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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. COOKSEY).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 20, 2000.

I hereby appoint the Honorable JOHN COOKSEY to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, as Americans, young and old, we love life and desire to see good times. Yet You have told us: ''Whoever would love life and see good days must keep the tongue from evil and lips from speaking deceit; must turn from evil and do good; seek peace and pursue it. For the eyes of the Lord are on the righteous and His ears turned to their prayer, but the face of the Lord is against evildoers.''

Lord God, deepen our desires for what is good and free of deceit. Perhaps the simple discipline of containing our speech today will calm the atmosphere around us, create solid ground for true dialogue, and bring peace to our corner of the world, now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Illinois (Mr. WELLER) come forward and lead the House in the Pledge of Allegiance.

Mr. WELLER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

TRIBUTE TO EMERGENCY RESPONSE PERSONNEL IN NEVADA

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, I rise today to recognize and commend the emergency medical personnel that responded with skill and excellence to a tour bus crash which occurred on September 7 in a remote area, 20 miles north of Tonopah, Nevada.

The accident scene was every EMT's worst nightmare; 41 passengers trapped inside a bus which had turned over on its side and skidded for over 300 feet. Yet in a record 69 minutes, emergency crews from three counties treated, stabilized, and transported all of the patients, many of them critically injured, to three area medical facilities.

Mr. Speaker, although it is difficult to put into words the magnitude of this grave disaster, it is easy to express the respect and praise that I and my fellow Nevadans have for these emergency response personnel. Their commitment, courage, and dedication is an inspiration to every American. Forty-one people are living testimony today because of their heroism.

So today, Mr. Speaker, to all of the men and women who responded to the September 7 crash, and to all emergency response personnel in America, we thank you for a job well done, and God bless.

RUSSIAN PRESIDENT PUTIN DETERMINED TO DESTROY INDEPENDENT MEDIA IN RUSSIA

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, having just returned from Russia, I can testify that the Mafia permeates all aspects of Russian society, but when Mafia tactics are used by the government, we are dealing with a new threat.

I call my colleagues' attention to a lead editorial in today's Washington Post. ''Russian President Vladimir Putin, who proclaimed his devotion to a free press during a recent visit to the United States, in fact seems determined to destroy Russia's independent media, the growth of which constituted one of the important successes of the post-Soviet era. His latest target is NTV, Russia's only independent television network. He is attacking it with a veneer of legality, but the underlying tactics of threats, imprisonments and political prosecution are not subtle.''

Mr. Putin better change his course. He cannot be accepted by the civilized world if he destroys one of the important achievements of the Yeltsin era—a free press. A free press is our last guarantee that Russia will develop in a democratic direction.

JUSTICE DEPARTMENT AND H.R. 4105

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, while Congress fights over small pay raises, the Justice Department gave $180 million worth of bonuses. If that is not enough to promote the Peter Principle, Robert Bratt and Joe Lake got big bucks for illegal contracts, illegal hiring of cronies, and illegal visas for two

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lovers they called field operatives, and neither was even charged.

Let us check further. Colgate got $110,000, Sposato got $85,000, Vail got $75,000. Meanwhile, my $1 minimum wage bill is still being blocked in the Senate, and this group of cronies at the Justice Department maintains dossiers on myself and all my colleagues, making sure we do not destroy their gravy train.

Beam me up here. It is time to pass H.R. 4105 and put a bulldog right on their buns, big time.

TV AD SHOULD BE PULLED

(Mr. TALENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALENT. Mr. Speaker, an independent political group is running a television ad in Kansas City, Missouri, that is causing controversy that I want to comment on for my 1-minute.

According to the Washington Post, an actress in the ad portrays a mother who removed her child from the public school because ''we didn't want him in a place where drugs and violence was fashionable. That was a bit more diversity than he could handle.''

Mr. Speaker, I have not seen the ad. I am not familiar with the group that sponsored it. But the statement I read, if it is in the advertisement, comes perilously close to bigotry, which is a sentiment that has no place in American politics. Since the ad goes on to urge people to vote Republican, I think Republicans have a special responsibility to denounce it.

Mr. Speaker, one of my favorite passages from the Bible is from First Samuel. It says, ''God does not see the same way people see. People look at the outside of a person, but the Lord looks at the heart.'' In that spirit, I urge the group responsible for this commercial to withdraw it.

I hope our State and country can go the rest of this election campaign with no further appeals to racial fear or prejudice.

CONGRATULATIONS TO ADVO

(Mr. LAMPSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAMPSON. Mr. Speaker, I want to congratulate ADVO, Inc. in its recovery of its 100th missing child that has been featured on the ''Have You Seen Me'' direct mail cards.

For 15 years, ADVO has been a strong commitment to aiding in the recovery and return of missing children. In partnership with the National Center for Missing and Exploitative Children and the United States Postal Service, ADVO launched its America's Looking for Its Missing Children program in 1985. Reaching an estimated 79 million homes each week with pictures of missing children, the familiar ''Have You Seen Me'' cards are constant reminders to the public that hundreds of thousands of children are missing annually in our country.

In total, more than 40 billion pictures of missing children have been distributed to date, and Americans have responded in an unprecedented way. We announced on July 31 the joyous reunion of a 5-year-old Pennsylvania girl with her mother, following an 18-month abduction, its 100th recovery of a safe child resulting from the familiar mail cards.

One in six children is found as a direct result of programs like ADVO. It takes a few seconds of our time to stop, look, and think about the children that are featured on posters, on the cards, and on television. Each time we see one, we are presented with an opportunity to reunite a family with their missing child.

Once again, congratulations to ADVO on its continued commitment to a very worthy cause.

EDUCATION IS NUMBER ONE PRIORITY OF AMERICAN PEOPLE

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, the American people have made it clear that education is their number one priority this election season.

Too many of our children are stuck in schools that do not prepare them to compete in the world, and I am sorry to say that the Clinton-Gore administration simply has not measured up in this area. Their rhetoric is great, it is even flowery; but they have not even met the goals they set for themselves.

In 1994, Clinton and Gore announced with great fanfare their goals for the year 2000, but they have fallen far short of the mark. They said the U.S. would be first in math and science by the year 2000. Instead, we have fallen to 17th in math and 21st in science. They said all our schools would be safe and drug free by the year 2000. Instead, school violence is worse than it has ever been. Drug use is still common. Their goal for 2000 was that all adults would be literate by now. Instead, 44 million adults still do not have basic reading skills.

Promises versus results. People care a lot more about results than promises.

A REPUBLIC CANNOT EXIST WITHOUT MORALS

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, yesterday was a very special day for the district I have the honor of representing. On that day, 263 years ago, in 1737, Charles Carroll of Carrollton was born. Carroll County and Carroll Creek in my district was named for him.

Charles Carroll has received special honor here at the Capitol. His portrait hangs on the third floor, and a statute of him stands near the memorial entrance to the Capitol. Charles Carroll was a member of the first Congress and a framer of the Bill of Rights. He was the only Catholic to sign the Declaration of Independence and he was the final surviving signer of the Declaration of Independence, dying in 1832 at the age of 95.

Charles Carroll was outspoken about his faith and declared that his religious convictions had caused him to enter the American Revolution. In fact, his faith was so important in his life that he built and personally funded a house of worship.

Charles Carroll, one of the very first Members of this body, reminded us, and I quote, ''Without morals a Republic cannot subsist for any length of time; they therefore who are decrying the Christian religion are undermining the solid foundation of morals, the best security for the duration of free governments.''

That is just as true today as it was then.

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ADDRESSING REAL AMERICAN PRIORITIES

(Mr. GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, this summer we stood on this floor and pleaded with our Republican leaders not to enact reckless tax bills without securing the future of Medicare, Social Security, education, and to focus on paying down our debt.

During the recess I am sure that they, like I, talked to lots of people in our own districts who said that, yes, we would all like to have a tax cut, but we want to make sure we take care of business first.

Last week the leadership changed their stand and joined the Democratic concern to pay down the debt.

But time is running out.

Now we need to look at other Democratic priorities like affordable prescription drug benefits for our seniors who cannot buy the medication they need to maintain their health, investing in education to fix our crumbling schools and overcrowded schools so our children have a healthy environment to learn in, building our national defense, and taking care of our veterans who risked their lives to protect our country, and real managed care reform like we passed on this House floor, and most importantly, making sure Social Security is there not just for my dad's generation and my generation but our children's generation.

I have been listening to my constituents, and these are issues they want us to address, and I hope we will these last few weeks in session.

DATA ACT

(Mr. WELLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELLER. Mr. Speaker, the Internet and the new economy offers great opportunity. We have over 100 million Americans that are online. Every second, seven more Americans go online. There are now 4.8 million Americans employed in the technology sector. That is more than auto and steel and oil combined. So there is a tremendous amount of opportunity.

Unfortunately, when I talk with my educators, teachers, school administrators, and school board members back home, they tell me they notice a difference in the classroom when children have a computer and Internet access at home and those who do not. Many call that the digital divide.

I am pleased to say that the private sector has been stepping forward. Ford, Intel, Delta, American Airlines have stepped forward and are now offering to their employees, as an employee benefit, a computer and Internet access for use at home, benefitting 600,000 families. That is going to help.

Think about it. The laborer, the assembly line worker, the baggage handler, the flight attendant, their children having a computer and Internet access at home to do their schoolwork just like the CEO and the manager's child.

Here is the catch, though. The IRS wants to tax that computer provided to that employee. And, of course, we need to stop that. Let us pass the data act. I ask for cosponsorship and bipartisan support.

AMERICANS WANT REAL QUALITY HEALTH CARE

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, the one thing that Americans are now crying out for is real quality health care, restore the relationship between patient and physician, and have this Congress pass a real Patient's Bill of Rights.

And then if we listen to their cry for the seniors, we have one needy senior, one needed prescription drug, and a cost of $400 for one dose.

It is absolutely imperative when we begin to multiply the cost of $400 times thousands and thousands of seniors that we provide the opportunity for equal assess to lower price prescription drugs for our seniors, get a real importation bill to allow prescription drugs to come in so that seniors can be taken care of and, yes, have a real prescription drug benefit, a guaranteed Medicare benefit.

This is what the Democrats have been advocating. Why can our colleagues on the other side of the aisle not join us to support our seniors to ensure, one, a real Patient's Bill of Rights and, two, real importation as it is in the agriculture conference on the Senate side to provide for lower-cost access to prescription drugs?

MEDIA DISPLAYS DOUBLE-STANDARD

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute.)

Mr. SMITH of Texas. Mr. Speaker, the double-standard that often exists in today's media coverage is obvious. For example, the major networks all provide the Democrats with more convention coverage than the Republicans. More coverage is also given to liberal positions.

Take the issue of gun control. Guns are consistently portrayed as the weapons of criminals. We never hear about a tragedy being averted or a life being saved because a law-abiding citizen was armed with a gun.

Media bias also censors ads. Both the New York Times and USA Today refused to run ads against partial-birth abortions.

This week AL GORE made up a story about what prescription drugs cost his mother-in-law, and the media all but ignored it.

Why does the media display such a liberal bias? Simply because journalists are more liberal than the rest of us.

A 1996 Roper Center survey found that 89 percent of Washington political writers voted for the Clinton/Gore ticket in 1992, only 9 percent supported George Bush.

PHARMACEUTICAL COMPANIES ARE AGAINST REIMPORTATION OF PRESCRIPTION DRUGS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, seniors face skyrocketing prices for their prescription drugs. Many choose between purchasing their medications and buying groceries. We need a prescription drug benefit through Medicare. It is a necessity that would bring dignity to our seniors' lives and we need to do this.

In addition, the House needs to fight for lower prices. In July we passed an amendment to allow U.S. pharmacists to be able to purchase prescription drugs at the same low prices paid for in other countries, 20, 30, sometimes 50 percent less for the same drug, and then pass the savings along to seniors.

It is common sense. It will bring seniors relief from the crushing costs of prescription drugs. The pharmaceutical companies are waging an all-out campaign against reimportation. It is time we stood up for our seniors. It is time that the Republican leadership stop using empty rhetoric and protect our seniors' right to affordable prescription drugs. We should allow reimportation of prescription drugs, and we should do it now.

TIME FOR CONGRESS TO ADMINISTER FIRST AID TO HOSPITALS

(Ms. GRANGER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. GRANGER. Mr. Speaker, I stood behind the Balanced Budget Act when it was passed in 1997. We all believed it was a good bill that addressed fraud and abuse in Medicare billing. But now, 3 years down the road, we are seeing unintended consequences of this bill.

In 1997, Congress estimated the Balanced Budget Act would cut $116 billion in fraudulent Medicare payments. Current projection, however, estimate $227 billion in cuts. These cuts, almost double the original projection, go well beyond fraud and abuse. These cuts threaten vital hospital services.

Walls Regional Hospital in my district serves a growing but primarily rural area, Cleburne, Texas. The hospital recently expanded its Skilled Nursing section from 12 to 25 beds. Just as Walls finished their expansion, the Balanced Budget Act reduced the reimbursement rate for skilled nursing by 70 percent, a loss of a million dollars a year for Walls. Today, despite community needs, the Skilled Nursing facility is down to 11 beds.

It is stories like this that remind us to prioritize our Nation's health services. Mr. Speaker, it is time for Congress to administer first aid to our hospitals.

REIMPORTATION OF PRESCRIPTION DRUGS

(Mr. CROWLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROWLEY. Mr. Speaker, I have a constituent in Queens, New York, who pays $409 for a 3-month supply of Prilosec for his wife. The same drug, the same dosage, same everything, would cost him $184 in Canada. But it is illegal for him to purchase this medication in Canada and reimport it back into the U.S.

The only crime I see here is the high prices being charged by drug companies. They are truly gouging Americans.

Therefore, I am working with a number of my colleagues to allow individuals, pharmacists, and wholesalers to reimport prescription drugs back into the U.S. and pass the tremendous savings on to all Americans.

The GOP Congress will not pass a Prescription Drug Fairness for Seniors Act.

The GOP Congress will not pass a prescription drug benefit under Medicare.

Well, now I challenge this Congress to allow for the safe reimportation of

FDA-approved drugs for Americans. It would lower drug costs by 50 percent overnight without costing the Government of this country one single dime.

Let me say this to America: The drug companies oppose this plan, this bill. Therefore, we all know it must be good for America.

WHY THIS LARGE CIGARETTE TAX?

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, let me pose a mathematical problem. When the President finally finishes his budget negotiations with the Congress, he will have spent the projected budget surplus and more.

Where will he go to find the money to finance his liberal spending programs? How about a big cigarette tax? That ought to make everyone happy.

In the North Carolina Senate, when we raised the tax, guess what happened. Tax incomes shrank, as it did in other States that raised the cigarette tax.

So I ask the President, why this large cigarette tax. It will not produce more income for anybody except the Feds because it will be a new item to them. The States will lose income; and the President's friends, the trial lawyers, probably could not collect their billion-dollar settlements.

So what is up, Mr. President? Mr. President, either you find extra money elsewhere or you really risk losing your best friends, the trial lawyers.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. COOKSEY). Members are requested to address their remarks to the Chair.

SMALL BUSINESS COMPETITION PRESERVATION ACT OF 2000

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 582 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 582

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4945) to amend the Small Business Act to strengthen existing protections for small business participation in the Federal procurement contracting process, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 4(a) of rule XIII are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Small Business. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Texas (Mr. SESSIONS) is recognized for 1 hour.

Mr. SESSIONS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), my colleague and my good friend, pending which I yield myself such time as I may consume. During consideration of this resolution, all time is yielded for the purposes of debate only.

Mr. Speaker, the legislation before us today is an open rule providing for consideration of H.R. 4945, the Small Business Competition Preservation Act of 2000.

This open rule waives clause 4(a) of rule XIII against the consideration of the bill, which requires a 3-day availability of the committee report. The rule provides one hour of general debate to be equally divided among the chairman and the ranking minority member of the Committee on Small Business. The rule provides that the bill shall be open to amendment at any point.

The rule authorizes the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD.

The rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill and to reduce to 5 minutes on a postponed question if the vote follows a 15-minute vote.

Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, it is often said that small business is the engine that drives the American economy. Statistics confirm this. Small businesses employ 53 percent of the private workforce and are responsible for 50 percent of the private gross domestic product.

I am proud of these facts. I am proud of small businesses and what their employees produce for America to keep us strong.

Small business is a literal powerhouse of job creation. They represent 99 percent of all employers and create 80 percent of the new jobs in America.

Small businesses are also more innovative than larger businesses. The airplane, audio tape recorder, heart valve, pacemaker, and the personal computer are among the important innovations by small firms in the 20th century.

□ 1030

Looking ahead, we have got to make sure that small businesses have the needed resources and capital to move forward so that America and Americans have the best of what small businesses produce. Looking out for the family farm, ranch or store on Main Street is something this Congress strongly supports.

With this in mind, Republicans in Congress have focused on scheduling and passing legislation to further help and aid small businesses. For example, Congress passed legislation that would help small businesses better prepare for the millennium computer bug. We remember that as the Y2K bug. Congress also passed the Paperwork Elimination Act of 1999 to minimize burdens of Federal paperwork on small businesses by employing new technology such as digital signatures. Because small businesses are in dire need for more affordable health insurance, Congress passed legislation to allow small firms to band together to purchase insurance which lowers the cost. Small businesses also stood to benefit a great deal from legislation to repeal the death tax, legislation that was passed by Congress but vetoed by President Clinton. Had this legislation been signed into law, many small businesses would be able to stay in the family when the owner dies rather than being sold to pay a debt to the IRS.

Mr. Speaker, with passage of this rule, Congress will once again consider important legislation to help small business. The underlying legislation, the Small Business Competition Preservation Act of 2000, is important to strengthen existing protections for small business participating in the Federal procurement contracting process. The Federal Government has failed in its goal to spend at least 20 percent of their procurement dollars with small businesses, in part because of the Federal agencies' practice of bundling individual contracts into packages that are too large for small businesses to handle. Federal agencies contend that contract bundling saves taxpayers money while improving the quality of products and the services provided by the government. However, none of this has been substantiated.

The database, analyses, and reporting requirements in H.R. 4945 will ensure that adequate data exists concerning the benefits of contract bundling, thus allowing Congress to make better decisions and to better assess the small business and the needs that they have. Bundling is one of the most

important issues facing small businesses today. The ultimate cost of bundling is passed on to the taxpayers in the form of lower quality goods and services and higher taxes.

Mr. Speaker, the rule before us is a fair and open rule. It allows any Member to offer an amendment at any time. This rule, which was reported out of the Committee on Rules last night by a voice vote, will enable the House to consider this fair and bipartisan legislation.

I urge my colleagues to support this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS) for yielding me this time and his work on this bill and certainly on the rule. It is an open rule. It is the kind of rule that the minority likes. It will allow consideration of the Small Business Competition Preservation Act of 2000.

As my colleague has described, this rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Small Business. The rule permits amendments under the 5-minute rule, which is the normal amending process in the House. All Members on both sides of the aisle will have the opportunity to offer germane amendments.

In recent years, the Federal Government often bundles together separate small contracts into one larger contract. This is because in some cases it might be cheaper and more efficient to let one larger contract instead of several smaller ones. However, there is some evidence that bundling is not always the best deal for taxpayers. There is also some concern that small businesses are shut out of the process when contracts are bundled.

The bill requires the Small Business Administration to collect, analyze and report information about bundling so that the administration and Congress can better evaluate this practice. Wright Patterson Air Force Base, which is located partially in my district, handles more contracts than any other Federal agency in the State of Ohio. Therefore, I am particularly concerned about the efficiency of the process and the fairness to small businesses. The Dayton Area Chamber of Commerce, which has set up an innovative electronic program that notifies small businesses which contracts are available, is also monitoring the effects of bundling contracts.

Mr. Speaker, it has long been the policy of the Federal Government to encourage small businesses because of their enormous potential to increase economic growth. This bill takes an important step towards protecting small businesses and improving government contracting operations. This is an open rule. I urge its adoption.

Mr. Speaker, I yield back the balance of my time.

Mr. SESSIONS. Mr. Speaker, I yield myself such time as I may consume.

I would like to echo the words of the gentleman from Ohio (Mr. HALL). His State not unlike my State of Texas and not unlike many States around this country depend upon small businesses who depend upon employees, good, hardworking employees to show up for work every day and produce a product that makes America stronger and better. We concur. This is bipartisan. It is an opportunity to begin the process so that we can know the facts and figures in an orderly process. We believe it is the right thing to do. I applaud my colleague for his opportunity to once again work together.

Mr. Speaker, we believe this is a fair and open rule and would ask that our colleagues support this rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. SESSIONS). Pursuant to House Resolution 582 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4945.

□ 1038

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4945) to amend the Small Business Act to strengthen existing protections for small business participation in the Federal procurement contracting process, and for other purposes, with Mr. COOKSEY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Missouri (Mr. TALENT) and the gentlewoman from New York (Ms. VELAZQUEZ) each will control 30 minutes.

The Chair recognizes the gentleman from Missouri (Mr. TALENT).

Mr. TALENT. Mr. Chairman, I yield myself such time as I may consume. I want to thank the Committee on Rules for giving us an hour on a bipartisan basis under an open rule to discuss a very important subject, H.R. 4945.

The purpose of the bill, Mr. Chairman, is very simple. It is to ensure that the Small Business Administration has sufficient information concerning the impact of contract consolidation, or bundling, on small businesses. H.R. 4945 mandates that the administrator of the Small Business Administration develop a database of these consolidated, or bundled, contracts.

Mr. Chairman, contract bundling is one of the most important issues facing small business today. The Federal Government spends almost $200 billion a year procuring goods and services. Congress has mandated a goal for Federal agencies to spend at least 20 percent of those dollars with small businesses. We do that, both because we believe in small business as an avenue for opportunity and economic growth for our citizens and because we believe that competition among small businesses is presumptively to the benefit of the taxpayer both in terms of cost and quality. Yet the Federal Government fails routinely to meet that goal of 20 percent.

At present, Federal procurement policies evidently place a greater premium on presumed efficiencies and easing the workload of contracting officials than on the goals of including small business and ensuring a diverse and competitive industrial base. In this scenario, the ultimate loser is the taxpayer who faces the long-term prospect of their government buying lower-quality goods and services at higher prices. Other losers are the small business community and particularly minority small businesspeople who are always disproportionately affected when the government withdraws business from small businesses.

How does a contract bundle work, Mr. Chairman? Here is how it works. The government takes contracts which have typically in the past been bid out on a smaller basis. So, for example, a base, a military base may need food services for its mess hall so it bids those out routinely and typically to local food service providers which are typically small businesses and they win the contract and then go in and provide the food service. A bundled contract is a contract that puts a bunch of those bids together, if you will, in a bundle; and it could do it on a geographic basis so it may require that you be able to provide the service to a whole region of the United States, or it may do it on a functional basis, so that, for example, for a construction contract that bids out not only electrical services but it bids out electrical and carpentry services and plumbing services, and in either case, Mr. Chairman, the colleagues can see how this would eliminate radically small businesses from participating, because they cannot deliver the services on a regional basis and they are often organized along specialized lines, so they cannot deliver all the different construction trade requirements. And so only big businesses can bid.

Typically the government will say, this will lower cost, it will improve quality. We have found in our hearings over and over again that quality suffers as one would expect when you eliminate competition from small businesses. Even costs are not saved because when you force out small businesses from a market and then you have to rebid these bundled contracts after a year or two, there is much less competition and the costs go way up.

Here is what we want to do. We want to at least get a handle on how big the problem is. Under this bill the SBA will be required to assess whether these contracts have achieved the savings or improvements in quality that the procuring agency anticipated when it initially consolidated the contract. We want to know whether these bundled contracts have the savings that the agencies always claim for them, because they say they get great savings and improved quality. Then when we go back and try to investigate it, they cannot provide the information. H.R. 4945 will also provide information so the SBA can effectively negotiate with Federal agencies and determine whether they should adjust their procurement strategies in order to meet the small business participation goals established in the Small Business Act, and then all this information will be reported to the House and Senate small business committees so we can do our job effectively of overseeing these requirements that we have placed into the law.

Mr. Chairman, I do not want to take time away from other Members. Let me just give a couple of examples so Members can understand what I am talking about. These are real-life bundles. I expect that Members have been approached by small business constituents back home over the last several years complaining about this. Let me give Members an example. Right now military bases when they bid out their travel agency services typically bid out the business end of the travel services, so somebody traveling on business, that is bid out and bid on by particular travel agencies and then they separately bid out the holiday or the leisure travel, the holiday or the leisure business, and those two things are bid separately. The proposal is now to bundle those, so they will bundle together holiday business and business travel. Typically small businesses, therefore, will not be able to bid on the contract because they are usually organized either to handle holiday, personal, leisure travel or business travel, and the two ends of the business are very different. So the department is proposing to bundle all these contracts together.

One excuse they often give for bundling is that that way they will ape the market, they will do what private companies do. Mr. Chairman, private companies do not bundle together business travel and holiday travel. They do it separately. That is why travel agencies are typically organized along those lines because the two lines of business are very different. The effect of it would be to withdraw the $20 to $25 billion worth of government travel business from competition from small business, which would increase the costs and decrease the quality available to our servicemen and women.

One other example I will give. Right now in the Marine Corps when they have a need for food service on a base or in a commissary, they bid it out to local food service businesses. The proposal is to regionalize that so that you have to be able to bid on all the business in a region which will mean only the big businesses will be able to bid. Here is how the food will then be provided in the future. They will cook it up in central kitchens, they will chill it, and then they will bring it on base and heat it up. So now in the name of efficiency, and we have no idea whether it will actually save any money in the long run, we are going to be serving our servicemen and women, in effect, airline food rather than bidding this thing out the way it has traditionally been done so that small food service preparation businesses can bid on it.

I could go on and on. I mean that, Mr. Chairman. As the chairman of the Committee on Small Business, I have encountered this over and over and over again. We have worked with the agencies to try and do something about it. The ranking member and I have worked together on this. We are united as a committee on this. Members will see this today in the debate. We are absolutely committed to stopping this practice or at least requiring that it be justified. That is the purpose for this bill.

Let me just say the bill is supported by all the small business groups, NFIB, the Chamber, and it is supported by minority small business groups like the Black Chamber and the National Small and Disadvantaged Business Association. Right now we have no certain definition of what bundling is, we have no information about the number of bundles, we have no information about whether they are a success even on their own terms within the agencies.

□ 1045

Mr. Chairman, that needs to stop for the sake of small business opportunity, for the sake of our entrepreneurs for the sake of advancing participation by minorities and the economy and for the sake of the taxpayers, and that is why this bill is offered. That is why I have unburdened myself so much on the subject of it.

Mr. Chairman, I reserve the balance of my time.´

Ms. VELAZQUEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today in support of H.R. 4945, the Small Business Competition Preservation Act of 2000. Mr. Chairman, we continue to talk about what a strong economy we have and how our Nation's small businesses are largely responsible for this. In fact, it has become almost cliche to say that small businesses are the backbone of our Nation's economy. Everywhere we turn we see them as the innovators and cutting edge leaders of every industry from construction to technology, everywhere except the Federal Government.

Indeed, we are seeing an alarming downward trend in the number of Federal prime contracts awarded to small businesses. For example, from 1997 to 1999, the number of contracts offered to small business by the Department of Defense dropped by over 34 percent. In response to concerns from small business, the Democrats commissioned a study on the poor state of contracting for small businesses.

The result was even worse than we feared. Our results showed the Federal Government failing small businesses in every conceivable way, with the worst offender being the Department of Defense. The number of contracts awarded to minority-owned firms has decreased by over 25 percent, and most dramatically the number of contracts awarded to women-owned businesses has decreased by over 38 percent.

The reality is, that the Federal Government thinks it can put these big contracts together to reduce costs and increase quality. Well, Mr. Chairman, the committee has had a number of hearings on this issue. There is not one documented case in which a contract bundle has actually saved money and increased quality, not one.

This legislation begins the process of making common sense changes to the caring of contract bundling statute while requiring the SBA to file a report with Congress which will provide much more information on the scope of the bundling issue.

In addition to requiring further information on contract bundling, this bill requires the Small Business Administration to develop a database. This database will provide us the missing link of information to assist us in tracking critical information on bundled contracts. We will now be able to learn what happens to firms who are displaced by bundling, do these firms become subcontractors? Do they go out of business?

One of the most egregious examples of contract bundling is the Air Force FAST contract. This bill will help to provide reliable data on contracts such as this. In a hearing before the Committee on Small Business in November of last year, the Department of Defense agreed to commission a study of contract bundling. Within 3 months, it became evident that the Department has no data to conduct an accurate and comprehensive bundling study. With the passage of this bill today, agencies can no longer plead ignorance on the issue of contract bundling.

We are all aware that Federal agencies are operating in a do-more-with less environment, and operating an efficient Federal system. However, we must also ensure that the Federal marketplace is inclusive of our country's small businesses. We must take steps right here and right now to ensure that our small businesses are not streamlined out of the process.

I am not opposed to the Federal Government streamlining its processes as long as small businesses are not left behind in the wake, and as long as the quality of services remains at least

equal to what was provided prior to the bundle. And make no mistake, because I want this to be clearly understood, the passage of this bill serves as both a message and a warning to those who believe contract bundling is a good idea.

We are watching you closely.

Let me conclude by commending the gentleman from Missouri (Chairman TALENT) for introducing this bill and providing further protection for our Nation's small businesses.

Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, first of all, I want to thank the gentleman from Missouri (Chairman TALENT) and the gentlewoman from New York (Ms. VELAZQUEZ), the ranking member, for this very important legislation, as well as for their overall effectiveness and the bipartisan manner in which this committee has operated during the last session.

Mr. Chairman, last year the Small Business Committee conducted hearings on Federal Government procurement policies. In that hearing we found what many of us already knew, that small and minority-owned businesses have serious difficulty contracting with the Federal Government. As a result, the Small Business Committee with the leadership of the gentlewoman from New York (Ms. VELAZQUEZ), our ranking member, and the gentleman from Missouri (Chairman TALENT) conducted a study to reveal which agencies were implementing and reaching their federally mandated goals.

This study known as the scorecard revealed that because of contract bundling, many agencies conducted little, if any, business with small and minority-owned businesses. Mr. Chairman, contract bundling is disheartening and devastating to small businesses while and at the same time showing no measurable savings to the American taxpayer.

These are now exciting times for small businesses. On the private side of business, we are witnessing a revolution, a complete transformation of how businesses operate. Today our Nation's 22 million businesses are using innovative ways to hire, train and create better products and make extraordinary profits.

The easy good ole boy network of doing business is becoming outdated, outmoded, and obsolete in the private sector; therefore, it should be obsolete in our government. Therefore, for us to see Departments like Energy, Education and Labor to be named the worst Federal agencies in small business procurement, and our Nation's Department of Defense to have virtually no 8A goal for minority and small businesses is an embarrassment.

It is time to change. It is time to innovate. No longer should these Departments be allowed to posture and pose as friends of small businesses when their actions show something totally different. It is time for us to work together to preserve and expand our small businesses.

H.R. 4945 takes the first step, and I urge my colleagues to join with me in passing this greatly needed legislation.

Ms. VELAZQUEZ. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Chairman, I thank the gentlewoman from New York (Ms. VELAZQUEZ) for yielding me the time.

Mr. Chairman, I am pleased to rise today in support of the passage of H.R. 4945. This important bipartisan legislation introduced by the gentleman from Missouri (Chairman TALENT) and the gentlewoman from New York (Ms. VELAZQUEZ), our ranking members, seeks to correct the way many Federal agencies set their contracting criteria that excludes small businesses.

If I may, Mr. Chairman, I want to commend both the gentleman from Missouri (Chairman TALENT) and the gentlewoman from New York (Ms. VELAZQUEZ), the ranking member, for making bipartisanship a reality not just empty words. That is important in this House.

The Small Business Committee has conducted several hearings on the issue of contract bundling. Bundling is defined simply as the combining of several smaller contracts into one large contract, which is awarded to and performed by a large government contractor.

In recent years, Federal Government contracting with small businesses has been falling far short of expectations. Most Federal agencies have not been held accountable for contract bundling. They are just doing whatever they please. This report, which the gentleman from Illinois (Mr. DAVIS) just referred to, speaks for itself. It grades every agency in the Federal Government as to whether it is responsive to small businesses or not. Most are not. The best we could come up with is a C minus report card. That is not acceptable to any of us.

In July of last year, this report card was very clearly presented. Agencies are giving multiple contracts to one large contractor at the expense of millions of small businesses. This report also showed that the number of contracts being awarded to small businesses has decreased over the last 3 years by 23 percent.

Minority- and women-owned businesses have suffered greatly, with nearly every Federal agency failing to meet the negotiated small business goals. We all know and recognize that small businesses are the backbone of the Nation. Every speaker refers to it today.

H.R. 4945 responds to the lack of empirical data available on the impact of contract bundling we heard the gentlewoman from New York (Ms. VELAZQUEZ), the ranking member, talk about. We cannot even get statistics because data is not held by each of these agencies, and obviously for the very specific reason, they do not want us to know. Those of us who have been elected, those of us who are really on the front lines, they do not want us to know how they let those contracts out there.

But now this legislation will call them up. It puts everything on top of the table where it should be. This is taxpayers' dollars that are being spent here. We are trying to protect those dollars, and we are trying to also preserve the bulk of business in this country which is small business.

While this bill helps to correct the problems associated with contract bundling, there is more that must be done to help these firms succeed in the Federal procurement arena. It is appropriate, Mr. Chairman, for Congress to require better accountability from Federal agencies on procurement goals, that is why I support H.R. 4945 as a member of the committee, but also as a good American and a good congressman, I hope.

Ms. VELAZQUEZ. Mr. Chairman, I reserve the balance of my time.

Mr. TALENT. Mr. Chairman, I yield myself 30 seconds to say that I appreciate the words of the gentleman from New Jersey (Mr. PASCRELL). The gentleman is a good American and a good congressman. He is not overstating the case. We want Members of Congress to know what the trends that are going on here. This is as much a question of whether the will of this body is to prevail in light of the mandates we have put in the statutes or whether these agencies are going to continue going to do what they want to do regardless of the will of Congress.

Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. ENGLISH), my friend, to speak on this subject.

Mr. ENGLISH. Mr. Chairman, I would also like to salute the gentleman from Missouri (Chairman TALENT) and the gentlewoman from New York (Ms. VELAZQUEZ), the ranking member, of the Small Business Committee for bringing forward this legislation now and on a bipartisan basis.

Mr. Chairman, America's 23 million small businesses employ more than 50 percent of the private workforce and they generate more than half of the Nation's gross domestic product. They are the principal source of new jobs in the U.S. economy and the primary source of dynamism in the U.S. economy. But no matter how they shape our economy, small businesses in general, and notably women-owned businesses, still face an uphill battle when it comes to obtaining Federal contracts, that is why I rise in strong support of this legislation, the Small Business Competition Preservation Act of 2000.

Mr. Chairman, small businesses have an inherent disadvantage of scale because of their size and resources.

□ 1100

It is difficult for them to compete in a procurement landscape dominated by

big business. Congress has, as the gentleman noted, enacted goals for Federal agencies that give small businesses a fighting chance in a playing field slanted toward the big boys. One goal calls for small business to be awarded just 20 percent of Federal contracts; but, Mr. Chairman, not a single Federal agency, not one, has met that goal.

Federal agencies, and particularly the Department of Defense, have ignored these goals and instead instituted procurement policies more focused on alleged efficiencies in the procurement system. By consolidating numerous jobs into one contract, Federal agencies erect a barrier to participation by small business. Small businesses have limited resources to draw on and work at a disadvantage when it comes to bidding on a bundled Federal contract.

I have heard from many small business and women-owned business owners who have expressed their concerns and shared their stories of the quality services that they could offer the Federal Government but are unable to do so because a Federal agency chooses a bundling process with contracts instead of a series of small contracts. After all, how can a small business grow and expand if the Federal Government consistently penalizes them for their size by only offering bundled contracts, which are often too large for a single small business to handle?

That slants the playing field toward big business, making it impossible for smaller players to compete.

I hope my colleagues will join me in support of H.R. 4945. After all, the Federal Government should be fostering the dreams that this Nation was built on, which is what this legislation is intended to do.

Ms. VELAZQUEZ. Mr. Chairman, I yield 3 minutes to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN).

Mrs. CHRISTENSEN. Mr. Chairman, I rise today to join my colleagues on both sides of the aisle in support of H.R. 4945, the Small Business Competitive Preservation Act. During the past two congressional terms, my colleagues and I from the Committee on Small Business, under the distinguished and very effective leadership of the gentleman from Missouri (Mr. TALENT) and the gentlewoman from New York (Ms. VELAZQUEZ), the ranking member, have devoted many hours to conducting hearings on contract bundling and the negative impact that this practice has had on small business.

From these hearings, we have clearly seen that there is no direct evidence which shows that bundling has saved the government money or that a higher quality of product was delivered by larger companies.

Just before our summer recess, our ranking member, the gentlewoman from New York (Ms. VELAZQUEZ), and the Democratic members of the Committee on Small Business released a contracting study, which we have heard about, known as a ''score card,'' which showed that a number of Federal agencies, in particular the Department of Defense, rely on contract bundling. This study further showed that minority- and women-owned businesses have felt the hardest impact from contract bundling and that nearly every Federal agency failed to meet the negotiated small business goals for fiscal year 1999.

Perhaps the most revealing evidence that has been produced from the hearings on contract bundling is that there is no hard data on the impact of this practice. There is no way to track exactly what is happening or to hold anyone accountable; most importantly, no way to develop a remedy.

Mr. Chairman, we have had enough hearings. Now it is time to act, and we are doing so in H.R. 4945. H.R. 4945 imposes the establishment of a record-keeping mechanism that would allow the Small Business Administration to keep track, among other things, of whether the measurably substantial benefits alleged by the Federal agencies in support of contract bundling are actually achieved. It requires specific reporting to Congress and it further closes loopholes which have allowed this procedure to continue to grow and to bypass mandates of law.

Mr. Chairman, small businesses and minority-owned businesses have suffered tremendously under bundling. I urge my colleagues to preserve the integrity of the Federal Government and the survival of small businesses by voting in support of H.R. 4945.

Mr. TALENT. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. Mr. Chairman, I rise in support of H.R. 4945, the Small Business Competition Preservation Act of 2000. Small businesses are a key factor in the growth of the American economy, and women-owned businesses are a vital element. Nevertheless, there remains one sector of the American economy in which small businesses in general and women-owned businesses face difficulty entering: the provision of goods and services to the Federal Government. Congress has enacted goals for small business participation of 20 percent and for women-owned businesses 5 percent. Not one Federal agency has met either of these goals.

Despite the goals, Federal agencies and, in particular the Department of Defense, have instituted procurement policies that are more focused on alleged efficiencies in the procurement system than in meeting the statutory goals. By putting together and bundling a number of requirements into one contract, the Federal agencies erect a barrier to participation by small businesses.

I have cosponsored H.R. 4945 because I believe it is a necessary step in eliminating unnecessary contract bundling. I sat in committee hearings listening to both Federal bureaucrats and small businesses disagree over the impact of the same contract. Obviously, each side has their own slant on whether the contract will benefit or detract from small businesses; but, of course, intuitively it makes sense that the larger the requirements for a contract the less likely that a small business will have the resources to win that contract.

H.R. 4945 provides Congress and the Federal Government with the necessary data to properly assess contract bundling. H.R. 4945 requires the SBA to maintain a database of bundled contracts, determine how many small businesses are displaced as prime contractors and analyze bundled contracts to determine whether real savings or other benefits have accrued to the Federal Government.

It seems very sensible to me. Even though the Small Business Reauthorization Act of 1997 requires procuring agencies to perform such studies, we all know that the agencies can clearly bias their analytical information to support the result they wish it to be, in a regulation or specific contracting action.

In the same way that the Truth in Regulating Act gives the Government Accounting Office the authority to provide Congress with information about regulations, H.R. 4945 authorizes the Small Business Administration to provide unbiased information to Congress on the effects of contract bundling on small businesses.

Once we have this data, Congress will then be able to sensibly consider what changes are needed to Federal Government procurement statutes to ensure that small businesses, especially women-owned businesses, are not excluded from providing goods and services to the Federal Government. I urge the Members to support H.R. 4945 and bring to light the Federal Government's procurement practices that hinder small business participation, reduce competition and ultimately cost the American taxpayer.

Ms. VELAZQUEZ. Mr. Chairman, I yield 3 minutes to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Mr. Chairman, I would like to thank the chairman and the ranking member for their leadership and for bringing this much-needed legislation to this body.

Mr. Chairman, as the ranking member of the Subcommittee on Empowerment of the Committee on Small Business, I rise in strong support of the Small Business Competition Preservation Act. America's hard-working small business owners, entrepreneurs and employees are the bedrock of our Nation's unprecedented economic growth. Small businesses represent over 99 percent of all employers and employ 52 percent of the private workers; 61 percent of the private workers on public assistance; and employ 38 percent of the private workers in high-tech companies. They provide 51 percent of the private sector output and

represent 96 percent of all exporters of goods. These hard-working businessmen and women need us to pass the Small Business Competition Preservation Act to assess the effectiveness of contract bundling, which has dominated the Federal procurement market for years.

This legislation would require the administrator of the SBA to determine whether bundling contracts actually achieves the savings that Federal agencies assume. The bill will also require the administrator to maintain a database that would track the number of small businesses who are displaced as prime contractors as a result of contract bundling.

Currently, there is no data available which shows contract bundling is effectively cutting costs. However, our Federal agencies have insisted on bundling most of its procurement contracts. This has shut out too many qualified small businesses, especially women- and minority-owned businesses, which are growing at the fastest rates. The number of African American-owned businesses soared by 46 percent from 1987 to 1992. Hispanic-owned businesses are among the fastest growing segments of the U.S. business population, with 82.9 percent rate of growth during the same period. Businesses owned by Asian Americans, American Indians and other minorities increased by 87.2 percent during this same period.

This same success has been achieved by women-owned businesses. In 1992, there were just over 400,000 women-owned businesses. Today, they total 8.5 million and represent one-third of all U.S. companies. Women-owned businesses generate $3.1 trillion in revenue, an increase of 209 percent between 1987 and 1997 after adjusting for inflation. This resounding rate of growth has outpaced all other business growth in each of the 50 States.

I urge my colleagues, Mr. Chairman, to join the gentleman from Missouri (Mr. TALENT), the gentlewoman from New York (Ms. VELAZQUEZ), and me in voting for America's small businesses by voting for the Small Business Competition Preservation Act. We cannot give them anything less.

Ms. VELAZQUEZ. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Mr. Chairman, I would like to thank the chairman of the Committee on Small Business, the gentleman from Missouri (Mr. TALENT), and my ranking member, the gentlewoman from New York (Ms. VELAZQUEZ), for their hard work on the Committee on Small Business.

During my first term in Congress, I have had an opportunity to work very hard with each of them in trying to preserve the small businesses in our country. I also succeeded my good colleague, the gentleman from Maryland (Mr. WYNN), who has been working very hard on behalf of the Congressional Black Caucus on this issue of bundling.

I will not be repetitive, Mr. Chairman, in my remarks. My colleagues have put on the record very important information about the impact that bundling has had on small business. The businesses from the 11th Congressional District of Ohio, which I represent, which is Cleveland and the surrounding suburbs, have come to me on more than one occasion saying, this bundling is keeping us from having an opportunity to do business with the United States Government. What can you do about it? What can you do about it?

