

a town further away. I can tell my colleagues, as a doctor who practiced medicine for 25 years, when someone has a heart attack, every minute counts. Bill Jones didn't survive his heart attack. Maybe he wouldn't have survived a trip to a closer hospital; we won't know that. But the hospital is gone now and it is gone because of the President's health care law. For people living in rural States such as Georgia and my own State of Wyoming, this is a terrifying prospect.

The article says that since January of 2010, more than 40 rural hospitals have closed across the country. There is a map of the country of all the places where hospitals have closed. Ezekiel Emanuel, who worked on the health care law, says that 40 hospitals is not enough. He is one of the architects of course of the President's health care law. He says that over the next 6 years, more than 1,000 hospitals will close. In more than 1,000 American communities, people will be further away from medical care. That is precious lost time for people who have heart attacks or for women with high-risk pregnancies who are further from the help they need to deliver a healthy baby. They may have coverage under the President's health care law, but that is not the same as getting the care they need.

We are also seeing that for people whom the law has pushed into Medicaid—because Medicaid, of course—the President's goal was to push more and more people into Medicaid—that pays less for services than traditional insurance companies pay. A lot of doctors and other providers can't afford to take new Medicaid patients.

There was a front-page story in the Wall Street Journal last Friday that says as more join Medicaid, health care systems feel strained.

As more join Medicaid—the President's goal—health systems feel the strain. The article says that about one-third of all primary care physicians aren't taking new Medicaid patients. One of them is Dr. Holly Abernathy. She is a family physician in Farmington, NM, and she says she just can't afford to take any new patients under the program. She says: "I would love to see every Medicaid patient that comes through my door." She also says: "If you give people coverage, they should be able to utilize it."

Premiums are going up, out-of-pocket costs are going up. Hospitals are closing. Doctors are having to turn away patients—all because of the President's health care law.

ObamaCare was too long, too complicated, too expensive, and it took away too much from the people who like the care and the coverage they had before the law was passed. That is why Republicans are going to vote to repeal the entire health care law.

Meanwhile, we will also vote to strip away the worst and most destructive parts of the law—parts such as the employer mandate, the arbitrary 30-hour

workweek, that has been devastating to part-time workers across the country and others such as the unfair medical device tax that sends American jobs overseas and threatens lifesaving innovation.

Republicans are going to keep fighting for Americans who have been harmed by the President's health care law. We are going to keep offering the real solutions that people wanted all along—access to the care they need from a doctor they choose at lower cost. That is what the American people are demanding, and that is what they deserve. It is what Republicans are going to give them.

I thank the Presiding Officer, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### INNOVATION AGENDA FOR THE 114TH CONGRESS

Mr. HATCH. Madam President, I rise today to emphasize the importance of keeping our technology industry in the forefront of our global economy. America has made extraordinary strides in innovation. For decades we have been the world's leader in developing new technologies and advancing the Internet age, but we are not the only nation in this hunt.

Across the globe, and particularly in China and other parts of Asia, our international competitors are working furiously to catch up. If the United States is to enjoy continued success in the technology arena, the policymakers must ensure that we have a legal and regulatory landscape that will enable our innovators to thrive.

As chairman of the Senate Republican High-Tech Task Force, I have been working with colleagues and stakeholders to develop an innovation agenda for the coming Congress. Today I would like to highlight several bipartisan initiatives that we should prioritize early next year to help ensure the continued success of our high-tech economy.

First, Congress must act to protect America's innovation and inventiveness. An essential part of fostering innovation is protecting legitimate intellectual property rights. In particular, we must enact legislation to combat abusive patent litigation.

Patent trolls—which are often shell companies that do not make or sell anything—are crippling innovation and growth across all sectors of our economy. It is estimated that abuse of patent litigation costs our economy over \$60 billion every year. With so much on the line, how can we afford not to act? Yet the current Senate did exactly

that and ignored the very real opportunity we had, to follow the House of Representatives and pass bipartisan legislation that would be supported by the White House.

Why would anyone walk away from the opportunity to enact pro-innovation policies that would do so much good for our economy?

It is no secret that trial lawyers and others told the current majority leader not to bring patent troll reform up for a vote. We all know when the trial lawyers say "jump," the only answer for some of my Democratic colleagues is "how high."

While I am disappointed the Senate failed to act during this Congress, I intend to help ensure we pass legislation next year. Fortunately, combating patent trolls is a priority for incoming Senate Judiciary Committee Chairman CHUCK GRASSLEY and House Judiciary Committee Chairman BOB GOODLATTE.

