airline personnel are rarely trained on how to handle these situations.

Incidents of "air rage" increased 400 percent since 2000. There are an estimated 10,000 cases each year in the United States alone. Airline security experts estimate that alcohol is the underlying cause of the majority of incidents. These incidents can pose a serious threat to passengers and personnel. In some cases, flights have been diverted from their destination in order to land where threatening passengers could be arrested.

Airline personnel are on the front line for ensuring flight safety. Gate attendants are in the best position to keep drunk or belligerent passengers off flights. Today, flight attendants are often the only personnel capable of maintaining order in a plane's cabin.

Before 9/11, a flight's captain or copilot would leave the cockpit to assist the flight crew when a passenger made threats or became abusive. Today, the cockpit door is locked for safety. Flight attendants have more responsibility for keeping passengers safe.

Unfortunately, airlines do not have to give their employees the skills to meet their responsibilities. One study found that "the lack of attention paid by the aviation community to the importance of the flight attendant's role in a commercial flight has led to recurring instances of abuse of cabin crew by passengers and the inability of the cabin crew to restrain violent passenger[s]. . . ."

The Airline Personnel Training Enhancement Act will help remedy this unsafe and unacceptable situation. This legislation is supported by the Association of Flight Attendants and Mothers Against Drunk Driving. It is also a commonsense response to a serious problem. It will make our skies and our roads safer. I hope Senators will support it.

SUBMITTED RESOLUTIONS DURING ADJOURNMENT OF THE SENATE

SENATE CONCURRENT RESOLUTION 13—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2010, REVISING THE APPROPRIATE BUDGETARY LEVELS FOR FISCAL YEAR 2009, AND SETTING FORTH THE APPROPRIATE BUDGETARY LEVELS FOR FISCAL YEARS 2011 THROUGH 2014

Mr. CONRAD from the Committee on the Budget; submitted the following concurrent resolution, which was placed on the calendar:

S. CON. RES. 13

*Resolved by the Senate (the House of Representatives concurring),*

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2010.

(a) DECLARATION.—Congress declares that this resolution is the concurrent resolution on the budget for fiscal year 2010 and that this resolution sets forth the appropriate budgetary levels for fiscal years 2009 and 2011 through 2014.

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

Sec. 1. Concurrent resolution on the budget for fiscal year 2010.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

- Sec. 101. Recommended levels and amounts.
- Sec. 102. Social Security.
- Sec. 103. Postal Service discretionary administrative expenses.
- Sec. 104. Major functional categories.

TITLE II—RESERVE FUNDS

- Sec. 201. Deficit-neutral reserve fund to transform and modernize America's health care system.
- Sec. 202. Deficit-neutral reserve fund to invest in clean energy and preserve the environment.
- Sec. 203. Deficit-neutral reserve fund for higher education.
- Sec. 204. Deficit-neutral reserve fund for child nutrition and WIC.
- Sec. 205. Deficit-neutral reserve fund for investments in America's infrastructure.
- Sec. 206. Deficit-neutral reserve fund to promote economic stabilization and growth.
- Sec. 207. Deficit-neutral reserve fund for America's veterans and wounded servicemembers.
- Sec. 208. Deficit-neutral reserve fund for judicial pay and judgeships and postal retiree assistance.
- Sec. 209. Deficit-neutral reserve fund for defense acquisition and contracting reform.
- Sec. 210. Deficit-neutral reserve fund for investments in our Nation's counties and schools.
- Sec. 211. Deficit-neutral reserve fund for the Food and Drug Administration.
- Sec. 212. Deficit neutral reserve fund for bipartisan congressional sunset commission.