I am pleased to be supportive of my colleagues on this issue. I kind of think of it sometimes as an impact of a business in my own community, where they say I have been making this ice cream for 100 years in my community but the larger companies keep making ice cream. My ice cream is as good. It tastes as good, but I cannot competitively offer the same price. Give me a chance to get to the table. Give me a smaller contract where I can do business with my people, so the people in my community can eat, send their kids to school, live in a nice house. So what we are just saying is we need the opportunity.

What this bill will do will prove what we are saying. It will show that small businesses in our country have been displaced and basically put out of business as a result of not having access to government contracts. The bundling has killed their opportunity to be competitive, and we want them to be competitive once again.

So I am going to stop at this point and just say that I am glad to be a part of a committee, the Committee on Small Business, that gets to issues, passes partisanship, and gets to issues that are important to the small businesses of our community.

Mr. TALENT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we do not have any more speakers over here. I notice the gentlewoman has some; and if she needs some extra time, I am more than happy to yield. I appreciated very much the comments of the last two speakers, the gentlewoman from Ohio (Mrs. JONES), and the gentlewoman from California (Ms. MILLENDER-MCDONALD). I appreciate their contribution to the committee on this and other issues.

The gentlewoman from California (Ms. MILLENDER-MCDONALD) made the point very strongly about the impact of this bundling on minority participation in particular, and she is absolutely correct. The small business growth in the minority community and among women is tremendous and we have not seen that reflected among the agencies, and bundling is one of the reasons. It has a disproportionate impact on these kinds of entrepreneurs; and this is ironic, given the fact that periodically we see somebody in one of the agencies with some huge photo op about how they are trying to help minority small businesspeople and then they will bundle contracts which automatically yanks away a lot of business from them.

One of the ways they do this, Mr. Chairman, is through something they called IDIQ contracts, which is indefinite delivery, indefinite quantity contracts. So they will take a particular line of business which they have been contracting out, maybe ordering paper for the copier, and they have been contracting that out as just straight contracts. Small businesses have been participating in bidding; and usually when they bid, they win because they are more efficient and they provide better quality. So then what they will do is they will say, oh, no, what we need is you have to be able to provide as much paper as we want on a moment's notice. It is an indefinite delivery and indefinite quantity.

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Well, this, of course, makes it more difficult for small business people. They do not maintain the kinds of staff and the kind of reserves that bigger businesses do, and then they will expand that and they will say, now it has to be all office supplies you have to be able to provide.

Then, when the small businesses complain and they come to us, as they came to the gentlewoman from Ohio and she complains, and the committee complains, the Committee on Small Business complains and the Small Business Administration complains, if we do it long enough and strong enough, eventually they will say okay, well, here, we will set aside a contract, an IDIQ contract for a minority businessperson, so yes, we have them on the schedule now and then they never order anything from them, or they do not get any business that way, either.

As we can see, Mr. Chairman, and as the House can see, we are tired of it. We have been living with this on the committee for several years and it is time for the agencies and the government to pay attention to it.

I will give another example, Mr. Chairman. The GSA, for years, contracted out elevator repair in Federal buildings on a building-by-building basis and then they bundled it into eight regional contracts. So while before it used to be on a building basis or a city-wide basis so that small elevator repair firms could do it and now they cannot, and it makes it virtually impossible for small businesses to compete logistically or financially. And then, again and again, the justification is it helps the taxpayer or we get better quality, and then when we investigate to try and find out how it helps the taxpayer or to get better quality, they cannot even justify it on their own terms. This bill is designed to make sure that they do at least that.

So I want to thank the gentlewoman from New York for her leadership on this issue, as well as her assistance on this bill.

Mr. Chairman, I reserve the balance of my time.

Ms. VELAZQUEZ. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland (Mr.WYNN).

Mr. WYNN. Mr. Chairman, let me begin by thanking first the gentleman from Missouri (Mr. TALENT), the chairman of the Committee on Small Business for his keen insight, hard work and dedication on this issue. He has worked very hard and I am most impressed, and I thank him for his leadership. I also thank the gentlewoman from New York (Ms. VELAZQUEZ), the ranking member, for her tenacity and determination for bringing this bill to the floor, the result of which is a bipartisan piece of legislation that will help the small business community in America.

Mr. Chairman, I rise in strong support of this legislation. As we have heard, small businesses are the engine of growth in America. Small businesses are a source of important competition in America, and small businesses are a source of diversity in America, as women-owned businesses, African American-owned businesses, Hispanic-owned businesses and Asian-owned businesses and others are coming to the American workplace offering their goods and services to the United States Government. The sad fact, however, is that bundling has begun to displace these businesses, has squeezed many of these businesses out, and I believe that is wrong, unfair, and not good for this country.

In 1995, the White House held a conference on small business and one of the major recommendations from that conference was that we limit and restrict bundling because it was displacing small business.

Now, the response from the other side is that we need this bundling because it is more efficient. The problem is, they have never been able to prove that. What has happened, however, is that big companies have gotten these contracts to the disadvantage of small businesses.

Let me tell my colleagues what happens, and it is really an unfortunate situation. A contract where we may have had 10 or 12 competitors competing to offer the government the best price are now squeezed out because that contract is now consolidated into one huge contract. So the big company with very little or no competition gets this huge regional contract and then, with no competition from the little guys, does not necessarily give the Government the best price. What they do, however, is skim off the profit margin from that contract and then subcontract back out the contract to small businesses, leaving them with no profitability. That is one of the perhaps lesser known problems with the contract bundling.

Unfortunately, bundling is proliferating. There are currently four major contracts within DOD alone projected to surpass $25 billion. The Navy Internet contract, the Air Force FAST contract, the Marine food service contract, and the Navy janitorial contract in San Diego. In each instance, analysis shows these contracts can be performed by small businesses, and that there is no national security threat that would justify bidding these contracts on a bundled basis.

What has been the result of this pattern? Well, although DOD procurement has increased from $109 billion to $116 billion from 1998 to 1999, we have had a decrease of 34 percent in the number of small business prime contractors, a decrease of 25 percent in the number of minority-owned firms, and a decrease of 38 percent in the number of women-owned businesses.

To be brief, we are losing our small businesses, they are being squeezed out, displaced, or they are having their profitability denied because of the practice of contract bundling, and we need to stop it. We need to demand that if the taxpayers are going to be served by bundling, that the people doing the bundling document and prove it. That is what this bill requires, and that is why I think it is so important.

One final note. It is important that small businesses not be just subcontractors, that they be prime contractors, because one of the requirements of bids is that one has experience as a prime contract, so not only does bundling deny small businesses, it precludes their growing into larger, more profitable companies. We have an excellent bill here, it is a bipartisan bill, it will enable us to find out whether bundling is good for America or bad for America, and it will give, ultimately, small businesses a fair chance.

Mr. Chairman, I urge passage of the bill, and I thank both the chairman and the ranking member for their leadership.

Mr. TALENT. Mr. Chairman, I yield myself such time as I may consume.

Before the gentleman from Maryland leaves, if he would just engage in a little colloquy with me on my time, because he raised a point in closing, and I know he did not have enough time to elaborate, but it is an excellent point, so on my time if the gentleman would elaborate with me a little bit.

He made the point about how important it is that small business people be prime contractors as well as subcontractors, and the gentleman is right. I wonder if he has had this experience that I have had.

Small businesses come to me and say, well, okay, they will say, it is okay because you are a subcontractor, and I have had a lot of minority small businesses in particular tell me this, so that we get listed as a subcontractor by the prime contractor, and then when it comes time for the prime contractor to do the contract, they never give us any business, so they are not a prime contractor or a subcontractor.

Mr. Chairman, I would ask the gentleman if he has had that experience.

Mr. WYNN. Mr. Chairman, will the gentleman yield?

Mr. TALENT. I yield to the gentleman from Maryland.

Mr. WYNN. Mr. Chairman, I absolutely have had that experience, and I thank the chairman for raising that point. As a matter of fact, I introduced legislation, I do not think it is going anywhere this session, which would say that if an agency lists a subcontractor, they have to use that subcontractor or justify in some legitimate way, for some legitimate reason, not using that contractor; otherwise, it is essentially fraud, it is a fraud on the public, it is a disservice to the contractor. So I think the chairman's point is certainly very well taken.

Mr. TALENT. Mr. Chairman, I thank the gentleman, and I will reclaim my time and just say, if that bill gets assigned to my committee, it is going to go some place, I will tell my colleague that.

The problem here, and the House needs to know this, is that these bills sometimes get sequential referrals and get caught up in the process. In this case we have jurisdiction, so we were able to get this one out.

I really want to thank the gentleman for his work and efforts in this area, and his expertise as well.

Mr. Chairman, I reserve the balance of my time.

Ms. VELAZQUEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. ORTIZ).

(Mr. ORTIZ asked and was given permission to revise and extend his remarks.)

Mr. ORTIZ. Mr. Chairman, I rise in support of the Small Business Preservation Competition Act, and thank the gentlewoman from New York (Ms. VELAZQUEZ) for her leadership on this issue that affects so many businesses across the country, particularly in rural areas such as the one I represent in south Texas.

Every time I go home, I see a small businessman or businesswoman in my travels around town. They tell me about how the contracts that were once part of the healthy competition in the area are finding more and more that they are edged out of business by the mega corporations that can afford to combine a function and underbid for a multitude of services.

Many times, to compete for contracts that are over hundreds of millions of dollars, small businesses just do not have the financial resources. Now, they have the experience, they have the skills, but it is the financing resources or bonding capacity to compete for these contracts. We have to realize, Mr. Chairman, that the small business community happens to be the backbone of our economy. It is small businesses that are bigger than General Motors, but slowly and surely, we are leaving them out of the process.

As a member of the Committee on Armed Services and the ranking member on the Subcommittee on Military Readiness, I have seen this happen all the time. I am concerned about one of the issues that is happening in my district about trying to regionalize and

getting several bases together. Sometimes we are wondering whether they are doing this because if a small businessperson comes with a contract of $700,000 and then there is another contract more or less similar at the other base, they combine them, and the small businessperson cannot compete for that project.

This is why this is so, so important.

Mr. Chairman, I appreciate the fact that many of my colleagues are convinced that contracting out services of the Federal Government would save money. As a member of the Committee on Armed Services, in many instances, I have seen that this is just the opposite. We need to be able to give the small business people the opportunity for them to compete, and I favor this piece of legislation.

Ms. VELAZQUEZ. Mr. Chairman, I yield myself such time as I may consume.

I would like to close by again encouraging full support for this very important piece of legislation, H.R. 4945.

Mr. Chairman, this legislation, the Small Business Competition Preservation Act of 2000, is an excellent starting point for making common sense changes to the contract bundling statute. During this Congress and the last, we have heard a lot of talk about accountability. We have asked accountability for everyone from welfare recipients to teachers. It is time also for Federal agencies to be accountable for their actions, and that is what this bill is really about.

As the Committee on Small Business has so often heard, data is just not currently being collected on these mega contracts barring from gauging the true impact bundling is having on small businesses who want to do business with our government.

Mr. Chairman, H.R. 4945 will set up a database to track not only all bundled contracts, but also the small businesses displaced by consolidations. It also requires analysis and directs the SBA to file a report with Congress aimed at providing greater information about the scope of contract consolidations within the Federal marketplace.

Mr. Chairman, this legislation focuses on the need for greater equity in Federal procurement for our Nation's small businesses and the adverse effect of increased contract size. Federal agencies are relying on combining contracts in an effort to streamline government and increase its efficiency.

While these are laudable goals, in not one instance has a Federal agency come before the committee and pointed to an instance where taxpayer dollars were saved and the government received better quality from a large business. They are not proving cost savings and small businesses are being shut out of the Federal marketplace. This bill gives us the ability to collect the one commodity that will help us make real changes. That commodity is information. That information can then be turned into common sense solutions to solve the problem of bundling.

Mr. Chairman, I strongly encourage the passage of H.R. 4945.

Mr. Chairman, I yield back the balance of my time.

Mr. TALENT. Mr. Chairman, I yield myself such time as I may consume.

In closing, I thank the gentlewoman for her comments and her leadership on this issue.

Mr. Chairman, one of the responsibilities of the Committee on Small Business is to inform the Members of the House when its will regarding opportunity for small business is not being carried out within the Federal agencies; specifically, as we have heard today, most predominantly within the Department of Defense. I appreciated very much the comments of the gentleman from Texas (Mr. ORTIZ), who sits on the Committee on Armed Services with me and sees this constant flouting of our will regarding small business over and over again from that perspective as well. This is not just partisanship for small business. I think that would be appropriate, Mr. Chairman. Not only is small business the backbone of the economy, as Members have said so eloquently today, but it is increasingly the backbone of opportunity.

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It may be the only source of opportunity for so many people in our country: for single moms, who will not have an opportunity to get a postgraduate education; or for people reentering the workforce after raising kids; or people coming from distressed neighborhoods or disadvantaged backgrounds. They do not have the same kind of opportunities that other people may have, but they can start a small business. And we have had evidences of that and testimonies of that over and over again before the Committee on Small Business.

We think the government ought to favor small business. Certainly it ought not to disadvantage them. And that is what is at stake here. This is a question of fairness for our entrepreneurs around the country. We have given numerous examples. We could give more of them, but I do not think it is necessary.

This bill simply allows us to find out what is going on. It has a unitary definition of bundling. It establishes a database, instructs the Committee on Small Business to operate that database and tell us what is going on, and then analyze whether any of these contracts actually save money, as they say it will, or produce higher quality, as they say it will. We have not found any evidence of that, and we have looked pretty hard for the last year and a half.

So it is up to the Members to decide what they want to do. I am going to get a rollcall vote on this issue, Mr. Chairman. I hope Members do not mind. As the gentlewoman from New York said, one of the reasons for this bill is to send a message, if the House wants to send it, regarding contracting and procurement for small businesses. We just have to decide. Do we want to vote for opportunity for small business people, or convenience or the latest trend in procurement within the Federal bureaucracy? Do we want to vote for continued excuses and evasions when we ask the agencies to justify what they are doing, or do we want to vote to enforce and send a message about the will of this body regarding opportunities for small entrepreneurs around this country?

I know how I am going to vote, Mr. Chairman. I suspect that I know how the Members of the House are going to vote.

Mr. HINOJOSA. Mr. Chairman, I rise today to help try to right a grievous wrong that America's small businesses have suffered far too long. Time and time again, we talk about how small businesses are the backbone of America. Why then, does it seem as if small businesses are constantly fighting an uphill battle? Take for example, the issue before us today, contract bundling. What could be more unfair? I am glad that as a body, we are taking a united stand today to try and change this practice and to hold Federal agencies that fail to provide a fair and competitive market for small businesses accountable for their actions. This is long overdue.

You are going to hear numerous facts from my colleagues documenting why this practice is so abhorrent, but the point I want to make is—wrong is wrong. We should all be starting from a level playing field. The Federal Government took on this responsibility when it promised small businesses would receive a fair opportunity to compete for Federal contracts. It has fallen short of meeting this promise. However, we don't know to what degree this has occurred. We do know that relying on contract bundling devastates small businesses and shows no measurable savings to American taxpayers. We do know that the Government awarded $200 billion in Federal contracts but small businesses only received $43 billion in contract dollars. We do know that this is clearly not a level playing field.

The Small Business Competitive Preservation Act of 2000 will allow for us to provide the Small Business Administration with the tools to right the wrongs of contract bundling. It will broaden the definition of contract bundling, it will also require the SBA Administrator to maintain a contract bundling database, and it will inform the House Small Business Committee as to whether or not there are measurable and substantial benefits to contract bundling. Through the passage of this legislation, we will mend the promise broken by meaningless words. We will not only claim that small businesses are the foundation for America's continued prosperity, but we will show them that we mean it.

Mr. UDALL of Colorado. Mr. Chairman, I rise in support of H.R. 4945, the Small Business Competition Preservation Act of 2000 (SBCPA) and urge its adoption.

H.R. 4945 is a response to the lack of empirical data available on the issue of bundling. This legislation will provide a number of different methods of collecting information on the how, what, when, where and why of contract bundling. For example, SBCPA requires the Small Business Administration (SBA) to develop and maintain a database of these contracts within the federal government. This

database not only will track agency bundled contracts but it will also maintains statistical information on the tangible effects of bundling on smaller companies and in particular industries of the small business community.

SBCPA also calls for the SBA to analyze renewable bundled to contracts to determine whether they have achieved the savings and benefits used to justify consolidation in the first place. In addition, the SBA would then be required to evaluate whether those savings and benefits would continue if the contract remains bundled. Once this information is fully analyzed, the SBA Administrator would then be asked to put together an annual report.

The numbers tell the whole story. The federal government awarded almost $200 billion in federal contracts in 1999, yet small businesses suffered a significant drop in the number of available contracts. Small businesses received only 4.9 million contracts which totaled $43 billion in total contract dollars. This represents almost a 23 percent drop in a three-year period (1997–1999).

Minority and women-owned businesses have been particularly effected, with nearly every federal agency failing to meet their negotiated small business goals. In addition, some agencies have simply ignored these goals and declared them ''not legally binding.''

I believe this bill takes an important step towards protect contracting opportunities for small business in the federal marketplace. I urge my colleagues to support this bill.

Mrs. MCCARTHY of New York. Mr. Chairman, I rise in support of the Small Business Preservation Competition Act. This important legislation will keep track of bundled contracts and their impact on small businesses.

A recent Contracting Study, also known as the ''Scorecard'', released by the House Small Business Committee shows a number of federal agencies, particularly the Department of Defense, are relying on contracting bundling which is devastating small businesses while showing no measurable savings to the American taxpayer.

This study also concluded that the federal government awarded almost $200 billion in federal contracts in 1999, but small businesses suffered a significant drop in the number of available contracts. Of that, small businesses received only 4.9 million contracts which totaled $43 billion in total contract dollars. This represents almost a 23 percent drop in a three-year period (1997–1999).

And with the decreasing number of federal prime contracts available small businesses stand to be shut out of a multi-billion dollar marketplace. Unfortunately, with a lack of available data, the ability to obtain critical information about bundled contracts is severely hampered.

This bill is a response to the lack of empirical data available on the impact of contract bundling. SBPCA allows Congress to get a handle on the effects and bring agency justification for these bundling contracts into public view. In addition, the bill calls for agency accountability of the cost savings of each bundled contract.

We all know that small business provides the very foundation for America's continued prosperity. And while SBPCA helps to correct the problems associated with contract bundling, there is more that must be done to help these firms succeed in the federal procurement arena.

I urge my colleagues to support this important legislation.

Mr. TALENT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of the bill is as follows:

H.R. 4945

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

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the ''Small Business Competition Preservation Act of 2000''.

SEC. 2. DATABASE, ANALYSIS, AND ANNUAL REPORT WITH RESPECT TO BUNDLED CONTRACTS.

Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following new subsection:

''(p) DATABASE, ANALYSIS, AND ANNUAL REPORT WITH RESPECT TO BUNDLED CONTRACTS.—

''(1) BUNDLED CONTRACT DEFINED.—In this subsection, the term 'bundled contract' includes—

''(A) each contract that meets the definition set forth in section 3(o) regardless of whether the contracting agency has conducted a study of the effects of the solicitation for the contract on civilian or military personnel of the United States; and

''(B) each new procurement requirement that permits the consolidation of 2 or more procurement requirements.

''(2) DATABASE.—

''(A) IN GENERAL.—Not later than 180 days after the date of enactment of this subsection, the Administrator of the Small Business Administration shall develop and shall thereafter maintain a database containing data and information regarding—

''(i) each bundled contract awarded by a Federal agency; and

''(ii) each small business concern that has been displaced as a prime contractor as a result of the award of such a contract.

''(3) ANALYSIS.—For each bundled contract that is to be recompeted as a bundled contract, the Administrator shall determine—

''(A) the amount of savings and benefits (in accordance with subsection (e)) achieved under the bundling of contract requirements; and

''(B) whether such savings and benefits will continue to be realized if the contract remains bundled, and whether such savings and benefits would be greater if the procurement requirements were divided into separate solicitations suitable for award to small business concerns.

''(4) ANNUAL REPORT ON CONTRACT BUNDLING.—

''(A) IN GENERAL.—Not later than 1 year after the date of enactment of this paragraph, and annually in March thereafter, the Administration shall transmit a report on contract bundling to the Committees on Small Business of the House of Representatives and the Senate.

''(B) CONTENTS.—Each report transmitted under subparagraph (A) shall include—

''(i) data on the number, arranged by industrial classification, of small business concerns displaced as prime contractors as a result of the award of bundled contracts by Federal agencies; and

''(ii) a description of the activities with respect to previously bundled contracts of each Federal agency during the preceding year, including—

''(I) data on the number and total dollar amount of all contract requirements that were bundled; and

''(II) with respect to each bundled contract, data or information on—

''(aa) the justification for the bundling of contract requirements;

''(bb) the cost savings realized by bundling the contract requirements over the life of the contract;

''(cc) the extent to which maintaining the bundled status of contract requirements is projected to result in continued cost savings;

''(dd) the extent to which the bundling of contract requirements complied with the contracting agency's small business subcontracting plan, including the total dollar value awarded to small business concerns as subcontractors and the total dollar value previously awarded to small business concerns as prime contractors; and

''(ee) the impact of the bundling of contract requirements on small business concerns unable to compete as prime contractors for the consolidated requirements and on the industries of such small business concerns, including a description of any changes to the proportion of any such industry that is composed of small business concerns.''.

The CHAIRMAN. During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a demand for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

Are there any amendments to the bill?

If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LARGENT) having assumed the chair, Mr. COOKSEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4945) to amend the Small Business Act to strengthen existing protections for small business participation in the Federal procurement contracting process, and for other purposes, pursuant to House Resolution 582, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TALENT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the

point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 422, nays 0, not voting 11, as follows:

[Roll No. 482]

YEAS—422

Abercrombie	Cunningham	Hobson
Ackerman	Danner	Hoeffel
Aderholt	Davis (FL)	Hoekstra
Allen	Davis (IL)	Holden
Andrews	Davis (VA)	Holt
Archer	Deal	Hooley
Armey	DeFazio	Horn
Baca	DeGette	Hostettler
Bachus	Delahunt	Houghton
Baird	DeLauro	Hoyer
Baker	DeLay	Hulshof
Baldacci	DeMint	Hunter
Baldwin	Deutsch	Hutchinson
Ballenger	Dickey	Hyde
Barcia	Dicks	Inslee
Barr	Dingell	Isakson
Barrett (NE)	Dixon	Istook
Barrett (WI)	Doggett	Jackson (IL)
Bartlett	Dooley	Jackson-Lee (TX)
Barton	Doolittle	Jefferson
Bass	Doyle	Jenkins
Becerra	Dreier	John
Bentsen	Duncan	Johnson (CT)
Bereuter	Dunn	Johnson, E. B.
Berkley	Edwards	Johnson, Sam
Berman	Ehlers	Jones (NC)
Berry	Ehrlich	Jones (OH)
Biggert	Emerson	Kanjorski
Bilbray	Engel	Kaptur
Bilirakis	English	Kasich
Bishop	Eshoo	Kelly
Blagojevich	Etheridge	Kennedy
Bliley	Evans	Kildee
Blumenauer	Everett	Kilpatrick
Blunt	Ewing	Kind (WI)
Boehlert	Farr	King (NY)
Boehner	Fattah	Kingston
Bonilla	Filner	Kleczka
Bonior	Fletcher	Knollenberg
Bono	Foley	Kolbe
Borski	Forbes	Kucinich
Boswell	Ford	Kuykendall
Boucher	Fossella	LaFalce
Boyd	Fowler	LaHood
Brady (PA)	Frank (MA)	Lampson
Brown (FL)	Franks (NJ)	Lantos
Brown (OH)	Frelinghuysen	Largent
Bryant	Frost	Larson
Burr	Gallegly	Latham
Burton	Ganske	LaTourette
Buyer	Gejdenson	Leach
Callahan	Gekas	Lee
Calvert	Gephardt	Levin
Camp	Gibbons	Lewis (CA)
Canady	Gilchrest	Lewis (GA)
Cannon	Gillmor	Lewis (KY)
Capps	Gilman	Linder
Capuano	Gonzalez	Lipinski
Cardin	Goode	LoBiondo
Carson	Goodlatte	Lofgren
Castle	Goodling	Lowey
Chabot	Gordon	Lucas (KY)
Chambliss	Goss	Lucas (OK)
Chenoweth-Hage	Graham	Luther
Clay	Granger	Maloney (CT)
Clayton	Green (TX)	Maloney (NY)
Clement	Greenwood	Manzullo
Clyburn	Gutierrez	Markey
Coble	Gutknecht	Martinez
Coburn	Hall (OH)	Mascara
Collins	Hall (TX)	Matsui
Combest	Hansen	McCarthy (MO)
Condit	Hastings (FL)	McCarthy (NY)
Conyers	Hastings (WA)	McCollum
Cook	Hayes	McCrery
Cooksey	Hayworth	McDermott
Costello	Hefley	McGovern
Cox	Herger	McHugh
Coyne	Hill (IN)	McInnis
Cramer	Hill (MT)	McIntyre
Crane	Hilleary	McKeon
Crowley	Hilliard	McKinney
Cubin	Hinchey	McNulty
Cummings	Hinojosa	Meehan
Meeks (NY)	Ramstad	Stearns
Menendez	Rangel	Stenholm
Metcalf	Regula	Strickland
Mica	Reyes	Stump
Millender-McDonald	Reynolds	Stupak
Miller (FL)	Riley	Sununu
Miller, Gary	Rivers	Sweeney
Miller, George	Rodriguez	Talent
Minge	Roemer	Tancredo
Mink	Rogan	Tanner
Moakley	Rogers	Tauscher
Mollohan	Rohrabacher	Tauzin
Moore	Ros-Lehtinen	Taylor (MS)
Moran (KS)	Rothman	Taylor (NC)
Moran (VA)	Roukema	Terry
Morella	Roybal-Allard	Thomas
Murtha	Royce	Thompson (CA)
Myrick	Rush	Thompson (MS)
Nadler	Ryan (WI)	Thornberry
Napolitano	Ryun (KS)	Thune
Neal	Sabo	Thurman
Ney	Salmon	Tiahrt
Northup	Sanchez	Tierney
Norwood	Sanders	Toomey
Nussle	Sandlin	Towns
Oberstar	Sanford	Traficant
Obey	Sawyer	Turner
Olver	Saxton	Udall (CO)
Ortiz	Scarborough	Udall (NM)
Ose	Schaffer	Upton
Owens	Schakowsky	Velazquez
Oxley	Scott	Visclosky
Packard	Sensenbrenner	Vitter
Pallone	Serrano	Walden
Pascrell	Sessions	Walsh
Pastor	Shadegg	Wamp
Paul	Shaw	Waters
Payne	Shays	Watkins
Pease	Sherman	Watt (NC)
Pelosi	Sherwood	Watts (OK)
Peterson (MN)	Shimkus	Waxman
Peterson (PA)	Shows	Weiner
Petri	Shuster	Weldon (FL)
Phelps	Simpson	Weldon (PA)
Pickering	Sisisky	Weller
Pickett	Skeen	Wexler
Pitts	Skelton	Weygand
Pombo	Slaughter	Whitfield
Pomeroy	Smith (MI)	Wicker
Porter	Smith (NJ)	Wilson
Portman	Smith (TX)	Wolf
Price (NC)	Smith (WA)	Woolsey
Pryce (OH)	Snyder	Wu
Quinn	Souder	Wynn
Radanovich	Spence	Young (AK)
Rahall	Spratt	Young (FL)
	Stabenow	
	Stark	

NOT VOTING—11

Brady (TX)	Klink	Nethercutt
Campbell	Lazio	Vento
Diaz-Balart	McIntosh	Wise
Green (WI)	Meek (FL)	

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Mr. METCALF changed his vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. GREEN of Wisconsin. Mr. Speaker, on rollcall No. 482, had I been present, I would have voted ''yea.''

Mr. DIAZ-BALART. Mr. Speaker, on rollcall No. 482, had I been present, I would have voted ''yea.''

CHANDLER PUMPING PLANT WATER EXCHANGE FEASIBILITY STUDY

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 581 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 581

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3986) to provide for a study of the engineering feasibility of a water exchange in lieu of electrification of the Chandler Pumping Plant at Prosser Diversion Dam, Washington. The bill shall be considered as read for amendment. The amendment recommended by the Committee on Resources now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Resources and one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. COOKSEY). The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

(Mr. HASTINGS of Washington asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the distinguished gentleman from Massachusetts (Mr. MOAKLEY), the ranking Democratic member of the Committee on Rules, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

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Mr. HASTINGS of Washington. Mr. Speaker, H.Res. 581 is a closed rule waiving all points of order against the consideration of H.R. 3986, a bill providing for a study of the engineering feasibility of a water exchange in lieu of electrification of the Chandler Pumping Station at Prosser Diversion Dam in the State of Washington. The resolution provides for 1 hour of general debate in the House to be equally divided between the chairman and ranking minority member of the Committee on Resources. The rule further provides that the Committee on Resources amendment in the nature of a substitute now printed in the bill shall be considered as adopted. Finally, the rule waives all points of order against the committee amendment in the nature of a substitute and provides one motion to recommit, with or without instructions.

Mr. Speaker, H.R. 3986 passed the Committee on Resources unanimously by voice vote on September 13. It was originally considered by the House yesterday under suspension of the rules. We are bringing this bill before the House again today because, although the bill was supported by a majority of the House Members, it did not receive the two-thirds support necessary for passage under suspension of the rules for reasons completely unrelated to the substance of the bill.

We were told during debate on H.R. 3986 yesterday that Members who opposed the bill did so in order to express their frustration that more Democrat

bills have not been considered by the House under suspension of the rules. On the surface, Mr. Speaker, that sounds like a compelling argument and a legitimate cause for concern. After all, Members in this body have every right to expect that they will be treated fairly regardless of which party is in the majority.

The problem with the Democrat leaders' complaint, however, is that it is completely groundless. When Members examine the record of bills considered under suspension of the rules, here is what they will find: in 1993 and 1994, the last Congress controlled by the Democrats, we Republicans were given 11.8 percent of all bills on the suspension calendar. In contrast, during this Congress, we have given the Democrats 23.5 percent of the bills under suspension, which is fully twice as many. Mr. Speaker, I guess they are right. On this issue, we have not been fair. Actually we have been more than fair.

Although we should not have to take up the House's time on this bill for the second day in a row, the partisan tactics of the leadership on the other side of the aisle has left us with no choice but to bring this bill back once again. The resolution before Members provides for a closed rule on H.R. 3986 only because we have taken more than enough of the Members' and the House's time on this measure and because Members on the other side of the aisle have indicated in the press that they would have supported this bill on its merits without any amendments had they not decided to make an example of us during yesterday's exercise in partisan finger pointing.

To summarize, Mr. Speaker, H.R. 3986 is a straightforward and noncontroversial bill. It provides funding for studies that we believe will ultimately serve the goal of saving salmon while protecting water rights, two important goals shared by people throughout the Pacific Northwest. That is why H.R. 3986 is supported by environmental groups as well as irrigators, Indian tribes and by local governments. Simply put, this is a common sense measure that has gotten caught up in the end-of-the-session partisan bickering here in the House that is of absolutely no interest to the citizens or the salmon living in my district. Frankly, both deserve better.

Accordingly, Mr. Speaker, I urge my colleagues to support both the rule on this bill and H.R. 3986 when it is considered on the floor of the House, hopefully for the last time, in just a few minutes.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I thank my colleague and my dear friend, the gentleman from Washington (Mr. HASTINGS), for yielding me the customary half-hour, and I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this noncontroversial bill by the gentleman from Washington (Mr. HASTINGS) that will simply authorize the Secretary of the Interior to study the engineering feasibility of exchanging water from the Columbia River instead of the Yakima River to provide electricity to the Chandler Pumping Plant and Power Plant. Normally, noncontroversial bills like this come up under suspension, Mr. Speaker; but normally bills by both Democrats and Republicans come up, also. But for some reason Democratic bills are not coming to the floor like they used to. Democratic bills are not even being scheduled for hearings like they used to.

So this bill by my dear friend from Washington is a perfectly good bill; it has been sent to the floor under a rule as part of a protest of a larger policy of discrimination against Democratic bills. We have no controversy with the bill.

I sincerely hope we can resolve this issue and get a fair number of Democratic resources bills to the floor under suspension. I urge my colleagues to support my very dear friend's bill. I hope they support the rule and support the bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

I would just reiterate again what I said in my opening remarks. The last time that my friend's party controlled the House, they had provided the Republicans with half as many bills under suspension as we have this year.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. SIMPSON. Mr. Speaker, pursuant to House Resolution 581, I call up the bill (H.R. 3986) to provide for a study of the engineering feasibility of a water exchange in lieu of electrification of the Chandler Pumping Plant at Prosser Diversion Dam, Washington, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to House Resolution 581, the bill is considered read for amendment.

The text of H.R. 3986 is as follows:

H.R. 3986

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

SECTION 1. CHANDLER PUMPING PLANT AND POWERPLANT OPERATIONS AT PROSSER DIVERSION DAM, WASHINGTON.

Section 1208 of Public Law 103–434 (108 Stat. 4562) is amended—

(1) in subsection (a)—

(A) in the subsection heading, by inserting ''OR WATER EXCHANGE'' after ''ELECTRIFICATION'';

(B) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively, and indenting appropriately;

(C) by striking ''In order to'' and inserting the following:

''(1) ELECTRIFICATION.—In order to''; and

(D) by adding at the end the following:

''(2) WATER EXCHANGE ALTERNATIVE.—

''(A) IN GENERAL.—As an alternative to the measures authorized under paragraph (1), the Secretary may use sums appropriated under paragraph (1) to study the engineering feasibility of exchanging water from the Columbia River for water historically diverted from the Yakima River.

''(B) REQUIREMENTS.—In carrying out subparagraph (A), the Secretary, in coordination with the Kennewick Irrigation District and the Columbia Irrigation District—

''(i) shall prepare a report that describes project benefits, contains feasibility level designs and cost estimates;

''(ii) may obtain critical rights-of-way;

''(iii) shall prepare an environmental assessment; and

''(iv) shall conduct such other studies or investigations as are necessary to develop a water exchange.'';

(2) in subsection (b)(1), by inserting ''or water exchange'' after ''electrification''; and

(3) in subsection (d), by striking ''electrification,'' each place it appears and inserting ''electrification or water exchange''.

The SPEAKER pro tempore. The amendment printed in the bill is adopted.

The text of H.R. 3986, as amended, is as follows:

H.R. 3986

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

SECTION 1. CHANDLER PUMPING PLANT AND POWERPLANT OPERATIONS AT PROSSER DIVERSION DAM, WASHINGTON.

Section 1208 of Public Law 103–434 (108 Stat. 4562) is amended—

(1) in subsection (a)—

(A) in the subsection heading, by inserting ''OR WATER EXCHANGE'' after ''ELECTRIFICATION'';

(B) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively, and indenting appropriately;

(C) by striking ''In order to'' and inserting the following:

''(1) ELECTRIFICATION.—In order to''; and

(D) by adding at the end the following:

''(2) WATER EXCHANGE ALTERNATIVE.—

''(A) IN GENERAL.—As an alternative to the measures authorized under paragraph (1) for electrification, the Secretary is authorized to use not more than $4,000,000 of sums appropriated under paragraph (1) to study the engineering feasibility of exchanging water from the Columbia River for water historically diverted from the Yakima River.

''(B) REQUIREMENTS.—In carrying out subparagraph (A), the Secretary, in coordination with the Kennewick Irrigation District and in consultation with the Bonneville Power Administration, shall—

''(i) prepare a report that describes project benefits and contains feasibility level designs and cost estimates;

''(ii) secure the critical right-of-way areas for the pipeline alignment;

''(iii) prepare an environmental assessment; and

''(iv) conduct such other studies or investigations as are necessary to develop a water exchange.'';

(2) in subsection (b)—

(A) in paragraph (1), by inserting ''or water exchange'' after ''electrification''; and

(B) in the second sentence of paragraph (2)(A), by inserting ''or the equivalent of the rate'' before the period;

(3) in subsection (d), by striking ''electrification,'' each place it appears and inserting ''electrification or water exchange''; and

(4) in subsection (d), by striking ''of the two'' and inserting ''thereof''.

The SPEAKER pro tempore. The gentleman from Idaho (Mr. SIMPSON) and the gentleman from California (Mr. DOOLEY) each will control 30 minutes.

The Chair recognizes the gentleman from Idaho (Mr. SIMPSON).

Mr. SIMPSON. Mr. Speaker, I yield myself such time as I may consume.

House Resolution 3986 authorizes the study of the feasibility of exchanging water diverted from the Yakima River for use by two irrigation districts for water from the Columbia River. The study would be conducted as part of the Yakima River Basin Water Enhancement Project. The legislation will promote salmon recovery in the Yakima River without reducing the amount of water available to irrigators.

Mr. Speaker, one of the most contentious and divisive issues in the Pacific Northwest is that of salmon recovery. The desire to restore salmon runs is one that is universally shared in the Pacific Northwest. It is vital to the historical culture of the region. The difficulty that arises is one of how best to go about salmon recovery, taking into consideration the species, the environment, local and regional economics and so forth.

There are some that have been pushing for the immediate extreme measure of removing the four lower Snake River dams on the Snake River while others, myself included, believe we should take some common sense steps toward salmon recovery before we consider the extreme measure of removing dams. H.R. 3986 is one of those steps. In itself, it will not recover salmon. But the study that it authorizes may be one of the pieces of the salmon-recovery puzzle.

Mr. Speaker, I ask unanimous consent that the gentleman from Washington (Mr. HASTINGS) be allowed to control the time for the majority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. DOOLEY of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3986 would simply authorize a study of a new water pumping plant at the Prosser Diversion Dam in the State of Washington. According to the sponsors of the legislation, the gentleman from Washington (Mr. HASTINGS) and Senator GORTON, the study would determine if diverting water for irrigation from the larger Columbia River instead of the Yakima River would help save the endangered fish in the area.

There is no objection to the enactment of H.R. 3986.

Mr. Speaker, I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume. I rise in strong support of H.R. 3986, and I want to thank the gentleman from Idaho (Mr. SIMPSON) for yielding the time to me.

Mr. Speaker, the preservation of salmon in the Pacific Northwest is one of my top priorities in Congress. I am convinced that we can save this national treasure while also preserving the jobs and quality of life in the Pacific Northwest. My legislation is just one example of the benefits that can be obtained for salmon by interested parties working together on the local level.

Yesterday, this legislation received a majority of the House of Representatives under suspension but failed to garner the necessary two-thirds necessary for passage. It is my understanding, as the gentleman from California (Mr. DOOLEY) said, they have no objections to this legislation that went through the committee process and that was reported out by unanimous vote. However, yesterday the minority party chose to play politics over salmon recovery, and so we are returning here today to ask my colleagues for their continued support of this legislation.

I was pleased, however, to receive support from three of my Democrat Members from Washington State, Mr. DICKS, Mr. INSLEE and Mr. BAIRD, on the vote yesterday. They chose by their vote to choose salmon over politics. I appreciate their commitment to saving salmon in the Pacific Northwest.

Very simply, this legislation authorizes a study of the feasibility of exchanging water diverted from the Yakima River for use by the Kennewick and Columbia Irrigation Districts for water from the Columbia River. The study would be conducted as part of the Bureau of Reclamation's Yakima River Basin Water Enhancement Project, a series of projects authorized by Congress to improve water quality and quantity in the Yakima River. These two systems currently take their water from the lower Yakima River where flows have already been decreased because of upstream diversions. By taking water from a much larger volume of the Columbia River, the impact on threatened and endangered species would be significantly reduced.

Specifically, this project provides the opportunity to increase Yakima River flows at the Prosser Dam during critical low-flow periods by up as many as 750 cubic feet per second. This approach will provide over twice as much flow augmentation as the previously approved electrification project and would completely eliminate the Yakima River diversion for the Kennewick Irrigation District. The new pump station and pressure pipeline from the Columbia River will be the cornerstone of a more salmon-friendly Kennewick Irrigation District.

This project is a winner for both fish and for water users. It balances the need to improve habitat for threatened species while protecting water rights. Preliminary results from the lower reach habitat study indicate that these increased flows would greatly help salmon and bull trout. In addition, this proposal would provide substantial water quality improvements to the Yakima River.

It is important to note that a change in the diversion for the Kennewick Irrigation District from the Yakima River to the Columbia River will completely change the current operational philosophy of the district. It will evolve from a relatively simple gravity system to one of significant complexity involving a major pump station and a pressure pipeline to the major feeder canals. This remodeling will have a significant impact on the existing systems and its users during construction, start-up and transition. That is why it is essential for the Kennewick Irrigation District to be in a position to develop these facilities in the way that best fits its current and future operational goals and causes the least disruption to the district water users. That is why this legislation requires the Bureau of Reclamation to give the Kennewick Irrigation District substantial control over the planning and design work in this study with the bureau, of course, having final approval. It is an approach that will continue local improvement and support which is vital to the success of this project and other projects.

This legislation is noncontroversial, which is somewhat unique when you are talking about water issues within the Pacific Northwest. It is supported by a large coalition of Federal, State and local agencies and stakeholders. Amongst those are the National Marine Fisheries, the U.S. Fish and Wildlife, the Yakima Nation, the Washington State Department of Ecology, the Northwest Power Planning Council, the Washington State Water Resources Association, American Rivers, and the Yakima Basin Board of Irrigators.

I do want to say, too, Mr. Speaker, that this legislation highlights the ingenuity of local stakeholders coming together for a common purpose of saving salmon and preserving our way of life. I am pleased to report to the House that the effort before the committee today is one of many in my district. There are many that are going on in my district to further this goal. Specifically, I would like to mention my support for the efforts of the Columbia-Snake River irrigators who have outlined a water management alternative that will revitalize the salmon recovery efforts by optimizing fish production and the effective use of this region's financial resources.

☐ 1215

Their plan accomplishes this by protecting tribal treaty rights and ensuring their long-term stability. Finally, the plan recognizes the importance of State and privately held water rights to the economy of the Pacific Northwest.

Another example of the local initiative for salmon recovery is the effort currently being undertaken by the Confederated Tribes of the Coleville Reservation and the Okanogan County Irrigation District up in the northern part of my district. These groups have taken a proactive approach to salmon recovery by conducting a joint study of water management efforts along the Salmon Creek and Okanogan County. Their joint efforts will result in the improvement of the fish passage and the habitat ensuring the preservation of salmon while protecting farmers and irrigators of their water rights.

I would say, Mr. Speaker, this legislation symbolizes what can be done and what is being done in my district and in the Northwest to try to ensure salmon recovery by recognizing and respecting local people making decisions on a local level.