I look forward to working with them and others who are committed to making long overdue reforms to our patent laws—including mandatory fee shifting, heightened pleading and discovery standards, demand letter reforms, and a mechanism to enable recovery of fees against shell companies or those who are behind them.

In addition, we must improve the quality of patents issued by the U.S. Patent and Trademark Office. Low-quality patents are essential to a patent troll's business model. I am optimistic we can reach agreement on how best to improve our patent process.

We also need a high-functioning and well-funded USPTO. A fully funded patent office would, at the very least, mean more and better trained patent examiners, more complete libraries of prior art, and greater access to modern information technologies to address the Agency's growing needs. All of these improvements would lead to higher quality patents that are granted more quickly. The good news is we can make these changes at no cost to taxpayers since the USPTO is a fee-generating agency.

Now, there are some who argue here that patent troll legislation is not necessary in light of the Supreme Court's decisions in the Octane Fitness and Highmark cases. Ms. Charlene Morrow and Mr. Brian Lahti, however, writing in the BNA's Patent, Trademark & Copyright Journal confirm that "nothing in these cases addresses the proposed reforms to make the real parties in interest who are managing patent assertion entities responsible for fees and costs." This is something I worked on for quite a few months. As these experienced practitioners acknowledge such legislation is essential to address fee-collection concerns faced by defendants in present patent litigation. One of the legislative approaches Ms. Morrow and Mr. Lahti proposed is to make bonding more readily available at an early stage of litigation. I could not agree more.

We must ensure that those who defend against abusive patent litigation

and are awarded fees will actually get paid. Even when a patent troll structured as a shell company has no assets, there are other parties with an interest in the litigation. These parties are often intentionally beyond the jurisdiction of the courts. They stand to benefit if their plaintiff shell company forces a settlement and are protected from any liability if they lose.

It is a win-win situation for them and a lose-lose situation for America's innovators. Since we cannot force parties outside of a court's jurisdiction to join in a case, we must incentivize those interested parties to do the right thing.

That is the whole purpose behind my recovery-of-award provision. Under this provision, those who are deemed interested parties may either voluntarily submit to the court's jurisdiction and become liable for any unsatisfied fees awarded in the case or they may opt out by renouncing any meaningful interest in the litigation. If interested parties stand aside and do nothing, the original plaintiff must post a bond to ensure that any shifted fees are paid.

Bottom line: Without such bonding measures, all defendants have is a toothless joinder provision that can be easily circumvented by bad actors with no intention of paying the court-awarded fees for their abusive lawsuits.

I have said this before but it bears repeating. Fee shifting without such a recovery provision is like writing a check on an empty account. You are purporting to convey something that isn't there. Only fee shifting coupled with this recovery provision will stop patent trolls from litigating-and-dash-ing.

The House has already demonstrated that Members from both sides of the aisle can come together to craft and pass commonsense legislation to combat abusive patent lawsuits. President Obama supports such efforts. It is past time the Senate does its part. We ought to get rid of this phony attitude of obeisance to the personal injury lawyers and trial lawyers in this country.

I am determined to make such patent reform a priority early next year and to make sure we send the President a bill that he can sign into law for the good of all American innovation.

In addition to patent troll legislation, there is strong bipartisan, bicameral support for creating a harmonized, uniform Federal standard for protecting trade secrets.

Here in the Senate, Senator CHRIS COONS and I introduced the Defend Trade Secret Act on April 29, 2014. In the House of Representatives, Representative GEORGE HOLDING introduced the Trade Secrets Protection Act on July 29, 2014. Through our collective efforts we have shed light on an often overlooked form of intellectual prop-erty.

Trade secrets, such as customer lists, formulas, and manufacturing processes are an essential form of intellectual

property. Yet trade secrets are the only form of U.S. intellectual property where misuse does not provide its owner with a Federal private right of action. Currently trade secret owners must rely on State courts or Federal prosecutors to protect their rights.

The multi-State procedural and jurisdictional issues that arise in such cases are costly and complicated, and the Department of Justice lacks the resources to prosecute many such cases. These systemic issues put companies at a great disadvantage, since the victims of trade secret theft need to recover information quickly before it crosses State lines or leaves the country.

Unfortunately, in today's global information age, there are endless examples of how easy and rewarding it can be to steal trade secrets. While the maximum penalty for trade secrets theft is 10 years in prison and a \$250,000 fine, few of these thefts actually result in Federal prosecutions. While \$250,000 may sound like a steep penalty, most stolen trade secrets amount to tens or even hundreds of millions of dollars in lost profits and sales. Even when thefts are prosecuted, victim companies rarely recover the full extent of their losses.