I am pleased that this bill is in front of us again today. I regret that it got caught up in a bit of bipartisanship yesterday, but I would urge my colleagues to support this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to House Resolution 581, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DOOLEY of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 418, nays 1, not voting 14, as follows:

[Roll No. 483]

YEAS—418

Abercrombie	Berkley	Bryant
Ackerman	Berman	Burr
Aderholt	Berry	Burton
Allen	Biggert	Buyer
Andrews	Bilbray	Callahan
Archer	Bilirakis	Calvert
Armey	Bishop	Camp
Baca	Blagojevich	Canady
Bachus	Bliley	Cannon
Baird	Blumenauer	Capps
Baker	Blunt	Capuano
Baldacci	Boehlert	Cardin
Baldwin	Boehner	Carson
Ballenger	Bonilla	Castle
Barcia	Bonior	Chabot
Barr	Bono	Chambliss
Barrett (NE)	Borski	Chenoweth-Hage
Barrett (WI)	Boswell	Clayton
Bartlett	Boucher	Clement
Barton	Boyd	Clyburn
Bass	Brady (PA)	Coble
Becerra	Brady (TX)	Collins
Bentsen	Brown (FL)	Combest
Bereuter	Brown (OH)	Condit
Conyers	Holden	Murtha
Cook	Holt	Myrick
Cooksey	Hooley	Nadler
Costello	Horn	Napolitano
Cox	Hostettler	Neal
Coyne	Houghton	Ney
Cramer	Hoyer	Northup
Crane	Hulshof	Nussle
Crowley	Hunter	Oberstar
Cubin	Hyde	Obey
Cummings	Inslee	Olver
Cunningham	Isakson	Ortiz
Danner	Istook	Ose
Davis (FL)	Jackson (IL)	Owens
Davis (IL)	Jackson-Lee (TX)	Oxley
Davis (VA)	Jefferson	Packard
Deal	Jenkins	Pallone
DeFazio	John	Pascrell
DeGette	Johnson (CT)	Pastor
Delahunt	Johnson, E. B.	Payne
DeLauro	Johnson, Sam	Pease
DeLay	Jones (NC)	Pelosi
DeMint	Jones (OH)	Peterson (MN)
Deutsch	Kanjorski	Peterson (PA)
Diaz-Balart	Kaptur	Petri
Dickey	Kasich	Phelps
Dicks	Kelly	Pickering
Dingell	Kennedy	Pickett
Dixon	Kildee	Pitts
Doggett	Kilpatrick	Pombo
Dooley	Kind (WI)	Pomeroy
Doolittle	King (NY)	Porter
Doyle	Kingston	Portman
Dreier	Kleczka	Price (NC)
Duncan	Knollenberg	Pryce (OH)
Dunn	Kolbe	Quinn
Edwards	Kucinich	Radanovich
Ehlers	Kuykendall	Rahall
Ehrlich	LaFalce	Ramstad
Emerson	LaHood	Rangel
Engel	Lampson	Regula
English	Lantos	Reyes
Eshoo	Largent	Reynolds
Etheridge	Larson	Riley
Evans	Latham	Rivers
Everett	LaTourette	Rodriguez
Ewing	Leach	Roemer
Farr	Lee	Rogan
Fattah	Levin	Rogers
Filner	Lewis (CA)	Rohrabacher
Fletcher	Lewis (GA)	Ros-Lehtinen
Foley	Lewis (KY)	Rothman
Forbes	Linder	Roukema
Ford	Lipinski	Roybal-Allard
Fossella	LoBiondo	Royce
Fowler	Lofgren	Rush
Frank (MA)	Lowey	Ryan (WI)
Franks (NJ)	Lucas (KY)	Ryun (KS)
Frelinghuysen	Lucas (OK)	Sabo
Frost	Luther	Salmon
Gallegly	Maloney (CT)	Sanchez
Ganske	Maloney (NY)	Sanders
Gejdenson	Manzullo	Sandlin
Gekas	Markey	Sanford
Gibbons	Martinez	Sawyer
Gilchrest	Mascara	Saxton
Gillmor	Matsui	Scarborough
Gilman	McCarthy (MO)	Schaffer
Gonzalez	McCarthy (NY)	Schakowsky
Goode	McCollum	Scott
Goodlatte	McCrery	Sensenbrenner
Goodling	McDermott	Serrano
Gordon	McGovern	Sessions
Goss	McHugh	Shadegg
Graham	McInnis	Shaw
Granger	McIntyre	Shays
Green (TX)	McKeon	Sherman
Green (WI)	McKinney	Sherwood
Greenwood	McNulty	Shimkus
Gutierrez	Meehan	Shows
Gutknecht	Meek (FL)	Shuster
Hall (OH)	Meeks (NY)	Simpson
Hall (TX)	Menendez	Sisisky
Hansen	Metcalf	Skeen
Hastings (FL)	Mica	Skelton
Hastings (WA)	Millender-McDonald	Slaughter
Hayes	Miller (FL)	Smith (MI)
Hayworth	Miller, Gary	Smith (NJ)
Hefley	Miller, George	Smith (TX)
Herger	Minge	Smith (WA)
Hill (IN)	Mink	Snyder
Hill (MT)	Moakley	Souder
Hilleary	Mollohan	Spence
Hilliard	Moore	Stabenow
Hinchey	Moran (KS)	Stark
Hinojosa	Moran (VA)	Stearns
Hobson	Morella	Stenholm
Hoeffel	Murtha	Strickland
Hoekstra	Myrick	Stump
Stupak	Tiahrt	Watt (NC)
Sununu	Tierney	Watts (OK)
Sweeney	Toomey	Waxman
Talent	Towns	Weiner
Tancredo	Traficant	Weldon (FL)
Tanner	Turner	Weldon (PA)
Tauscher	Udall (CO)	Weller
Tauzin	Udall (NM)	Wexler
Taylor (MS)	Upton	Weygand
Taylor (NC)	Velazquez	Whitfield
Terry	Visclosky	Wicker
Thomas	Vitter	Wolf
Thompson (CA)	Walden	Woolsey
Thompson (MS)	Walsh	Wu
Thornberry	Wamp	Wynn
Thune	Waters	Young (AK)
Thurman	Watkins	Young (FL)

NAYS—1

Paul

NOT VOTING—14

Campbell	Klink	Spratt
Clay	Lazio	Vento
Coburn	McIntosh	Wilson
Gephardt	Nethercutt	Wise
Hutchinson	Norwood	

□ 1239

Mr. MARKEY changed his vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MOTION TO INSTRUCT CONFEREES ON H.R. 4577, DEPARTMENTS OF LABOR, HEALTH, AND HUMAN SERVICES, AND EDUCATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

Mr. OBEY. Mr. Speaker, I offer a motion to instruct conferees, pursuant to clause 7(c) of House rule XXII.

The SPEAKER pro tempore (Mr. GILLMOR). The Clerk will report the motion.

The Clerk read as follows:

Mr. OBEY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 4577, be instructed to insist on the highest funding level possible for the Department of Education; and to insist on disagreeing with provisions in the Senate amendment which denies the President's request for dedicated resources to reduce class sizes in the early grades and for local school construction and, instead, broadly expands the title VI Education Block Grant with limited accountability in the use of funds.

PARLIAMENTARY INQUIRY

Mr. PORTER. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentleman from Illinois will state his parliamentary inquiry.

Mr. PORTER. Mr. Speaker, under the House rules, is it permissible to divide a motion to instruct? Because we would agree with part of this, that is the funding level for education, but the rest of it we do not agree with. Is it possible to divide a motion of this type?

The SPEAKER pro tempore. Would the gentleman from Illinois specify how he would like the question divided?

Mr. PORTER. Mr. Speaker, I would suggest that it be divided after the line 4, the word ''education, semicolon,''

and so that we would consider the highest funding level possible in one segment and then there would be a separate motion for the rest of it.

The SPEAKER pro tempore. The Chair would advise the gentleman that as a 20-day motion under clause 7(c) of rule XXII, the motion is grammatically and substantively divisible under the precedents and that at the end of the debate the Chair will put the question on the divisible portions.

Pursuant to the rule, the gentleman from Wisconsin (Mr. OBEY) and the gentleman from Illinois (Mr. PORTER) each will control 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, we are here on this motion today in large part because yesterday a motion to instruct conferees on this bill was made on that side of the aisle and I indicated that if we were going to get into the business of instructing conferees then we would have a significant number of motions on our own on this side.

□ 1245

I do not particularly enjoy this process, but I do not think we can sit by while the guns are being fired by only one side on an issue as important as education, for instance.

I am also disappointed, frankly, because I understood that the gentleman from Pennsylvania (Mr. GOODLING), our good friend, was going to offer a motion which would have instructed the House to support the idea of making major appropriations to Title VI for the purpose of providing funding to local school districts, which they could use with great flexibility. Let me state, if that motion had been offered, I would have voted for it.

My position on this, and I think the vast majority of people on this side of the aisle feel the same way, is that we are for all of the money that we can get into education and get back to local school districts. We think that is the number one priority facing the country. However, we believe that there ought to be accountability in the way that money is used, and we believe that whatever funds are provided from such a block grant, for instance, should be provided in addition to the funds that are provided to meet national priority needs, not as a substitute for funds which are provided for those priority needs.

There is a second reason that we are here, because I think we need to clarify what it is that both parties are trying to do in the conference on the Labor, Health and Education appropriation bill. To explain that, I need to put it in context.

Mr. Speaker, 5 years ago, the majority party, when they took over control of this House, produced a budget which, among other things, tried to cut the Education budget 20 percent below the budget of the previous year; they tried to eliminate the Department of Education, and they felt so strongly about it that they were willing to see the government shut down in order to force their budget priorities on the President. They did not exactly win that argument, and they certainly did not win the political argument associated with it. So they slowly but surely have backed off that proposition, but they continue at every opportunity to show their basic antagonism toward initiatives made by the President to strengthen education.

The latest evidence of that is the fact that in the bill which moved out of the House, they made very large cuts in the President's education budget. They cut some $400 million out of afterschool funding that the President had proposed. They cut $1.3 billion out of school modernization, they cut $1.7 billion out of the President's class size initiative, and instead tried to fold that money into a block grant arrangement under which a major ability to achieve accountability is lost. That is one of the places where we part company.

The majority now, in conference, has chosen to add about $5.5 billion of their priorities back into the Labor, Health, Education bill, but so far, there appears to be no room in the inn for our priorities or the President's priorities.

I want to make it clear. We do not believe that providing flexible funding to school districts is automatically opposed to the idea of providing specific funding for specific purposes to local districts. We think we ought to do both; and, in fact, we have provided that we do both, by supporting significant funding for Title VI. But we want to make it clear. We are for the President's efforts to provide $1.7 billion for his class-size reduction program. We are for the President's efforts to provide $1.3 billion in assistance to local school districts to renovate ancient, outmoded and dangerous buildings. I just had one closed in my district last week by the State Department of Public Construction, for instance; and we are for some other things.

The majority party has increased funding for special education by a significant amount, and yet the bill does not fully reflect the amount for special education that this House indicated it wanted to see when on May 3, it passed the authorization. So we believe that there ought to be a substantial increase in special education funding above the amount provided in the House bill. We also believe that since we are providing huge amounts of money to Colombia for drug interdiction, we also ought to have a significant increase of well over $200 million in funding for drug treatment slots here at home.

We also believe that we ought to substantially increase Pell Grant funding above the amount provided by either the administration or the majority party in its budget so far.

Mr. Speaker, I would simply note that the problem we face is that under the newest of proposals raised by the majority party on how to deal with the surplus, they indicate that there would be about $28 billion on the table that could be used for a variety of purposes. So far, it appears that they intend to use $2 billion of that in the Energy and Water bill; it appears that the interior bill is going to come back to the House $3 billion to $4 billion above the level that it was when it passed the House originally, yet we are told that none of that money should be, none of that $28 billion should be devoted to increases in education above the amount stipulated by the majority party. We do not agree with that.

Mr. Speaker, we think, therefore, that this motion is proper in both of its aspects. We simply ask that the conferees provide the highest funding level possible for the Department of Education, and we also ask that we disagree with the provisions in the Senate amendment which would fund the flexible money that goes back to school districts in the form of block grants at the expense of the President's two initiatives on school modernization and on class-size reduction. We are perfectly willing to see an increase in Title VI, provided that we have adequate accountability for those funds, but not at the expense of the President's priorities.

Mr. Speaker, we believe this country is healthy enough and prosperous enough to fund both the majority party's priorities and ours and the President's, and that is the purpose of this motion to instruct today.

Mr. PORTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Wisconsin (Mr. OBEY) very cleverly writes a motion, the first part of which says that the House should insist on the highest funding level possible for the Department of Education. Certainly, all of us agree with that, proposition. Then adds the gentleman from Wisconsin (Mr. OBEY), adds provisions that he knows we disagree with dealing with control by Washington over the expenditure of funds by local school districts.

I am pleased that the Chair has told us that we can divide this question. If we look at what we have done on education in our tentative conference report, and we have completed the conference and have the report but have not filed it, we are already $600 million in funding for the Department of Education above the President's budget. We have $600 million more than the President committed to providing adequate resources for education. We have plussed up important accounts, making a Federal commitment to education that is far greater than the the President of the United States submitted to the Congress earlier this year.

Look at the accounts. In education technology, we are ahead of the President. In education for the disadvantaged, a $9 billion account, we are ahead of the President. Impact Aid: the

President has attempted every time he has offered a budget to cut that responsibility of the Federal Government; we have increased it. We are $258 million ahead of the President's request on Impact Aid, which is important in many school districts impacted by the Federal presence.

Special education: We have increased this account. In fact, we have, doubled, this account in the last 6 years. Our increase this year is $1 billion more than the President asked for. Education for the homeless: We are ahead of the President. Rehabilitation services: We are ahead of the President. Vocational and adult education: We are ahead of the President. Student financial assistance: $300 million ahead of the President, and we have increased Pell Grants far more than the President asked for, because we know that young people in America need this help to get a higher education. Historically Black Colleges and Universities: We are substantially ahead of the President. Hispanic-serving institutions: We are substantially ahead of the President. The TRIO program: Another program like special education and Pell Grants, where every year we have been substantially ahead of the President's budget, providing more money than he asked for in this fiscal year. Higher education: Ahead of the President.

So, Mr. Speaker, in program after program, especially those programs that are important to those most at risk in our society where they need the resources to get ahead educationally, we are substantially ahead of the President of the United States.

So, do we disagree with the first part of this motion to instruct saying that we should fund it at the highest possible level? Absolutely not. We are already way ahead of the President of the United States in our commitment to education.

The second part of the motion deals with fundamental differences between the two parties. And here, yes, we definitely do disagree. Who should be responsible for making education decisions? Washington, D.C., which is what they want, or local school districts, which is what we want. Now, the gentleman from Wisconsin talks about this in terms of accountability. Do not be fooled. This is not accountability, this is who controls where the money is spent. It means accountability to Washington, not accountability to the local taxpayers who provide most of the funding for education in our country. So do not be fooled by the word accountability; it is controll by Washington that the gentleman is proposing, and do we disagree with that? Absolutely, we disagree with that.

On school construction. The conference agreement puts $3.1 billion into Title VI, the block grant that allows local school districts the discretion to spend these funds according to what they believe are their needs. They may use it for school construction, reducing class size, professional development, or what their needs are. Should they be forced to use this money for school construction when they do not need it? Of course not. But it should be available to them for training teachers or reducing class size or doing other things that they know very well, much better than Washington, what the needs may be.

The President's approach wants Washington control, it ignores local flexibility in favor of a one-size-fits-all approach dictated by the Federal Government. We think that is wrong. We think most Members in this body think that is wrong. We very much oppose the gentleman's motion in that part of it that deals with this philosophical, difference between Democrats and Republicans.

Mr. Speaker, I reserve the balance of my time.

□ 1300

Mr. OBEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, the gentleman just said that obviously all of us on the House floor agree with the first part of the motion that asks the conferees to fund education at the highest possible level. But, in fact, the conferees yesterday repeated early and often the fact that they were not willing to go one dime above the level now contained in their bill for the Labor, Health, and Education budget.

It is true that our friends have now, belatedly, after 5 years of trying to savage the education programs, it is true that at this point they are above the President on some aspects of the education budget. But that is largely due to the additions in Pell Grants and the additions in special education, both of which we support on this side of the aisle. We have no quarrel with that. We believe that this country is wealthy enough that there ought to be room enough for both Republican priorities and Democratic priorities when it comes to education.

When it comes to the disadvantaged, for instance, the fact is that the majority party is $85 million in total below the President's budget for Title I, and within that reduced number they have eliminated the President's request for $250 million to use to fix schools that are in the most trouble and are failing. On vocational education they are above the President on State grants, but they are $200 million below the President on voc-ed tech prep programs. And the list can go on and on.

When we cut through it all, the fact is very simple: we are asking the majority to put at least $3 billion in additional funding for education into the Labor-HHS bill. If Members are for that, then vote for this motion. If my colleagues are not for it, and they vote for this motion, they will be walking both sides of the street. If we are for adding that $3 billion, then we do not need any more motions to instruct. Just bring out the conference report, and we will have a bill that can fly through both Houses, if we deal with some of the other problems that have to be fixed in the Labor Department and in the HHS Department.

So when we cut through it all, in the end, what counts is whether or not we will bring to this floor a bill which in the area of education will provide $3 billion above the level that has been provided up to this point. That is what this argument is about, and that is what we are going to continue to fight for.

Mr. PORTER. Mr. Speaker, I would inquire of the Chair how much time remains on each side?

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from Illinois (Mr. PORTER) has 24 minutes and the gentleman from Wisconsin (Mr. OBEY) has 19 minutes.

Mr. PORTER. Mr. Speaker, I yield 4½ minutes to the gentleman from Pennsylvania (Mr. GOODLING), the distinguished chairman of the Committee on Education and the Workforce.

(Mr. GOODLING asked and was given permission to revise and extend his remarks.)

Mr. GOODLING. Mr. Speaker, what I learned more than anything else in the 20 years I sat in the minority on the Committee on Education and the Workforce, and even I am reminded today as the chairman of that committee, the approach that we took all those years positively did not help children, and that is what this is all about.

We sat there year after year after year and we said, if we just had one more program, if we just had another billion dollars, if we could just cover another 100,000 children, everything would be better. And what are the results? Well, the results are that the achievement gap has grown. It has not decreased at all. Because over and over again we said we have the programs, from Washington, D.C. One size will fit all. We know better than anybody else.

But, more importantly, what we did was we took all of the money and divided it up over and over and over again, because we kept adding new programs. So now we are down to the point where they do not have enough money to do anything worthwhile unless they commingle funds. And what were our auditors doing during this time? The auditors did not ask whether it is a quality program; they did not say is this program succeeding. What they said was, ''If you commingle one penny, you have had it. Boy, we will be down your throat.'' So a local district, who could take a couple small programs and make them into a worthwhile program, could not do it. So as I said, the achievement gap just gets wider.

I pleaded with the President over and over again to not put the cart before the horse. When he came up with the magnificent idea that we need a national test, I said, ''Mr. President, first of all you have to set the higher standards; then you have to prepare the teacher to teach to the higher standards; then you have to test the teacher

to see whether they are ready to teach to the higher standards; and then, after they teach the higher standards, then you test the child. Because before that, all you will be doing is telling, for $100 million, 50 percent of the youngsters one more time that they are not doing well. That is all they have ever heard.''

Then he came up with the sexy eye-catching idea that we need 100,000 teachers to reduce class size in the early grades. Well, anybody knows if we can reduce class size in the early grades, and we have a competent, quality teacher in the classroom, that is a plus. The problem is, as I reminded him over and over again, if we do not have a quality teacher to put in that classroom, then we have done nothing except spend money and make it even worse for the children because now they do not even have a quality teacher.

So we allowed him to have a third of those. And what happened when we did that? Thirty-some percent of all of those first teachers had no qualifications whatsoever. So now in the place where we need them the most, real rural America and center city America, they ended up having to put someone in that classroom, and the children most in need got anything but a quality teacher. That is a tragedy. And that is what happens when we dictate from here.

I kept telling him over and over again, ''Do you realize that in some of those districts they may have some teachers that are fairly good; that if they had the opportunity to better prepare those teachers, they would have a quality teacher in the classroom?'' But, no, we had to do something that appeared sexy. And, of course, when we look at it, we are looking at 15,000 school districts. We are looking at a million classrooms, and we are talking about 100,000 teachers. Again, the cart before the horse.

When I became the chairman, I said, we have to do better. These children are not achieving. We are not closing the achievement gap. So we said let us do everything based on seven major principles: quality; better teaching; local control; accountability, but the accountability is to the children, the accountability is to the parents; more dollars to the classroom, basic academics; and more parental involvement and responsibility.

What we will do if we go this route that is being suggested, however, is that now we will backtrack. And now we will be down to the business where there is a one-size-fits-all from Washington, D.C. After all, We know what is better than anybody else. We will let the parents out of this whole equation; we will forget the children in this whole equation because, as I said, more programs, more dollars have not closed that achievement gap. It has been spread so thinly that we have not been able to do anything about quality.

Mr. OBEY. Mr. Speaker, I yield myself 30 seconds.

The previous speaker just said that the answer to everything is teacher quality. If that is the case, I would like to know why the majority party cut the President's teacher quality initiatives by $527 million below his request.

Mr. PORTER. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi (Mr. WICKER), a valued member of the Subcommittee on Labor, Health and Human Services, and Education of the Committee on Appropriations.

Mr. WICKER. Mr. Speaker, I urge my colleagues in the strongest of terms to reject the Obey approach to education. And I want to make two quick points and then a larger point.

The first point I would make is to reiterate what my chairman, the gentleman from Illinois (Mr. PORTER), said. When our friends on the Democratic side say accountability, they really mean Federal control. They really mean the absence of local flexibility. And, in my opinion, they mean the absence of accountability to the schoolchildren and to the parents. That is my first point.

The second point, and it needs to be understood over and over, not only by the Members in this room but by the American public, is that we have increased the President's education budget in this conference report. We are over $600 million higher than the President's request on education. Now, that is point number two.

Point number three comes down to what we are really talking about. It is a difference in philosophy between the two political parties on the very important issue of education, and that is the questsion, do we insist on the President's request for his program on school construction?

Now, there is not a soul within the sound of my voice who would not like for us to have better schools and better school buildings and better school facilities. We are all for that. The question is how do we do it. I say we send Federal education dollars to the local school districts on programs that we know will work, that are proven already to have worked, and we free up money on the local level for local schools to do what they have always done in school construction, and that is to make school construction decisions themselves. That is the Republican approach.

The approach that is being urged on us today is to say that, although the President has signed seven straight appropriation bills with regard to education, in this, the 8th year of his term, we must insist, before we can pass the bill, before we can get out of this town at the end of the fiscal year, we must insist on a new Federal program to build school buildings at the local level, something that we have never done.

Now, listen to me. This bill would provide $1.3 billion in school construction and start us on the slippery slope of spending billions and billions and billions of dollars. There is no telling where it would end on school construction. We are told now that the needs currently for school construction are $254 billion. This proposal would fund less than one-half of 1 percent, approximately, of the total needs. Ten times that amount would only give us 5 percent. Where will it end?

My colleagues, please think before we enter into this vast and expensive new Federal program.

Mr. OBEY. Mr. Speaker, I again yield myself 30 seconds.

The gentleman has just denounced the idea of having a Federal school construction program. I would point out the Republican chairman of the authorizing committee has introduced his own school construction program which at least matches the President's in size. Why can we not simply fund it, since apparently the need is recognized on both sides of the aisle?

Mr. PORTER. Mr. Speaker, how much time remains on each side?

The SPEAKER pro tempore. The gentleman from Illinois (Mr. PORTER) has 16½ minutes and the gentleman from Wisconsin (Mr. OBEY) has 18 minutes.

Mr. OBEY. Mr. Speaker, I yield 6 minutes to the gentleman from Maryland (Mr. HOYER), a member of the Subcommittee on Labor, Health and Human Services, and Education.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I have been on this subcommittee for many years. In 1983, Terrell Bell, then the Secretary of Education, issued a report. That report was entitled: A Nation at Risk. It said that we were at risk of becoming a Nation of mediocrity because our educational system was not keeping apace. The response of the Reagan administration was to send down a budget which had the largest cut in education funding at the national level to that date in history.

Now, that budget that Ronald Reagan sent down was not passed. It was increased substantially. But me thinks the chairman protests too much in saying we are all for the first sentence, that we want to spend more for education. It is useful, I think, to remember a little bit of the history of why we are here and why this motion, we think, is necessary.

First of all, when we passed the House bill, we were $3 billion less than the Senate bill on education, $3 billion less.

☐ 1315

So that, when the House took its action, all of this euphoria about spending more on education was not present. But we have had a lot of policies, Mr. Speaker, since then about what the American public care about. We have had a lot of debate between the Presidential candidates, and everybody is falling all over themselves to be for education.

So what do we see between then and now, between the passage of a Republican budget that provided little funds

for education and today? Well, we see a $3.7 billion increase, notwithstanding the fact that we Democrats stood on the floor when this bill passed and we opposed its passage, of course, and said we needed more money.

Oh, no, it is fine. This is just a first inning in any event. We have been just at the first inning in about 13 bills, which is why we are stuck in the mud because this process has not been real.

Well, my colleagues are starting to get real. We understand that, because November 7 footsteps are heard loud in these Chambers and the American public's voice is heard louder as the days go by.

I rise in support of this motion. I believe that the gentleman from Illinois (Mr. PORTER) our distinguished chairman who we are going to lament will not be here next month to help us work on these issues because he cares about these issues.

But I think we need this motion because we need to say we want to go to those figures in our conference. The conference has not really been a real conference. The reason it has not been a very real conference is because the dollars that the Republicans say are available for these bills keeps moving, it keeps moving as their political antenna quivers. And every time they got a little quiver, there is a little more money and they add it to the bills, which they should have done, of course, on substance, not on politics, on the concern that the gentleman from Pennsylvania (Mr. GOODLING) says about children.

Now, the second part of this motion is a critically important part. I have had this discussion with one of the Members of the United States Senate. He says local control. I am for local control, but I am for accountability for the gentleman from Maryland (Mr. HOYER) when I go home and say, we took your money and here is how we spent it, not the school boards spent it, but this is what I said was a priority, the gentleman from Maryland (Mr. HOYER).

I believe that there is a critical need in this country, as the President believes, for us to help with school construction. Because we know that schools are falling down, we know there are not enough classrooms, we know that there are some schools that are not safe for our kids to be in. So the President of the United States has proposed, and I support, saying we are going to give some money for school construction, not to build new pools in schools, not to have new football programs, etcetera, etcetera. That is not my responsibility. If the locals want to do it, they spend, as all of us know, 93 percent on education. We spend 7.

But I believe that school construction is critically important if we are going to have more classrooms. Because, in order to have more smaller classes, we have got to have more classrooms; and in order to have more classrooms, we have got to have more teachers. So the President proposes that we have a program for more teachers, as well.

The Republicans made a deal last year when they passed the omnibus appropriations bill that they were for that and they said they were for that. Now, maybe they were for it because that is the only way the bill would get passed, but notwithstanding the fact we had an agreement that that would happen. That is what this motion to instruct is all about, both ends of it, more money.

Now, yes, I agree, we seem to be moving in that direction because they added not only $3.7 billion from the House bill, they added $8 billion in total to the House bill. Eight billion dollars they have added to the House bill. We are glad they are getting there because the children of America, the families of America need this investment.

I am prepared it take the responsibility for more classrooms, more teachers, and to assist with school construction. I think that is my responsibility, and I am prepared to stand up for it and vote for it.

So when they tell me, Mr. Speaker, that they want local control, I want local control. But when they say that we should not make determinations on specific needs, I think they are wrong. That is our responsibility.

I urge passage of this motion to instruct.

Mr. PORTER. Mr. Speaker, I yield myself 30 seconds just to say to the gentleman from Maryland (Mr. HOYER) that the money for school construction is in the bill. It is in Title VI. It can be used, almost all of it, actually a lot more than the President put, $2.7 billion of Title VI can be used for school construction under the bill as it is drawn.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, am I also correct, I ask the chairman, that not a penny of it needs to be spent on school construction?

Mr. PORTER. Mr. Speaker, reclaiming my time, I will tell the gentleman that that is a decision for the local school boards and he does not respect it.

Mr. Speaker, I yield 3 minutes to the gentleman from Delaware (Mr. CASTLE) the distinguished chairman of the Subcommittee on Early Childhood, Youth, and Families of the Committee on Education and the Workforce.

Mr. CASTLE. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I would just like to straighten out a few facts here. It is correct that the Federal Government only applies about 7 percent of the total financing of all K–12 education in the United States of America. But here is something else which is a fact. This is an absolute fact.

In the first 5 years of the last decades, while the Democrats were in charge of the Congress of the United States of America and there was a Republican President and then a Democratic President, the increase for funding in education in the very budget that we are talking about here was 6 percent per year.

In the last 5 years, not including this year, while Republicans have been in charge of the funding mechanism for education in the United States of America, the increase has been, on average, 8.2 percent per year, a difference of 2.2 percent.

So I just want to put that little argument to rest. We are also ahead of the President's budget as far as this year is concerned.

The real argument here is not funding. We could argue, for example, that we should help our children with disabilities, something that this Congress has many, many years through Democrats and even a little bit under the Republicans, but particularly the Democrats, has ignored, 11 percent of what should be a 40-percent commitment for example.

We could argue that we need to help with construction. Indeed, $1.7 billion on a bill that is probably at least $400 billion, some say 300, some say 500, let us round it off to $400 billion, does not even begin to make a dent. That will still be done at the State and local level.

So I have no problem with the additional funding. I have always supported the Federal role. I have always supported the Department of Education. I have always supported the increases in terms of the funding. But we passed last year an Education Flexibility Act to allow our local and State educational entities to be able to make decisions with respect to Federal funding and what they were going to do with it.

We clearly demonstrated here, Republicans and Democrats alike I might add, we demonstrated that we wanted them to make a decision. We have in Title VI basically a flexible instrument, if you will, to help with education funding. And they can use Title VI, which truly is a block grant with very few limitations on it, right in line with education flexibility, they can use that for a variety of things.

They can use it to reduce class size. That is hire more teachers, which the President wants to do and the Democrats want to do, I want to do, and I think Republicans want to do on this side. They can use it for school construction. Maybe that is needed someplace. Maybe it is not needed other places. Remember, some places do not need school construction, they need other things. Perhaps they need technology or they want more professional development of their teachers or they want to deal with problems of transportation or a variety of problems that comes with education naturally depending on where they are in the country. We want to give them that flexibility.

We are not arguing about the money here at all on this floor today. We are arguing about the direction of the money. Should the Federal Government direct it for just class size reduction and for the issue of construction.

So my view is that we should support that aspect of it which increases the funding and we should listen to our local people because they are the ones that say that they want the flexibility to be able to spend the money to help all children.

Mr. OBEY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the fact is that in fiscal year 1996, the Republican majority tried to cut $5 billion, 19 percent, out of the President's education request. The following year they tried to cut $2.8 billion out of the President's request, 11 percent. The following year they got religion and they only tried to cut $191 million, or 1 percent, out of the President's education budget. The following year they tried to cut $662 million out of the President's budget. Last year they tried to cut $1.4 billion out of the President's education budget. And this year they have been trying to cut $2.9 billion out of the President's budget on the bill that left the House.

Now, the only reason that the final numbers wind up looking as good as the gentleman from Delaware (Mr. CASTLE) has indicated is because the majority party got beat for 5 straight years in negotiations and we were able to get that money restored.

Since they want to brag about how ineffective they have been, go ahead, but that does not impress anybody very much.

Mr. PORTER. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Colorado (Mr. SCHAFFER), a member of the Committee on Education and the Workforce.

Mr. SCHAFFER. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, the fact that education spending has grown so much under Republican leadership of Congress is a fact that exercises my Democrat friends, I know. I want my colleagues to know that it is a fact that exercises some of us Republican Members, too.

But what this debate really is about is just what the maker of the motion stated in his opening remarks, and that is that the motion was made because there was another motion made yesterday to which he objected and because that motion was accepted he decided to offer this one.

As a parent of five children who rely on public education for hope and opportunity, that kind of political gamesmanship breaks my heart, Mr. Speaker.

I hope that the children of America and those kids who are in school who count on us to focus in a serious way on education can see this silly amendment defeated for its purposes, for its intent, and for the fallacies that it contains. And there are several. It is a very confining amendment that restricts school board members and States as to how they can spend Federal education dollars.

So if they are in the business, Mr. Speaker, of constraining and restricting and narrowing the scope for these Federal dollars, then this is an amendment for them. But for the rest of us who hope that these dollars can be spent on the priorities that exist in schools across the country, this would be an amendment to oppose.

Now, as a member of the Committee on Education and the Workforce, I have had the opportunity to travel around the country and visit schools from coast to coast. I have visited hundreds of them in my own congressional district. I can tell my colleagues that every school board member and every teacher has a hope and a dream for their children that are in their jurisdiction that they can create schools that allow these children to thrive and succeed in an American society.

But the challenges that face each school is different. In some schools in my district, transportation is the top priority need. In others it might be technology. And in others it might be teacher pay, it might be class size reduction, it might be buying new buildings and repairing the buildings that exist. But it is not the same priority across the country.

We can all identify districts that have needs in school construction. But some districts in America have gone to their local voters and raised the mill levy to fix their schools. Some schools around the country have gone to their local voters and persuaded them to spend more through property taxes or sales taxes or income taxes to reduce class size.

What does this amendment say to them? It says that their local efforts to deal with these responsibilities locally are going to be ignored because we are going to now take their income taxes that come to Washington and we are going to spend then somewhere else on other districts that have not identified school construction as the highest priority.

We should reject this amendment and this suggestion because of the confining, restraining nature it entails, chop out the red tape that accompanies Federal funds, and provide real liberty and freedom to American schools.

□ 1330

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I rise in strong support of this motion to instruct. I want to associate myself with the remarks of the gentleman from Wisconsin (Mr. OBEY) and the gentleman from Maryland (Mr. HOYER) on this matter. We know very well why the increased moneys in education have been put there, because of the insistence of the minority in Congress and the insistence of President Clinton in the negotiations. And each and every time they have made these terribly inadequate bills that have been reported out of this House better.

But let us understand something. The Obey amendment is about whether or not we are going to meet our commitment to the children of this Nation. Yes, some of the money is targeted, but how do you think those school buildings got in the condition they are in today? Because of the neglect of the local school boards and others. What we are suggesting is that the Federal Government ought to make an effort, because the children who are doing the poorest most likely are in the poorest condition schools. We ought to try to target some effort so that those local communities could fix up those schools and make them appropriate for the education of our young children.

To sit here and suggest that somehow local school superintendents and others cannot move around Federal money, then you ought to get yourself a new superintendent because restraints are minimal. Most superintendents will tell you the problem is with the State Department of Education, not with the Federal Department of Education.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GILLMOR). The Chair would request Members from both sides who have been frequently going over the time limit to attempt to stay within the time yielded to them for debate.

PARLIAMENTARY INQUIRY

Mr. OBEY. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. OBEY. Mr. Speaker, I had not expected this many people to want to participate in debate. I am now getting a lot of additional requests that we had not expected. Could I persuade the majority party to agree to a unanimous consent request to add 10 minutes to each side?

Mr. PORTER. Mr. Speaker, I would object to the request. We have had ample notice of the amount of time, and the gentleman and I have an important meeting we have to go to as well.

Mr. OBEY. I would just note that we had thought that the gentleman from Pennsylvania (Mr. GOODLING) was going to be offering his motion which had been noticed, and we had expected that there would be two hours of debate on it.

Mr. PORTER. I would again inquire of the Chair the time remaining.

The SPEAKER pro tempore. Each side has 10 minutes.

Mr. PORTER. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. ISAKSON), a distinguished member of the Committee on Education and the Workforce.

Mr. ISAKSON. Mr. Speaker, I thank the gentleman from Illinois not only for the time he has given me but also for the great work he and the ranking member have done in providing more funds for education in this year's budget. But I rise specifically to answer

rhetorical questions that have been asked and gone unanswered. My good friend from Wisconsin, with whom we both share a mutual excellent friend and our chancellor at our university system in Georgia, being the man that I know he is, wants answers to those questions. I want him to listen closely.

When you say that we cut money out of teacher training, the truth of the matter is that last year's settlement of the 100,000 teachers was our recommendation. Yes, we will hire 100,000 teachers if they are certified; and if they are not, local systems have the ability to use the money to train teachers that are already teaching and are not certified. That is the problem in America. But the political promise that we were going to hire 100,000 teachers, which sounds good, is not a promise on which can be delivered. So we turned that money into workable money to train teachers.

The second question, I too am a coauthor of that bill on school construction. And so everyone knows the clear difference in our proposal and that which is proposed by the President, our proposal was to use a fixed amount of money to fund the unfunded mandates of the Federal Government in asbestos removal, IDA classroom conformity and things like that which is a finite number. The President's $1.3 billion proposal is less than .3 percent of the unmet need in classrooms in the United States of America. It exceeds the surplus in the fiscal year 2000 budget. And worst of all, it is a promise to the American people we cannot keep. It was the President himself who in 1994 and 1995, and I am sorry I do not have my notes in front of me, struck $200 million in classroom construction because he said we could never start funding classrooms in this country. You pass a bill with the promise that you are going to build schools in local districts, and you will never pass another bond issue; and you will never pass another local sales tax, and America's needs for schools will skyrocket.

The gentleman from Maryland talked about wanting to build schools back home. His State's unfunded school construction locally exceeds the amount of money that the President wants to put in for the entire United States of America. We Republicans and the Democrats are for our children. We want them to have the best of everything. But what we need to do is recognize where our priorities are, and ours should be in flexibility at the local level. It should be in accountability, and it should be giving credit where credit is due. I give the gentleman from Wisconsin his credit. He has done a lot towards education in this country. But so too has the gentleman from Illinois and those others of us who are working to enrich our children without offering a false political promise that we could never meet. The good appropriator that he is would never want to promise spending more money than the surplus we have just to make people think we are going to build the schools America needs. Americans are through local bond issues, through local referendums and through commitment. We do not have enough money to do it, and I believe the gentleman knows it.

Mr. OBEY. Mr. Speaker, I yield myself 15 seconds.

The position of the majority party has been that while there is $28 billion in money on the table to allocate under their budget proposal, that not one additional dime should go to education. That is crazy.

Mr. PORTER. Mr. Speaker, I yield myself 15 seconds to simply say to the gentleman from Wisconsin, he is fighting a battle on a budget which he well knows as an appropriator does not allocate funds to anything. All it does is give the overall spending figure. The rest of it is all advisory, and it means nothing to anybody. It never has and he knows it.

Mr. OBEY. Mr. Speaker, I yield myself 15 seconds. Is the gentleman denying that yesterday Senator SPECTER told us in conference that your leadership said that we could not go one dime above the education bill that you had already put together? Is the gentleman denying that?

Mr. PORTER. Yes. The gentleman mistook who said what. I think it was his leadership that said that to him.

Mr. OBEY. Well, the last time I looked, his leadership was Republican.

Mr. Speaker, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, I rise in support of the Obey amendment and in opposition to what appears to be the Republican education plan that is going to be put before us because the Republican plan fails the test of some common sense conservative ideas. If you want to reduce crime in this country, you ought to know that a lot of juvenile crime is committed after school. But the Republican plan would deprive 1.6 million children of after-school programs. If you want economic growth in this country, you understand that a good labor force is the key to economic growth. Many of our citizens do not speak English as their primary language. But the Republican plan cuts 15 percent from bilingual education.

If you want money for school construction, and it is true that the Republican plan apparently would put $1.3 billion in, but it says to the local districts, spend the $1.3 billion as you see fit. We believe that money should be spent for the purposes for which it was intended. And when we put $1.75 billion forward to hire new quality teachers to reduce class sizes, we believe the money should be spent for the purposes for which it was intended, a common sense conservative principle.

The watchword of the day is compassionate conservatism. The Republican plan is neither compassionate nor conservative.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Speaker, I thank my good friend from the State of Wisconsin for yielding me this time. It has been said that, quote, ''Our children are our message to the future that we may never see.'' We should not be arguing so much about this spending level or that spending level rather than the priority of working in a bipartisan way to help in education for our children, to help the quality of teachers, which is one of the most important issues we face.

The gentleman from Florida (Mr. DAVIS) and I have a bill in that would help bring more teachers into the teaching profession that is nowhere to be found on the floor today, to try to help designate smaller class size, local control but smaller class size so that teachers are not overwhelmed with 26 kids but may have 16, 17 or 18 kids to try to again give local control over targeted resources in title I to help the most vulnerable kids.

I offered an amendment a year ago that got 39 Republican votes to increase funds for title I. Where is that bill today? Where is that money to help kids today? Our children are our message to the future.

Mr. OBEY. Mr. Speaker, I yield 30 seconds to the gentleman from Oregon (Mr. WU).

Mr. WU. Mr. Speaker, while we are debating the great issues of education, I just want to recall a visit to Reedville Elementary School in Aloha, Oregon, where the class size initiative is working exactly as intended. There were 54 kids in the first-year class elementary school. Because of the Federal class size reduction initiative, instead of two classes of 27 kids, there were three classes of 18 kids. In Reedville in Aloha, Oregon, this program has made a difference. Let us keep it alive. Let us keep it going.

Mr. OBEY. Mr. Speaker, I yield 4 minutes to the gentleman from Missouri (Mr. GEPHARDT), the distinguished minority leader.

(Mr. GEPHARDT asked and was given permission to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, I urge all Members to support this Obey motion, and I hope that there will be bipartisan support for this motion. We need to help more local districts deal with their desire to try to get to smaller class sizes. That, I think, is a goal that all of us can agree on. We know that smaller class size yields better academic results. We know why smaller class size works. It works for a simple reason. Parents spend one-third less time with children today than they did 20 years ago. Family life has changed in America. People have more jobs, more hours, more single-parent families, more traffic jams, more time commuting, more time away from home. And even when we are at home with kids, sometimes we do not communicate with them the way we once did.

And the one institution in our society that has the ability to help families fill in some of these holes is the schools.

Now, we also know that in today's world with children having less time with parents, it means they need more supervision and more attention from teachers.

□ 1345

But it is one thing to teach 30 kids or 35 kids when I grew up in the 1950s, and it is a very different thing to be teaching 30 or 35 kids today who have the chance to spend much less time with their parents.

Now, frankly, if we could have agreed on putting more dollars into this effort and left it kind of flexible as to what local districts would do, I think we could work that out. But I hope Members on both sides of the aisle in a bipartisan way will vote for this motion.

It makes sense, because it is reaching the right goal. The passion of this House must be helping parents carry out their most important responsibility, and that is raising our children to be productive law-abiding citizens. And class size, we know from experience, is the best way to do that.

We are willing to talk about other variations on the theme. We are willing to talk about flexibility, but we simply must in this appropriation budget process put the right amount of dollars and the right amount of effort behind America's most pressing and important need, and that is, making sure our classroom size is consistent with every child in this society being a productive law-abiding citizen.

Mr. Speaker, I urge Members on both sides of the aisle to vote enthusiastically for the Obey motion.

Mr. PORTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I might say to the gentleman from Missouri (Mr. GEPHARDT) that I think he has just sung our song. We have the money in the account under Title VI, the education block grant, to provide for class size reduction. We have the money in the account to provide for school construction. There is money for teacher training. There is money for education technology.

The only difference here is that we do not make the local school districts spend it for what Washington thinks it ought to be spent for, we let local school districts make this decision because they know their needs far better than we do.

The gentleman from Missouri (Mr. GEPHARDT), the minority leader, just talked about flexibility, that is exactly what we are doing. We are providing the resources and saying to the local school districts, you make this decision; we are not going to make it in the Department of Education down on Independence Avenue. You are going to make the decision because you know best what your needs are.

The commitment for these needs is there. The flexibility is in the conference report. The motion would simply say do not give the local school districts flexibility, make sure that the control remains in Washington. That is why we ought to oppose this motion.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 45 seconds to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I rise in support of the Obey motion. The Labor, HHS Education bill should provide the highest level of funding possible for the Department of Education. We have flexibility under current law for school districts to do what we want, what we do not want is to have local school districts take Federal money and put Astro turf on the football field instead of providing for kids in those classrooms.

My wife is a high school algebra teacher. I trust my local school districts. But I also know that if we tax folks, we ought to know where the money is going and not just send a blank check home. In Texas, 76 percent of our schools need repairs just to reach ''good'' condition, 46 percent need repairs and building features such as plumbing, air conditioning, heating and cooling, 60 percent have at least one environmental problem. That is why we have need to provide as high a funding as the Obey motion calls for the Department of Education.

Over the next decade, we will see our schools grow even more and more. We have to provide the funding through this motion and not just send a blank check to everybody in the country.

Mr. OBEY. Mr. Speaker, I yield 45 seconds to the gentleman from Wisconsin (Mr. KIND).

(Mr. KIND asked and was given permission to revise and extend his remarks.)

Mr. KIND. Mr. Speaker, just a couple of weeks ago, I had an opportunity of traveling around my congressional district visiting many schools and getting into a lot of technology classrooms that our kids are using, but I also used that as an opportunity to release a study that I had conducted in the congressional district in regards to where we were on class size reduction. And the study actually showed that in western Wisconsin we are doing a pretty good job and the results are showing with enhanced student performance.

But as I talked to the administrators and teachers and parents, they were asking for the creation of more partnerships and more dedicated revenue streams for class size reduction. In Wisconsin, we have something called revenue caps that prevents our local school districts from increasing revenue spending on priority areas and education.

One of the sources of funding that they are looking to more and more as a result of this policy is a revenue stream from Washington, and that is why I think the Obey amendment being offered here today is very important, and I encourage my colleagues to support it.

Schools throughout my home-State of Wisconsin are tapping every resource available to reduce class size. School districts are also struggling to maintain and build the facilities necessary to offer a quality learning environment.

Class size reduction efforts at the local, State and Federal levels are proving effective at improving academic achievement. Schools across Wisconsin have been taking advantage of both the State class size reduction program, known as SAGE, and the Federal Class Size Reduction program to hire new teachers and provide professional development opportunities for their staffs.

We in Congress must remain committed to these priorities to ensure that all of our students benefit from the enhanced learning environment smaller classes and modern buildings offer. These efforts must not be considered short-term fixes, but long-term commitments.

But we should be committed to providing critical resources to particular areas and students in need. The role of Federal Government in education has always been to help those children with the most need and to address problems of national significance. At this point in time, simply increasing Federal block grants at the expense of proven, needed programs does away with that focus and simply reduces the role of the Federal Government to that of a new stream of revenue for Governors unwilling to tackle education issues directly through State funding.

Everyone's talking about education this election season. And I believe I hear candidates from both the Democratic and Republican parties talking about the need for greater accountability. Yet, more open-ended block grants are not going to advance accountability.

I'm all for local control of schools, but let's be honest; the level of funding we provide, while critical to many individual students and local schools in need, does not circumvent local control over their schools. But by targeting funds to those most in need and projects of most critical need we will continue the commitment to education we all claim to have.

Mr. OBEY. Mr. Speaker, how much time is remaining on each side?

The SPEAKER pro tempore. The gentleman from Illinois (Mr. PORTER) has 5 minutes, the gentleman from Wisconsin (Mr. OBEY) has 2 minutes.

Mr. OBEY. Mr. Speaker, I have only 1 remaining speaker, and I understand I have the right to close.

The SPEAKER pro tempore. The gentleman is correct.

Mr. PORTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just want to reiterate that the issue here is not about money. We are substantially above the President in most education accounts. We are, overall, $600 million ahead of the President's requests for the Department of Education's funding in the conference report. We are substantially ahead of the President, a billion dollars ahead of the President, in special education. We are ahead of the President in student financial assistance. We are ahead in Pell Grants. We are ahead in TRIO, higher education, Historically

Black Colleges and Universities, Hispanic-serving institutions, education technology, education for the disadvantaged, impact aid, education for homeless, rehabilitation services.

We are ahead of the President in many of the important educational accounts, and overall we are over half a billion dollars ahead of the President in our commitment to funding of education. The real argument here is on flexibility or control.

Republicans insist that the local school districts that are in our society be charged with the responsibility for educating our kids, together with the States, 95 percent of the expenditures are State and local money, they ought to control how the money is spent. The Democrats on the other hand insist that Washington can make that decision for them and not want accountability. That is a nice word, it is control.

It is saying Washington is going to tell you how this money is going to be spent and you have to spend it that way. We put the money in; the money is there. It is there for class size reduction. It is there for school construction. It is there for teacher training, but the control is not there, the control is left where it should be with those who are accountable for educating our kids, the local school districts.

Mr. Speaker, we think that is the way to go. There is a profound philosophical difference here, and this motion does define that difference. If Members want local control, vote against the motion. If Members want local control, vote against the motion. If Members want control by Washington, vote for it. I would urge Members to vote no.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, no one is against districts having flexibility, but I would point out that under Title VI, which they want to expend without any strings whatsoever, audits discovered that one State used those funds to purchase an automobile for the State department of education; another State used it to pay their entire State education printing bill at the expense of the Federal Government; a third State used these funds for a banquet related to an entirely different program; another State used them for graduate classes taken by an employee of the State education agency. That points out for the need for accountability.

Mr. Speaker, 93 percent of the money spent at the local level is under control of local, State, or local and State school agencies; that will remain under local control. We are talking about whether we ought to have some ability to target the remaining 7 percent which comes from the Federal Government. We think we should.

The gentleman from Illinois (Mr. PORTER) says this is not about money. That is absolutely not true. We want at least $3 billion more in that bill for education, for school modernization, for class size reduction, for afterschool programs, for Pell Grant increases, for special education increases and a number of others that we outlined.

This asks two things: It asks, first of all, that we fund education at the highest possible level. It means we should take some of that $28 billion in new money on the table and use it for education.

The majority party has told us in conference we cannot use a dime of that additional money for education; that puts education last rather than first as a national priority. That is backwards. The second thing we say is whatever amount of money you provide for local flexibility, do not use it as an excuse to gut our efforts to strengthen efforts to provide modern school buildings and smaller class size.

This country is wise enough and wealthy enough to do both.

Mr. CLAY. Mr. Speaker, I rise in support of Mr. OBEY's motion because it seeks to ensure that H.R. 4577 includes dedicated funding to address two critical needs of our public schools.

First, the motion seeks to preserve the Clinton/Clay class size reduction initiative, which is intended to eliminate overcrowded classrooms and boost student achievement.

Thus far, the class size initiative has enabled communities to hire nearly 30,000 teachers for the current school year, providing smaller classes in the early grades to an estimated 1.7 million children. President Clinton has proposed spending an additional $1.75 billion in FY 2001, which would allow support for almost 50,000 teachers.

We should fully fund the President's request, and also provide a long-term authorization to ensure that the benefits of smaller classes, led by highly qualified teachers, are extended to even more school districts and students.

Mr. Speaker, I also support Mr. OBEY's motion because it would ensure H.R. 4577 includes funding to build and modernize 6,000 schools nationwide.

Today, over 28,000 public schools, have inadequate heating and cooling systems. Over 23,000 have inadequate plumbing, and more than 20,000 schools have leaking roofs. In addition, 2,400 new public schools will be needed by the year 2003 to accommodate rising enrollments and relieve overcrowding.

Mr. Speaker, if we fail to invest sufficient Federal resources in reducing class sizes and building better public schools, we will fail to give the help that is most needed to the students they serve.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I rise in support of Mr. OBEY's motion to instruct conferees to provide the ''highest funding level possible'' for the Education Department which is embodied in H.R. 4577, the Labor, Health, Human Services, and Education Appropriations Bill. The education of our nation's children is an issue of paramount concern. As Members of the House of Representatives we need to be committed to ensuring that all children are being educated in a safe and clean environment that is conducive to learning. We know, however, that in many school districts all across the country this is not the case. Students are being educated in dilapidated school facilities with severely overcrowded classrooms. We should support the Administration's request for dedicated funds to reduce class sizes in early grades and for local school construction.

Research and common sense suggest that smaller classes offer teachers the chance to devote more time to each student which improves their ability to learn. A 1998 U.S. Department of Education report, ''Reducing Class Size: What Do We Know?'' indicates that reducing class size is related to increased student learning. Other studies have shown that smaller class sizes result in increased student achievement, a reduction in discipline problems and increased instructional time for teachers. In addition, smaller classes have been shown to be most important in early grades, and for disadvantaged and minority students.

Under the leadership of the Administration's Class-Size Reduction Initiative, a number of states have already implemented class size reduction programs. The state of California, which I represent, began its Class Size Reduction Program in 1996, giving money to school districts for the purpose of reducing the student/teacher ratio to 20 to 1 in kindergarten through third grade. The goal of the K–3 Class Size Reduction Program was to increase student achievement, particularly in reading and mathematics, by decreasing the class size to 20 or fewer students per certified teacher. The program has been a great success as over 90 percent of the state's schools are participating in the class-size reduction program, academic achievement is up and the state has dedicated a record amount of money for teacher recruitment and school construction. Similar results are being experienced all across the country and serve as a testament to the importance of promoting smaller class sizes.

Smaller classes require larger, modern facilities. The motion to instruct conferees offered by my colleague, Congressman OBEY, recognizes that federal funds need to be targeted toward school construction if we are to meet the needs of students across the nation. Communities across the country are struggling to address critical needs to renovate exiting schools and build new ones, School construction and modernization are necessary to accommodate rising student enrollments, to help reduce class sizes and to make sure schools are accessible to all students. According to the General Accounting Office, two-thirds of America's schools are in need of extensive repair and replacement of major structures. The state of California has estimated $22 billion in school infrastructure and modernization needs. I have walked through school facilities with leaking roofs, splintered chairs, and walls with severe water damage. This is unacceptable. America's students deserve better, and I congratulate Mr. OBEY for working diligently to ensure that they get better.

I strongly support Mr. OBEY's motion to instruct because it focuses on the need to provide students with the best possible learning environment which consists of smaller classes in safe school buildings, that are conductive to learning.

Mr. OBEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. A division of the question has been demanded.

The Chair will first put the question on the portion of the motion through the semicolon. The Chair will then put the question on the remaining portion.

Without objection, an electronic vote on the second portion may be a 5-minute vote, if following a 15-minute vote on the first portion.

There was no objection.

The SPEAKER pro tempore. The Clerk will report the first portion of the divided question.

The Clerk read as follows:

Mr. OBEY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 4577, be instructed to insist on the highest funding level possible for the Department of Education;

The SPEAKER pro tempore. The question is on the first portion of the divided motion offered by the gentleman from Wisconsin (Mr. OBEY).

The first portion of the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the second portion of the divided question.

The Clerk read as follows:

Mr. OBEY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 4577, be instructed to insist on disagreeing with provisions in the Senate amendment which denies the President's request for dedicated resources to reduce class sizes in the early grades and for local school construction and, instead, broadly expands the Title VI Education Block Grant with limited accountability in the use of funds.

The SPEAKER pro tempore. The question is on the second portion of the divided motion offered by the gentleman from Wisconsin (Mr. OBEY).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. OBEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 222, nays 201, not voting 10, as follows:

[Roll No. 484]

YEAS—222

Abercrombie	Blumenauer	Conyers
Ackerman	Bonior	Costello
Aderholt	Borski	Coyne
Allen	Boswell	Cramer
Andrews	Boucher	Crowley
Baca	Boyd	Cummings
Baird	Brady (PA)	Danner
Baldacci	Brown (FL)	Davis (FL)
Baldwin	Brown (OH)	Davis (IL)
Barcia	Capps	DeFazio
Barrett (WI)	Capuano	DeGette
Becerra	Cardin	Delahunt
Bentsen	Carson	DeLauro
Berkley	Clay	Deutsch
Berman	Clayton	Dicks
Berry	Clement	Dingell
Bishop	Clyburn	Dixon
Blagojevich	Condit	Doggett
Dooley	Lewis (GA)	Rangel
Doyle	Lipinski	Reyes
Edwards	LoBiondo	Rivers
Engel	Lofgren	Rodriguez
Eshoo	Lowey	Roemer
Etheridge	Lucas (KY)	Rothman
Evans	Luther	Roybal-Allard
Farr	Maloney (CT)	Rush
Fattah	Maloney (NY)	Salmon
Filner	Markey	Sanchez
Fletcher	Mascara	Sanders
Foley	Matsui	Sandlin
Forbes	McCarthy (MO)	Sawyer
Ford	McCarthy (NY)	Schakowsky
Frank (MA)	McDermott	Scott
Frost	McGovern	Serrano
Gallegly	McInnis	Shaw
Gejdenson	McIntyre	Sherman
Gephardt	McKinney	Sherwood
Gilman	McNulty	Shows
Gonzalez	Meehan	Sisisky
Gordon	Meek (FL)	Skelton
Green (TX)	Meeks (NY)	Slaughter
Gutierrez	Menendez	Smith (NJ)
Hall (OH)	Millender-McDonald	Smith (WA)
Hastings (FL)	Miller, George	Snyder
Hill (IN)	Minge	Spratt
Hinchey	Mink	Stabenow
Hinojosa	Moakley	Stark
Hoeffel	Mollohan	Stenholm
Holden	Moore	Strickland
Holt	Moran (VA)	Stupak
Hooley	Morella	Tanner
Hoyer	Murtha	Tauscher
Inslee	Nadler	Taylor (MS)
Jackson (IL)	Napolitano	Thompson (CA)
Jackson-Lee (TX)	Neal	Thompson (MS)
Jefferson	Ney	Thurman
John	Oberstar	Tierney
Johnson (CT)	Obey	Towns
Johnson, E. B.	Olver	Turner
Kanjorski	Ortiz	Udall (CO)
Kaptur	Owens	Udall (NM)
Kelly	Pallone	Upton
Kennedy	Pascrell	Velazquez
Kildee	Pastor	Visclosky
Kilpatrick	Payne	Waters
Kind (WI)	Pelosi	Watt (NC)
Kleczka	Peterson (MN)	Waxman
Kucinich	Phelps	Weiner
LaFalce	Pickett	Wexler
Lampson	Pomeroy	Weygand
Lantos	Price (NC)	Wise
Larson	Quinn	Woolsey
Lee	Rahall	Wu
Levin	Ramstad	Wynn

NAYS—201

Archer	Crane	Hayes
Armey	Cubin	Hayworth
Bachus	Cunningham	Hefley
Baker	Davis (VA)	Herger
Ballenger	Deal	Hill (MT)
Barr	DeLay	Hilleary
Barrett (NE)	DeMint	Hobson
Bartlett	Diaz-Balart	Hoekstra
Barton	Dickey	Horn
Bass	Doolittle	Hostettler
Bereuter	Dreier	Houghton
Biggert	Duncan	Hulshof
Bilbray	Dunn	Hunter
Bilirakis	Ehlers	Hutchinson
Bliley	Ehrlich	Hyde
Blunt	Emerson	Isakson
Boehlert	English	Istook
Boehner	Everett	Jenkins
Bonilla	Ewing	Johnson, Sam
Bono	Fossella	Jones (NC)
Brady (TX)	Fowler	Kasich
Bryant	Franks (NJ)	King (NY)
Burr	Frelinghuysen	Kingston
Buyer	Ganske	Knollenberg
Callahan	Gekas	Kolbe
Calvert	Gibbons	Kuykendall
Camp	Gilchrest	LaHood
Canady	Gillmor	Largent
Cannon	Goode	Latham
Castle	Goodlatte	LaTourette
Chabot	Goodling	Leach
Chambliss	Goss	Lewis (CA)
Chenoweth-Hage	Graham	Lewis (KY)
Coble	Granger	Linder
Coburn	Green (WI)	Lucas (OK)
Collins	Greenwood	Manzullo
Combest	Gutknecht	Martinez
Cook	Hall (TX)	McCollum
Cooksey	Hansen	McCrery
Cox	Hastings (WA)	McHugh
McKeon	Rogan	Sweeney
Metcalf	Rogers	Talent
Mica	Rohrabacher	Tancredo
Miller (FL)	Ros-Lehtinen	Tauzin
Miller, Gary	Roukema	Taylor (NC)
Moran (KS)	Royce	Terry
Myrick	Ryan (WI)	Thomas
Northup	Ryun (KS)	Thornberry
Norwood	Sanford	Thune
Nussle	Saxton	Tiahrt
Ose	Scarborough	Toomey
Oxley	Schaffer	Traficant
Packard	Sensenbrenner	Vitter
Paul	Sessions	Walden
Pease	Shadegg	Walsh
Peterson (PA)	Shays	Wamp
Petri	Shimkus	Watkins
Pickering	Shuster	Watts (OK)
Pitts	Simpson	Weldon (FL)
Pombo	Skeen	Weldon (PA)
Porter	Smith (MI)	Weller
Portman	Smith (TX)	Whitfield
Pryce (OH)	Souder	Wicker
Radanovich	Spence	Wilson
Regula	Stearns	Wolf
Reynolds	Stump	Young (AK)
Riley	Sununu	Young (FL)

NOT VOTING—10

Burton	Klink	Sabo
Campbell	Lazio	Vento
Hilliard	McIntosh	
Jones (OH)	Nethercutt	

□ 1421

Messrs. CHABOT, GUTKNECHT, GILCHREST, PICKERING, WELLER, YOUNG of Alaska and METCALF changed their vote from ''yea'' to ''nay.''

Messrs. SNYDER, GILMAN, BARCIA, GALLEGLY and ADERHOLT changed their vote from ''nay'' to ''yea.''

So the second portion of the divided motion to instruct was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GILLMOR). Without objection, two motions to reconsider are laid on the table.

There was no objection.

LISTEN TO SCIENTIFIC EXPERTS; NOT FEAR PROFITEERS

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, the American taxpayer is making a considerable investment in research through the spending of Congress and the President. Part of the research that I am particularly interested in is the basic plant genome research.

Current sequencing efforts on the Arabidopsis plant has allowed us to understand the plant gene and our ability to modify plants, with the potential of tremendously helping mankind throughout the world. We now have the ability to select one or two or a few genes, whose characteristics have been determined, and incorporate those genes into another plant to improve the nutrient digestibility, to improve the vitamins, to improve the needed minerals, to create the desease immunization values of that particular food product.

We are now faced with what I call fear profiteers that are spreading the word of fear to stymie research. My

message this morning is that we have to rely on scientific information as we pursue our scientific endeavors and not allow emotion and fear profiteers to determine the destiny of research and scientific achievement in this country.

Mr. Speaker, the payoffs from plant genome research will depend in large part on our ability to capture and apply the benefits from it. Congress should support the goals of the plant genome research. The National Plant Genome Initiative is a well-managed public asset that represents a wise use of taxpayer dollars.

Current sequencing efforts on Arabidopsis thaliana have improved immeasurably our understanding of the genomics of a typical flowering plant. The shift in emphasis from gene sequencing to functional genomics is the logical next step that should provide the intellectual basis for new varieties of commercially-important crops and other plants.

NSF, the U.S. Department of Agriculture (USDA), and the other participants in the plant genome program have done a credible job of making the results of the research it funds available to other researchers and the private sector. Partnerships among universities participating in the program, agricultural experiment stations, and private-sector companies also have been developed.

These efforts should be encouraged further, and more formal structures concentrating research efforts in plant genomics, plant breeding, and agricultural extension should be considered to attract increased private sector participation and get new varieties to the field sooner. To that end, I would hope that the plant genome and gene expression centers pilot program authorized in H.R. 3500, through its matching-funds requirement, will be used by NSF to encourage greater participation of other federal agencies, particularly USDA, and the private sector in accelerating the development of enhanced food crops, particularly those that provide nutritional or health benefits to consumers, and for alternative uses of agricultural crops.

Please join me this Thursday at a press and staff briefing on biotechnology and ''Fear Profiteers.'' A timely discussion of the importance of sound science in policy approaches to biotechnology, other areas of science and case studies of organizations and businesses that sow health scares to reap membership and/or monetary gain. September 21, 2000, 11:30–12:30 p.m., 1302 Longworth Building, Representative NICK SMITH (R–MI); Fred Smith, Competitive Enterprise Institute; Bonner Cohen, Ph.D., Lexington Institute; Alex Avery, Hudson Institute; Emceed by Steve Milloy, Publisher of junkscience.com.

PERMANENT NORMAL TRADE RELATIONS WITH CHINA

(Mr. PASCRELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASCRELL. Mr. Speaker, I rise to express my deep disappointment that the Senate has approved permanent normal trade relations with China, which the President will soon sign.

Contrary to the cheers heard from private industry, this is not a moment of celebration for millions of hard-working American men and women. In fact, American workers in specific industries are watching their jobs disappear. We have sacrificed their livelihood on the alter of trade with China. These are working people who will soon see their jobs exported overseas. In New Jersey, we will lose 22,000 jobs over the next 10 years.

Upon enactment of PNTR, the United States is caving in to pressure from private industry and turning a blind eye to the Chinese Government's flagrant shortcomings. I did not vote for PNTR when it was considered in the House because an affirmative vote was one that would legitimize the actions of a government known for terrorizing its citizens, disallowing free speech and religion, and for breaking every trade agreement they have made with the United States.

Increased trade with China will not force the reform and democracy in their deeply flawed government. We have given them a pink slip, our workers, Mr. Speaker.

Mr. Speaker, I rise to express my deep concern and disappointment that the Senate has approved Permanent Normal Trade Relations with China, which the President will soon sign into law.

Contrary to the cheers heard from private industry, this is not a moment of celebration for millions of hard working American men and women who will get the short end of the stick. PNTR is a bad deal for the United States and its people.

I am ashamed to tell the men and women in my district, the Eighth Congressional District of New Jersey, that this bill passed Congress. These are working people, who will soon see their jobs exported overseas. New Jersey will lose over 22 thousand jobs over the next ten years upon enactment of this bill.

Furthermore, upon enactment of PNTR, the United States is caving in to pressure from private industry and turning a blind eye to the Chinese government's flagrant shortcomings.

I did not vote for China PNTR when it was considered in the House because an affirmative vote was one that would legitimize the actions of a government known for terrorizing its citizens, disallowing free speech and religion, and for breaking every trade agreement with the United States.

Increased trade with China will not foster reform and democracy in their deeply flawed government. Instead, it will lead America into trade deficits, as has been proven in normal trade relations agreements in the past. Most importantly, I am disappointed that the American worker was not well represented in this Congress.

Instead of ensuring that hard working American families are secure in their jobs so that they can put food on their table, clothes on their backs, and pay their mortgage, the Congress has just handed them a pink slip.

I applaud the attempts of some of my colleagues in the Senate who tried to offer remedies to this flawed bill, but were rebuffed with each and every attempt. I was disappointed that constructive amendments—amendments dealing with labor standards, human rights, weapons technology and policy toward Taiwan—were rejected. I try to remain optimistic about the prospects for our future. But I am continually discouraged from optimism when I watch the textile industry in my district vanish before my very eyes.

How can the workers in my District be optimistic when they are looking for work in trades that will no longer be based in the United States? Right before the House took the vote on China PNTR, workers in my district held a rally against passage. The site? A textile company that had closed down because jobs have been exported overseas slowly, but surely.

Workers, businessmen, students and veterans were all in attendance at the rally, united against this trade policy that will be enacted soon after I speak here today. The opposition I stood with that day was a broad coalition of patriots. They would like us to export our values before our jobs.

This trade agreement is nothing more than corporate welfare. We are paving the way for multinational corporations to exploit low-wage workers without fear of human rights violations for working conditions.

After all, workers in China are not protected by their government. There are no unions, no freedoms, no whistle-blowing, no legal recourse for inhumane conditions, no freedom of speech . . . the list goes on and on.

I will never surrender my moral compass, and that the only thing I want to be permanent between the United States and China is a commitment to freedom. I vehemently oppose the passage of China PNTR, and will continue to fight on behalf of American laborers in the future. God bless America.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. GILLMOR). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

(Mr. METCALF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

(Mr. STRICKLAND addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. CANADY) is recognized for 5 minutes.

(Mr. CANADY of Florida addressed the House. His remarks will appear

hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

EDUCATION FUNDING PRIORITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Delaware (Mr. CASTLE) is recognized for 5 minutes.

Mr. CASTLE. Mr. Speaker I would like to take some time here this afternoon to talk about education in furtherance of the discussion we just had and the votes we have just had on the floor of the House of Representatives.

In a time when education has risen to be the number one issue in all of the polls that we see across America, everyone is trying to take credit for what is happening in education, or to blame others. In reality, I do not think there is a man or woman on either side of this Chamber who would not want to, in some way, be able to help young people with education.

Mr. Speaker, I like to believe very strongly that we on the Republican side have worked very, very hard to further this purpose, just as we did on the last vote, trying to take the same amount of money and giving flexibility to the States and local districts to make the decision about how to use the money and not mandate just school construction or just reduced class size.

Similarly, we have been working very hard on the funding aspects of education. Indeed, as I indicated in our discussion earlier today, in the first 5 years of the last decade, with the Democrats in charge of the House of Representatives, the increase in funding for education was 6 percent per year. Basically, it was 6 percent in the 5 years the Democrats were in charge of the House, and when the Republicans took over, the increase has been 8.2 percent a year. Anyone who knows anything about mathematics and takes that 2.2 percent additional increase each year realizes how many dollars that amounts to. So there has been no shirking of the responsibility of Republicans with respect to education.

But I think just as important have been some of the issues that underlie this. We have been very determined to help children with disabilities, to help with IDEA, the individuals with disabilities education act. They need particular help because, in some cases, it is particularly expensive to help those young people be educated.

We have been concerned about quality. We have talked about quality effectiveness and results in education. We have talked about better teaching. In our classrooms today, particularly today with the technology and some of the problems in society, we need teachers who are competent and who are well trained and, in particular, who know their subject matter. We need accountability. As we are deregulating more Federal education programs and providing more flexibility, which we have been doing, we must ensure that Federal education programs produce real accountable results.

We believe in local control. Ultimately, we have to make that decision, be it Washington State or Washington, D.C. or Wilmington, Delaware or some place around the United States of America, we need to give them the flexibility to do what they have to do in order to educate. We need to get dollars to the classroom. We have been pushing very hard to make sure that the appropriations which are done here go into the classrooms to help the young people get educated.

Basic academics is important. No more fads or self-esteem approaches, perhaps new math, open classrooms, some of the things which have failed over the years. We need the basic academics, and we do need parental involvement and responsibility. I think all of us are aware that parents are often out of the house more because of the need for income, jobs, matters like that, but the bottom line is that we need to get parents as involved as we possibly can.

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We have been working very hard in order to get that done, and we have been providing the funding for this, and I think that is a significant point that needs to be made.

There are a lot of areas we have been involved in: the Charter School Expansion Act; some real opportunities to educate differently, perhaps better; prohibiting new Federal taxes, for example; dealing with the Teacher Empowerment Act and the Student Result Act. These are all areas of building for education for young people across America.

But there are other areas as well, and some are not necessarily connected to what Republicans do. One is called Head Start. Head Start is a very significant program that helps young people who may need a particular start in education to get up to the starting line equal. I like to believe that every kid in kindergarten at the age of 5 is going to be equal at that point if we can possibly help with that.

And Republicans have been leading the way over the last few years with Head Start. Funding for this program has expanded by 106 percent since 1995. That is a tremendous increase. That is a real commitment, to take all of those children who may come from families or circumstances where they need some extra help and provide that extra help to them.

At the same time, we are talking again about quality and not just quantity, and we are saying that those people who are in these Head Start programs, that is teaching and running them, should have the background to do that. Hopefully, they will be teachers or people on their way to a teaching degree so that they will have the advantages of knowing exactly how they can handle children. So we are working on that. And now half the people teaching in Head Start have a college degree. There is a balance, I think, between quality and expansion, which is going on here; and we think that is important as well.

We think quality child care is important also. A great sum of money has been spent with respect to the area of helping with our children. Again, children are the future. Children are a precious commodity that we have to pay a great deal of attention to as Members of the Congress of the United States of America.

Literacy is also important. And under the tutelage of the gentleman from Pennsylvania (Mr. GOODLING), the retiring but extraordinarily talented chairman of the Committee on Education and the Workforce, we have also addressed these issues. So there are many, many things which we have done with respect to education for which the Republican Party may take credit, as well as some Democrats may take credit.

The bottom line is that we care a great deal about education. We have funded education and we want to make sure all those children have every opportunity possible.

The SPEAKER pro tempore (Mr. SIMPSON). Under a previous order of the House, the gentleman from Guam (Mr. UNDERWOOD) is recognized for 5 minutes.

(Mr. UNDERWOOD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

PRESCRIPTION DRUG COVERAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Michigan (Ms. STABENOW) is recognized for 5 minutes.

Ms. STABENOW. Mr. Speaker, on April 12, I led an hour of debate on the topic of prescription drug coverage for senior citizens. I read three letters from around the state from seniors who shared their personal stories. On the 12th, I made a commitment to continue to read a different letter every week until the House enacts reform. That was five months ago. Although the House passed a prescription drug bill this summer, I believe it will not help most seniors. So, I will continue to submit letters until Congress enacts a real Medicare prescription drug benefit. This week, I will submit a letter from Virginia Langell of Chippewa Lake, Michigan.

At most, there are only three weeks left for Congress to enact a meaningful prescription drug benefit. It is critical that we do so before Congress adjourns.

This week, Newsweek magazine has devoted its cover story to the issue of prescription drugs. It is the same story that I have been sharing on the House floor since April.

Seniors are paying too much for their prescription drugs.

According to Newsweek, the cost of prescription drugs is rising at an alarming rate, at least twice as fast as the rate of inflation. As a result of these increases, pharmaceutical companies are the most profitable in the nation, with an 18.6 percent profit margin in 1999.

The issue of Newsweek also clarifies that the most visible and loudest opponent of creating a Medical prescription drug benefit, the ''Citizens for Better Medicare,'' a so-called grass-roots organization, is funded primarily by the pharmaceutical industry. In fact, the industry has spent an estimated $65 million on television advertising to persuade senior citizens that a prescription drug benefit is not in their best interest.

Well, I disagree. I have met with too many seniors, read too many letters, visited with too many families in Michigan who are struggling to buy the prescriptions they need. Too many are forced to make a decision between their prescription medication or buying food or heating their homes. We cannot and should not wait one more day. Congress must enact a voluntary, defined Medicare prescription drug benefit plan.

Following is a letter from Virginia Langell.

DEAR CONGRESSWOMAN DEBBIE STABENOW: here are my receipts for 1998. Also, I would like to have you take a look at these two drugs that jumped up in the past few months:

Furosemide: [from] $7.59 [to] $8.79—a jump of $1.20

Adalat: [from] $73.99 [to] $82.99—a jump of $9.00

The prices are ridiculous. It's about time something is done for the seniors.

I live on Social Security. I get $735.00 a month. I have 5 prescriptions filled every month, also eye drop prescriptions every two or three months.

It costs me $135.00 to $150.00 every month just for drug prescriptions. I would like to see the law makers in Washington live on this kind of income. I have no co-pay for drug prescriptions and also there are the ''over-the-counter[s]'' like aspirin, Ben Gay, etc.

I hope you can fight for us and see what can be done.

Yours truly,

VIRGINIA LANGELL.

Assuming that Ms. Langell pays $135/mo for her medication, she pays a total of $1,620.00 per year.

Under the Democratic plan, she would save: $611.25.

Under the Republican plan, she would only save: $385.00.

In other words, Virginia would save more with the Democratic plan: $226.25.

That is the difference between eating two or three meals a day. That is the cost of heating a small home during the coldest winter months. That is the difference between being able to fill your car with gasoline for trips to and from the doctor's office. It is clear that we must enact a real prescription drug plan now.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

(Mrs. MORELLA addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

BALANCED BUDGET REFINEMENT BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MCGOVERN) is recognized for 5 minutes.

Mr. MCGOVERN. Mr. Speaker, I rise today to talk about the Balanced Budget Act of 1997, or BBA, and the efforts in this body to provide some relief through another Balanced Budget Refinement Bill.

I voted against the Balanced Budget Act of 1997 because it was designed to cut $116 billion from Medicare. I believed these cuts were too drastic and would severely harm our health care delivery system. Unfortunately, I was right. Three years later, the Congressional Budget Office has projected that Medicare will be cut by more than $250 billion, more than double what was originally expected.

Our hospitals, medical device companies, nursing homes, health centers, and home health agencies all need relief from these drastic cuts. That is why I am here today advocating for a comprehensive and significant BBA relief package.

A BBA package will help the teaching hospitals throughout the country, like the University of Massachusetts Medical Center, located in my district. A BBA package will help HMOs stay in Medicare+Choice. We know that HMOs are pulling out of Medicare+Choice because they cannot afford to treat Medicare patients with the reimbursement levels currently set in the BBA.

While I support BBA relief for teaching hospitals and nursing homes, as well as efforts to keep HMOs participating in Medicare+Choice, I want to focus on three areas that are not receiving the attention they deserve in discussions on the Balanced Budget Act refinement package. Specifically, I want to talk about medical devices, health centers and rural clinics, and last, but not least, home health care.

First, I want to express my support for H.R. 4395, the Medicare Patient Access to Technology Act. This bill will help speed the delivery of new medical technologies to Medicare beneficiaries and health care providers.

Mr. Speaker, medical devices and other technologies must undergo a rigorous review at the Food and Drug Administration before that medical technology is made available. This process is followed by a review of the Health Care Financing Administration, or HCFA, before it is finally approved for reimbursement under the Medicare program. However, HCFA can take up to 4 years to approve coverage, assign the product a code, and establish a payment level. This lengthy process denies our seniors access to devices, therapies and products that effectively treat disease, improve the quality of life and, indeed, save lives.

H.R. 4395 provides reforms to make these technologies available safely and quickly so that Medicare recipients will have the access and the latest medical technologies, and I urge their inclusion in any BBA relief package.

Second, I want to express my strong support for H.R. 2341, the Safety Net Preservation Act. This bill ensures that community health centers and rural health clinics can continue to provide health care services to uninsured Americans who have nowhere else to turn for the care they need.

There are more than 44 million people in this country who do not have health insurance and millions more are underinsured. Community health centers and rural health clinics are the safety net for these people; yet these centers cannot survive if they are forced to operate under fiscal deficits.

H.R. 2341 allows organizations like the Great Brook Valley Health Center and the Family Health Center in Worcester, Massachusetts, to continue doing the good work they are doing today.

Finally, I want to express my strong support for home health care and for H.R. 5163, the Home Health Care Refinement Amendments of 2000. I introduced this bill, along with the gentleman from Pennsylvania (Mr. PETERSON) and others because the home health industry has been decimated by the Balanced Budget Act. Instead of being cut by $15 billion, as was intended in 1997, home health care has been cut by $69 billion over 5 years. And next year home health care spending will be cut by another 15 percent. This has to stop.

My bill will eliminate this unnecessary and dangerous cut, as well as provide relief for the most costly patients and for rural providers. My bill also changes the billing procedure for non-routine medical supplies and opens the door for telemedicine.

Last week, I sat down with the chief White House health care policy advisor. We agreed that home health care deserves relief and that it is a priority in the upcoming BBA relief bill. I trust he will fight for home health care, and I urge my colleagues to join me in supporting this legislation as the comprehensive home health care BBA relief package.

Mr. Speaker, providing Medicare relief from the BBA is vital. The proposals currently advocated by the majority and the administration are inadequate. We must provide at the very least $40 billion over 5 years to address the needs of medical devices, community health centers and home health care, as well as many other more well-known areas, like teaching hospitals, Medicare+Choice, and nursing homes.

I urge everyone to work to provide a comprehensive and significant relief that is absolutely necessary this year. We cannot adjourn from this Congress without addressing the issue of the Balanced Budget Act cuts in Medicare. We can do much better. Our constituents are counting on us. I hope that we are all up to the challenge.

VICE PRESIDENT SHOULD STICK TO FACTS WHEN CAMPAIGNING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, the Vice President last week in my home State in Tallahassee decided that he needed to make an example of the high cost of prescription drugs. The Vice President used statistics compiled by the Democratic National Committee relative to cost for either human consumption or animal consumption. But the Vice President did not just stop there. He decided to embellish the story. It has been in all the major papers. He decided to create a story about his mother-in-law and his pet. He went on to describe how they are taking arthritis medication for their conditions and how the disparity of price between what the dog takes and what the mother-in-law takes was so startling and so outrageous.

Now, of course, in Florida we have a lot of seniors. In fact, I am probably the seventh oldest Medicare district in America. So when it comes to prescription drugs, a subject I know something about that we have been working on in the Committee on Ways and Means, I take strong offense to the fact that he would not only create false statements and mislead the public, not only embellish the story, but create it out of sheer nonsense. And so my seniors, who are waiting for some relief from the high cost of prescription drugs, scratched their heads and wondered why somebody who has been in office so long would not just stick to the facts. Why would they have to create stories involving their own family?

During the same week, the Vice President was saying that we need medical privacy; that the United States Congress should strive to make certain that every person's medical record is protected; that they cannot be exposed to public scrutiny; that they cannot be used against them. But we might want to ask him a little more about that privacy issue before we release any of our details to the government, because he seems to relate a lot of private medical information for the sheer sake of politics. His mother-in-law now has all her neighbors knowing what medications she takes. She may or may not have agreed to that release; we just do not know. We do not even know if she takes the medication to this date. They have not been forthcoming with the facts.

I think the Vice President owes the American public an explanation. Does his dog take the medication? Do the Federal taxpayers pay for his dog's medication? Does Mrs. Gore or the Vice President drive to the veterinarian and get the prescription or is its supplied by somebody there at the Naval Observatory?

We have also heard over the recent weeks about his condemnation of Hollywood and the movie industry. Yet just last night he is there saying to everybody, ''Don't worry, I am only making statements. I don't want to alarm you. I still want your campaign contributions. I still want to be your friend, but I am going to blast you in public and make sinners of all of you.'' He takes the money; throws darts. Takes the money; makes accusations.

''I created the Internet.'' That was a statement he made a few weeks ago, or a few months ago. He discovered Love Canal; he was the subject of Love Story. Yet today he is virtually absent when we are talking about high energy prices.

We talked about the soccer moms in the 1996 election and how important they are. And I hope they will all reflect when they fill up their Chrysler minivans or SUVs that the cost of fuel is now about $1.75, the highest it has been in 10 years, and certainly the highest it has been during this administration. So filling up the minivan is now a costly chore for mothers and fathers as they proceed to work and take their kids to soccer practice. But there is no one there taking credit for the oil policy of this administration.

Today, the stock market is down 200 points, largely because of energy prices; and I do not hear anybody taking credit for that. The administration has the Energy Department. One would think they would figure out a response. Yet they can only accuse the other side of the aisle and our presidential nominee, that they are tied to big oil. Maybe they should stand up and say at least we can figure out an energy policy that will be good for America; that may bring down the cost of fuel for the consumers of America.

This robust economy that we understand that they have taken full credit for for the last 8 years may in fact be in a decline because of energy prices. It is insidious. It affects transportation; it affects heating bills. Wait until this winter, when we talk about the political dynamics of choosing food and medicine. We now have to choose between food, medicine and fuel, heating oil for our homes.

So I would just like it, if we are going to start embellishing rhetoric, creating facts, making up names, inserting foot in mouth, that at least somebody come to this floor and address the voters and taxpayers of this Nation as to where we are going with our energy policy. It is getting very difficult because those who are making the energy policy do not fill up their own tanks, so they do not feel the pain. They do not feel the pain when we reach into our wallets each week and pull out those precious dollars in order to keep our lives going forward and filling our vehicles with gasoline.

So, today, as we proceed to continue discussing appropriations items and the future of this Congress and the direction of our Nation, I do again urge the Vice President to please at least stick to the script and stick to the straight facts. I would hope he would not create and embellish names and drugs that are being taken by his family, which may or may not be true.

The American public deserves the truth. They deserve to know the facts. They need to know exactly where we are going on a prescription drug policy. We do not need to bring in Fido and the rest of the family to make a point. It was fraudulent, it was false, it was demeaning, it was misleading, and it was done in Florida, in a State where seniors are looking for honesty and decisions rather than fraudulent statements.

BORN ALIVE INFANTS PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. PITTS) is recognized for 5 minutes.

Mr. PITTS. Mr. Speaker, it was not long ago we were all scratching our heads wondering how anyone could ask what the meaning of ''is'' is.

Words have plain meanings, or at least they used to. And while many of us laughed about the President's confusion, this kind of semantic game has become a matter of life and death for many newborns because many in the abortion industry are trying to convince us that even after a child is born, even if he or she is born healthy, the child is not really a person. They claim the baby has no rights or legal protections, or even the right to live. The U.S. Court of Appeals for the Third District has gone so far as to rule in favor of this outrageous position.

This is yet another example of a group of radical judges turning kooky ideas into law through a fiat that the Constitution does not entitle them to.

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In the case of Planned Parenthood of Central New Jersey v. Farmer, the court ruled that it was ''nonsensical for a State legislature to conclude that an infant's location in or outside the mother's womb has any relevance in deciding if the child may be killed. The Court decided that all that matters is whether or not the mother intended to have an abortion, even if it was a partial-birth abortion, which most Americans think is murder.''

In other words, if a child is born alive because a doctor has induced labor as part of an abortion procedure, regardless of how late in the pregnancy, the child still may be killed. It does not matter how healthy the baby is or how loudly it cries. Once the mother decides to abort her child, it makes no difference how the baby exits the womb, we may still kill the child with impunity.

Mr. Speaker, how on Earth can we claim to be a civilized nation when we are killing living, breathing children and calling it legal?

I would like to read a portion of the testimony Jill Stanek gave back in July during the hearings on the Born

Alive Infants Protection Act. Jill is a nurse that worked in a hospital in Oak Lawn, Illinois. Her hospital, which, I am embarrassed to say, is called Christ Hospital, performs abortions for women even in their second and third trimester.

Jill says that babies at that hospital sometimes survive the abortion procedure. These babies want to live, but the hospital lets them die anyway. Here is a little bit of her story.

''In the event that a baby is aborted alive, he or she receives no medical assessments or care but is only given what my hospital calls 'comfort care.' 'Comfort care' is defined as keeping the baby warm in a blanket until he or she dies, although even this minimal compassion is not always provided. It is not required that these babies be held during their short lives.

''One night, a nursing coworker was taking an aborted Down's syndrome baby who was born alive to our Soiled Utility Room because his parents did not want to hold him, and she did not have time to hold him. I could not bear the thought of this suffering child dying alone in a Soiled Utility Room, so I cradled and rocked him for the 45 minutes that he lived. He was 21 to 22 weeks old, weighed a half pound, and was about 10 inches long. He was too weak to move very much, expending any energy he had trying to breathe. Toward the end he was so quiet that I could not tell if he was still alive unless I held him up to the light to see if his heart was still beating through his chest wall. After he was pronounced dead, we folded his little arms across his chest, wrapped him in a tiny shroud, carried him to the hospital morgue where all of our dead patients are taken.

''Other co-workers have told me many upsetting stories about live aborted babies whom they have cared for.''

And there is much more.

Jill's story should horrify every American. We must decide are we a civilized nation or will barbaric practices like this continue.

I urge my colleagues to support the Born Alive Victims Protection Act. Let the American people know that we still know what decency means.

CARIBBEAN AMNESTY AND RELIEF ACT

The SPEAKER pro tempore (Mr. SIMPSON). Under a previous order of the House, the gentleman from New York (Mr. ENGEL) is recognized for 5 minutes.

Mr. ENGEL. Mr. Speaker, I want to announce that I have introduced H.R. 5032, which is the Caribbean Amnesty and Relief Act.

The act originally applied to people from the English-speaking Caribbean nations, but we have now expanded it to apply to people from all nations in the Caribbean.