We have made some progress in moving forward trade secret legislation. Earlier this year, the Senate Judiciary Subcommittee on Crime and Terrorism held a hearing on the importance of creating a private right of action for trade secret theft. The House Judiciary Committee reported its bill—by voice vote—on September 17. Although we did not get the bill across the finish line this Congress, we are well positioned to move the trade secret legislation early next year.

It is past time to enable U.S. companies to protect their trade secrets in Federal court.

Another bipartisan initiative ready for congressional action relates to our privacy laws. I speak about the need to update the Electronic Communications Privacy Act or ECPA to require a warrant for all email content within the United States and to safeguard data stored abroad from improper government access.

Enacted in 1986, ECPA prohibits communication service providers from intercepting or disclosing email, telephone conversations or data stored electronically, unless such disclosure is authorized. Virtually everyone agrees that Americans should enjoy the same privacy protections in their online communications that they do in their offline communications.

But Congress has not adequately updated the law since its enactment, and technological developments have resulted in disparate treatment. As currently written, ECPA requires law enforcement to obtain a warrant for emails that are less than 6 months old but only a subpoena to access older electronic communications.

Think about your own email account. You may have hundreds of emails that

you have received over many years. Additionally, ECPA has allowed law enforcement to access emails that have been opened with just a subpoena, even though a search warrant would be required for a printout of the same communication sitting on your desk.

Those conflicting standards should cause great concern to everyone who values personal privacy. Now to make matters more complicated, ECPA is silent on the privacy standard for accessing data stored abroad. Storing digital information around the world, a practice that did not exist when ECPA became law, is now routine. Moreover, the Federal Government has taken advantage of this statutory silence to apply its own standard, requiring access to data abroad if the company storing it has a presence in the United States.

For that reason alone, Congress should amend the law. That is why, together with Senators CHRIS COONS and DEAN HELLER, I introduced the Law Enforcement Access to Data Stored Abroad Act. The LEADS Act would require a warrant when the government demands customer communications from third-party service providers. Such a warrant would only apply to data stored in the United States, unless the data is owned by a U.S. corporation, citizen or lawful permanent resident.

To provide additional protections, the bill requires courts to modify or vacate such warrants if they would require the service provider to violate the laws of a foreign country. The practice of extending warrants extraterritorially presents unique challenges for a number of industries which increasingly face a conflict between American law and the laws of the countries where the electronic data is stored.

Additionally, if the United States expects to extend its warrants extraterritorially, we should not be surprised if other countries, including China and Russia, seek to do the same for the emails of Americans and others stored in this country.

Congress must ensure that law enforcement has the tools to execute search warrants where necessary so long as officials comply with the laws of the foreign country where the electronic data is stored.

The LEADS Act also provides needed improvements to the mutual legal assistance treaty process, which are formal agreements for sharing evidence between the United States and foreign countries in international investigations. Currently, the MLAT process is slow and unreliable, sometimes taking several months to access data held by foreign jurisdictions.

The Department of Justice not only needs additional funds to hire more people to handle MLAT requests, but reforms to the underlying program are needed to improve transparency and efficiency. The legislation recognizes, through a sense of Congress, that data

providers should not be subject to data localization requirements. Such requirements are incompatible with the borderless nature of the Internet—

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HATCH. I ask unanimous consent that I be permitted to finish my remarks.

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

Mr. HATCH. Such requirements are incompatible with the borderless nature of the Internet. They are an impediment to online innovation and they are unnecessary to meet the needs of law enforcement. It is time to act to update our electronic communications privacy laws.

Finally, there is widespread consensus and real opportunity for bipartisan bicameral reform of our outdated visa system for economically essential high-skilled immigrants. For too long our country has been unable to meet the ever-increasing demand for workers trained in the science, technology, engineering, and mathematics or STEM fields.

As a result, some of our Nation's top technology markets are in desperate need for qualified STEM workers. We face a high-skilled worker shortage that has become a national crisis. In April, for the second year in a row, the Federal Government reached its current H-1B quota just 5 days after it began accepting applications.

Employers submitted 172,500 petitions for just 85,000 available visas, meaning American companies were unable to hire nearly 90,000 high-skilled workers essential to help grow their domestic businesses, develop innovative technologies at home rather than abroad, and compete internationally. This is one of the principal reasons why I, together with Senators AMY KLOBUCHAR, MARCO RUBIO, and CHRIS COONS, introduced the bipartisan Immigration Innovation or I-Squared Act.

To date the legislation has 26 bipartisan cosponsors. Among other things, the I-Squared Act provides a thoughtful, lasting legislative framework that would increase the number of H-1 visas based on annual market demand to attract highly skilled workers and innovators. The bill also reforms fees on H-1B visas and employment-based green cards for funding a grant-based State program to promote STEM education and worker retraining.