Because of the close proximity of the Caribbean to the United States, there really is indeed a special relationship between our country and the Caribbean. And we have many, many people who have come to our shores and who want to come to our shores who immigrate to this country for the same reasons that my grandparents immigrated at the turn of the last century many, many years ago, wanting a better life for themselves and wanting a better life for their families; and, in doing so, they create a better life for all Americans.

Let us look at the kind of American who immigrates to this country. It is not a lazy person. It is not someone who wants something for nothing. It is an industrious person, someone who leaves behind the old country, family, friends, culture, and comes to this country. It is a special person. Indeed we are by and large a nation of immigrants, and the reason why our country has grown and flourished and prospered is because of the industriousness of our immigrants.

And so, I believe that immigration is a good thing for this country. Some may disagree. I think they are wrong. I think immigration is good for this country and it is certainly the right thing to do in terms of helping industrious people become new Americans.

We have a problem, however. It is a problem in my district. It is a problem in other districts in that we have families who are stuck. Some of the families are stuck in the old country. Some of the families are in this country.

What my bill, H.R. 5032, attempts to do is to have family reunification as its core. Mothers and fathers and sons and daughters and sisters and brothers ought to be able to live together.

I can tell my colleagues that in my district I have heard horror stories where families are stuck in the Caribbean, some are in this country, and it is impossible to get them over here.

Now, some may use the term ''illegal.'' And we have to have a cohesive policy with immigration. But I use the term ''undocumented'' because sometimes the difference between people who are undocumented and documented in this country is very capricious and arbitrary. And I can tell my colleagues stories of suffering of families again who only want the best.

So my bill would help families. What my bill would do is it would be an adjustment to permanent resident alien status, in other words, allow people to get green cards if they have been in this country since 1996 and ultimately, after a certain amount of years, allow them to become citizens of this country.

It would also allow them to have work authorization while their application is pending and would also create a visa fairness commission to collect data on economic and racial profiling. Because, again, I have heard many, many horror stories of arbitrary decisions involving immigration.

So, Mr. Speaker, I would urge my colleagues to support this bill. I think that this bill ought to be a crusade, and it will be a crusade of mine. I think people of all goodwill want to do what is best for this country and what is best for people. We are not talking about names that have no significance. We are talking about people's lives. And this affects people's lives. There is no reason again why if people want to come to this country why we should not have a cohesive policy of immigration in this country, one that would help families and not divide them.

So, again, the people of the Caribbean Basin have always been loyal friends of the United States. At the height of the Cold War, the United States looked to the Caribbean nations. And, as a result, a lot of the Caribbean countries have suffered political upheaval.

So let us talk about family reunification. Let us talk about doing what is right. Let us talk about a cohesive immigration policy that does not penalize people. Let us upgrade the very special relationship that this country ought to have with the nations of the Caribbean. But most importantly, let us have family reunification. Let us do what is right for those families. And let us do what is right for America.

PRESCRIPTION DRUG PLANS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Oklahoma (Mr. COBURN) is recognized for 60 minutes as the designee of the majority leader.

Mr. COBURN. Mr. Speaker, I would like to spend a little time this afternoon on a subject that we hear across all the airways and we read in all the newspapers and it is what all the politicians in the country are running around talking about. It is called prescription drug plans.

It is amazing how interested we are in this now that we have gotten into an election year. But the problem has been occurring for the last 3 years essentially.

There is no question in this country that, as the percentage of health care costs rise, an increasing proportion of that is prescription drugs. And there is no question that in our country, all of us, seniors, people in insured plans, people with no insurance, people on Medicaid, are having a more and more difficult time accessing the pharmaceuticals that we need to both succeed in treating the illnesses that we face and prevent illnesses that we could face.

My experience is I have been a physician for almost 20 years. I continue to practice on the weekends and on Fridays when we are not in session and on Monday mornings.

What I want to spend time today talking about is the direction of the Congress with this issue. I want to compare what we have heard President Clinton say and Vice President GORE say about their solution for this problem.

I have 18,000 square miles in Oklahoma that I am fortunate enough to represent. I will be going home when this session of Congress is over, and I will not be returning because I chose to limit my terms. But as we travel around and I talk to seniors, which have been the major topic that we have seen discussed in this potential to began a political advantage, this bidding war on prescription drugs, if we ask the question, do you need help with prescription drugs, many will say yes. There is no question.

But if we ask the question putting with it the caveat of who is going to pay for it, the answers are totally different. If we ask seniors, do you want a prescription drug plan and do you want one that is going to lower the standard of living of your grandchildren, we never ask that, but that is implied in the question.

For historical purposes, when Medicare began, the estimated cost for Medicare in 1990 was $12 billion in 1990. That is what the best accountants, the best people that we could have said that is what it was going to cost. And there are a couple of reasons why they missed it a thousand percent. It cost $120 billion in 1990. There are two reasons they missed it.

Number one is it is hard to estimate; and number two, the politicians in Washington, if they do not have to be responsible for the cost of it, are going to add an additional benefit. That is a natural human response, whether one is a politician or otherwise, is to give somebody else's money away if in fact it helps them accomplish their purpose.

Well, we now have a drug proposal before us that is supposed to cost about $100 billion over 10 years. And if we think about the track record for the Health Care Financing Administration and the CBO, the Congressional Budget Office, and the Government Accounting Office, all of which totally missed the cost to Medicare, what it is really going to cost is probably a trillion dollars over the next 10 years. That is where we are at.

Now, where are we going to get money to pay for that? We are going to delay the funding of it. We are going to borrow it. And we are going to eventually ask our children to pay for it and our grandchildren.

There is a lot of baby boomers out there, which I am one of them. There are 77 million of us that are baby boomers, and it will not be long that we will be eligible for the benefits under Medicare. And as we become eligible, the one thing we do know is that the cost of the Medicare program is going to skyrocket.

The second point that I want to make is, what is the real problem in our country in terms of people being able to get prescription drugs? What is the difficulty? It is not the quality of the drug. It is not the availability of the drug. It is not the research that brings the drugs forward. What is the real problem? The problem is price.

If we do not address the competitive issue in this solution to this problem, then all we are going to do is lower the cost for some seniors and transfer it to everybody else in the country. Unless we establish and make sure that that marketplace is as efficient as it can be, we will do wonders for seniors and harm to everybody else, let alone the cost.

I have one chart I would like to spend some time on. This chart is actually Social Security. But if we move it over to 2011, the numbers are exactly the same in terms of the ratio of positive cash flow into the Social Security or Medicare fund versus outflow.

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In 2011 under the spending we have now without a drug program, Medicare starts running a negative cash flow. It would not do that well if we had not taken two or three components out of the Medicare trust fund and put them to the regular budget. So we essentially have improved the life of Medicare both by manipulations here and the fact that we have had a wonderful economy with a lot of people paying in a lot of money on Medicare.

But what is going to happen, starting in 2011, is we are going to have to run this tremendous deficit, without a prescription drug benefit. So if we decide that a big government program is the answer and that the President and Vice President GORE is the answer, then what you need to do is just about double or triple the red on this chart. The implication being, is that your children and your grandchildren because we are going to fix the wrong problem, lack of competition, are going to have a much lower standard of living.

I have a chart that compares FICA earnings and estimated taxes just on Social Security. The reason I want to use Social Security is because the same numbers reflect on Social Security the baby boomers. What you can see is right now we all pay about 6 percent of every dollar we earn in a FICA tax and our employer matches that. But I want you to notice this graph. That does not have anything to do with the 1.45 percent that you pay in Medicare and that your employer pays. But if you just follow this graph in terms of the introduction of the new people coming into Medicare and Social Security, what you can see is the tax rate just to meet the cash flow requirements, without a prescription drug benefit, goes up to almost 20 percent. If you extrapolate that same rate from Social Security to Medicare, instead of 1.45 percent, we are going to be paying 3 percent individually and 3 percent by your employer. So we are going to double the cost of the tax when you work just to cover the Clinton-Gore drug plan.

I am not known as a partisan, and I was not real happy with the Republicans' drug plan, either; but what I do know is that the plan that is outlined by the President and Vice President Gore concentrates more power in Washington, concentrates more decision-making in Washington, and concentrates bankruptcy for Medicare in the future.

I yield to the gentleman from Texas (Mr. ARMEY), the majority leader in the House.

Mr. ARMEY. Mr. Speaker, I want to thank the gentleman from Oklahoma for recognizing me. I want to thank also the gentleman from Oklahoma for taking this special order on this special topic. It is a matter that of course is of great interest and, frankly, considerable concern to the American people. I am proud to be included in his special order.

Mr. Speaker, I have worked very hard on these comments, and I will read my comments because this is a complex subject, and we want to make sure we get it exactly right.

I would like to take a moment just to discuss the prescription drug issue. Vice President GORE and Governor Bush are engaged in a heated debate over this matter and how best to help seniors afford drugs.

Everyone agrees that Medicare coverage has failed to keep up with medical progress and that one-third of seniors today lack drug coverage and need immediate help to better afford the medications they need and upon which they rely. But as with anything, there is a right way and a wrong way to go about doing it. I might say, if this is worth doing, and I believe it is, it is worth doing right. Sadly, Mr. Speaker, the Vice President has chosen the wrong way.

Six years ago, he and President Clinton tried to force all Americans into a government-run health care plan. Thankfully their plan was rejected by the public and by Congress. I am proud to have been a part of the effort to defeat the Clinton-Gore health care plan. I thought forcing people into government-run, government-chosen HMOs was wrong then; and, Mr. Speaker, I think it is wrong now. Back then, to illustrate what the Clinton care plan really entailed, I drew up a chart showing all its amazing complexities and absurdities. I called that chart ''Simplicity Defined.'' It looks an awful lot like this chart we are seeing right here. This one I call ''Nightmare on Gore Street.'' You see, this risky big-government drug scheme of the Vice President's is really the sequel to that 1994 horror film we had hoped we would never see again, the one called ''Clinton Care.''

Alas, like the unrepentant Freddy Krueger, Mr. GORE is back trying to do for drugs what he failed to do for health care, put the government in charge of all of it. Ira Magaziner and Rube Goldberg would be hard pressed to devise so nightmarish a scheme. This frightening tangle of chutes and ladders is the product of no less than 412 new government mandates contained in the Gore plan.

If this horrifying picture is not enough, allow me to recount just a few

of the reasons why the Gore government-run drug plan is bad for seniors and all other Americans as well.

First, it forces all seniors into a government-chosen HMO for drugs. If you do not like the plan the bureaucrats put you in, it is just too bad. You have no other options.

Second, it is not really voluntary as Mr. GORE claims. You will have just one chance to buy into it at the age of 64½. If you do not want to join at that time or change your mind later, you are out of luck. It is the Gore plan. Life his way or nothing at all.

Mr. Speaker, I must say, that bothers me especially because it sounds like an ultimatum. Just at that time in your life when you come to terms with the things that you do, retiring from your job, starting to contemplate a new life, worrying through what might be my options, how might I provide for myself and my family in this critical area of health care, Vice President GORE says, ''We will give you an ultimatum. Make up your mind, right now. Do it my way or not at all.'' That is not right, and even worse, it is not fair. If you do not believe me, just look at today's part B of Medicare. That part is called voluntary, too. Just try escaping it. I dare you.

Third, government bureaucrats will decide which drugs are and are not covered. If they decide the drug you need is too expensive, they can force you to switch to a cheaper, less effective one.

Fourth, seniors will lose their existing private sector coverage whether they participate or not. Experience shows employers drop coverage as soon as the government begins providing it. So if you are one of the two-thirds of seniors who enjoy private sector drug coverage today, prepare to kiss it goodbye.

Fifth, no one will get the drug benefit until the year 2008, 8 years from now.

Sixth, it is a bad deal for most seniors. The average senior will get just 13 cents a day of actual benefit. And if you are one of the majority of seniors who use less than $576 in prescription drugs each year, you actually lose under the Gore plan. The combination of additional and a high copay force you to pay more than you would get back in benefits. For example, if you were to incur $500 in drug costs, under GORE's plan you would have to pay $550 for that privilege. That is because $300 in premiums plus $250 in copayments equals $550, more than the benefit is worth. Incidentally, these costs are on top of your existing part A, part B, and supplemental coverage costs. And the premiums for the drug coverage plan? They come directly out of your Social Security check, whether you want to pay that way or not.

Seventh, the Gore plan threatens the physical health not just of every senior but of every single American. Despite Mr. GORE's strenuous denials, his plan must and does rely on government price controls to control its massive costs. These price controls will make it unprofitable to develop new miracle drugs, and this will kill innovation. Right now there are about 7,500 new drugs just for seniors in the research pipeline. Some of them could be cures for Alzheimer's, Parkinson's, diabetes or cancer. If the Gore plan is enacted, these innovations may never make it to the market.

The eighth problem with the Gore plan is that it relies on that old Democrat Party favorite, bureaucracy. Those few drugs that do get invented and make it through the FDA bureaucracy will under the Gore plan have to wind their way through the Medicare bureaucracy as well. It currently takes Medicare 15 months to 5 years to provide a new medical device or technology. For instance, Medicare still does not cover the tumor-detecting PET scan technology that has been covered by private health insurance for 10 years. Medicare regulations currently fill 132,000 pages, more than the tax code. Imagine how many pages of regulations will stand between seniors and new miracle drug cures under the risky Gore drug scheme.

Finally, the Gore plan actually endangers the Medicare program. As everyone knows, Medicare is insolvent, heading toward bankruptcy in the year 2025, possibly sooner. The Gore plan would pile a huge new government entitlement on top of the existing, rickety Medicare with absolutely no modernization. That is dangerous and irresponsible, like adding a second story to your house when the foundation is cracked. And it is a terrible disservice to seniors.

Mr. Speaker, let us not be discouraged. There is a better way. Americans want and deserve and we Republicans are working hard to pass a Medicare drug plan that keeps Washington out of your medicine cabinets and puts choice and control in the hands of our own seniors. Last July, we in the House passed such a plan. It was drafted by a task force of Members led by our colleagues, the gentleman from California (Mr. THOMAS), the gentleman from North Carolina (Mr. BURR), and chaired by the Speaker. It is a good plan that shows seniors enough respect to give them choices.

I am proud that Governor Bush has proposed a plan similar to our congressional plan, based on the same principles. Like our plan, the Bush plan is truly voluntary. You decide whether or not to participate. It lets you keep your existing private sector coverage if you want to. It does not let bureaucrats restrict your access to drugs. It lets you pick your own plan and tailor the benefits to suit your own needs. It holds down drug costs by helping seniors band together in groups to bargain for better prices, not through innovation-killing government price controls. And it modernizes, improves and strengthens Medicare for the long term. And one more thing: the Bush plan takes effect right away, next year, not the year 2008 like the Gore plan.

Mr. Speaker, here is the issue. The Gore plan puts choice and control in the hands of the government and it endangers Medicare. The Republican plan puts choice and control in the hands of seniors and strengthens Medicare. That is the whole choice before us in this election. I think when the American people understand the profound differences between these two approaches, they will overwhelmingly favor our approach and oppose the Democrats' risky big-government scheme, just as they did in 1994.

Mr. Speaker, I am going to ask that we put that original chart up here for just a moment. Take a look at this chart. Each and every one of these dots, segments in this snaky chart, is a separate government mandate. Why does it have to be so complex? Because we have to cut all the bureaucrats in on the deal. Why does it take till the year 2008 to implement it? It will take them till the year 2008 for them to decide what they want you to have.

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Why can Governor Bush implement his right away? Because he knows we already know what we would like to have, and we do not have to have 8 years for a decision regarding somebody else's business.

If we think the government can get this right better than you can, Mr. Speaker, when was the last time the gentleman bought his wife the right Christmas present?

Mr. COBURN. Mr. Speaker, I thank the gentleman from Texas (Mr. ARMEY), the majority leader.

I would make one other comment, HCFA, which stands for the Health Care Financing Administration, in the words, their own director says nobody in HCFA understands the details of HCFA. It is so convoluted. And having practiced in the medical field, understanding the regulations, understanding the results, understanding the lack of common sense that comes out of this organization in terms of how we impact with our patients and how our patients are cared for, to take $300 billion swiped out of Medicare over 10 years and let those people handle it is the last thing we should do.

Mr. Speaker, there should not be an expansion of the responsibility within the Health Care Financing Administration.

Mr. Speaker, I yield to the gentleman from Texas (Mr. SESSIONS).

Mr. SESSIONS. Mr. Speaker, I thank the gentleman from Oklahoma (Mr. COBURN) for not only securing this time from the gentleman from Texas (Mr. ARMEY), the majority leader, but also for joining with the gentleman from Texas, the majority leader, today to talk about this important issue.

Each Member of Congress is confronted not only in Washington, D.C., but around our own tables, in talking to our own parents, and certainly back home where we talk about how important it is for us to address the important public policy issue of prescription drugs.

What I would like to do is to spend my brief minutes here today in talking about the importance of not only what the Republican party is doing and our plan that my colleagues have heard the gentleman from Texas, the leader talk about, George Bush's plan, but also to go back and to talk with my colleagues about the importance of what we have already done.

We had an opportunity in this Congress back in July to pass a prescription drug plan, and we had the opportunity to look at several plans that were presented and certainly there was vigorous debate on the floor of the House of Representatives. And what happened was there was one plan that was raised and supported by the Democratic party, which would have arbitrarily been a decision that would be taken over by the Federal Government by Medicare, to make a decision about every single part of what a senior's health care would be decided by with prescription drugs by the Federal Government. I call it the same or similar to what we have known as Hillary Care for Health Care, the same thing is true for prescription drugs.

The second thing is, it would have required participation by every single senior. Every single senior would have to make the decision are you getting in or are you getting out?

Thirdly, it would be a decision about whether you were going to have a prescription drug plan that would really begin kicking in in 2005, now we have heard 2008.

The decision that this body made was overwhelming, and it was overwhelming because it was a bipartisan support, and pro-business Democrats made a decision that they would vote against the Democrat plan.

They did not want to take over the prescription drug industry. They did want price controls on the prescription drug industry, because they recognize that in a free enterprise system that we have here in America that we want these drug companies to keep developing, not only newer and more innovative prescription drugs, but the opportunity for us to continue what we have today, provide them to all of our senior citizens.

That plan failed, the Democrat party could not even pass their own plan, not because of the Republican party, but because they could not get enough Democrats to vote for the Democrat plan. And so Republicans were joined by about 10 pro-business Democrats. And we passed a prescription drug plan here in the House of Representatives that aims directly at the problem.

The problem is not every senior citizen, about two-thirds of our seniors, two-thirds of our seniors are without a prescription drug coverage or a plan today, and so that is why we aimed it at that.

We, our plan, the Republican plan, that has passed this House of Representatives would find that those that are at 135 percent or less of poverty, which equals 11,124 for a single person, that they would have an opportunity to receive without any cost any prescription drug that their physician decided that they needed.

Now, why is this important? I receive questions across my district all the time. Why would we want the Federal Government to begin imposing this plan for senior citizens? Well, it is simple. The fact of the matter is, is that Medicare today offers the coverage for health care for senior citizens.

Prescription drugs today can cure many, many more ills than it used to just a year ago, and in the future it will cure many more ills in the future, but doctors, when they write a prescription or when they utilize prescription drugs, they need that as part of the medical treatment for patients, putting a patient in the hospital is not always the answer.

Sometimes it is a prescription drug, so people who make less than $11,124, and it is on a sliding scale with a slight copay above that, they would receive exactly what the prescription was that the doctor ordered, exactly the way the doctor wrote it. They would be given this at no cost.

We are aiming at the poorest Americans. We are trying to help those that need help the most. That is what this prescription drug plan did.

Now, the question is in Washington, as it always has been, not only about prescription drugs or about health care, about taxes, about the things we do, why would we want the government to be involved? We have done this to help senior citizens. The Democrat plan on the other hand is one that we oppose, because we recognize that money equals power.

It always has, and unfortunately probably always will, money equals power. And they want to control the lives and the prescriptions that are written by the individual doctor, because they want to make decisions.

I became very interested in an article that appeared in the Dallas Morning News, which is a paper of high standing, my local newspaper in Dallas, Texas, and it is dated September the 9th, just a few weeks ago and it says ''administration halts plan to cut Medicare payments for cancer drugs.''

Mr. Speaker, it is this bureaucrat, the government, that is making a decision about live-saving drugs for many times our parents and grandparents, and based upon a number of Members of Congress, they state in here, at least 121 Members of Congress, 70 Republicans and at least 51 Democrats, signed a letter to Donna Shalala, head of the Health and Human Services, please do not cut Medicare payments. You already control seniors health care. Let me state the administration backed off cutting that.

Further, in the article it says, and I quote from the Dallas Morning News, September 9, Terry S. Coleman, former chief counsel of the Medicare program said, ''the reimbursement methodology is so complicated, you can't just go in and adjust a few billing codes. The same methodology is used for all physician specialties, not just oncology.''

Well, I would suggest that the majority leader is right. We should not allow this government to control the decision that is made by physicians on our prescription drugs. It even gets better, and I quote further, ''while putting off cuts in payment for cancer drugs, Medicare officials said they would cut payments for drugs used at kidney dialysis centers and in the treatment of emphysema and other lung diseases starting January 1.''

Mr. Speaker, I would suggest that not only is money power, but the ultimate power through rules and regulations, where we are required by the Federal Government to have Medicare to be the final decision-maker for prescription drugs in this country is not only a bad program and one that would not start with a Democrat plan until we find that kick in 2008 but, in fact, would control our lives and our freedom.

The reason why the Republican party and these Members are standing up here today is to make sure that all the Members are fully aware of what this debate is about and what the ramifications are.

It is about whether we will once against give up, as the debate in this country was in 1994, whether we will give up on the prescription drug industry and say we do not trust the free market, we want somebody else to do it for us, and when we do that, we lose pieces of our freedom, the opportunity for us to make a decision about the prescription drugs that we will put and count on for our health.

We need a plan where we empower the physician and the patient to make a decision. We need to make sure that prescription drugs are not only available, but that they are what the doctor ordered. And I will tell my colleagues that the plan that we have voted for is exactly what the doctor ordered.

Mr. Speaker, I appreciate the opportunity to be here with the gentleman today. I applaud what the gentleman has done; what the gentleman from Arizona (Mr. SHADEGG) is doing; the gentleman from Texas (Mr. ARMEY), the majority leader; and also the gentleman from Minnesota (Mr. GUTKNECHT) to make sure that our colleagues are not only updated on this issue, but that we continue to talk about the importance of allowing physicians and patients to decide their own future.

See money is not only power, but freedom is power, too.

Mr. COBURN. I thank the gentleman. I want to make two points just for the RECORD to those that might be watching this. Medicare did a prescription drug benefit in 1988. The estimated cost was $4.7 billion. The actual costs, the 1 year that that was in place was $11.7 billion; that is how well we estimated the costs.

So when we saw up here a cost of $353 billion over 10 years, we know at least it is double that, just by the track records.

The other thing that I would make is the GAO has already stated, our accounting agency, that Medicare is not going to make it, unless we do some significant changes in terms of incentives and payments. How do we do that? We do not do that by adding significantly more costs to an already bankrupt program.

Mr. Speaker, I yield to the gentleman from Arizona (Mr. SHADEGG), a close friend of mine and somebody I respect a great deal.

Mr. SHADEGG. Mr. Speaker, I thank the gentleman from Oklahoma (Mr. COBURN) for yielding to me, and I appreciate the opportunity to participate in this debate.

Mr. Speaker, I actually would like to engage the gentleman in a colloquy about a number of the aspects of the Clinton-Gore plan that I think are of concern and that may need to be repeated here so they understand.

PARLIAMENTARY INQUIRY

Mr. SHADEGG. Mr. Speaker, I would like to make a parliamentary inquiry. One of our colleagues, I think it was the gentleman from Texas (Mr. ARMEY), our majority leader, just referred to the fact that it is very important to be accurate in the facts in this debate, and that as we debate this critically important issue, we should be precise, and I believe the gentleman said that he, in fact, would read his statement so that he could be precise about, for example, the number of bureaucratic steps on the chart.

I believe in the remarks of the gentleman, he indicated that it was very important in this complicated debate that we be precise in what we say and in the facts we use and marshal in support of our position in this debate.

The question I want to ask is, is it true that under the rules of the House, I cannot refer to the fact that the Vice President in a speech in Florida on this issue, just a week or two ago, made up certain facts about the costs of prescription drugs imposed upon his mother-in-law, that those were not, in fact, the actual costs, that he made up some facts regarding the dosage of the drug taken by his mother-in-law and the dosage of the drug taken by his dog, and that he also made up the facts with regard to the overall costs of these prescriptions to his family? Am I correct that that cannot be referred to on the floor of the House?

The SPEAKER pro tempore (Mr. GILCHREST). The general rule is that the gentleman cannot engage in personality attacks against the Vice President, but the gentleman can criticize the Vice President's policies and his candidacy.

□ 1530

Mr. SHADEGG. Let me ask for a further clarification, if I might. On the screen here on the board, there are two stories, one from the Boston Globe and one from the Washington Times. I know the Times story appeared yesterday. The Boston Globe story, I believe, appeared the day before yesterday.

Mr. COBURN. Monday.

Mr. SHADEGG. It appeared Monday. Both of those stories report that, in fact, the Vice President did make up these facts; the cost of the drug that his mother-in-law allegedly paid, the dosages taken by his mother-in-law versus the dosages taken by his dog. He, in fact, made up also the overall cost and did not relate whether or not his mother-in-law was paying for these drugs or whether they were, in fact, paid for by insurance and that now the Gore campaign will not relate whether or not she is insured or not.

My question is, is it also true that that cannot be referred to and those articles cannot be read here on the floor?

The SPEAKER pro tempore (Mr. GILCHREST). The gentleman can criticize the Vice President in his actions as a candidate, but the gentleman cannot get personal in his criticism of the Vice President.

Mr. SHADEGG. I have no desire to be personal. I do think, as I stated and as I believe the majority leader stated and as the gentleman from Oklahoma (Mr. COBURN) stated at the outset of this debate, that if we are going to debate important public policy, it is critical that we all be accurate; and I would commend to my colleagues here in the Congress both of these articles which relate that, in fact, facts were fabricated by the Vice President in the course of his campaign to win support on this issue.

I would urge my colleagues that it is critical that we be truthful. It is critical that in this kind of important debate before the public that we do not make up facts or figures; that we do not mislead the American public on these issues; that we do not relate allegedly truthful stories about this issue, about family members, when we ought to know the facts, in a way which is untruthful, and that that is a discredit to this institution and a discredit to the campaign.

I think it is also important that we, in the course of this debate, not allow the ends, in this case winning the debate over how do we best take care of these serious prescription drug needs of America's elderly population, we do not allow the end of winning that debate to justify means which are clearly improper, such as making up facts which are not true; being untruthful; or in other ways telling stories which are not accurate and honest with the America people, just to win support for our position in the debate. I think that is a point that is truly worth stressing.

I would like to just go over with the gentleman from Oklahoma (Mr. COBURN), if we might, in a dialogue form some of the points that have been made already here to make sure that we understand. First, I want to ask the gentleman, is it his understanding of what is being proposed by the other side on this issue, by our Democratic colleagues, by the Clinton-Gore administration, that that plan would, for example, provide a subsidy for prescription drugs for people regardless of their income and therefore would provide a subsidy to perhaps Ross Perot, Donald Trump or anyone else in that income bracket?

Mr. COBURN. That is the same principle as we have today in Medicare. There is no choice; if one is over a certain age, they will participate, unless one chooses not to participate at 64.5 years. Once they choose not to participate, they will never be eligible.

Mr. SHADEGG. The gentleman used the word ''choice'' and talked about once one chooses not to participate or to participate. I think that is important. As the gentleman understands the proposal being offered by Republicans, one of the key features is choice. That is, we allow people to pick from amongst a variety of plans that meet their own needs; and in addition at least it is my understanding that as the bill we passed and the legislation we are proposing and indeed the legislation being proposed by Governor Bush would give seniors the right to not only choose amongst various plans when they join but to make choices again down the line. If they are unhappy with the plan they pick, they could make a choice at a later point to switch plans. Is that not a feature?

Mr. COBURN. That is accurate. I think the other thing to remember is one of our problems in health care in this country, especially in terms related to HMOs, is that we have lost a considerable amount of freedom. When one does not have the right to choose their doctor in this country, they have lost a significant amount of freedom. Now what we are going to see is you are not going to have the right to choose whether you get the best drug for you or one that a bureaucrat in Washington has decided is the cheapest and least expensive and may not be as effective, you are not going to get to make that choice. So it is a great political tool to say we are going to have something for everybody, even though our grandchildren are going to have to pay for it and have a lower standard of living; but to not be honest about the loss of freedom associated with that I think is disingenuous.

Mr. SHADEGG. I think you just touched upon another key point that I wanted to bring out at least in part of this important discussion. Arizona has many senior citizens. It is a great place to retire to. I hope more people retire there. But I think one of the keys that the gentleman just mentioned is we often talk about choice in the abstract. It is important, I think, for people to understand that not only under the Clinton-Gore plan do you make one choice at the outset, you either opt in or opt out and that decision is binding for life, but the second point is the one that you just mentioned and that is

that if you choose to participate in the plan which the Clinton-Gore team is proposing, you are, in fact, giving away your choice, your right to choose the drug that is best for you, to a Federal bureaucrat.

I know many people that work as government employees. I worked as a government employee in the past part of my life in an unelected capacity. I think they are genuine, honest and sincere; but under the Gore plan the schedule of committed drugs would be decided by someone deep in the bowels of the Federal bureaucracy. It would take choice about which drug is right for you, which drug is right for your wife or your father or your mother or your grandfather or grandmother, it would take that choice away from them as individuals and vest it in a group of, quite frankly, Federal bureaucrats who would decide which drugs are appropriate and which drugs are not, taking that power not only away from you but away from your doctor as well. Is not that correct?

Mr. COBURN. There is a good example. There is a drug on the market known as Trazadone. The brand name is Desyrel. I use that drug a lot. I use the generic as a sleep-inducing aid for senior citizens, but I never use the generic for an antidepressant because it is not as effective. If we have this system, I will not be able to do that. So I will not be able to use a drug that there is significant difference in efficacy for treating depression, I will not be able to use that because we are going to use the generic. So, therefore, I will not be able to use that so I will not be able to give the care and nor will I have the confidence that my patient is going to get what they want.

So the loss of choice is an implied loss of freedom, but it is also a decline in care.

Mr. SHADEGG. Ultimately, as a medical doctor trying to tailor the best care for your patient, you would be at the mercy of a Federal bureaucrat who would decide which drugs can be used for which purposes.

Let me ask this question: let us say someone is sitting home and saying we have to make certain trade-offs. Maybe that has to happen. Somebody has to ultimately decide. Maybe we cannot afford to allow patients to consult with their doctors and decide which drug is right.

Do we have any assurance, if the gentleman knows the answer to this question, do we have any assurance that under the Clinton-Gore plan that at least it would be medical doctors as opposed to nondoctor personnel that would be deciding these issues under the Gore plan?

Mr. COBURN. I cannot answer that. I do not know, but I can say in other government-run health programs, title X clinics, title XI clinics, it is not doctors that make decisions. It is an extension of the doctors, somebody that is abstract making those decisions. That is felt to be efficient, even though the care sometimes might be substandard.

Mr. SHADEGG. The gentleman and I have worked on health care reform a great deal over the last 6 years, and particularly over the last 2 years. I hope that the medical profession is aware that this results in a surrendering of their ability to pick the right prescription drug for their patient and a tremendous loss of choice, not just for patients but for doctors and a diminution in the quality of care.

Mr. COBURN. I would like for us to ask the gentleman from Minnesota (Mr. GUTKNECHT) to stand up and join with us, because one of the issues that we raised, that this whole plan totally ignores, is enhancing of competition. What the Gore plan will do is cost shift the cost savings that might come about through Medicare on to the private sector, which will then raise everybody else's costs for prescription drugs. It will raise the State's cost in terms of Medicaid. It will raise the company's cost that pays for your insurance. If you pay your insurance yourself, it will raise. If you have no insurance, it will raise.

The problem that we have today, the reason we are even addressing this issue, is because price has become predominant. We had a 17.4 percent rise in the cost of prescription drugs in this country last year, when inflation was under 3 percent. There has to be something wrong here, and I think the gentleman from Minnesota (Mr. GUTKNECHT) has a solution to that and has been very vocal on how we enhance competition in this country, and I would welcome him to the debate.

Mr. SHADEGG. Just let me stress the point of everyone is concerned about the cost of prescription drugs. I have, as I said, many seniors in Arizona that I am deeply concerned about. My question is: How do we solve the problem, and how do we do it in a way that helps people rather than hurts them? I welcome the gentleman to the debate.

Mr. GUTKNECHT. I would like to thank my colleagues, and particularly the gentleman from Oklahoma (Mr. COBURN), and let me just say publicly we are going to miss him a lot in the next Congress. He has been a fearless advocate for real reform of our health care delivery system.

I would just like to mention before we get into the price, people need to understand and they do not have to take our word for it and I want to thank my colleague, the gentleman from Arizona (Mr. SHADEGG), for bringing up this whole issue about, let us at least deal with the facts, and everything I am going to say today I do not want people to take my word for it. The first thing I am going to say is anyone who believes that we ought to make the Health Care Financing Administration even bigger and stronger, just pick up the phone and call your local nursing home, call a registered nurse who happens to work in that nursing home.

Mr. COBURN. Call a doctor.

Mr. GUTKNECHT. Call anybody; call your doctor.

Mr. COBURN. Or call your hospital.

Mr. GUTKNECHT. Call anybody who is involved with hospital administration. Just go ahead and ask them do you think it is a good idea to make the Health Care Financing Administration even bigger and stronger?

Mr. COBURN. More powerful.

Mr. GUTKNECHT. Now, you might want to hold the phone back aways because you are going to get an earful of how the cow ate the cabbage. I mean, the people who deal with this powerful bureaucracy today will say the last thing they want to do is make it even more powerful.

The other thing I want to say about this, and again do not take my word for it, do a little research, I think the best thing about the program that we are offering, and I am not going to say it is perfect, but there are three very important principles about our program that everyone needs to understand. First of all, it is going to be available to all. Secondly, it is going to be affordable for all. But, third, and I think the most important ingredient, is that it is going to be voluntary.

Now, I am very fortunate. My parents are both on Medicare and because of the company that my dad worked for and the union contract that they had, he qualifies for a medical benefit now. So in many respects, they are in great shape. But if you ask the people who currently have coverage like that do you want to give it up for a program that is run by the Federal bureaucracy, the answer from most of those people is no. They like the program that they have today, and under the Clinton-Gore proposal they would lose the ability to choose the program that they currently have.

I do want to talk about price, because many of us have been having a lot of town hall meetings over the last several years. I was first alerted to this problem a couple of years ago at a town hall meeting in Faribault, Minnesota. Some of the seniors stood up and they started talking about the differences between what they pay for drugs here in the United States as opposed to what people can buy those same drugs for, whether it is Canada or Mexico or Europe.

I sometimes feel like that little boy who came in and asked his mother a question and his mother was kind of busy and she said, go ask your dad, and the little boy said well, I did not want to know that much about it. I feel a little bit like that little boy because the more I learn about this, sometimes I just say to myself I did not want to know that much about it.

Let me just show this chart. Everywhere I have gone, and we have taken this to county fairs and town hall meetings, and the people who have seen this bear out these facts. Now, interesting, this chart now is about a year and a half old, and this is not just Canada or Mexico. This is about Europe.

Again, I will come back to my father, 83 years old, he takes a drug called Coumadin. Now, he has prescription drug coverage. He does not pay full retail, but the truth of the matter is the average price for that Coumadin, it is a very commonly prescribed blood thinner, the average price about a year and a half ago in the United States for a 30-day supply of Coumadin was $30.25. That same drug, made in the same plant under the same FDA approval, was selling in Switzerland for $2.85.

Now, one sweet lady at one of my town hall meetings came up to me and she said, if you think drugs are expensive today, just wait until the government provides for them free. And we need to think about that, because the answer to our problem, and let us go back to the big problem, and I think this was alluded to, the big problem is affordability. For an awful lot of seniors, if they could buy Prilosec, for example, instead at the average price in the United States which I now understand has gone up dramatically from this $109 figure for a 30-day supply, the average price in Europe at the time this chart was put together was about $39, I am told that even today you can buy it in Mexico, again the same drug made by the same company, for less than $20. Now, if seniors had access to some of these world market prices, it would go a long ways to solving this problem because seniors who are taking two or three prescriptions they might be able to afford easily $30 or $40 per month, but when that same prescription, that same drug, sells in the United States for say $200, as a matter of fact we had a gentleman at one of my town hall meetings in Winona, he came up to this chart, he pointed at two drugs and it added up to $149; and he said if I could buy those drugs at European prices, and he said that was about what I pay, but he said if I could buy them in Europe it is less than $50.

□ 1545

Now, he said, $150 really stretches my retirement and Social Security budget. But $50 I could probably afford that a whole lot more.

The real issue, though, that we need to talk about is what do we need to do to bring down prescription drug prices to a world market level. The answer, I want to make it clear, I do not support price controls, and it is honest to say some countries in Europe and the Canadians and the other countries do employ various forms of price controls.

Mr. Speaker, I have wrestled with this question. In some respects, some people say if you go to an open market system and you allow people, particularly our local pharmacists to buy from other countries, are you not just importing price controls? I have to admit, to some degree, that is correct. But we also have to step back and say, wait a second. These are the same drugs. We are the world's best customers. We should not be required to pay the world's highest prices.

Mr. COBURN. Mr. Speaker, let me interject with the gentleman if I could for a minute. I think it is important for people to know that essentially Americans are subsidizing the drugs of everybody else in the world, number one, through our research, through the National Institutes of Health; and number two, through the prices that we pay. In fact, even if the gentleman's statement about reimporting price controls were true, what that would do is put a higher pressure on the negotiated price to the other countries and, therefore, Americans would not shoulder the absolute high cost of drugs compared to everybody else, and we would see a shift of that cost, an appropriate shift of that cost, to the others. Remember, these are all made in the same plants, shipped all over the world, and charged at significantly different prices. It is important to note that one way to do that is to allow reimportation at the wholesale pharmacy and at the pharmacy level of the identical drug from other countries. If we do that, we will drive some prices.

The other point that I think is important that ought to be made is that this year $6 billion out of a $115 billion market for prescription drugs is going to be associated with television advertising for drugs that one cannot get unless a physician writes a prescription. The average consumer sees 10 of those ads a day. Now, who is paying for that? We are going to pay in America an extra $6 billion so we can see a commercial to tell us to go ask a doctor for a medicine when, in fact, what we should be saying is, Doctor, here is the problem I have, what is the best medicine? One of the subtle things that people do not realize is that when somebody comes to me thinking they need a certain medicine, it increases the cost of care, because if they do not really need that medicine, not only do I have to take their history and examine them, then I have to spend time explaining why they do not need the medicine that the ad just sold them and why they need this medicine that is cheaper, better and more effective. So, in essence, it is raising the total cost of medicine far beyond the $6 billion this year, the $9 billion that they are planning on spending next year, just on television advertising.

Mr. SHADEGG. Mr. Speaker, if the gentleman will yield, I just want to make sure that the American public and that our colleagues understand that point. This is demand? Is there a technical term?

Mr. COBURN. It is called poll through demand.

Mr. SHADEGG. Poll through demand. We advertise to the American public a prescription drug, a drug that they can only get with a prescription, the goal being those of us sitting at home feeling some of those conditions will go to our doctor and demand that particular drug, and we see these advertisements all the time. The gentleman and I are paying for the cost of that advertising, we are paying for the cost of that doctor's visit, and we are paying for the doctor to say to us, no, you really do not need that drug, it is not right for your condition.

Mr. COBURN. And, we are the only country in the world that allows it.

Mr. SHADEGG. The only country in the world that allows demand driven advertising.

Mr. COBURN. Through television.

Mr. SHADEGG. Through television.

Mr. Speaker, I would also like to ask my colleague from Minnesota who is, in fact, one of the experts in the Congress on this issue; his State borders Canada, my State borders Mexico. We have the same problem. I have people in my State of Arizona who go across the border into Mexico and get their prescription drugs at a fraction of the cost in the United States. It is shameful that they have to do that. It is particularly true that they have to do that in rural Arizona where they cannot take advantage of Medicare+Choice, where they get a drug benefit.

I think it is important, and the gentleman deserves to be complimented for the work he has done to stop the FDA from sending threatening letters to these people. I would like the gentleman to explain that. I would also like the gentleman to address the issue of how will government subsidization of all drug prices in America, including the drugs for Ross Perot, for example, or Donald Trump, how will that somehow bring down the cost of drugs for the rest of us, or even for seniors?

Mr. GUTKNECHT. Mr. Speaker, I think it will only make matters worse. If we were to pursue the Clinton-Gore formula, I think long term, it would drive the price of drugs even higher, even though they are trying to impose a modified form of price controls.

I think the gentleman's question is a good one. We have been aware of this for several years now, that there are huge differences between Canada and Mexico, Europe, Japan, and what we pay in the United States.

Now, I want to come back to something that the good doctor said. He said, we subsidize the pharmaceutical industry in several ways. One, through what we do with the NIH, the National Institutes of Health. We spend about $18 billion a year in basic research, much of which ultimately benefits the pharmaceutical industry. We also subsidize them through the price that we pay for those drugs. But there is a very important component that we sometimes forget. We also subsidize basic research through the pharmaceutical industries with a very generous research and development tax credit. So they are really getting subsidies three different ways from the American consumers.

Mr. Speaker, I am not here to beat up on the pharmaceutical industry. They have provided us with miracle drugs. We in the United States and people around the world live better and longer because of the pharmaceutical industry.

Mr. SHADEGG. But it is fair to ask, is one more subsidy going to solve the problem.

Mr. GUTKNECHT. Right. I think we want to come back to this. We have known for a long time, and certainly the FDA has known for a long time, that there are differentials, so what consumers have done to try and save some money, and sometimes we are talking about thousands of dollars, they have gone to other countries.

So what has this administration done about it? Well, they have done two things, and both of them, in my opinion, have made a bad situation worse. First, they have allowed some of the large pharmaceutical companies, Glaxo and Wellcome, used to be two very large pharmaceutical companies, today they are one. They have allowed these mergers to go on basically unabated.

Mr. COBURN. If the gentleman will yield, they are just about to become GlaxoWellcome SmithKline Beecham.

Mr. GUTKNECHT. We will have taken four huge pharmaceutical companies, and now we will have one. The net result is they will have greater control over markets and products, and we will see even higher prices. They have made a bad situation worse.

Mr. Speaker, let me just talk about these letters. This is a threatening letter. They have sent literally thousands, I have heard estimates as high as 300,000 of these letters have gone to seniors who are threatening them through their own FDA because they tried to save a few bucks by going to Canada or Mexico or Europe to buy prescription drugs.

Mr. COBURN. Mr. Speaker, we are just about out of time and I want to make just kind of a summary statement. The best way to allocate any resource in this country, any resource, is competition. I see the gentleman from New York (Mr. CROWLEY), very influential in our ability to try to reimport wholesale prescription drugs into this country. He understands that. The idea is to allocate resources with competition. That is one of the things we need to do.

The last thing we need is another mandatory, government-run health care program that is already proving to be inefficient, has been tried once and was so expensive they dropped it; and number three, will discourage research, will discourage new drugs, and will cost-shift, and does no benefit for anybody except a senior. Everybody else is going to have a lower benefit, less access to health care through that plan.

I yield the balance of the time to the gentleman from Arizona.

Mr. SHADEGG. Mr. Speaker, I simply want to thank my colleagues for participating in this debate. The letters that my colleague from Minnesota has pointed out have gone to people in my home State of Arizona for just having the temerity to cross the border into Mexico and buy drugs at a fraction of the cost here in the United States.

I think we need to force competition on the drug companies, I think we need to put them in a position where we force them to bring down the prices. I think we need to force them to quit forcing us to subsidize drugs in other countries. I certainly do not believe, and I compliment the gentleman for the facts that he has brought to this debate, I do not believe we should make up facts, I do not believe we should use false information, but I do believe that we should make it clear that a government subsidy, a program the likes of which is being proposed by the Clinton-Gore administration which says you get one chance to opt in or opt out and that is binding on you for a lifetime, and you hand over, by opting in, the right to choose your drugs to a bureaucrat, not a doctor; take it away from yourself, take it away from your family, take it away from your physician and give it to a bureaucrat. I cannot believe that is the best public policy Congress can come up with. I think there are better plans out there. I think the plan that we voted on, while not perfect, is a step in the right direction.

Mr. Speaker, perhaps we should conclude by pointing out that this is an issue that is important and we will not rest until we address this problem for the American people.

Mr. COBURN. Mr. Speaker, I thank my colleagues for participating in this special order with me.

DEMOCRATS' PRESCRIPTION DRUG PLAN BEST FOR AMERICA

The SPEAKER pro tempore (Mr. GILCHREST). Under the Speaker's announced policy of January 6, 1999, the gentleman from New York (Mr. CROWLEY) is recognized for 60 minutes as the designee of the minority leader.

Mr. CROWLEY. Mr. Speaker, I could not think it more apt that we Democrats begin our special order on prescription drugs just after hearing the Republicans finish their remarks on the very same subject of prescription drugs.

I was most interested to listen to the remarks of the Republican House majority leader, the gentleman from Texas (Mr. ARMEY), who ridiculed Democrats like AL GORE and JOE LIEBERMAN for being out in so many words to deprive seniors of prescription drug coverage. This is laughable, and I hope everyone at home will stay tuned and listen. I can think of no better message than letting Americans compare the thoughts of the Republicans on prescription drug coverage for seniors, those of allowing the private sector and the HMOs to continue to drop seniors and let prices for drugs skyrocket, versus the opinions of the Democrats like myself who are working to strengthen Medicare with a drug benefit and work to immediately lower the cost of prescription drugs.

The GOP believes lowering the cost of drugs is wrong and the destruction of Medicare is good. I believe lowering drug prices is the right thing to do for Americans. I hope Americans enjoy this debate and the debates by Mr. Bush and Mr. Cheney and Mr. GORE and Mr. LIEBERMAN over the next 7 weeks. We Democrats gather here to discuss an important issue with regard to lowering prescription drug costs and providing greater access to medications to every American who needs those medications.

As Democrats, we have continually championed the addition of a prescription drug benefit under Medicare, but the Republican majority opposed that plan, believing Medicare has been a failure. We Democrats disagree and believe that Medicare has been an overwhelming success story in the United States.

As Democrats, we have continually come out in support of the Prescription Drug Fairness for Seniors Act sponsored by the gentleman from Maine (Mr. ALLEN). This would pass along to Seniors the same discounts given by the pharmaceutical industry that they give to the Federal Government and HMOs. Under his bill, they would also have to give those same benefits to pharmacies. In turn, they could pass these savings on to their customers. Again, the Republican leadership opposed that. The Republicans apparently believe that seniors are not paying enough for their prescription drugs. Well, my constituents, quite frankly, tell me otherwise.

Now, we Democrats are working to change the Federal law which prohibits the reimportation of safe FDA-approved drugs from countries like Canada back into the United States. We think it is unfair that seniors pay twice as much, on average, for their medications than their counterparts in places like Canada and Mexico. The Republican leadership thinks it is okay to send seniors to jail for trying to obtain more affordable drugs from other countries to improve the quality of their lives.

This chart demonstrates the real price gouging going on in the drug industry here in America. Here I have three of the most popular drugs used by seniors in America.

☐ 1600

We see that seniors right here in America, and in my case in Queens County and Bronx County in New York City, pay hundreds of dollars more a year than seniors in Canada for the same FDA approved drugs. Seniors pay $359.93 more annually than their friends in Canada for Zoloft; $793.20 more than their friends in Canada for Prilosec; and $369.42 than their friends in Canada for Zocor.

In fact, I have received many letters from my constituents. I had a letter from a constituent from Jackson Heights who pays $409 for a 3-month supply of Prilosec for his wife. The same drug, the same manufacturer, the same everything costs $184 for the exact same drug in Canada. And why is

this? Because the American pharmaceutical industry is gouging Americans. This is wrong, and we are here to stop it.

Congress has a great opportunity to stop it now. While the GOP has prevented any real action on a drug benefit under Medicare, or the opportunity to pass along discounts to seniors on drugs, we are now working to allow Americans to reimport prescription drugs once they have been exported out of America. Essentially drugs that are researched, patented and made in America oftentimes cost twice as much here in the States than they do when they travel abroad to places like Canada and Mexico. It is like a reverse tariff. Once that drug crosses the international lines, the price for it is drastically reduced.

The drug manufacturers say that Americans' standard of living, our standard of living, is one of the chief reasons for this increase and that America should subsidize international sales of their drugs. I think putting the price burden on American seniors is wrong, and we Democrats are here to say enough is enough to the drug industry.

Right now, even though drug prices are half as much in Canada and Mexico, the only way Americans can take advantage of this is if they slip over the border in the dark of night and sneak some medications over for their own personal use. We should not be making criminals out of our seniors. Therefore, during House debate on the agricultural appropriations act, I offered an amendment to allow for the reimportation of prescription drugs into the U.S. I was pleased that this amendment passed the House with overwhelming support.

Since then, the gentleman from Arkansas (Mr. BERRY), a trained pharmacist, the gentleman from Vermont (Mr. SANDERS) as well as Republicans like to JO ANN EMERSON, TOM COBURN, a medical doctor; and GIL GUTKNECHT) and I have been working together to allow not only individuals to travel across the border to get less expensive FDA-approved drugs of the same quality but also to allow pharmacists and wholesalers to do so as well. This way they can pass on these savings to their customers, ease the financial burden on seniors who must take one or more of these prescriptions on a regular basis, lower drug prices by anywhere from 30 to 50 percent overnight, all without costing the taxpayers a single dime. It is safe. Any change would mandate strict safety standards equal to those we enjoy here in the United States.

Reimportation enjoys the support of groups as diverse as the National Community Pharmacists, AIDS Action, the American Medical Association, former FDA Commissioner David Kessler, and Secretary of Health and Human Services Donna Shalala. I urge my colleagues to ignore the misleading ad campaigns of fear and distortion lead by the Pharmaceutical Research Manufacturers of America, known as PhRMA. By allowing our Nation's citizens, trusted local pharmacists, and certified wholesalers to reimport FDA approved drugs, we can drastically lower the cost of drugs for all Americans who need prescription drug coverage.

Mr. Speaker, at this time, I would yield as much time as he would consume to the minority leader, the gentleman from Missouri (Mr. GEPHARDT).

Mr. GEPHARDT. I thank the gentleman for yielding to me, and I thank the gentleman from Vermont for setting up this special order. I am happy to come to the floor today to make a few comments about this reimportation issue and other issues that I think are related to it.

Let me first cite the fact that we have not passed in this Congress, and I believe we should have passed, an agenda that really puts families first; an agenda that is supported by the majority of our people; an agenda that includes a patients' bill of rights, which is desperately needed by many families; an agenda that includes reducing class size, as we spoke today on the education bills and hiring for teachers; an agenda that includes a real Medicare prescription medicine benefit, a benefit that will work, a benefit that will be there when people need it, that will make a real difference in the lives of millions of Americans. That agenda, in my view, has been blocked in every way in the name of special interests.

The patients' bill of rights, as far as I can tell, has been blocked to protect HMOs and insurance companies. The middle-class tax cuts have been blocked in the name of huge tax cuts to the wealthy. Debt reduction has been blocked in the same name, huge tax cuts for the wealthy. Minimum wage has been blocked as a favor to some businesses that do not want it. Education incentives to modernize our schools and hire new teachers has been blocked for other ideas for private schools. The Medicare drug benefit has been blocked at the behest of the pharmaceutical industry. We need an affordable, meaningful prescription benefit in the reliable world of Medicare, a benefit that guarantees our seniors will have benefits when they need them, and real relief on reducing the cost of drugs.

The special interests have frankly stopped a reliable Medicare prescription medicine benefit. We have squandered every opportunity we have had in this Congress to get this done. But right now we have still in this Congress the ability to do something on price for all of our citizens, not just our senior citizens. I want to remind all of us that the reimportation issue has passed both Houses of the Congress. On the Medicare prescription medicine benefit, we did pass something here. It was not the right bill, but at least we passed something. Nothing has even been brought up or passed in the Senate. But on reimportation we have passed something in both Houses.

What we passed in both Houses would lower the cost of drugs in the United States by between 30 and 50 percent. This is a dramatic reduction. It could affect every American family right now. It would allow the pharmaceutical industry to buy FDA-approved drugs abroad at reduced rates and consumers could realize the savings, at least with the Senate-passed version of this bill. And, remember, we probably could have passed that better version if the rules here had allowed us to do it, but it did not.

But we have in the Senate, in conference, the right provision. It would mean that millions of seniors could buy drugs at a fraction of the current cost. It is sensible, it has bipartisan support in both bodies, it sailed through the Congress, and the American people are for it. It would help seniors and other citizens now, this year. Even the month after we would pass it, people could begin buying drugs at dramatically lower prices.

Now, the reality is the leadership has not allowed this measure to go to conference. It is bottled up in the Ag conference committee. It is languishing. It should not be languishing. Now, what are we doing? Why are we waiting until adjournment comes and we cannot take this up? Why has the measure not gone to conference? Why are we not doing something about this?

It seems to me, and I address this to the gentleman from Vermont, that we have in these remaining weeks the ability to get this up in conference, to decide this in favor of the Senate provision, which gives people the greatest reduction in price and allows companies to actually reimport these products into the United States and get a broader price reduction for more Americans. I would simply ask the gentleman, and the gentleman from New York, who has sponsored the only thing that he could in the House, which was very positive but not as good as he wanted it to be, what we can do in the remaining days to get this done for the American people?

Mr. SANDERS. Well, I just want to thank the minority leader for his very eloquent statement and for his very strong support of legislation that, if passed today, would lower the cost of prescription drugs by between 30 and 50 percent for every man, woman and child in this country. And the fact that the minority leader has now come strongly on board, this legislation makes me more confident that we are going to pass it.

But here is the story, and let us be very clear about it. The pharmaceutical industry is the most powerful industry in this country. Last year it made $27 billion in profits, $27 billion in profits while charging the American people, by far, the highest cost for prescription drugs than any other country in the world.

I live in the State of Vermont. We border on Canada. Last year, I made

two trips over the border with Vermonters to purchase prescription drugs in Canada, and I want to relay one aspect of our trip. We had with us a number of women who are struggling against breast cancer, struggling for their lives, and they take a widely prescribed prescription drug called Tamoxiphen. What we found when we went over the border is that the cost of Tamoxiphen, which saves the lives of women who are struggling with breast cancer, was one-tenth the price than in the United States of America.

Imagine that, women struggling for their lives are paying ten times more for the same exact product in this country than a few minutes away over the border. Now, as the minority leader has indicated, we have strong bipartisan support for this legislation. In my view, if that bill that was passed in the Senate were brought to the House and Senate today, it would pass overwhelmingly. It would not be close. The problem that we are having now is that the pharmaceutical industry is exerting enormous pressure on the Republican leadership. And those of us in Congress and all over America are watching day by day to see if the Republican leadership has the courage to bring this bill on to the floor, which has widespread bipartisan support.

Many Democrats and Republicans, like the gentlewoman from Missouri (Mrs. EMERSON) and the gentleman from Oklahoma (Mr. COBURN) and others, are fighting the right fight. The American people are sick and tired of being played the fool and paying by far higher prices than anyone else. As the gentleman from New York (Mr. CROWLEY) indicated a moment ago, the pharmaceutical industry is spending millions and millions of dollars on radio ads, on television ads, on newspaper ads which are dishonest and misleading.

So I would say to the minority leader that the $64 million question is: Does the Republican leadership have the guts to stand up to the pharmaceutical industry and allow us to pass bipartisan legislation that would overwhelmingly sail through both bodies and lower the cost of prescription drugs by 30 to 50 percent?

And I want to thank the gentleman very much for his active role now in seeing that the legislation is passed.

Mr. GEPHARDT. I thank the gentleman for his eloquent statement, and I hope in a bipartisan way we can do something that will be very, very positive and important for the American people, who are struggling to keep their health and need to have these products at a reasonable price and are happy to pay a reasonable price to be able to get these substances to keep their health.

I thank the gentleman for his hard work and the gentleman from New York and the gentlewoman from Connecticut.

Mr. CROWLEY. I thank the minority leader for joining us.

Mr. Speaker, I now would like to yield to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Speaker, when we look at the health care crisis in America, there are many dimensions to it, but clearly one of the dimensions is that in my State of Vermont and all over this country physicians are writing out prescriptions to their patients, but they are saying, what is the sense of me writing out a prescription if my patient cannot afford to get it filled?

So what we are finding is that senior citizens and many, many other people are simply unable to take the prescription drugs that they need, or they are dividing their dosages in half, or they are taking their prescription drugs once every other day.

□ 1615

We hear from pharmacists that our legislation is supported by the Community Pharmacists of America. They stand behind their desks, behind their counters and their hearts are broken when senior citizens cannot afford the products that their doctors are prescribing, when people are dying and when people are suffering and we have the cure right in front of us.

So some of us in this Congress well over a year ago, the gentleman from Arkansas (Mr. BERRY) who is right here, the gentlewoman from Missouri (Mrs. EMERSON), and I introduced legislation which was a very, very simple piece legislation.

What we said is that we are living in an increasingly globalized economy. I must tell my colleagues, I have many problems with the globalized economy. But we are living in that economy. And if we go to a shoe store, the shoe company is able to purchase shoes anyplace in the world. If we go to a pant store, a haberdashery, they purchase their product anywhere in the world.

So we are asking a very simple question. If a prescription drug is FDA safety approved, why cannot a prescription drug distributor or a pharmacist purchase that product anyplace in the world at a significantly lower price than the pharmaceutical industry is selling it to him in the United States right now? Why cannot competition exist, free market exist, global economy exist when we are talking about prescription drugs which are FDA safety approved?

Now, if that legislation were passed today, what we would have is prescription drug distributors testing the market in Canada, they would buy tamoxifen for one-tenth the price they would buy other drugs for 50 percent the price, they would be able to resell it to American consumers for significantly lower prices than we are currently paying.

Now, what is wrong with that legislation?

Nothing is wrong with that legislation. What that legislation would do is lower prescription drug costs in this country from between 30 to 50 percent at almost zero expense to the American taxpayer. It would allow American business people who import drugs to take advantage of the best prices that are available all over the world.

Now, our friends in the pharmaceutical industry who last year made $27 billion in profit, our friends in the pharmaceutical industry who are contributing millions and millions of dollars to both political parties, our friends in the pharmaceutical industry who, if my colleagues can believe it, have 300 paid lobbyists here in Washington, D.C., our friends in the pharmaceutical industry who spent $65 million on advertising last year trying to defeat any legislation that would lower the cost of prescription drugs, well, let me tell my colleagues they are fighting back vigorously. They are putting on dishonest, misleading ads on radio, TV, and in the newspapers and they are saying Members of Congress want to import unsafe, adulterated drugs.

What a horrible, terrible thing to say about Members of Congress who are fighting so that their constituents can afford the prescription drugs that they need. What a disgraceful thing to say about Members of Congress that we would want to see an unhealthy prescription drug come into this country. It is simply untrue.

The legislation that passed in the Senate is very clear. There are strong safety conditions attached to it. The FDA has said that, if they have $23 million to increase their capabilities, they will guarantee that the products coming into this country are safe.

This is not rocket science. It is easily done. The problem is not unsafe drugs that will come in if our legislation is passed. The problem is that today Americans are dying, Americans are suffering because they cannot afford the outrageously high cost of prescription drugs. That is the problem.

And the pharmaceutical industry, which is every day showing the American people how outrageously greedy they are, apparently $27 billion in profits last year is not enough. I guess they need more than that. Apparently, charging Americans 10 times more than Canadians for certain drugs is not high enough prices, they need more than that.

Well, all over this country the American people are saying, enough is enough. Let us lower the cost of prescription drugs. Let us not continue the rip-off of the American people so that our people are paying so much more than the people in Europe, the people in Mexico, the people in Canada.

That is what this legislation is about. Do not believe the dishonest ads that the pharmaceutical industry is publishing.

As I mentioned a moment ago, over a year ago, legislation introduced by the gentleman from Arkansas (Mr. BERRY), the gentlewoman from Missouri (Mrs. EMERSON), and myself set the ground work, started the process for this. And we are making real progress. If that

legislation were put on the floor today, we would have overwhelming bipartisan support.

I challenge the Republican leadership to show the American people that they have the guts to stand up to the pharmaceutical industry, that they will allow the House and the Senate to vote on this legislation.

If they allow us to do it, it will win, we will lower prescription drug prices in this country, and we will have done something that the American people will be very proud of us for doing.

Mr. CROWLEY. Mr. Speaker, I thank the gentleman from Vermont (Mr. SANDERS) for his comments. He and I share border States with Canada. Something I have been saying over and over again, it is time that Americans do not have to go to Canada and Mexico to be treated like Americans when it comes to the cost of prescription drugs. And it is something we do deal with even in the Bronx. There has been a bus that goes from the Bronx to Canada for solely the same point that the gentleman does and he has taken constituents on.

Mr. SANDERS. Mr. Speaker, if the gentleman will continue to yield, it is an outrage, as my friend indicates, that the American people have to flee their own country to purchase prescription drugs manufactured in the United States.

Mr. CROWLEY. Mr. Speaker, I want to thank my friend from Vermont for his words and his leadership on this issue, as well.

Mr. Speaker, I yield to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I thank the gentleman from New York for yielding to me. I want to congratulate him for pulling several of us together this afternoon to talk about what is probably one of the most critical issues that the American public is facing. So to the gentleman from New York (Mr. CROWLEY), the gentleman from Vermont (Mr. SANDERS), the gentleman from Arkansas (Mr. BERRY), the gentlewoman from Wisconsin (Ms. BALDWIN) and the gentlewoman from Florida (Mrs. THURMAN), who are here on the floor this afternoon, we will continue to be on the floor of this House for as long as it takes to be able to bring some relief to the crushing cost of prescription drugs that people are facing in this country today.

Let me just make one comment, which is that we need to have a prescription drug benefit that is voluntary, that is universal and universal in the sense that it covers all seniors and that, in fact, it ought to be done under the Medicare program that will reach all seniors and provide the opportunity to, in the best way, allow for doctors and their patients, our seniors, to be able to prescribe the drugs that are needed for people to survive and for seniors to be able to get them and not be at the mercy of an insurance company or an HMO to be able to get that prescription drug.

That being said, it is unlikely, sadly enough, that in this House and in this Congress we will be unable to pass a prescription drug benefit through Medicare before we leave this body in the next few weeks.

So what we need to do in these final weeks of the Congress is we have an opportunity to pass this prescription drug reimportation legislation, and we need not to have this legislation slip through our fingers.

It has been stated quite eloquently that we have FDA regulations today that only the manufacturer of a drug can import into the United States. Therefore, the pharmaceutical companies have unfairly used these regulations to control prescription drug distribution in the United States at the expense of seniors.

We have in the United States Senate the agricultural appropriations bill which allows the wholesalers and the pharmacists to reimport or import FDA approved prescription drugs. The bill that we passed in the House, I might add, is not as strong as the one that was passed in the Senate because in the Senate language that protects against the import of counterfeit, mislabeled, or adulterated drugs, and we need to protect this language. It is critical. We are here for the good and not the harm of the American people. We must work together to allocate the $23 million to get this effort started on the right foot.

Let me just tell my colleagues, to make this very simple, we all know and our seniors specifically know that in other countries people pay 20, 30, and even 50 percent less than their prescription drugs. The same medication that costs $1 in America costs 64 cents in Canada, 57 cents in France and 51 cents in Italy.

Let me make the point clearly. Consider Zantac, which is made by GlaxcoWellcome in the United Kingdom. GlaxcoWellcome is based in the United Kingdom.

What we are asking is just the same price that they would sell Zantac to Brits, sell that at the same cost to people in the United States. With regard to Zantac, it is marked up by 58 percent when it is sold in the United States, 58 percent.

Why? Our seniors deserve better. They deserve to have the same medication at the same price.

That is what this bill would allow, pharmacists and wholesalers to purchase medication at the same low prices that people pay in other countries, pass that savings on to America's seniors. It is common sense and it makes the world of difference to people who are struggling. And they are making those awful choices between prescription medications that they need to survive and groceries and heating bills and rent and everything else.

My colleagues have said this. I will mention it briefly. There is an awful disinformation campaign on our airwaves, and people should act more responsibly. They have bought millions and millions of dollars of advertising to sell the American public a bill of goods.

I have done this in my district. I have gone literally from center to center, senior center to senior center, with the ad and pointed out the lies in these ads. The public has got to know the truth. The campaign implies that the importation of pharmaceuticals is unsafe, and nothing can be further from the truth.

Let me just say this to my colleagues today that the pharmaceutical industry already imports 80 percent of the ingredients it uses in the prescription medicines that it sells in the United States, and 20 percent of the medicines it sells in the United States are manufactured abroad. No matter where they are made, all of these drugs are tested by the FDA.

Let me say to my colleagues that we need to call on the pharmaceutical industry. And I will just say straight out, I represent the pharmaceutical industry in my district in Connecticut and I have said plainly to them, take the ads off the air. Reasonable people can come to a table and discuss an issue. They do a wonderful job. And if a lot of it is taxpayer research that we pay for, I am a survivor of ovarian cancer, I understand the benefits of biomedical research and pharmaceutical drugs. They do a good job of producing those. But it does us no good if people cannot afford to get the benefit of this taxpayer research and the work that they did.

Let us come together. Let us make it possible for people to afford the prescription drugs.

I will say, since that has not happened, then we have an obligation to pass this reimportation legislation before we leave this institution in the next 2 or 3 weeks.

I thank my colleague for putting this effort together today.

Mr. CROWLEY. Mr. Speaker, I thank the gentlewoman for her moving remarks and for all her work and leadership on this issue and thank her for being here today.

Let me point out, if I may briefly before I turn the microphone over to the gentleman from Arkansas (Mr. BERRY), that the drug industry's scare tactics are ironic. Because, since 1992, pharmaceutical firms' importation of drugs for consumer consumption have increased by 350 percent, totaling $13.8 billion last year, imports from Canada have grown by 400 percent, and those from Mexico by 800 percent according to the National Community Pharmacists Association.

Here is one of those ads my colleague was talking about. This was in one of the trade magazines down here. It says that 11 former FDA commissioners think all Americans deserve to be protected. Well, we found out that well over the majority, some seven former FDA commissioners now find themselves being employed by the pharmaceutical industry.

Do we expect any other answer but this answer?

Ms. DELAURO. Mr. Speaker, if the gentleman will continue to yield, one of those FDA directors, Dr. David Kesler, former director of the FDA, now dean of the Yale Medical School in New Haven, Connecticut, has written a statement that, in fact, that is inaccurate. He has been very clear.

Mr. CROWLEY. Mr. Speaker, that just adds more weight to my point.

Mr. Speaker, I yield to the gentleman from Arkansas (Mr. BERRY) who himself is a pharmacist.

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Mr. BERRY. I thank the distinguished gentleman from New York (Mr. CROWLEY) for his leadership in this matter, and the Democratic leadership for providing this hour for us to discuss this important issue. I appreciate my colleagues from around the country being here this evening to talk about this issue. I also want to thank the many Republicans that have provided leadership on this issue: the gentlewoman from Missouri (Mrs. EMERSON), the gentleman from Minnesota (Mr. GUTKNECHT), the gentleman from Oklahoma (Mr. COBURN), and of course the gentleman from Vermont (Mr. SANDERS), who has worked so hard to see that the American people get treated fairly as prescription drug prices are too high and we try to bring them down. They have done a great job in providing leadership for this issue. We want the prescription drug manufacturers in this country to be successful. We want them to continue to be profitable. But there is something wrong when we allow Americans to have to pay 30 to 40, 50, 60 percent more for their medicine than any other country in the world.

The pharmaceutical manufacturers have engaged in what we try to charitably call a misleading campaign. The fact is the ads that they are running and millions and millions of dollars worth of them that they are running every day now all over the country trying to convince the American people that their safety is threatened, their health is threatened if we import these medicines at the same price that other countries buy them, the fact is that calling them ''misleading'' is being very kind. It is just simply a lie. These companies are simply willing to do anything to continue to be able to rob the American people.

As has already been mentioned, former FDA Commissioner David Kessler who served under both Presidents Bush and Clinton has said in a letter, ''I believe the importation of these products could be done without causing a greater health risk to Americans than currently exists.'' The truth is Secretary Shalala has called the Senate amendment promising and does not oppose it. All Americans need to be protected from outrageously high prescription drug prices. There is no need to allow the pharmaceutical companies to continue to rob the American people.

In June, I was in Cuba to visit with the Cubans primarily to talk to them about buying some of our agricultural products. We had a great discussion. They are certainly willing and interested and desirous of buying our agricultural products. As we concluded our discussions, I said to them, ''We've talked about food, about agricultural products. What about pharmaceuticals? Do you not want to buy our pharmaceuticals?'' And they laughed. These are very nice people. They did not want to do anything to offend us, but they laughed. And they said, ''Why would we want to buy your pharmaceuticals? We can buy your pharmaceuticals anywhere in the world. We can buy them in Canada, we can buy them in Panama, we can buy them in Mexico for half what you're paying for them. Why would we want in on a deal like that?''

And then they asked a question that I could not answer and it is unbelievable to me today that we stand here in an empty House at 4:30 in the afternoon and still we have not answered the question, ''Why do you do that to your people?'' they said. I could not answer that question. There is absolutely no reason why the Congress should not follow through this year and enact this provision that will clearly lower the price of prescription medicine to Americans.

I was disappointed to read yesterday that some powerful Republican Members may try to have this provision removed from the agricultural appropriations bill. They will try to disguise an appropriations bill in some way where we will not be able to tell that it has been removed until the bill has passed. Countries in the EU, the European Union, benefit from international price competition for our pharmaceuticals. They have been doing this for years, and they suffer no ill effects from it. This whole idea that the pharmaceutical manufacturers continue to try to promote that it is unsafe is absolutely ridiculous.

Our senior citizens are crossing our borders en masse to buy prescription drugs they need from Canada and Mexico. The solution we support would give all Americans access to safe and effective FDA-approved drugs made in FDA-approved facilities at international prices and give FDA the oversight it needs to know imported drugs are safe through the use of testing and other means.

It is very deceptive and manipulative for the pharmaceutical industry to claim proposals which require documents, labeling and testing put American patients at risk. That is just simply not true.

From 1991 to 1997, the amount of drugs imported for consumption by global drug makers jumped from $6.1 billion to $12.8 billion. All evidence indicates that these imports have continued to climb. For the drugs we support allowing the importation of, the new standards will be more stringent than those that apply to the billions of dollars' worth of foreign drugs that manufacturers are bringing into this country today.

Another point that is important to remember is that the effect of our legislation is not only to facilitate the importation of reasonably priced medicine; but once U.S. manufacturers are no longer shielded from international price competition, the free market will absolutely demand that these prices go down. Interestingly enough, the same people that talk about a free market, a free market situation day after day on the other side of the aisle, are the very people today that do not want a free market situation. They want to protect these drug companies that have contributed millions and millions of dollars to their campaigns.

Dr. Christopher Rhodes, a University of Rhode Island expert in the field of applied pharmaceutical research, recently testified before the Senate Health, Education, Labor, and Pensions Committee on the issue of safety. He testified that by implementing a system which requires documentation and testing, it was his ''considered professional opinion that the process of using reimported prescription medicine in the United States need not place the American public at any increased risk of ineffective or dangerous products.''

Dr. Sidney Wolfe, a health and safety expert at Public Citizen said, ''It is ironic how PhRMA worries about safety when lower prices are involved. The Prescription Drug Parity Act requires safety precautions above and beyond the FDA requirements and consumer protections Americans rely on when purchasing pharmaceuticals made in foreign countries.''

I would ask you today, where is this House? There is a lot of daylight left today and there is nobody here. Why is the House not here on the floor today? Because we need this legislation today. We have got Americans all over this country paying too much for their medicine, many senior citizens; but all of our citizens are paying more than they should have to pay. It is absolutely outrageous that this Congress allows this to go on and the Republican leadership just simply does not do anything about it.

Ms. KAPTUR. Will the gentleman yield on that point?

Mr. BERRY. I will certainly yield to the gentlewoman from Ohio.

Ms. KAPTUR. I would agree with the gentleman that we came here to Washington this week to do the people's work and already we are finished with the day's business, so to speak; and tomorrow I am told there may be one vote, maybe not more than one vote. Meanwhile, the very bill that this issue is in is stalled. We passed it weeks ago, months ago here in the House; and it went over to the Senate. The leadership of this institution could bring that bill up here so we could vote on this whole prescription drug issue and

whether our people can bring these pharmaceuticals in from other countries like Canada if they are safe and of similar quality. Where is the bill? Even the conferees, the people here in the House who are supposed to sit down with the Members of the Senate to go over this provision, have not been appointed, even though the bill was passed here and it has been passed there. We have got plenty of time today. We have got all day tomorrow. We should have done it weeks ago. We wasted yesterday; we wasted the day before yesterday. I just wanted to affirm what the gentleman is saying and as ranking member on the subcommittee that has jurisdiction over the Food and Drug Administration, we are waiting. We are waiting for this Republican leadership to do its work.

Mr. BERRY. The gentlewoman from Ohio, who has provided great leadership in the Committee on Appropriations on this matter, is absolutely right. It is unforgivable for the Republican leadership to let our senior citizens continue to be robbed on a daily basis while we do nothing. We are gone. No one is here. We should be here working on this legislation and passing it.

I come from a small town in Arkansas. We do not lock the doors or take the keys out of our cars. Everybody knows everyone else. If we had someone going around robbing our citizens, and especially our senior citizens in that community, we would put a stop to it and we would put a stop to it right away. We would not wait until tomorrow or the next day. We would do something about it today. These companies are robbing the American people, and they are robbing our senior citizens. You do not have to assault someone to rob them. These people have figured out a way to rob someone without going into their home or assaulting them.

Ms. KAPTUR. If the gentleman will be kind enough to yield to me again, when he said that there might be a deception and maybe this bill might not come to us in a form that we could even vote on, I have really wondered whether our bill will ever get to this floor again which is under regular order, or whether these provisions and others are being worked on behind closed doors here with no public scrutiny and some of these lobby groups coming in and having an influence when we do not have the ability to bring the influence of our constituents to bear on this important question of prescription drugs, the cost of prescription drugs. I would hope that the leadership of this institution does not pull something like that and allows our Members a vote. The gentleman from New York (Mr. CROWLEY), one of our outstanding new Members of this House, the gentleman from Vermont (Mr. SANDERS), who has been a champion on senior issues, certainly in the other body Senator JIM JEFFORDS, who tried to work with the administration on the safety provisions to make sure that we have like product being brought in here, all these fine Members need to be heard. And we need to bring the weight of their influence and intelligence to bear on a free vote on this floor, not have it buried or altered in some committee room here that none of us have access to.

I would hope that the leadership of the institution hears us and gives us an opportunity to bring these prescription drugs to the American people at affordable prices. I will just tell the gentleman last week when I was doing food shopping at my local supermarket, the cashout clerk told me that every week she has people that come by there and they have to separate out their prescription drugs from their food, and they have to put food back on the counter because they cannot afford to buy both. This should not be happening in the United States of America.

Mr. BERRY. I thank the gentlewoman from Ohio again for her leadership and certainly agree with her comments. I would just make one more plea to the leadership of this House. Back in 1995 and 1996, we had lobbyists in the back rooms here writing legislation. That is absolutely unforgivable. We should not allow this to happen. I hope the American people realize that the leadership in this House today is simply ignoring the great need that we have out there to deal with the prescription drug issue and provide lower-priced prescription drugs and provide a good prescription drug benefit plan for our Medicare recipients.

Mr. CROWLEY. Mr. Speaker, I thank the gentleman from Arkansas (Mr. BERRY). I also want to thank the ranking member of the Subcommittee on Agriculture of the Committee on Appropriations, the gentlewoman from Ohio (Ms. KAPTUR), for her comments as well.

Mr. Speaker, I yield to the gentlewoman from Michigan (Ms. KILPATRICK).

Ms. KILPATRICK. Mr. Speaker, I thank the gentleman from New York for yielding.

I first want to say that I support the pharmaceutical industry and all that they have done in America over all of these 200-plus years. We have second to none the strongest companies who represent and who bring forth medicines that have taken care of America for a long time. I commend them for that. We support them. We want them to grow. We want them to hire American citizens. And we want them to treat Americans who need and must have their products to live. At the same time, we want the product to be affordable. There is no reason that pharmaceutical companies must make 20, 30 percent profit on their medicines when the average Fortune 500 companies make 5 to 10 percent and consider that to be a formidable profit.

The pharmaceutical industry is a strong one, and we want it to remain that. But I come from the State of Michigan. My district borders, the Detroit River borders on the country of Canada. Many of my constituents, seniors, take between four to eight medicines a day. After doing the research, those medicines cost anywhere from $20 to $500 per prescription. Many of them live on fixed incomes. They have to literally choose between eating and getting their medicines. They have to choose between paying their rent or getting their medicines. These are seniors who have built America and, yes, who have built pharmaceutical companies.

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We must know that much of the research and development that pharmaceutical companies do are at the taxpayers' expense, and that is one of the great things of our country. We want them to do the R&D necessary so that we can live healthier lives as American citizens.

At the same time that we use our tax dollars to assist private companies to bring product to the market, we want to make sure that those people, seniors or not, disabled maybe sometimes, who must have medicines to survive are able, are able, are able to get them and are affordable.

Mr. Speaker, living on the border of Michigan and Canada, many of my constituents can go across the river in a half hour or less drive and pay one third the cost that prescriptions are being charged here in the country. Why is that? These are, many times, American companies. It has already been stated, that 80 percent of the ingredients in those drugs are imported, that is 20 percent of the drugs are manufactured in other countries. So the whole issue of reimportation, it is already happening.

Mr. Speaker, I would hope we would bring the Ag bill to the floor with the provision of reimportation in the bill. It is the proper thing to do. We hope and we have heard some debate that there is not a backroom going on as we speak with six or eight people deciding what that agricultural bill will look like and whether yea or nay that reimportation provision will be in the bill, we have a responsibility, all 435 of us elected by over 600,000 people in our districts to represent, to speak out, prescription drug access, affordable medicines remain one of the top priorities of those that we represent.

Mr. Speaker, I strongly support the reimportation provision in the agriculture bill. I urge the Republican leadership of this House to bring the issue to the floor. Let us debate it. We want to have our pharmaceutical companies remain strong, but we also want to take care of those many Americans who live from day to day based on the medicines that they must have.

Michigan, Canada, our border, Canada, Michigan, our border, do not make my constituents go over the border, U.S. citizens, tax-paying citizens, raising-family citizens to another country

to get those medicines that their doctor has prescribed for them and that they duly need, and we have a responsibility to see that they get it.

Mr. Speaker, let us work to make sure that we can debate this on an open floor. Let us make sure that the Republican leadership brings this to the floor. Prescription drugs are a necessity. We have to see that they become available to those who need them.

Mr. CROWLEY. I thank the gentlewoman from Michigan (Ms. KILPATRICK) from the Committee on Appropriations for her kind remarks.

Mr. Speaker, I yield to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I want to thank the gentleman from New York (Mr. CROWLEY) for yielding to me and putting together this special order.

It is frustrating here we are at almost 5 o'clock on Eastern Time, 4 o'clock Central Time, and the House is not working on this legislation. We are spending an hour talking about it. It is amazing too that our seniors who work very hard to make this country prosperous and successful do not have access to affordable drugs.

H.R. 1885, the International Prescription Drug Parity Act is one way that we can make it available to them by financial relief so they can buy the medication they need to maintain their health.

It is widely reported that prescription drug prices are lower in foreign countries. In fact, studies in my own district show from Houston, Texas, we can go down to Mexico and get the same drug for lower costs; in fact, half the price.

Mr. Speaker, I know that myself, because I have done that myself. When I have been traveling in Latin America, Mexico, Costa Rica, I can buy the same drugs that I buy in the United States for significantly less.

While I would have hoped that by now we would have passed a prescription drug plan that works, why not let us reimport these drugs. My colleagues on the other side of the aisle say that it is unsafe to bring these drugs from other countries. Well, that is jut outrageous, because, frankly, these drugs are made and under FDA standards, and we imported $12.8 billion worth of drugs in the United States in 1997.

Mr. Speaker, that is not about safety, it is about profits and what we need to do is make sure that pharmaceuticals who are opposing this bill know that either they need to support a real prescription drug benefit for our seniors as part of Medicare or we are going to find a way to get cheaper prescriptions for our seniors, including bringing drugs in from other countries that meet FDA approval.

It is not fair that countries in Europe and Japan and other parts of the world have so many more cheaper drugs than our own seniors and yet they have the same standard of living.

If I go to Mexico, because Mexico does not have the standard of living we do, so the prescription drugs are cheaper, but if we go to Europe, who has the same standard of living, or Japan, there the drugs are so much cheaper. I would hope, Mr. Speaker, that we would see that we would have a real prescription drug benefit passed, otherwise we need to support the International Prescription Drug Parity Act so we can have these pharmaceuticals reimported in our country for our seniors.

I'd like to thank Congressman CROWLEY for putting together this special order. It amazes me that our seniors, who worked very hard to make this country prosperous and successful, do not have access to affordable drugs.

H.R. 1885, The International Prescription Drug Parity Act is one way that we may be able to provide them financial relief so that they can buy the medication they need to maintain their health.

It has been widely reported that prescription drug prices are lower in many foreign countries than in the United States. Studies conducted in my district confirm that seniors can buy the same drug in Mexico at a lower cost. However, I didn't need a study to tell me that.

I've talked to the seniors in my district who travel to Mexico and I've been to Mexico myself and know that the same drugs were significantly cheaper in Mexico.

While I would have hoped that by now we would have passed a prescription drug plan that works, why not let us reimport those drugs, that patients from all over can buy at lower cost.

My colleagues on the other side of the aisle claim that it is unsafe to bring drugs from other countries and that this legislation will pose a safety risk to consumers.

This is false. These FDA-approved drugs, manufactured in FDA facilities.

Under H.R. 1885, pharmacies and wholesalers importing drugs would still have to meet the same standards set by FDA, which allowed 12.8 billion dollars' worth of drugs to be imported into the United States by manufacturers in 1997. This is not about safety—its about profits and helping special interest groups. Pharmaceuticals are pressuring them not to allow this because they know that they will lose business very soon.

It is not fair that pharmaceutical companies continue to discriminate against American patients.

It is not fair that countries in Europe and across the world benefit from international price competition for pharmaceuticals. Many of these drugs were researched in the United States and funded by our Federal dollars.

This summer, the Republican leadership forced a prescription drug bill that provides more political cover than insurance coverage for our Nation's seniors. The legislation was designed to benefit the companies who make prescription drugs—not seniors. Instead, they passed a flawed piece of legislation which will cost seniors more each year, but it gives them less.

I have met with many seniors in my district who are in serious financial hardship due to the high costs of their prescription drugs. They have shown me their prescription drug bills and let me tell you, I don't see how they can survive. Seniors are having to chose between paying their bills or buying their medication. Some skip their medication to make it last longer.

We should be putting benefits into the hands of senior citizens, not pharmaceutical manufacturers. We should be providing a secure, stable, and reliable benefit—instead of watered down legislation that does nothing to address the problem. We should be building Medicare up, not trying to tear it down.

I hope this Congress will work across party lines and develop a bipartisan bill that ensures an affordable, available, and meaningful Medicare prescription drug benefit option for all seniors.

In the meantime, lets support the International Prescription Drug Parity Act, to level the playing field for American patients as well as businesses who are struggling to continue providing employees and retirees with quality, private sector coverage for prescription drugs.

This is about fairness and common sense.

Mr. CROWLEY. Mr. Speaker, I yield to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman from New York (Mr. CROWLEY) for yielding to me.

Mr. Speaker, indeed we are talking about something very basic. We are talking about the health care of seniors. We are talking about equity. We are talking about providing opportunities for people to have access to affordable prescription drug.

I come from rural North Carolina basically where the income is not as high as in most areas and also where the senior citizens outnumber in proportion our population and the age factor is greater, so we have a lot of senior citizens living at a lower income, and they are making the election between three basics, shelter, food and prescription.

Yet, we here in the Congress have an opportunity to do something about it, and we are resisting that. We are resisting that. We say because we want safe drugs we want to make sure that the pharmaceutical companies can indeed afford to provide that. Well, I support my pharmaceuticals. I am not against them, but I am also thinking that corporate America can do good and do well, not at the expense of senior citizens.

The bill that the gentleman from New York (Mr. CROWLEY) has introduced, that has passed the House, has been improved in the Senate, so there is no reason to even fear the safety of those drugs.

Mr. Speaker, I just saw a magazine article, already the pharmaceutical companies are attacking the possibility that these drugs will be unsafe, that is a bogus, bogus, bogus claim. No one wants to have unsafe medicine. I urge this House to do the right thing, pass this bill so our seniors indeed can have affordable drugs.

Mr. CROWLEY. Mr. Speaker, I yield to the gentlewoman from Wisconsin (Ms. BALDWIN).

Ms. BALDWIN. Mr. Speaker, I want to thank the gentleman from New York (Mr. CROWLEY), for his incredible leadership on the issue of reimportation and getting a fair price for our seniors for prescription drugs; all people frankly. I wanted to come down to

the floor today on behalf of my constituents, my constituents in Portage, Monroe, and Stoughton, Wisconsin and, all the other cities and towns and rural areas in my district who demand and need affordable, comprehensive prescription drug coverage.

Mr. Speaker, we are playing election-year politics with the health of our grandparents, our parents, aunts and uncles. We are ignoring the voice of the many constituents who have written us, me and all of my colleagues showing us in vivid detail their outrageously high prescription drug bills.

Our seniors need prescription drug coverage now. They need the passage of the bill of the gentleman from New York (Mr. CROWLEY). They need affordable drug coverage now. So no matter who you are, where you are or how sick you are, you will have the health care you need.

Mr. CROWLEY. I thank the gentlewoman from Wisconsin (Ms. BALDWIN) for the remarks. I appreciate that very, very much.

Mr. Speaker, in closing I want to thank you for the patience and your steadfastness, and I appreciate all of the speakers who gave their time this afternoon on the issue of prescription drugs.

Mr. Speaker, I just want to mention that this is not only on one side, there are Members on the other side who I am working with, the gentlewoman from Missouri (Mrs. EMERSON), the gentleman from Oklahoma (Mr. COBURN), the gentleman from Minnesota (Mr. GUTKNECHT), as well as members in the other House. We are all working together to try to get this amendment that has passed here in the House passed in the Senate. It was improved in the Senate, approved in the conference committees, we have to do it now, we do not have much time left.