The I-Squared Act addresses the immediate short-term needs to provide American employees with greater access to high-skilled workers, while also addressing long-term needs to invest in America's STEM education. I am confident this two-step approach will enable our country to thrive and help us compete in today's global economy. No doubt, a concrete legislative victory, when there is already considerable consensus, would help build trust and good will among those who disagree sharply over other areas of immigration policy. It would mark a critical first step along the path to broader reform.

I look forward to working with my Senate colleagues in introducing I-Squared early next year. As Senators can see, there is a lot we can agree on and much we can and must accomplish. Looking ahead to the next Congress, I intend to do everything in my power to enact protechnology, pro-innovation policies that will ensure the continued success of our high-tech economy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

#### MARKETPLACE FAIRNESS ACT

Mr. ENZI. Madam President, I rise to voice my continued support for the enactment of the Marketplace Fairness Act this year. There have been a number of editorials and letters and emails and other messages lately that have left out part of the story and have some of the other parts of the story wrong. I am not sure the people behind these messages have read the bill.

Last year the Senate passed this bill with a strong bipartisan vote of 69 Members. I believe that now is the time to get this issue done. I have been working on this sales tax fairness issue since joining the Senate in 1997, because as a former State legislator, mayor and small business owner, I believe it is important to level the playing field for all retailers—in-store, catalog, and online—so an outdated rule for sales tax collection does not adversely impact small business and Main Street retailers.

In the last century, the Supreme Court challenged us to solve this problem. We have been working on it. Thanks to a suggestion by Senator ALEXANDER, we made this bill a States rights bill. The States passed laws a long time ago that required the collection of sales tax. And those laws say that if the tax is not collected by the retailer out of State, it has to be paid directly by the purchaser in state. Most people do not even know about that requirement, but I do understand in Wyoming we collect about \$1.5 million from people voluntarily realizing the law and complying with it.

But that is a minority of people. Right now, thousands of local businesses are forced to do business at a competitive disadvantage because they have to collect sales and use taxes and remote sellers do not, which in some States can mean that 5 to 10 percent advantage.

I recently talked with a fellow who had a camera store. A person came in. He was interested in this \$2,000 camera and accessories. So of course the store owner helped him to figure it all out and gave him instructions on the camera. Then the guy pulled out his smart phone and clicks on the bar code of the camera and said he could get it cheaper. Of course the owner of the store wondered how much cheaper. It happened to be exactly the amount of sales tax. The small business owner lost the sale.

I am willing to bet that if the person has a problem with the camera, he is going to come back to that store and ask for help with it. Those people who have those small businesses hire locally. It is actually people from the community who are earning money they spend in the same community. They are paying property tax. I would be willing to bet that none of the online companies, unless they are local, are participating in the community the way those businesses are.

Of course, additionally, sales taxes go directly to State and local governments, which brings in the needed revenue for maintaining our schools, fixing our roads, supporting local law enforcement, fire departments, and emergency management crews. An interesting part of that is the smaller the town, the more important that is.

In Wyoming the smaller towns rely on their sales tax to provide police protection and fire protection. People in small towns in Wyoming are sometimes surprised to find out that sales taxes support these services, but realize then that they ought to be paying this sales tax. The smaller the town, the bigger the impact.

If Congress fails to let States collect taxes on remote sales this year, we are implicitly blessing a situation where States will be forced to maybe raise other taxes, such as income or property taxes, to offset the growing loss of sales tax revenue. Do we want this to happen?

There is another side to this too; that is, that some of the people, some of the Governors and legislatures have said: If that passes, we will reduce another tax because sales tax is a more constant flow of dollars that we can rely on more than virtually anything else we do.

So now is the time for Congress to complete action on this issue by enacting the Marketplace Fairness Act this year. Today I want to spend a few minutes debunking some of the myths and allegations that have been raised against the bill. First, some opponents argue the bill is unfairly burdensome to online retailers by forcing them to comply with the various sales tax rates across the country.

In response, I would first note that the Marketplace Fairness Act includes a small seller exemption. It is set at \$1 million in remote sales each year. Until they pass that \$1 million mark in a given year, states cannot make them comply with sales tax laws. If they do pass the million-dollar mark, then the Marketplace Fairness Act requires that the State provide the sellers with software, free of charge, that can calculate the sales and use tax due on each transaction at the time the transaction is completed. It would also file the sales and use tax returns and be updated to reflect any rate changes.

So all they have to know, to be able to do is, is the purchaser's ZIP Code. They are going to have to know the ZIP Code if they are sending something