We are told we will be out of here in a couple of weeks. We need to pass this amendment so that seniors can get the prescription drugs that they need at a rate of 30 percent to 50 percent less than they are paying right now. We need to pass a patients' bill of rights, and we need to improve upon the Medicare coverage that this country provides to seniors throughout this land.

REFLECTING ON EXPERIENCES IN HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore (Mr. CANNON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Florida (Mr. MCCOLLUM) is recognized for 60 minutes.

Mr. MCCOLLUM. Mr. Speaker, I listened intently to what was just being debated, and I have an 85-year-old father, I have my in-laws in their 80s. And I am very much dedicated and understand very much the importance of providing Medicare coverage and prescription drugs. I certainly favor a patients' bill of rights.

Mr. Speaker, rather than talking about those issues today, I have taken my 60 minutes of time, which I do not get an opportunity to do very often, and I will not probably have another opportunity ever in this House of Representatives, to reflect for a few minutes on this institution and on the experiences that I have had here over the years that I have had the privilege to serve, because I am leaving this body at the end of this session of Congress after 20 years in the House of Representatives.

This is my last chance to reflect for a few minutes to my colleagues. I am very much aware of the great importance of the House of Representatives, the People's body.

I read a book recently on the life of John Quincy Adams, and I know that having been the President of the United States, having been a United States Senator, John Quincy Adams, who finished his life in this body as a House Member, always thought of the House of Representatives as his greatest experience, most rewarding experience.

I can assure anybody that this has been a very rewarding experience for me in many ways, satisfying principally because I have been given an opportunity very few people have to serve in public office in the highest positions in this Nation, to make laws, to make life better for our children and our grandchildren, and to do things that many people would like an opportunity to do but very few people have the privilege.

I thank the voters of Central Florida who have given me that opportunity in election after election over the last several years. It has been something to reflect upon the young people that I have come in contact with in those years. It is my observation that while we often talk about our troubled youth that most of America's youth are bright and wanting to learn and very capable and that, contrary to a lot of opinions, the future is bright for this country, because we are the greatest free Nation in the history of the world. Because despite our weaknesses hither and yon, we have the greatest institutions of education and family that exist anywhere.

We need to make them better, but we need to recognize that our children not only are our hope for the future, but we have many who are doing very well, who are even living with single parents at some point, either a mother or a father, and despite all of the difficulties that there may be in that setting, even in the urban areas, in some of the worst living conditions in the country, young people are succeeding. They are learning. They are passing their courses. They are getting into positions of authority later in life. They are making their parents very proud, and I think they should be.

But I have seen quite a number of young people who have come here in this Congress to visit, either working in my office as a staff member, working in the office as a volunteer, as an intern, coming in on a high school intern program, making it to Washington because they have done an artwork for which they are being given some decoration, and in those faces, I have taken the most satisfaction, of knowing we are transferring to each generation a better knowledge of democracy and how it works and handing over to them a lot more of the keys to keeping this country the great free Nation that it is.

□ 1700

We often do not reflect on how much Congressmen do to further that cause and our staffs do to further that cause. Every year, since I have come to Congress, I have, with one exception, I think, the first year perhaps, I have had a high school intern program where one high school junior from every high school in my congressional district has come to Washington and has spent a week here, has spent a week meeting with my colleagues, meeting with various executive branch officials, having an opportunity to really learn what the United States House of Representatives and Senate and our government is all about.

I look back on many of those, and I occasionally run into them and know each one of them not only learned a great deal here but went back to their high school and shared that with their friends, shared it with their family, have actually shared much of what they learned here with them in many ways and will forever carry with them what they learned here in that brief week. I also have sponsored a couple of pages here on the floor of the House. They have been here, some of them for the summer, a couple of them for an entire academic year.

I know from observing those young people and what they have learned how valuable it will be going back into whatever walk of life in the future they are involved with, in school, in college, and in business or whatever, and serve their communities better because of what they have learned here.

We also have had a congressional art program for many years that Congress has sponsored; and in my congressional district we have selected, through a judging process, the art work of many of the high schools. That art work is something to behold. I encourage anyone to go to any congressional district art competition when it is held annually, as it is in most congressional districts, and look at what the young people are producing, what wonderful talent they possess.

The only thing we are able to do with our congressional effort is to encourage that. Encourage it we do, legislatively in certain ways; but we particularly encourage it with our competition, where we take one high school art work out of each congressional district where this competition is held, and bring it to Washington every year as the outstanding work and put it on display in this Capitol so that the entire Nation can see it for a whole year.

There are many of those works today on display in this Capitol by young people from the last competition last summer, this past summer.

Each one of those students who has gone through the experience not only of winning and coming here but participating in one of those competitions is encouraged in terms of their artistic endeavors and encouraged to succeed in life and encouraged, in my judgment, with those things that are most valuable for a young person to have, and those are the tools of discipline, self-discipline, and confidence that they can succeed in whatever they try and they work at and really try hard enough to do.

That brings me to the basic point of my thoughts today, and that is we are a land of opportunity. We are a land of opportunity because our Founding Fathers gave us a great Constitution and a Bill of Rights and the checks and balances that go with it; and part of that checks and balance system is this elective body, the 435 Members of the U.S. House of Representatives.

In the process of being this great Nation and land of opportunity, our role as legislators is to further the work of our Founding Fathers and those who came before us, in making sure that we properly oversee our government in its many facets; that the laws that are passed in this Nation ever increase opportunities for everybody, equal opportunities for everybody of all races, religions, colors, national origins, to be able to succeed if they have the kind of self-discipline to go forward, give them the opportunity, give them the chance, encourage them, provide the right environment for it.

Now, that may sound broad and we deal with specifics out here every day; but that is what we are about, making life better for the future, providing an opportunity for other people to succeed.

I have had a lot of experiences here with legislation. I have been involved with issues concerning the immigration questions that were greatly troubling our Nation, particularly in the mid-1980s. I participated in those debates thoroughly. I am a very big believer, having served on the Subcommittee on Immigration and Claims, in legal immigration. I think that the foundation of this Nation is our immigrants. We all, in the broadest sense, came from somewhere, our ancestors did, to this country; and we are truly a melting pot, and we need to always remember that.

We need to encourage legal immigrants to come here, to contribute, to participate, and do it in an orderly fashion.

I am also a big opponent of illegal immigration. I think that undermines a lot of the values of this Nation and potentially undermines, of course, what we strive to do for those who come here legally to have a better life to contribute to our society.

I did participate in some very tough debates over the years, and I am sure those debates will continue to go on because immigration is the heart of this Nation. It is a critical centerpiece of what has made this Nation great and will always make this Nation great. We must keep our doors open. We must never close those doors. We must always encourage those who come here and give them an opportunity to contribute, and many, many do every day, to making this a greater country.

At the same time, we have to have the restrictions on those who would come here because the world is not always the nice place that we like it to be, because the economies of the rest of the world are not as great as ours and to take advantage of it in numbers that we could not absorb and assimilate properly. It is a balance question; it is a question of fairness.

There are many, many things that I have participated in debate over the years. I have also had a lot to do with issues involving the drug wars that have gone on. A lot of people have put that issue aside, though I know a number of our colleagues have discussed that from time to time here on the floor. I do not think for one minute that things are satisfactory the way they are. Too many young people are using drugs today in alarming numbers, cocaine, heroin, ecstasy, a drug that is so common in Central Florida today on the rave scene that is imported and fabricated. I believe in a balanced approach to the efforts to stop and discourage the use of drugs. I believe deeply that we have to have education of our young people; that we have to have drug treatment for those who get involved to get them away from their addiction. But we also have to give encouragement to our local communities and local law enforcement and what they do; and not the least, we must be prepared to put a blockade up to stop drugs from coming in here from foreign countries that come in by the tons every year and invade our Nation.

Now, there are those who will say that indeed, in fact, we can never stop the flow of drugs into this country and that we should legalize drugs. I will say, from having been chairman of the Subcommittee on Crime and been involved with this issue a number of years, that it is not in the best interest of our young people to have that happen. The youth of this Nation would be ill served because the studies show in those countries where that has been tried the number of young people who are and do become addicted to drugs has roughly doubled, maybe even tripled. I find that totally unacceptable. So while we may pay a price and may have to continue to work at it and may not always be successful, it is important that we continue that work and that we do everything we can to do things like the Western Hemisphere Drug Elimination Act that I was proud to have authored in the House a couple of years ago to provide the resources to discourage the drugs from coming in here and to try to do what that bill did and set a goal of reducing dramatically by 80 percent or more the drugs that come here from Latin America, in particular, but from anywhere in the world, because we are flooded with too much of that today.

So I am not leaving this body unaware that there are still many problems unresolved. The juvenile crime bill that I worked on a long time, it does not appear as though it will come out of this Congress in a fashion that gets enacted into law this time. I am sorry for that. It is caught up with other issues that it really unfortunately should not be, but it is. It was a bipartisan product, took many years of work; but the problem that underlies that bill is still here with us today.

Despite all the good things I have said about young people today, I know there are many troubled youth out there and we need to do something about that. Juvenile crime is a problem for a lot of reasons; but it is a bigger problem than it needs to be because today our juvenile court systems are not working as well as they should be, and we need to come to grips with that fact around the Nation in the State legislatures, as well as here in Washington.

The legislation that I have worked on, and hope that in the next Congress successors will succeed in putting through, would be something that provides a grant program to the States so that they can provide additional assistance to get more judges into the juvenile court system, to have more probation officers, to have more diversion programs, to do the things that are necessary to remedy our overworked juvenile court system.

Why is that so important? Well, we find in the juvenile crime area that many young people who commit these crimes do it because they really do not think they are going to get punished. A lot of that goes back to a basic system, a lack of discipline at home or at school or wherever else for a number of these young people. They do not see that if they do something wrong that they are going to receive something in return that is not very nice.

Now, much of the time in juvenile law, the punishment is nothing more than probation with a requirement that they do community service; but whenever somebody as a juvenile and they commit a misdemeanor crime, I am absolutely convinced that every juvenile who commits that crime should receive some form of punishment, some form of knowledge that they are going to suffer a consequence for doing it. That means when this bill is finally passed and becomes law, that it must contain, for the grant money to be effective, a provision that says that every State who receives the money will at the very least require every juvenile that is guilty of a misdemeanor crime to receive some punishment in the juvenile system.

I think that is very important, and it was a bipartisan product when it came

out of this body this last time; and I think that it should be a bipartisan product when it finally becomes law.

One other subject in that realm that is unfinished, that troubles me, is in the area of our prisons and prison industries. I have worked on this subject for a number of years. I remember when I first came to Washington, being invited by the late Chief Justice Warren Berger to serve on a commission that was looking into factories behind fences, an effort to try to bring our businesses into the prisons of this country, State and Federal; to employ more prisoners, to gainfully employ them in a way that they could learn the skills that so when they ultimately left jail, ultimately left prison, that they would have something they could go out into the workplace with and do a job and earn a living and not come back into the prison system again with a high rate of return, which today unfortunately exists for virtually the vast majority of prisoners who leave prison in our Federal and State systems if they have not gone through some kind of prison industry work.

The sad story is that only about 20 percent of all Federal prisoners and about 7 percent or so of State prisoners are engaged in prison industries today. We have a huge debate going on in this body, and we will continue to have over the next few months, in all probability, over the question of what they call mandatory source preferences given to prison-made goods at the Federal level where the Federal Government agencies have to give some preference or priority to the prison goods that are made in the Federal prison system in terms of purchase. Now, I personally think we ought to phase that out. That should not be. On the other hand, there is a law that exists that says that no goods made in our prison systems in this country can be sold across State lines. That law has been around since the 1930s or so.

What I envision some day seeing is for businesses to come into the prisons, not having the prisoners under the prison system make goods and compete with the private marketplace, but rather have the private marketplace come into the prison, utilize the prison labor, paying a prevailing wage, paying a reasonable wage, providing that a good portion of that wage goes to pay the room and the board to save the taxpayers money and at the same time training the worker, the prisoner in this case, with real job skills that they can go out in the real world when they get out of prison and utilize and allow, of course, the business that comes into the prison to be able to market the goods that they make or the services they provide just as they would if they were using any other labor.

We need to get away from the view that some seem to hold that somehow a prisoner should not work, is not an employee, is not a part of the labor force. In my judgment, we should return all prisoners, even while they are in prison, to the degree practical, to the workforce and it is one of the great weaknesses of our society that we fail to do that. In the process of failing to do that, we have also contributed to a lot more crime because people who get out of prison without those skills, without ever having learned the discipline of a real job, do not go out and find a job and keep it. They wind up, instead, coming back to prison.

In fact, most of the prisoners today in our prison system have never held a real job. They are young people who have been committing lives of crime from the very beginning, and we need to deal with that.

So that is one of the areas that over the years I have been concerned that has not been resolved, and I know that as I leave this body I wish my colleagues well in being able to complete that action in a fair and reasonable manner.

I want to reflect for a moment on a couple of things that have been well resolved, things that I have had great experiences with in my tenure here, and comment as well on what I think young people should take away from their observations and their studies about this body. For one thing, not everything here is highly partisan. The bill I just talked about, the juvenile crime bill, although some amendments made it into a controversy, was a totally bipartisan bill, as I mentioned. It came out of my Subcommittee on Crime with every Republican and every Democrat voting for it, and it would have gone through both bodies had there not been some unforeseen circumstances at a place out in Colorado with a shooting that got it caught up with a gun issue.

□ 1715

The reality is that we have lots of other bills that are not at all even this size where we work together and we do not debate much out here on the floor of the House because we come to resolutions on them in our own way and they come here and they get voted on as suspension bills or they are voted on with limited debate. Those are bills that are often very important.

One bill that is on its way to becoming law now that affects just my district and, in some ways, affects the whole State of Florida, the bill that makes the Wakulla River in Florida a wild and scenic river under our national system, only the second river in our State. In the Florida delegation, we often work together, Democrat and Republican alike, on bills and legislation and over the years I have been here that are important to our State, and those pieces of legislation very frequently are enacted and are enacted without, again, controversy and certainly not partisanship and get a lot less notice than they probably should. It is day in and day out that those things are done.

For example, every member of my delegation from Florida has been united over the years in wanting to restore the Everglades; fighting right now together for the resources to share a partnership, the State and Federal Government, to restore the Florida Everglades to its natural beauty and to protect our environment. Every Member since I have been in this Congress in these years of both Democrat and Republican from my State have opposed offshore oil drilling off our coast because we collectively know the value of that pristine beach we have and that wonderful water that we have and we do not want to destroy the ecosystems or to put them at risk.

Mr. Speaker, I could go on and on with lists peculiar to Florida, but I could also go on with lists of those pieces of legislation where we have worked together jointly to accomplish good that was not partisan.

I can remember a bill, one that bore my name, back in 1986 that I managed to get a challenge from my then chairman, Ron Mazzoli, to be able to produce in the waning days of the Congress on marriage fraud and immigration in a way that would not require any vote, because it was too late in the session. It looked to him, I suspect, as though it would be very controversial. I was a Republican; he was a Democrat. We were the minority in those days. He was the chairman of the Subcommittee on Immigration, and I knew he favored what I wanted to do, but he did not believe probably that we could accomplish the refinement of a fairly comprehensive piece of legislation.

It dealt with the fact that we had a lot of people coming to this country under false pretenses, coming and marrying an American citizen just to get here; not because they were really in love with them, though obviously the American citizen thought otherwise. As soon as they came here and had been married, they became a citizen because of that marriage, and then they immediately separated, and the person who had been defrauded never saw them again, and the person, of course, who came here under those false pretenses, once they became a citizen, could stay. It was very difficult to ever remove them.

We did work out some provisions in the law that provided some remedies for this, to give a time delay, a period of time where the couple had to stay together after they were married and demonstrate that their marriage was viable; a lot of technical details. But that was worked out in a very accommodating fashion. I remember working with members of the other body of both parties; I remember working with the gentleman from Massachusetts (Mr. FRANK) to make sure that this was worked right and the language was done.

Then, disbelieving to many, we brought that through the committee process by a voice vote; we brought it to the floor of the House and we passed it without a single dissent. We got it passed in the other body, and we managed to get it to the President's desk

and get it signed into law in the last few days of the Congress, even though it was potentially a very controversial bill. It was very bipartisan and done in a very accommodating fashion, got no real headlines. They later made a movie about some of the problems that one could see from that bill if one did not agree with it completely, and I certainly did for reasons of policy I stated, called Green Card.

I am proud of that bill, not just because it was a bill that I passed with my name on it, but because it represents the kind of bipartisan work that goes on every day here in this House of Representatives that many in the public never see, because they are focused on the big debates about the budget, about health care, about things that we do have partisan differences on, because some of us in each of our parties come from a different perspective on the role of government. I will address that in a moment as well.

Having said that, I want young people to look at this body and look at the tenure of service and hopefully be encouraged to participate. They need to study history, they need to learn their courses in school, and then as many as we can possibly get to be involved, we need to get them involved; not just to run for public office, not just to be a Congressman, though I hope many of them would do that some day, or try to do that, but because we need them involved in the communities, in the clubs, in the churches, in the community organizations, in helping other people who might run for the school board or other offices, and just by being a good citizen in whatever business or whatever they do in life by paying attention to the debates that go on and in making educated value judgments about those things that are important to making this Nation the great Nation it is today and keeping it that way.

It is, I am convinced, the word of mouth of those who really do pay attention that makes a difference in the elections and in the process of free government we have every year. All too few actually become educated in that sense. We need to encourage a whole lot more. And, in that process, I am reminded of having seen an editorial recently in the Tampa Tribune newspaper about a test that was given a few years ago in Salina, Kansas, 1995, if my recollection is correct, to eighth graders. They had to pass 44 questions in order to go from the eighth grade to the ninth grade. There were only 20 of them reproduced in the paper. I am not going to recite all of them today, but several of those questions dealt with specific dates in American history, dealt with being able to identify what happened on that date that was important, dealt with things in history, dealt with things in the English language which today, seemingly, is lost in many of our schools and among many of our children and young people that I come in contact with.

Mr. Speaker, we need to revisit that. We need not only to have the sciences do well and all of our schools be improved around this country for purposes of continuing the great revolution in industry and high technology we have, but we need young people to also study the arts and literature and know the language and know history and know it well, because history does, as many have said, repeat itself. If one does not know the pitfalls of history, one will make those mistakes over again in the next generation or the generation after that.

History is not something well known. There are many other examples of that in current media reports about history tests that college students do not pass or could not pass on very simple, basic knowledge of American history, let alone world history.

Mr. Speaker, when I think about young people, I do not just think about the need for more history, I also think about the fact that when I have seen them come here to work, all too frequently for many years, they have not had the skills in the English language that we need, or that they really need. And as we live in a computer age, it is all too easy to use ''spell check'' and not actually know how to spell the word, or to leave it to somebody else while you are doing creative writing and not know punctuation. It is important when one comes to be a legislative aide and in many other endeavors in life to be able to write a letter, to be able to write a paragraph, to have the analytical skills to be able to understand what you are reading, and to then interpret it and put it on paper in some simplified form. That is very important in our government, and it is certainly important still today in many businesses.

That is not a skill that many young people are learning today, unfortunately. I would suggest that the best education that any young person can have for coming to work in a congressional office today is an English literature degree or a degree in journalism; in those subject matters where they have an intense exposure to learning writing skills, verbal skills, and the ability to communicate, and analytical skills that go with that. One does not have to be a lawyer to be a Congressman, one can certainly be a doctor, and we have several who are. One can be anything in the walk of life, which is the beauty of our Nation. So I am not suggesting that everybody have an English degree or everybody have a journalism degree that comes to Congress or works here, but I am suggesting that whether one gets a degree in it or not that you learn it as young people, that you really work at it, that you do not take it for granted that we do not pass by it because your teachers may not have emphasized it the same way they would have years ago, especially grammar and how you write paragraphs and you analyze and write whole compositions.

It is far more important than many seem to think it is today. As a skill, if we have lost it, and we need it every day, it seems to me that we can never fully make up, and it is affecting us in ways that are harder to describe or to discern than sometimes measuring the lack of a particular skill for doing a scientific job or a particular work place skill.

So that is an observation that I would like to leave with my colleagues as they encourage young people in the future, and as I am doing and have done in the years that I have been here in their interest in government to be involved. Be involved with history, be involved in studying, learning about everything you can. One of the greatest attributes for anybody serving here is a general knowledge and an interest in everything. I know I have that. I am curious. I am always curious about something. I want to know the answer to this or the answer to that. I cannot know everything; I am very dependent on my staff. I do not know always the answers to everything, but I learn, and I work very hard at it. But I need those skills and I need my staff to have the skills to be able to discern these things and to discern the answers as best as we possibly can quickly, accurately, and to be able to communicate them.

When it comes to the matters of public life too, I know that a lot of people think people around here make deals all the time, and I suppose there are some. But the other part of government that is so impressive to me at the House of Representatives is how many honorable people serve here, how many very dedicated people there are here. We always hear about the exceptions, and I guess that gets publicized, and occasionally someone writes an article about just that, that there are very few of those in comparison to the 435 House Members and 100 of the other body, but I can say that it is a high degree of competence that is here and some very fine people that are the rule and that are the norm.

In that process, we have worked together on the legislative side of this, but it also makes for a body that we call collegial, and that simply means that we get along really better than people imagine. We have had great debates, like over the impeachment of the President of the United States.

People often wonder, are you really angry at the other fellow? You are having a big argument over it. The answer is no. After the debate is finished, I know of rare instances, extraordinarily rare instances where that anger carries over. Individuals get along amongst themselves in professional ways, and we learn to disagree agreeably, and we do have to do that. That is an important skill to have in life, to be able to make the argument, to be able to make the case. Above all else, you do not compromise principle, integrity, character; principle, must be there. It is important that our leaders possess those qualities and that our young people carry that forward.

Those were the qualities of our Founding Fathers. Those are the qualities necessary for a republic to succeed. A representative government is very dependent on those qualities. As we look at all of those things that we admire in people, I would suggest one of those that we admire the most is people who are of independent judgment; who, while we might not always agree with them, we do know where they stand, and we know that they mean what they say and they say what they mean. I think those are qualities that those who possess them serve the public better than otherwise would be, and you would find it remarkable how many people actually possess those qualities that serve here, but often are not recognized for one reason or another.

In speaking of this body too, I cannot help but reflect on ways other than legislative that this body can accomplish many good things. I know that all of us in our districts are involved with helping people every day through our casework staff, helping them to resolve matters of great concern with the Federal Government. I mentioned on the floor of this body a few days ago my personal staff, and I pay tribute to them who served with me and have been employees over the years, because so many of them have helped people with immigration matters, with problems with the Veterans Administration, with problems relative to things like the tax laws or Social Security or Medicare, and because government is complicated and the forms are complicated, and I personally would like to see them a lot simpler, but because they are, there is a need for that service. So we do a lot more than legislate in that sense, and we do it through our staffs and individually every day.

We also get involved in helping resolve issues and matters that are greatly important to our districts in terms of those things that may not be legislative, but are important in public policy and in our communities. We are looked to to do that as leaders.

We also have a role in our committees in particular to oversee the Federal agencies and the arms of the Federal Government on the executive branch. As we know, our government is divided into the legislative, executive and judicial branches. We actually have some role in the judicial, although they are an independent group and they ought to be. But we oversee and we have a duty to question and to interrogate, to make sure that the laws are being carried out the way Congress intended, and that we do not have fraud and abuse, and that we have people who are held accountable.

□ 1730

I mentioned earlier juveniles in the juvenile court system. It is accountability that is important there, as it is here. It is accountability that is important in every agency. Everybody who is involved needs to understand there is going to be accountability. We cannot be the policeman every time, but we certainly have a public obligation to do that job.

Then there is one other aspect that has been especially appealing to me as I have served in this body. I have been able, from time to time, to do something that made this a very rewarding place, that went far down a different trail than legislative or committee oversight or helping my constituents on a daily basis. I got involved in this endeavor that I think of as the most rewarding of my entire tenure here because I served on the immigration subcommittee in 1984. I went to Latin America, to Central America, when we were having a lot of civil disturbances there. We had the Contras in Nicaragua; we had a Civil War going on in El Salvador.

We think about that as many years ago, and it was quite a while ago; but the Cold War was still on, the former Soviet Union was engaged in trying to make the countries south of us become Communists in their doctrine and the controlling powers in some of those governments, and we were very disturbed as a Nation about a lot of those things that were happening. I went down in part because of the refugee problems flowing into Florida and the rest of this country as those disturbances occurred. We had a flow of people coming here.

While I was in El Salvador, a little tiny country in Latin America and Central America, I had an occasion to observe what they call the desplazados. Those are the displaced people, in Spanish, who were displaced off the farms. They were not technically refugees because they had not gone to another country; and, therefore, they were not treated by the United Nations as refugees and there was no aid or assistance coming to them in the international world.

So I saw these camps with hundreds of thousands of Salvadorans in them, and children that had distended bellies and diseases and things that we would not expect in a modern world, especially not so close to the United States. And I asked the folks at our embassy in El Salvador what was the problem here. One of the principal problems was there were no antibiotics in the country and no way to distribute them. In fact, they even had a shortage of antibiotics in the embassy for our own personnel.

So I came home, not having a lot of knowledge about how to do anything on that subject, but I remembered that during the Vietnam War there had been an effort to get drugs, donated by pharmaceutical companies, over to Vietnam and to the surrounding area. I called and inquired of a friend with one of those companies and asked if it would be possible for the pharmaceutical industry to donate free medicines for this purpose into this small country.

I was told that that was something that would be very difficult to do. Of course, it was possible; but it would require first and foremost that there be a security of the pharmaceuticals, the drugs, when they got in-country. And in a war zone, which El Salvador was considered, that was difficult to achieve; and he said, I do not know how you would do that, but you would have to do that. Second, there would have to be a distribution system that would ensure that these drugs were going to get to these kids and not be put on the black market or sent off somewhere else, and I do not know how you would do that. And, third, as a practical matter, these pharmaceutical companies, like any business, will want tax write-offs. They will have to have a 501(c)(3) or some other organization that will be tax deductible for them to make a contribution, and I do not know how you would do that, he said.

Well, I did not know either, but I remembered there was a Kissinger Commission going on at the time and Dr. Walsh, who was the head of Project Hope, was the head of that. The Kissinger Commission was involved in Latin America trying to resolve some of these differences and had been at work for some time. I did not know Dr. Walsh, but I called him and asked him if maybe Project Hope could do this. He was very famous for that. And he said, well, I wish I could, but we are spread too thin now and I really cannot do that. But if you come up with some ideas about how you can accomplish the goals and meet the criteria that the pharmaceutical companies have suggested, then I would be willing to allow you to have a facility here at Project Hope so they could get the tax-free benefit of their donations and maybe assist you in other ways.

Well, I did not know what I was going to do then; but I thought this was something of a light, a little hope, and I called a fellow who had given me a card in El Salvador who I had met at an embassy function while I was there for a day or two. He was a businessman there who had migrated to El Salvador many years before. I called and asked him, because I had his card, and I said what thoughts do you have about this? And he said well, Congressman MCCOLLUM, I was the International Harvester distributor in El Salvador. But with this civil war going on, there are not any needs for my business, I am not selling anything, and I have a warehouse at the military airport and that warehouse would be something under lock and key that would be absolutely secure. So if you bring some drugs down here for these kids, we could store them there.

Then he told me that he was a Knight of Malta. Well, I did not know what a Knight of Malta was. I am not Catholic, and I did not know what it was; but he quickly told me that they are one of the most famous charitable arms of the Catholic Church, and they are businessmen particularly all over the world who get involved in charitable causes. He said in many Latin American countries, and in El Salvador, there are

clinics with nurses, not doctors, all over the countryside that the Knights of Malta and the Catholic Church operate; and if you could get us some assistance and get those drugs here, we could get them distributed and we could assure that those drugs would be brought to those children to use them.

Well, I thought, wow, this might really be doable. So I called Dr. Walsh back on the phone, said I am excited about this. I am not sure what the drugs ought to be, but we can do this. He said, if you are going to pursue this, I will send a doctor over from Honduras. He will analyze what is needed, and we will get that to you right away. Not only that, but here is how you go about this. Ask the pharmaceutical companies if they will donate the drugs to a central location, perhaps to your city of Orlando; I will donate the boxes and how to package it; I will even send my son down to help you package it if you find the transportation system.

Well, one thing led to another and, by golly, we did that. We actually within 4 days, which does not seem possible, had gone out with a letter to the pharmaceutical companies all over the country asking for them to make this donation, explaining the program that we had put in place, got some local business people to donate the cost of an old DC–3 aircraft we had to charter; and within a week, or 10 days at the latest, of the time I had been in El Salvador, we had a plane flying to El Salvador loaded with medicines and medical supplies donated free of charge to those children in El Salvador, those desplazados.

That actually grew into about a $4 million program over several years. I got an award from the Catholic Church, that I believe is the highest honor they can give to a non-Catholic for humanitarian service, that I am very proud of. But even more than that, it led to what was later known as the McCollum airlift, when we got involved in the Afghanistan period, when they had a civil war. And somebody said, well, you did that in El Salvador and the State Department knew about it. Can you do that over here for the refugees from Afghanistan who are now in Pakistan? I said, well, I do not think I can do that. That is a huge number over there, and you have a long way to go.

But working together, Democrat and Republican, I offered an amendment, adopted here one day on the floor of the House, to a defense bill that provided $10 million to provide airlifts all over the world to military bases to acquire nonlethal excess military supplies and fly to Pakistan for the benefit of the Afghan refugees. There were over 100 of those McCollum airlift flights over a period of the years from about 1986 to 1990, and many of those flights had returns to the United States with young children on those flights who had been injured in land mines inside Afghanistan, who had come out. We had doctors who donated all over this country their time, plastic surgeons in particular, to repair many of these wounds to make them cosmetically presentable again to give new life and new hope to those children.

Now, that went on and it is past history, it is not today; but it is something that I am prouder of than anything else that I have done as an individual Congressman since I have been here in this body. And I will never forget the opportunity that being a Congressman gave me to do that, to be involved in El Salvador and Afghanistan and in other ways. Those are things that Congressmen can do, that Members of this House can make a difference with.

I know others who are here who have done that as well. I will not start naming them, but I know there are many who have great humanitarian spirits who are in this body and when given the opportunity, whether in the minority or in the majority, makes no difference, you have the opportunity to do things with your public office that you just simply would not have if you did not take advantage of it and you were not in this position.

So I leave those thoughts with my colleagues about the office itself, of being a Member of the House of Representatives. It is an awesome responsibility you are delegated. You are elected to represent the people, probably 600,000 or so people in the United States, to come here and devote, but to do so many other things. And in that process, one who is a House Member has an obligation, not a privilege but an obligation to the public and to future generations not only to conduct him or herself honorably, and to vote on legislation wisely and in the best interests that you can possibly think of for the public as a whole, not some special interest group, to vote even on the tough votes when you know you are right but they may not be popular; but you also have an obligation, it seems to me, to use the office to further good causes. And opportunities do come along to do that, both at home in your district and in many ways it could even be abroad.

These opportunities I challenge each of my colleagues to do who will succeed me. And those who serve now, I know many of them are doing things like that. And I ask young people who study history, who study this body, to reflect on the potential that is here for good public service of any persuasion you might be.

Now, I want to close by commenting a little bit about the present. I know that we are in the waning days of this session of Congress; that when we have an election in a presidential year that we have difficulties passing good legislation at the end; mostly getting a spending bill or two out and negotiating a big end-of-the-year spending bill; but I am still hopeful that in this Congress we will produce some of the substantive legislation that is long overdue.

We have the opportunity still, if we get together and work hard, to produce a bankruptcy bill. It is in conference. There are some disagreements, but we should produce one and we should produce the right one and have the President given it to sign.

We have a chance to produce hate crimes legislation. I know that some on my side of the aisle do not agree with me on this, but I strongly believe that anybody who commits a crime, a crime based solely or principally upon the race or the religion or the sexual orientation of another person, should receive an extra enhanced sentence, just like somebody who commits a crime with a gun should receive extra punishment simply because of that crime on top of and in addition to the punishment they are going to receive for the underlying crime. Obviously, if somebody gets the death penalty for murdering somebody, that will be the ultimate punishment regardless of whether it is committed with a gun or knife or hate crime or otherwise.

I find hate crimes particularly egregious because they are crimes not committed just against an individual; they are committed against a class of people. They are committed against those who are of a certain status. And they are done in a way that tears at the fabric of America, that tears at the very basic principles of our Nation.

And I do not think the issue, as some have framed it, is an issue about gay rights or racial rights or religious rights. It is about our responsibility to discourage and deter crimes that are crimes of violence based on bigotry. That is what it is about. And whatever your views on other issues related to the hard and volatile subjects that are conducted to this, it seems to me to be a common bond that we should all have that we pledge ourselves and find a way in these waning days to pass that legislation and put into enactment a Federal provision in law that enables every offense of that nature throughout this Nation to be prosecuted and punishment to be meted out in an extra fashion that those proposals would allow.

I also would like to believe somehow that the juvenile crime bill that I mentioned earlier could be resolved. I am one of those who believe in closing the gun show loophole. I have always believed in that. I brought a bill out here on the floor of the House to do that once connected with the juvenile crime bill, unfortunately. I say that, because I know were it not for that issue, we would have had that bill passed long ago.

That bill that I proposed was a very simple thing that said, look, in the 25 States or so that have a provision in law that provides for the accounting of the results of somebody who has been convicted of a felony, in those cases, whether they were convicted or they were acquitted, if their name pops up on a computer check, which should be done anytime anybody goes to buy a gun because I do not think anybody

who is a convicted felon should be allowed to buy a gun, then in those States an instant check could be done at a gun show, just like at a gun dealer and resolve the question right there.

In the other 25 States or so that do not have those results, they simply have a name pop up, you have the record and the FBI files in the computer that the person was indeed arrested for a felony, you have to wait till the courthouse opens on Monday morning, or Tuesday morning after a 3-day weekend, and then you call the courthouse and find out was it plea bargained, were the charges dropped, was he convicted, and you will know.

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So I proposed a 72-hour waiting period. Three business days is fine with me. We did not resolve it that way. We had a big battle on the floor over two different amendments that had different viewpoints to them completely. One of them prevailed and they are still fighting in the conference committee over that. I wish somebody would get together and just do the common sense thing and let us have that bill.

There are others like that that are out here facing us, the Medicare prescription drug issue that is so volatile right now and people are debating it, and the issue over the patients' bill of rights. We should have legislation on those before we go home.

Those who are our senior citizens, and I mentioned earlier at the beginning, I have an 85-year-old dad, I have my in-laws that are in their 80s, I know the importance of making sure that Medicare and Social Security are preserved and protected for everybody who is retired or approaching retirement just as it is today. And for those involved with retirement who cannot afford, which no one who is retired really can afford today, prescription drugs we need to provide a subsidy through Medicare. I do favor Medicare prescription drug coverage.

There is huge debate over the details of how we do it. There are several options on the table about it. I voted for one out here a few weeks ago. I think that is a good proposal. There may be other alternatives that may be good, too. We need to resolve that. We need to provide that coverage. We need to do that in this Congress. We need to do it now. And then we need to come back after this election after the politics wanes and the rhetoric dies down. And we need to remember that money alone will not solve all the problems, that bigger government is not the answer, better government is the answer, that we can do better with this huge historic surplus that we have with Medicare and Social Security and other things that we have.

If we have a $4.5 trillion or so surplus over the next 10 years, as many are projecting, we should take two-thirds of that, use it to pay down the debt of this Nation so our children and grandchildren will not have the high interest payments that they have to pay. We should at the same time preserve and protect Social Security and Medicare and reform them in the sense of making them viable for future generations.

We should take the other third of that huge sum of money, it is hard to believe we will have that large a surplus but that is what is projected, take that other third, take a substantial part of it, not half of it, not a third of it, but a substantial part of it and use it to rebuild our military that has been built down way too far. And the balance of it we should use to give back to the taxpayers who paid it in in the form of across-the-board cuts and marginal tax rates and in the form of making a change to completely reform our Tax Code to make a real difference.

I am convinced that we can have a simpler, fairer Tax Code and that some day, whether it is a flat rate income tax or national sales tax, keeping the home mortgage deduction, the charitable deduction or some variation of it, we can actually have a code where we can fill out our taxes every year as citizens on a single sheet of paper and send it in and do away with the Internal Revenue Service as we know it today altogether.

We have that historic opportunity now and particularly after this election to do that. It is important for this body to consider the ways of doing it.

If it comes to the debt, we have about a $5.5 billion total debt. There is a division between public and private debt and so on. But the interest on all of this, however it is defined, is enormous for our children and our grandchildren.

So while we have the opportunity to pay down that debt with no magic and a particular date to pay it down, we need to pay it down so they will not have to pay that interest. And we should let them keep the savings from that interest. There are those that would propose using that savings to put it into some other Government program.

Let me tell my colleagues, that is tax dollars for our children. That is interest they should not have to pay. That is why we want the debt paid down. So we should make sure that when we pay the debt down that the interest that the children of this country will not have to pay in the future goes back to them so they can use it as they want and not as the Government decides.

When it comes to Social Security, I have said I have had my dad who is up in years and my in-laws and I want to preserve it today for anybody who is retired or approaching retirement, but I have a 19-year-old, a 25-year-old, a 28-year-old son and I want to see the day when they have a better retirement system, when they have one where they do not have the small amount that many have to live on or almost have to live on, and in both cases, those who are fortunate enough to have supplemental other income retirement, it is great, but I want my young sons to be able some day and my colleagues' too to have a system where they have savings accounts where they can take 2 percent or 4 percent of the payroll taxes, set it aside, let it be invested in a conservative investment and grow for 30, 40 or 50 years so they will have a larger retirement to retire on and have a better Social Security. I do not know any grandparent who does not want that for their grandchild.

The same is true with all of health care. We need choices. Every patient should have a choice of a doctor, every doctor a choice of the treatment for their patient; and everybody in this country should have a choice of health care plans, whether it is under Medicare or whether it is out in the rest of the world. We have an enormous task to undertake in the next Congress to assure that is so. And money pumped into ever bigger government programs is not the answer. We have got to find a way to bring competition into the system and choices above all for all Americans.

When it comes to defense, I served 4 years on active duty, 20 more years in the Reserves in the Navy as a judge advocate general, a JAG officer. I then have spent the last 6 years on the House Committee on Intelligence. And at no time since I first went on active duty in 1969 have I seen the morale among active duty personnel as low as it is today. We need to do something about that. There are those that think it is not so, but it is.

We have built down our military too far in the last 8 years. We have gone from a Navy that had about 540 ships to 320. We have gone from 18 Army divisions to 10. We have fewer men and women in uniform today than we did at the time of Pearl Harbor, and we spread them all over the world in more operational events in the last 8 years than at any comparable 8-year period in history.

Is it any wonder morale is low? And we are not paying them enough.

We should never again have a family in the military on food stamps. We should pay them well. We should put the resources we need to rebuild properly and modernize not all the way back up to the Cold War level strength, we do not need do that, but we need to make it better. We need to improve and modernize our service.

I would challenge anybody to ask anybody today they know who is on active duty or has a child or relative on active duty or any retiree or veteran who follows these issues if I am not wrong. This is an all-time low in modern time since the Vietnam War of morale in our services, and we need to address that problem. And we need to have a missile defense system.

And then, with the rest of the questions on tax law I mentioned earlier, there is no reason we cannot have the tax laws of this Nation reformed in a way that is much simpler than we have today and still provide the revenues.

It strikes me that the first place to start is to remember that a few years

ago, under Ronald Reagan, we had marginal tax rates that everybody who pays taxes paid that were much lower than they are today, and that if we adopted a cut in all the marginal rates across the board and lowered everybody's income tax rates, then we would be benefiting mostly those who are lower and middle income. They get the biggest benefit, not the wealthy people, under that proposal but the lower-income people who pay the bulk of the taxes. That is the first step.

The second step, then, is to do the things we need to do like repeal the estate and death tax once and for all that is unfair to small businesses or to those who want to carry on and let the children inherit the property that they worked so hard in their life to do. It is almost un-American to have this tax the way it is today. And to end the marriage penalty.

Those are things that are simple, we all ought to be able to agree on it, end the tax on Social Security earnings that makes no sense. And I think ultimately to encourage savings and investment, we should end the tax on capital gains and the tax on earned interest and the double taxation on dividends. And the easiest way to do that when we have this huge surplus, and we have plenty to do what we need to do, is to be reforming the whole code and go to that simpler code, a flat rate or a sales tax or something simple by sunsetting the code, getting a commission, coming to some common understanding. That is a challenge for the next Congress.

I would like to close by saying a couple of things about the overall picture. We are a Nation of laws. Big government is not what it is all about. We are a Nation of better government, and we should be.

I have a friend who used to talk about less taxes, less spending, less government, and more freedom. Our Nation was founded on the principle that government's best is closest to the people. The school board is where educational decisions should be made. We have a role to play. But categorical and targeted grants are not a good idea in many of these cases because they are too restrictive whether it is in education or other areas.

We should look forward to days when laws are in place where money that comes from the Federal Government like the 6 or 7 percent of education dollars are given back in accountability grants where improvement of our schools and education academic performance is required, but where those local school boards and the parents and the teachers make the decisions about what they do with the money and not have to apply for a grant for more teachers or a grant for school construction or whatever and have to follow all the rules and the regs.

We need to simplify Government. We need to come down with those rules. And we need to get back to basics and let local government do most of this, county commissioners make decisions, school board members make the decisions they can, city commissioners they can, State governments where they have to, and go back to the principles that were so important to our Founding Fathers that leave only to Congress and the Federal Government those things that the States and the local governments truly cannot do.

And that plate is big enough. We do not need to add to it. Government is big enough. We do not need bigger government. We need better government. That is the message I would like to leave with this body.

My tenure here has been a wonderful experience. I have had the great pleasure of knowing many of my colleagues and others who preceded us very well. I have enjoyed my companionship, the relationships, the camaraderie, the many events I got to attend, the experiences, the things I have learned, the chance to learn so much about so many things. But most of all, I have enjoyed being able to be part of a body that has given me the opportunity to really and truly contribute to making the life in this country and this great Nation better for our children and our grandchildren.

This is the greatest free nation in the history of the world. If we keep it there, and we certainly can, it will be because people like those who served with me in this body today continue to be vigilant and because the children and the grandchildren who do study will learn history, do learn English, do their homework in all other areas, and continue what they are doing today, and that is being the wonderful kids that we all know that they are and the inheritors of this great Constitution, Bill of Rights, and greatest free nation in the history of the world.

I thank my colleagues so much for letting me serve.

QUALITY OF LIFE IN OUR ENVIRONMENT

The SPEAKER pro tempore (Mr. CANNON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 60 minutes.

Mr. BLUMENAUER. Mr. Speaker, I certainly join my colleagues in wishing our friend the gentleman from Florida (Mr. MCCOLLUM) well.

Mr. Speaker, I would like to spend a few moments this evening discussing elements that deal with our quality of life in our environment.

After a seemingly interminable and preliminary process which has been seemingly going on since the last elections 2 years ago, we are now entering into the political home stretch.

As the candidates move past the debate on debate and the skirmishing that occurs here on Capitol Hill about budgets and health care, there is an overarching theme that is yet to be comprehensively addressed, the livability of our communities and the role the Federal Government can play in making our families safe, healthy, and economically secure.

The long-term implications for the environment have raised many areas of concern for citizens across the country. I find that it is interesting that it is not just a concern for college towns or for traditional urban centers. We find that these are very significant issues in areas like the mountain States of Colorado and Arizona and Utah.

People have been facing development and fear the situation is going to deteriorate overtime. I would like to take this opportunity this evening to discuss some of those items in greater detail.

But I would like to begin, if I may, by yielding to the gentlewoman from the District of Columbia (Ms. NORTON), the delegate from the District of Columbia. She, I think, has perhaps one of the most difficult challenges that any of us face, representing the District without a vote, without Senate colleagues, and facing some of the very difficult environmental and development issues.

Mr. Speaker, I yield to the gentlewoman from the District of Columbia (Ms. NORTON) to elaborate on some of her concerns.

Ms. NORTON. Mr. Speaker, I thank the gentleman from Oregon (Mr. BLUMENAUER) for yielding to me.

That is a most generous gesture and in keeping with the special attention he has devoted to the capital of the United States. He joins us in so many activities that we share in common with his own constituents.

I want to particularly thank him for joining our bike ride just the other day where we are trying to work with his livability caucus to make the Nation's capital more livable for people who walk and ride and run.

Mr. BLUMENAUER. Mr. Speaker, reclaiming my time, I cannot let the occasion pass without congratulating the gentlewoman on leading the pack of some 3,500 cyclists just 2 weekends ago and a marvelous experience for so many people from the Metropolitan area, not just from the District of Columbia.

I did want to point out that tomorrow morning, again with the cooperation of the office of the gentlewoman, the bicycle caucus is going to have a tour of the south waterfront redevelopment and we will be leaving at 7:30 from the Rayburn horseshoe to be able to combine some bicycle work with understanding some of the development challenges that are being faced by the District.

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Ms. NORTON. Indeed so. We invite Members to join us. I will be riding in my skirt because I have a hearing right afterwards. I thank the gentleman for helping us show off our waterfront which we are trying to get in better shape.

I thought I would come to the floor, and I appreciate the opportunity that the gentleman from Oregon has given me, to give a status report to Members on important developments in the District of Columbia. I try to give a status report every so often. This is an important time to do so because it is the appropriation period.

There are new Members here who perhaps think they have been having an out-of-body experience because they have had to vote on the floor on a local city's budget, on a budget raised in the District of Columbia. No, that is the way they do it here. They should not do it anywhere. Some of you have been local legislators. You would never abide that in your district. If I could get out of it, I would. I think that there is going to come a time very soon when there will be ways to modify the present system.

I wanted, though, to begin by thanking the chairman of the District subcommittee, the gentleman from Virginia (Mr. DAVIS), and the vice chair, the gentlewoman from Maryland (Mrs. MORELLA), for going with me to the Committee on Rules last week to ask for the return of the vote to the District of Columbia that was retracted along with the votes of the other delegates when the Republicans took the majority. As a constitutional lawyer, I had written a memorandum that showed that even as I had the full vote in committees, I could have it in the Committee of the Whole, the creation of the rules of the House, the Democrats were in power then, by a vote I had won it. The Republicans sued us and both the District Court and the Court of Appeals indicated that this was constitutional.

When the vote was retracted through the rules, there were a considerable number of Republicans who came up to me and said that at least for the District of Columbia, which is third per capita in Federal income taxes, if we had been severed, they would have voted to retain the vote of the District. The fact that Chairman DAVIS and Vice Chair MORELLA went with me to plead for the return of the vote for the District I think indicates that we are dealing here with a matter above political considerations, not bipartisan but nonpartisan; but because we are talking about the vote, my single vote cannot make a difference, particularly since the rules require a revote if the delegate's vote makes the difference. Of course no one vote makes the difference very often. There cannot be half a dozen times in the session when that occurs. Nothing is lost by the Republican majority should they retain the majority. Everything is gained for my residents who still are smarting under the notion that anybody would take the vote while accepting their Federal income taxes.

There are other reasons as well. Uniquely, this body assumes the privilege of voting on my local budget; yet I have to stand there with no vote on the amendments as I had when I had the vote in the Committee of the Whole, and of course there is the unique requirement that every law passed by the local city council come here to lay over and perhaps to be overturned. So in the name of the half million tax-paying Americans I represent, I ask that my vote be retained, and I appreciate the bipartisan support I have for that proposition.

Let me say just a word about the District itself. Its basic health needs to be reported to this body because this body saw the District go down in 1995. Since then, there have been 4 years of balanced budgets plus surpluses. The District came into balance 2 years ahead of the congressional mandate. The control board is sunsetting. Next year's CAFR will report a balanced budget. That signals the end of the control board. At the same time the city council has revived its oversight functions so that it is now a full functioning city council with all of the vigilance that this body, for example, has over Federal agencies, keeping the new reform mayor on the reform path.

Finally, the school board, which is perhaps where the Congress has had its greatest concern, has itself also been reformed by vote of the residents of the District. We have a new superintendent that was superintendent in Montgomery County, one of the leading school districts in the country, who is now our superintendent. The former superintendent, Arlene Ackerman, did so well in the District that she was recruited away by San Francisco. She took our scores up 2 years running, instituted all manner of reforms including a summer program not only for remediation but to help students get ahead. Our police department is doing extraordinarily well in what has been a particularly high crime city. We have had double-digit drops in crime for 2 years now.

Most of my colleagues know and have enormous respect for our management-oriented mayor, the new mayor of the District of Columbia, Anthony Williams. You have perhaps read of the management plans he has in place which holds managers to goals which are publicized to the entire city so that people can see whether or not these managers are meeting their goals.

One agency has been in the paper recently, the foster care agency. I am pleased that the majority whip, TOM DELAY, a national advocate for children, himself a foster parent, was concerned about the fact that the foster care agency is in disarray. Note, though, that that agency is in receivership. Mr. DELAY has joined Chairman TOM DAVIS and me in calling for the return of that agency from the Federal courts to the mayor of the District of Columbia because he has shown that he knows how to reform an agency and the receivership has not done the job.

Finally, I want to thank the Congress for the tax credits and incentives that it voted in 1997, which are already having an enormous effect in reviving the economy of the District of Columbia. Just today, Senator CONNIE MACK and I have an op-ed piece in the Washington Post where we call upon the Senate and the House to make citywide these D.C.-only tax credits and incentives which are reviving the private economy of the District of Columbia and have contributed invaluably to the revival of the District itself. Because the District has no State to fall back on, it needs special incentives of some kind; and we prefer private sector incentives, because we are trying to develop a stable economy that depends upon no one but ourselves and our own businesses.

The D.C. residential and business credits have had phenomenal success in the many communities in which they are found. But not every community has had the benefit of these tax incentives. The result is that there are businesses that have the incentives on one side of the street and on the other side of the street they do not, or competitors have them and their competitors do not. That is because this is a small, compact city, and you cannot divide it up the way you can Chicago or New York or L.A. into districts with some getting it and some not getting it without having terrifically adverse effects. The effect here has been to unintentionally discriminate against some communities.

What Senator MACK, who has been extraordinarily helpful to this city, wonderfully attentive to our economy, and I ask is that the proven success of these tax credits and benefits make the Congress decide to make them citywide. They are a tax-exempt bonding authority, for example, which means that we have what most cities have had for a long time, and that is tax bonding authority for profit-making businesses. We only had it for tax-exempt institutions before. Now there is $100 million of private investment in the city because of the tax-exempt bonding. It is paying for itself over and over again.

The best example is the $5,000 homebuyer credit. It is the only one of the tax incentives Congress passed in 1997 that was citywide, and look what has happened. We have turned around the extraordinary exit of middle-class homeowners from the city. Seventy percent of those who bought in the city said they bought because of the $5,000 homebuyer credit which allows you to get $5,000 off of your Federal income taxes if you buy a home in the District. We want that to be the case for the tax-exempt incentives as well.

Finally, let me thank the Congress once again for the 1997 tax credits and incentives that have boosted the city's private economy. In one or another of the tax measures coming out of the House, we expect these tax credits to perhaps become citywide, and I ask for Members' support for that measure.

Let me thank, once again, those who have supported me to get the vote back

for the tax-paying residents of the District. I ask whoever becomes the majority to at that time give the District back the vote it lost when the Republican majority assumed power here in the Congress. I think that it would be a most fitting way for the Congress to say to the District, which has blossomed back from the depths of insolvency into now a thriving city, ''Job well done.''

I thank the gentleman for yielding to me so that I might give the Members of the House this progress report on the Nation's capital.

Mr. BLUMENAUER. I again commend the gentlewoman for her valiant efforts in terms of promoting the environment and livability of our Nation's capital. I think she is doing a job on behalf of all of us, because we all have a stake in the success of Washington, D.C.

I would like to return, Mr. Speaker, to focus for a few moments about the environment and what difference it is going to make in the election this fall. We are now facing the issue of what candidate and which political party will do the best job. It is very clear that the Republican ticket, even though not currently in office on the national level, does in fact have an environmental record. Former Representative Cheney, when he was in the House for almost 13 years, compiled a lifetime voting record on environmental issues of 13 percent, one of the worst in that period of time. Likewise, Governor Bush in his two terms now as governor of Texas has an environmental record. Where is his leadership dealing with the fact that Texas puts more chemicals in the air than any other State and by most rankings is the State with the worst toxin level in the atmosphere? Were Texas a country, it would be the world's seventh largest national emitter of carbon dioxide.

The largest problem is the dangerous amount of nitrogen oxide which mixes with the exhaust vehicles to create ozone and smog. And under the leadership of Governor Bush, in 1999 Houston surpassed Los Angeles as the country's smoggiest city. Texas had the Nation's 25 highest ozone measurements and 90 percent of the Nation's readings deemed very unhealthy by the EPA.

This summer, while Los Angeles has posted eight more days of unhealthy ozone than its Texas rival, Houston's worst smog was dirtier than any in Southern California according to air quality officials. Since Bush took office, the number of days when Texas cities have exceeded Federal ozone standards have doubled. Houston and Dallas currently face Federal deadlines to make sharp cuts in air pollution or risk losing Federal transportation money.

□ 1815

At the same time that Texas environmental conditions are reaching a crisis point, cities such as Charlotte, North Carolina and Salt Lake City have managed to absorb growth while improving their air quality. The Bush administration claims that growth, not governance is the reason for the State's appalling air quality. It is hogwash. Rather the State's environmental record perhaps best underscores what a Bush Presidency would mean for our Nation's air, water, streams and for forested area. Virtually no support for growth management, no commitment to improving the air or water quality, no protection for environmental resources.

Consider the impact of the Republican governor in terms of who he has appointed to run the State's environmental agencies. All of the Texas natural resources conservation commissioners have backgrounds in industry. The same industrialists who are the generous contributor to the Bush Presidential campaign.

He is fond of saying you cannot regulate or sue your way to clean air, clean water. Yet, consider the results of his environmental centerpiece, rather than forcing the worst polluting industrial plants in the State, those grandfathered into the State's clean air policy, that currently contribute 36 percent of the chemicals Texas released in the atmosphere, Bush has worked out a program with the industrialists, a voluntary cleanup.

After 2½ years, the scheme has produced only 30 of 461 plants not already facing Federal restrictions to comply with environmental guidelines. Together these 30 plants reduce grandfathered emissions by only 3 percent. Should Vice President AL GORE and the American public push Bush on these issues, George W. may feel like the disobedient son haunted by his father's words. I recall in 1988 George Bush, Sr. went to Boston Harbor and attacked the environmental record of his opponent Michael Dukakis, saying my opponent has said he will do for America what he has done for Massachusetts, that is what I fear for my country. That has an ominous ring as it relates to George Bush's leadership in Texas.

I would yield to my colleague from Wisconsin (Mr. KIND) a few moments to elaborate on these elements.

Mr. KIND. Mr. Speaker, I thank my friend from Oregon (Mr. BLUMENAUER) for yielding to me for this opportunity to join him in this special order discussion of environmental issues affecting the year 2000 campaign, especially the Presidential race.

First I want to commend the gentleman and compliment him for the leadership role he has assumed here in Congress regarding a whole host of environmental issues, but especially the sustainable development issue that is sweeping across the country and that large and small communities, urban and rural, have to contend with now on an ever-growing basis of how they can grow and manage the growth in a sustainable way so that they all enjoy livable communities.

In fact, the gentleman is the founder of the Sustainable Development Caucus that has formed in the House of Representatives and I am a proud member of, and the gentleman brings in a lot of experts and speakers in order to enlighten Members of Congress on how Federal policy can sometimes adversely affect the sustainable development goals of our communities back home, and what we can do then to change that course of action, and how we can assist our communities back home through the dissemination of information and ideas on their sustainable development goals.

And the gentleman has really elevated that issue on the national plane, and I commend you for all of your hard work in that regard and look forward to working with the gentleman on that in the future.

I just want to take a few moments to talk about why I am supporting and why I think the Gore-Lieberman ticket is a strong ticket and the right ticket to go with for the next 8 years in this country. I had an opportunity now as a member of the new Democratic coalition of working both with Vice President GORE and Senator LIEBERMAN on a whole host of issues, and there are not two people who are more committed to environmental issues and sustainable development issues, the impact that it has on our country, than Vice President GORE and Senator LIEBERMAN.

Mr. Speaker, both of them realize and understand that we can have sustainable economic growth in this country without jeopardizing the environment at the same time, and both of them has shown an incredible amount of leadership and courage at this time on this very issue. In fact, I had the pleasure of traveling back with both the Gores and Liebermans the day after the convention in LA so that they could start their general election campaign in my hometown in La Crosse, Wisconsin, which is a beautiful area in western Wisconsin situated right on the banks of America's river, the Mississippi River.

There was a tremendous crowd and rally waiting for them at La Crosse that launched them on their general election campaign, and we all boarded the Mark Twain Riverboat that we took then down the Mississippi, and given that my congressional district has more miles that border the Mississippi River than any other congressional district in the Nation, I felt a certain moral responsibility to assume leadership on issues that affect the Mississippi River Basin.

So I helped form a bipartisan Mississippi River caucus, and this was a great opportunity for me to talk to both AL GORE and JOE LIEBERMAN in regards to the importance of that river basin, the Mississippi, through the heartland of our country, and some of the programs and projects that we have working on it, and both of them were very impressed and very supportive with the number of projects that affect the river basin, the sustainability, trying to preserve and protect it for future

generations, one of which is the environmental management program for the Mississippi River.

This is a program set up through the U.S. geological survey that has long-term resource monitoring and data collection, also habitat restoration projects in the upper-Mississippi basin that the Corps of Engineers helps us on, in order to deal with the adverse effects that growth and development have had on this important river system.

It has received tremendous amount of support within the Clinton-Gore administration and also from Senator LIEBERMAN. But I have also introduced a bill that we are trying to work through Congress right now; I had a chance to talk to both of them on it. It is the Upper Mississippi River Basin Conservation Act. And it is a very simple bill with the overall goal of trying to reduce the amount of sedimentation and nutrients that flow into the river basin.

I had a chance to speak at length with AL GORE about this legislation especially as we are drifting down the Mississippi River. He said this is something right in line with his own environmental philosophical beliefs and a direction we need to go on when it comes to environmental policy. And to accomplish the reduction of sediments and nutrients flowing into the basin and resulting in back bays being filled up and the destruction of wetlands, we would implement, again, through the U.S. Geological Survey, a comprehensive scientific monitoring and modeling program, so we can identify where the hot spots are, better direct our limited resources to get the most optimal effect on the investment in order to combat some of these challenges that the river basin faces.

We also build upon existing land conservation programs that come out of the USDA so that farmers can participate in good land stewardship programs that are voluntary and incentive based because we understand they are going to be a crucial component partnership in trying to reduce the sediment and nutrient flows into this river basin. And there are some very good programs that we are relying upon in order to accomplish our objective, one of which is the conservation reservation program.

This is a program out of USDA that allows farmers to take land out of tillage and out of use, especially land that could lead to erosion problems and, therefore, water management problems in the area. This is a program that Vice President GORE has been a staunch proponent of, understanding that it is a voluntary incentive-based program for farmers to participate in.

Mr. Speaker, it helps them with the reliable steady income stream for those who are able to enroll in CRP, and I believe that as we shape the next farm bill, this is a direction we need to be going in in regards to foreign policy, rather than passing a multiple billion dollar farm relief package. If we can have a more reliable sustainable farm support through land conservation programs, this would help our family farmers during a very difficult period when we have historically low commodity prices. Milk prices now are looking at a 20, 30 year low. These are popular programs that our farmers are asking for expansion and more of.

Unfortunately, Governor Bush has come out in strict opposition to the conservation reserve program. I do not know why, since it is widely popular within the agriculture community and with family farmers because of the win-win situation that it creates, good land stewardship, good land conservation programs, which help drinking water supplies and watershed areas.

I think that is a distinct difference for people to judge the various tickets in this year's fall campaign, a tremendous difference that I think is going to have an impact throughout rural America of what party, what administration is going to be supportive of this direction in agriculture policies.

I mean those are just a couple of reasons why I think again, Gore-Lieberman is the strongest ticket when it comes to environmental issues and environmental policy. One that I know that we would be able to work successfully with in the next 8 years during the administration, because again they recognize that good environmental stewardship should not be a partisan issue.

Unfortunately, all too often the debates and the programs that we support come down along party lines, and it should not have to be that way. I mean, we see what the polling numbers show. The national and local polls of how popular good environmental programs are to the people back home. And so for a Bush-Cheney ticket to kind of offhand discount some very important land conservation programs that our farmers can benefit from, I think is an issue that should be out there and will become more and more a part of this Presidential campaign.

But again, I thank my friend from Oregon (Mr. BLUMENAUER) for allowing me to share a few minutes with him tonight during this special order. I commend the gentleman for the leadership role that he has taken here in the United States Congress on the sustainable development issues, the bike caucus that he helped form as well to encourage alternative modes of transportation, given the congestion problem that we face here in the District itself. And I do look forward to working with him in the future on these important programs.

Mr. BLUMENAUER. Mr. Speaker, I thank the gentleman for joining us and the gentleman is too modest. As the gentleman is leaving us, I want to express my deep appreciation for the leadership that the gentleman has shown on a whole range of issues with the Mississippi River Valley.

When we had the week-long expose in The Washington Post dealing with concerns, serious concerns about management of the environmental issues in terms of Congress' behavior, I was proud that there were numerous references to the gentleman's insightful reform legislation that he has introduced well in advance of the current controversy to try and depoliticize, to make more transparent and to allow the public to be involved with these critical issues.

Mr. Speaker, I am proud to be a cosponsor with the gentleman of his legislation and look forward to working with him hopefully maybe even in this session to achieve that reform, but certainly in the next Congress.

Mr. Speaker, I yield to my distinguished colleague, the gentleman from California (Mr. FARR), who has served as a mentor to me in my brief tenure in Congress to understand how Congress can be a better partner with the environment, including a report that he issued today on the steps of the Capitol.

Mr. FARR of California. Mr. Speaker, I thank the gentleman from Oregon (Mr. BLUMENAUER) for yielding the time to me and, Mr. Speaker, for you allowing us to have this time and this discussion. As the gentleman stated, I am a Congressman from California. California is very proud of being a State that is dealing with a lot of issues on the environment.

I mean, the fact of the matter is that California has such a diverse geography, a geography that is noted by its forests in the north and its deserts in the south, by its magnificent Sierra Nevadas on the east and its incredible coast line on the west. And in that diversity of geography, lives 33 million people, the most multicultured democracy on the face of the Earth.

And California is a testing area for the globe, not only for our Nation. It is a State that has learned that you cannot take care of the people unless you take care of the land. And we have developed in California a very extensive way of addressing the impacts of people in the land through zoning process and master planning that cities and counties must do. General plans that are in great detail.

And what has this evolved into. It has evolved into the most successful economic State in the United States. An economy that ranks 7th in the world in gross national product. What it tells my colleagues is that there is indeed a correlation between the economy and the environment. We cannot grow the specialty crops that we grow in the Salinas Valley in the central part of California anywhere else in the world, because we have a climate that is dependent on clean air, clean water, a coastal fog belt climate that has a temperature that allows us to grow 85 different crops in just Monterey County alone, that is more than any other crops that any other States in the United States gross.

□ 1830

We have an economy in California that flourishes with tourists who come

to the State, attracted by its scenic wonders, by the Yosemites, by the San Francisco Bay, by the Marine Worlds, by the ocean, Big Sur, and the list goes on and on.

What I am bringing all this up to is that I am very, very worried that the national direction of local control and State control of environmental effects could change with the new administration. We look at what is happening in this Congress, take air, for example. Vice President GORE went to Tokyo to participate in the debate on global warming. There was no debate that there was global warming. There was debate on what to do about it. There were protocols laid out which request the industrialized nations to take the lead because, one, they have more information; two, they have more technology; and, three, they have the ability to think outside the box and lead countries that are less developed.

We developed those protocols and each country is supposed to go back and check about it. Well, the Republican-controlled Congress here has put riders in saying, and this is really something and I think it is shocking, it is essentially a gag order that says nobody, nobody in the Federal Government, can go out and discuss anything about the Kyoto Accords until the treaty is ratified in the United States Senate. They cannot even have discussions. They cannot even share ideas. They cannot go anywhere else in the globe.

If one sees the documentaries that are coming out, this is a concern that countries all over the world are raising, and they are asking for the United States to help in trying to understand what they can do about it; and we are gagged, we are bound, we are ordered that we cannot do that. We cannot even talk about it.

You wonder, as you see the governor of Texas running for President of the United States, and leadership is about results, and the question is, what are the results that you have accomplished while you have been in elective roles. Here is the governor of the State of Texas that comes out with the worst air in the cities of Texas, in Houston in particular, and the problem with Houston is because they have no zoning, they have no general plan, they have no requirement. It has become the biggest urban sprawl city in America, more sprawled out than Los Angeles. When you get into urban sprawl, you get into an area that the gentleman knows so much about, one cannot build effective transportation systems.

Mr. BLUMENAUER. Reclaiming my time for a moment, one of the things that has struck me about the leadership of Governor Bush is how negative it has been towards cities in Texas that are actually trying to solve the problems. This actually occurred, this was reported in the Austin American Statesman reporting that when growth-deluged City of Austin moved to regulate development and water quality, Bush approved State legislation to negate all its effects. So while talking about local control and turning things back, when communities in Texas, and Austin is a terrific town, they are struggling with significant growth, has actually tried to move ahead, Governor Bush was not there supporting them, urging them on.

In fact, he approved legislation that stripped away the powers that they wanted to try and solve it dealing specifically with what the gentleman said.

Mr. FARR of California. Well, I think that is my point, and the point is that leadership is about getting results. We are into an election-year mode. We all know what is going on in this country, and if we watch the people, it is so easy at this time of the year, this time of elections, to listen to people complain. It is easy to criticize. It is easy to find fault. It is easy to be negative. It is very difficult in the political arena, in a bipartisan fashion, to forge something that can be signed into law and that can be instrumental in helping solve the problem. That is the measure of leadership, is what kind of results are you getting. To do nothing is not a result, particularly when it is dealing with how do you clean up the air, how do you clean up the water, how do you clean up the oceans, how do you make transportation more accessible, affordable and certainly less congestive.

If it is just complaining about it, it is not getting results.

So I am really worried because I see a potential for an administration to come in here to usurp the kind of local and State controls that we have had in law and instead of working with them essentially being in opposition to them. In order to solve water problems in America, we are going to have to actually be more conservative. We are going to have to conserve more water. That means we have to waste less water.

Now, do we have to build water facilities? Yes, but we do not have to build them as big as dam builders would say they have to be built or as many as they say have to be built. There are compromises here, but the compromise, first of all, is using less, wasting less, recycling more.

In land use, we cannot solve our problems in land use by just allowing cities to go out, particularly in areas where there are prime agricultural lands. In California, this is our biggest struggle, urban sprawl. Everybody needs housing. It is so easy to just go out and pave over the orchard, pave over the lettuce field, pave over the cattle grazing area. Then you have houses spread all out. And guess where all the jobs are? Downtown. Tough commute into town and all of a sudden you are now creating air pollution, and you have created an unsolvable problem.

How do you do that? You look around to cities that have grown up around this world; you look to Europe which has had cities a lot longer than the United States and guess what? Some of those cities are still absolutely gorgeous cities because they put urban limit lines on them and said you are going to grow up rather than grow out; you are going to use space better downtown than you have used it; you are going to bring people back into the urban area; you are going to live in densities that are attractive, that are architectural in planning; you are going to use land, you are going to use resources appropriately.

Agricultural preservation means you have to make sure that the agricultural land cannot be converted to real estate. You do that by not selling to development. The owner owns this, this is a free market system, a willing seller says, look, I would like my land taxes reduced. I would like to have my inheritance taxes reduced. I am willing to sell you the development rights on this land and then the land, no matter who inherits it or buys it, will only be able to do agriculture on it. That is wise. That is wise use. We have done that in most of our communities. We have zoned areas saying you can only have a building of a certain height; or you live in a residential area, you do not buy a house saying I am buying this house today so that I can tear it down tomorrow to build a factory on it or to build a gas station on it. Neighborhoods would never allow that to occur.

So we need to treat our precious agricultural land just as respectfully as we treat our residential land, and we need to know where one begins and the other ends; transportation, quality of life issues.

Lastly, I would just like to say that I represent an area that has learned that the ocean is our new frontier. We have all said here on the floor of the Congress that we know more about the Moon and Mars than we know about our own oceans. That is a huge exploration responsibility. One of the things we have tried to say in California is, look, our coastline is our largest economic engine. It is where our commercial tourism, it is where our dependence on boats getting in and out of harbors, it is an area where disasters, such as oil spills, could ruin the coastal economy, the number one zone of economy in California.

What we are really worried about is that we could have the next President of the United States, the governor of Texas, if he were the President, he could sign an executive order lifting the moratorium on offshore oil drilling that we hailed and applauded President Clinton and Vice President AL GORE in deciding when they came to the first Oceans Conference in Monterey Bay. This administration made a statement that they thought the oceans were important enough that we really ought to commitment a long-term agenda to understanding the conflicts of the sea, to understanding the resources of the sea, and to understanding how we can appropriately manage those.

In doing that, the President said we do not need to drill this oil right now. It has been here for millions of years, and it can be here for a long time before we have to drill it because we can allow technology to catch up, we can allow less reliance on oil to catch up. Guess what? He did that by executive order and that same pen could unchange that if it were in the hands of a President who was pro-oil, who is very involved in allowing gulf oil to be developed. That would ruin the coast of California.

So I am very, very worried that the record of the candidate, of the governor of Texas, on the environmental issues, could literally destroy the green economy that California has so successfully built up. I bring that record to the floor tonight with a real element of concern. I appreciate the gentleman from Oregon (Mr. BLUMENAUER) for yielding his time to me to make that statement.

Mr. BLUMENAUER. Mr. Speaker, I thank the gentleman from California (Mr. FARR) for his comments, and I must commend his leadership. I had the pleasure of attending that first National Oceans Conference in the beautiful district of the gentleman 2 years ago. It was a very inspirational event. It brought people together. Great things have come from it. Of course, the gentleman was the inspiration for the President with another stroke of the pen, with the California Coastal National Monument. I commend the leadership of the gentleman and his vision, and I appreciate him joining me this evening.

Mr. Speaker, I think the item that frustrates me the most is not the governor of Texas' poor environmental record, lack of leadership; but it is the lack of perception and passion about protecting the environment that I personally find most disturbing. It seems to a casual observer at least that he seems unaware of Texas' serious environmental problems. Where is his outrage and his concern being expressed that under his leadership Houston has become the city with the Nation's worst air quality?

This environmental indifference, if combined with the typical Republican leadership that we have seen in Congress in the last 6 years, could be disastrous. I want to talk about that in a moment, but first I guess it is important to also reference that there is another branch of government that is going to be in flux as a result of the outcome of this election, because every 2 or 3 years on average a Supreme Court Justice is appointed. There have been no justices appointed the last 6 years. It is very likely that the next President will be appointing more than one justice, probably 2, 3, 4, in the next 4-year term alone.

Governor Bush has indicated that from his perspective, Justice Scalia and Justice Thomas would be the models for his Supreme Court appointments. I think a cursory review, even a cursory review of their judicial decisions indicates why that could potentially be a disaster for the environment. But the Supreme Court is only the tip of the iceberg, because the next President will be appointing hundreds of Federal district and circuit court judges.

Now, these are the men and women who make decisions every day in the various circuits that impact the day-to-day activities of Americans. In many cases, these are the decisions that stand, that are never reviewed, that determine the outcomes. Of course, the judiciary on the district and circuit court level has been sort of the farm club, the bench for future higher appointments. It would be, I think, unfortunate if we were to have an approach such as has been indicated by Governor Bush as his model.

I also mentioned the other branch of government, the legislative branch, because here too there are significant differences that are offered to the American public. It has been the Democratic administration that time and time again has beaten back destructive environmental riders, vetoed legislation that was overreaching, and has been a part of constructive negotiations to be able to protect and enhance the environment and hold the line here in Congress.

If you look at the ratings by the people whose job it is to advocate for us on the environment, one of the best is the League of Conservation Voters. They have for years been compiling a nonpartisan assessment of legislative voting records. They break these records out looking at the House and the Senate and the Republicans and the Democrats.

The difference between the two parties is stark. If we look at just the leadership of the environmental committees alone, in the Senate the party average for the Republicans is 13; for the Democrats it is 76 percent, but for the average leadership the chairman of the Senate Republicans are actually even worse, scoring a bare 9 percent.

If we look at the House of Representatives, it is even more stark. The average for Republicans is 16 percent; for the Democrats the average is 78. But if you look at the leadership of the committees that deal with the environment, the average for the chairs of the Republican members is 1 percent.

□ 1845

Of the 5, there was one, according to the League of Conservation Voters, 1 was 6 percent, the others had 0. Yet, for the democratic Ranking Members, the people who stand to ascend to the chairmanships, the average is 69 percent.

If we look at the House and Senate leadership, overall, the average leadership in the Senate was 0 for the Senate leaders, and in the House, it was 4 percent. The democratic leadership was 86 percent in the House, even more environmentally sensitive than the party average of 78 percent, but basically, more than 6 times more environmentally sensitive and friendly, according to the evaluation of the League of Conservation Voters.

Mr. Speaker, this has manifestations as it deals with actual policy impact. I listened with some frustration earlier this evening as one of my colleagues, the gentleman from Florida, attempted to take to task the Democrats in the administration dealing with energy policy. I thought for a moment, my goodness. What is the energy policy that has been given to us by the Republicans?

For example, the Bush-Cheney ticket would be drilling in the ANWAR, in the Arctic Reserve, destroying forever this pristine, what has been described as the Serengeti of the Arctic, and there are a few month's supply of energy. This is something that the American public opposes by a 3-to-1 margin which the Republicans in Congress have been advocating, but a democratic administration has been resisting.

I look at the difference that has been proposed by my friends in Congress from the Republican side of the aisle, because it has not been very long ago that they had no energy alternatives; that, in fact, the Republican administrations in the 1980s cut back energy research and development by billions of dollars for alternative energy sources.

In 1995, when the Republicans took control of both the House and the Senate, they once again started the attack that was begun by the Reagan administration. Their first efforts were to cut energy efficiency programs 26 percent; $1.117 billion in fiscal year 1995 was cut to $840 million. The Committee on the Budget report for fiscal year 1997 actually recommended abolishing the Department of Energy. Think of that: abolishing the Federal agency to work in this area, and further proposed cutting energy conservation programs 62 percent over 5 years. In these total 5 years, the Republicans have slashed funding for solar, renewables, and conservation funding by a total of over one and a third billion dollars below the Clinton administration requests.

Furthermore, the Republicans have cut programs like the Weather Assistance Program beginning in 1995 when they cut it by 50 percent. Even now, in the middle of the energy emergency that we have been looking at over the course of the last 6 months, the Republicans are, in fact, asleep at the switch. Last spring, in the middle of the gas price crisis, number one, the Republicans were ready to, or they were flirting with having the President's authority to protect our economy by using the Strategic Petroleum Reserve expire. In 1999, the Republicans rejected an Energy Department proposal to buy $100 million of crude oil, or nearly 10 million barrels of crude at that time of record-low prices to build up the Strategic Petroleum Reserve that could have been used during a situation such as we are facing here.

It took the House Republicans nearly a year to recognize that rising fuel prices were a national problem. They last looked at oil prices in March of 1999 and then held only the second hearing in March of 2000. There was nothing for a year from the people who control Congress.

Now, despite overwhelming evidence throughout 1999 and early 2000 that prices of gas, diesel and home heating oil were on the rise, House Republicans failed to hold even a single hearing or make a single proposal on stabilizing fuel prices, and throughout this period, they took no steps to invest in America's energy independence and economic security. But, in 1999, and I recall this well, the Republican leaders called again for the elimination of the Department of Energy and selling off the petroleum reserve.

Specifically, in April and May of last year, after OPEC's production cuts started a rise in prices, Republican leaders, the gentleman from Texas (Mr. ARMEY), the gentleman from Texas (Mr. DELAY), and the gentleman from Missouri (Mr. BLUNT) joined the Republican budget chair and 34 other Republicans to introduce H.R. 1649, the Department of Energy Abolition Act. I think the collected memory of my friends on the Republican side when they attempt to criticize the Democrats in Congress, who are not in control, or the efforts of the democratic administration to do something about it is shortsighted, to say the very least.

The Armey-DeLay energy bill would have eliminated the Energy Department and with it, oil conservation programs, renewable energy conservation research; it took energy policy out of the cabinet and sold off the Strategic Petroleum Reserve and the Navy's petroleum reserve. Such foresight. How much better off would we be today if we had adopted their reckless proposal?

Another ironic example for me of the Republicans dropping the ball is when the chairman of the Subcommittee on Energy and the Environment of the House Committee on Science held hearings in 1996 that attacked the Department of Energy's information administration for ''Consistently overestimating the price of oil and using these 'inflated predictions' to justify increases in conservation research and development programs.'' The subcommittee chairman criticized the Department of Energy officials for predicting an oil crisis that could be caused by increased demand, increased imports, or instability in the Persian Gulf. The projections that drew that Republican chairman's criticism predicted that in the year 2000, the price per barrel of imported oil could be as high as $34, and to that Republican subcommittee chair, that was outrageous. I note for the record that as of March 7 in the year 2000, the price was $34.13.

Mr. Speaker, every day in America communities large and small are struggling with issues that define their environment, their liveability, their quality of life. Some people suggest that there is no difference between the Republicans and the Democrats, but I will tell my colleagues when it comes to the environment, the reality is stark. The Democrats in this administration and in Congress have a positive record of support and accomplishment, of sympathy and passion. The Republican ticket offers indifferent voting records, cursory performance in office, and advocacy of dangerous, even reckless, environmental policies. Our air, our water, the landscape, our precious natural resources do not have the time to survive benign neglect or malicious indifference, let alone active assault. There is a huge difference between the parties, perhaps on the environment more than any other issue. The stakes of the election for the environment could not be higher. I hope that the American public will look closely at the records and promote policies and candidates that will make our communities more livable and our families safer, healthier, and more economically secure.

REPORT ON RESOLUTION WAIVING ALL POINTS OF ORDER AGAINST MOTION TO CONCUR IN SENATE AMENDMENTS TO H.R. 940, LACKAWANNA VALLEY NATIONAL HERITAGE ACT OF 1999

Mr. DIAZ-BALART (during special order of Mr. BLUMENAUER) from the Committee on Rules, submitted a privileged report (Rept. No. 106–873) on the resolution (H. Res. 583) providing for consideration of the Senate amendments to the bill (H.R. 940) to designate the Lackawanna Valley National Heritage Area, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4919, SECURITY ASSISTANCE ACT OF 2000

Mr. DIAZ-BALART (during special order of Mr. BLUMENAUER) from the Committee on Rules, submitted a privileged report (Rept. No. 106–874) on the resolution (H. Res. 584) waiving points of order against the conference report to accompany the bill (H.R. 4919) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those Acts, to authorize the transfer of naval vessels to certain foreign countries, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5109, DEPARTMENT OF VETERANS AFFAIRS HEALTH CARE PERSONNEL ACT OF 2000

Mr. DIAZ-BALART (during special order of Mr. BLUMENAUER) from the Committee on Rules, submitted a privileged report (Rept. No. 106–875) on the resolution (H. Res. 585) providing for consideration of the bill (H.R. 5109) to amend title 38, United States Code, to improve the personnel system of the Veterans Health Administration, and for other purposes, which was referred to the House Calendar and ordered to be printed.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Ms. STABENOW, for 5 minutes, today.

Mr. MCGOVERN, for 5 minutes, today.

Mr. ENGEL, for 5 minutes, today.

(The following Members (at the request of Mr. FOLEY) to revise and extend their remarks and include extraneous material:)

Mr. FOLEY, for 5 minutes, today.

Mr. ROHRABACHER, for 5 minutes, September 21.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1638. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to extend the retroactive eligibility dates for financial assistance for higher education for spouses and dependent children of Federal, State, and local law enforcement officers who are killed in the line of duty.

S. 2460. An act to authorize the payment of rewards to individuals furnishing information relating to persons subject to indictment for serious violations of international humanitarian law in Rwanda, and for other purposes.

ADJOURNMENT

Mr. BLUMENAUER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 56 minutes p.m.), the House adjourned until tomorrow, September 21, 2000, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

10134. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Myclobutanil; Extension of Tolerance for Emergency Exemptions [OPP–301045; FRL–6742–6] (RIN: 2070–AB78) received September 12, 2000, pursuant to 5 U.S.C.

801(a)(1)(A); to the Committee on Agriculture.

10135. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Difenoconazole; Pesticide Tolerance [OPP–301005; FRL–6589–3] (RIN: 2070–AB) received September 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10136. A letter from the Director, Office of Management and Budget, transmitting the OMB Sequestration Update Report to the President and Congress for fiscal year 2001; to the Committee on Appropriations.

10137. A letter from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Section 8 Homeownership Program [Docket No. FR–4427–F–02] (RIN: 2577–AB90) received September 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

10138. A letter from the General Counsel, Federal Emergency Management, transmitting the Agency's final rule—Changes in Flood Elevation Determinations [Docket No. FEMA–D–7501] received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

10139. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Final Flood Elevation Determinations—received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

10140. A letter from the General Counsel, Corporation for National and Community Service, transmitting the Corporation's final rule—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance—received September 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10141. A letter from the Under Secretary, Food, Nutrition, and Consumer Services, Department of Agriculture, transmitting the Department's final rule—Special Supplemental Nutrition Program for Women, Infants, and Children: Implementation of WIC Mandates of Public Law 104–193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (RIN: 0584–AC51) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10142. A letter from the Assistant General Counsel for Regulations, Office of the Secretary, Department of Housing and Urban Development, transmitting the Department's final rule—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance—received August 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10143. A letter from the Chief, Coordination and Review Section, Department of Justice, transmitting the Department's final rule—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance—received September 11, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10144. A letter from the Director, Civil Rights Center, Department of Labor, transmitting the Department's final rule—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance—received September 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10145. A letter from the Director, Office of Regulations Management, Office of Resolution Management, Department of Veterans Affairs, transmitting the Department's final rule—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance—received September 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10146. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance—received September 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10147. A letter from the Deputy Archivist of the United States, National Archives and Records Administration, transmitting the Administration's final rule—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance—received August 31, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10148. A letter from the Assistant General Counsel, National Science Foundation, transmitting the Foundation's final rule—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance—received September 8, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10149. A letter from the Deputy General Counsel Office of EEO & Civil Rights Compliance, Small Business Administration, transmitting the Administration's final rule—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance—received September 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10150. A letter from the Manager, Supplier and Diverse Business Relations, Tennessee Valley Authority, transmitting the Authority's final rule—Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance—received September 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10151. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Florida: Final Authorization of State Hazardous Waste Management Program Revision [FRL 6870–1] received September 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10152. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Stay of the Eight-Hour Portion of the Findings of Significant Contribution and Rulemaking for Purposes of Reducing Interstate Ozone Transport [FRL 6869–8] (RIN: 2060–AJ37) received September 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10153. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans: Revision to the Alabama Department of Environmental Management Administration Code for the Air Pollution Control [AL–051–200026(a); FRL–6872–4] received September 15,2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10154. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of the Implementation Plan for the Shelby County, Tennessee Lead Nonattainment Area [TN–233–1–20021a; FRL–6872–2] received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10155. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Technical Assistance Grant Program [FRL–6872–1] (RIN: 2050–AE33) received September 14, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10156. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to France, Canada and Germany [Transmittal No. DTC 094–00]; to the Committee on International Relations.

10157. A letter from the Director, National Science Foundation, transmitting a report on the National Science Foundation 2000 Federal Activities Inventory Reform Act of Commercial Activites; to the Committee on Government Reform.

10158. A letter from the Deputy Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Amendments to the Freedom of Information Act, Privacy Act, and Confidential Treatment Rules—received September 8, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

10159. A letter from the Acting Assistant Secretary, Land and Minerals Management, Department of Interior, transmitting the Department's final rule—Interest Rate Applicable to Late Payment or Underpayment of Monies Due on Solid Minerals and Geothermal Leases (RIN: 1010–AC76) received September 8, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

10160. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Fixed Gear Sablefish Mop-Up [Docket No. 991223347–9347–01; I.D. 082800C] received 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

10161. A letter from the General Counsel, The Presidio Trust, transmitting the Trust's final rule—Management of the Presidio: Environmental Quality (RIN: 3212–AA02) received September 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

10162. A letter from the Inland Waterway Users Board, Department of the Army, transmitting the Board's fourteenth annual report of its activities; recommendations regarding construction, rehabilitation priorities and spending levels on the commercial navigational features and components of inland waterways and harbors, pursuant to Public Law 99–662, section 302(b) (100 Stat. 4111); to the Committee on Transportation and Infrastructure.

10163. A letter from the Deputy Chief Counsel, Department of Transportation, transmitting the Department's final rule—Pipeline Safety: Internal Corrosion in Gas Transmission Pipelines (RIN: 2137–AD52)—received September 11, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10164. A letter from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting the Administration's final rule—Interpetive Rule; Court of Competent Jurisdiction—received September 11, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10165. A letter from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting the

Department's final rule—Changed Product Rule Meeting; Public Meeting—received September 11,2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10166. A letter from the Attorney, Research and Special Programs Administration, Department of Transportation, transmitting the Department's final rule—Advisory Notice; Transportation of Lithium Batteries [Docket No. RSPA–00–7283] received September 11, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10167. A letter from the Acting Director, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Regulated Navigational Area: Sanibel, Florida [CGD07–00–086] (RIN: 2115–AE86) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10168. A letter from the Acting Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Special Local Regulations for Marine Events; Michelob Championship at Kingsmill Fireworks Display, James River, Williamsburg, Virginia [CGD 05–00–041] (RIN: 2115–AE46) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10169. A letter from the Acting Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operating Regulation; Bayou Du Large, LA [CGD08–00–024] (RIN: 2115–AE47) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10170. A letter from the Acting Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Hackensack River, NJ [CGD01–00–209] (RIN: 2115–AE47) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10171. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Special Local Regulations for Marine Events; Hampton Bay Days Festival, Hampton River, Hampton, Virginia [CGD 05–00–039] received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10172. A letter from the Program Assistant, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 301188; Amdt. No. 2009] received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10173. A letter from the Program Assistant, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Tulsa, OK [Airspace Docket No. 2000–ASW–15] received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10174. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Class D Airspace, Robert Gray Army Airfield, TX; and Revocation of Class D Airspace, Hood Army Airfield, TX; [Airspace Docket No. 2000–ASW–18] received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10175. A letter from the Program Assistant, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Israel Aircraft Industries, Ltd., Model 1125 Westwind; Astra Series Airplanes [Docket No. 2000–NM–287–AD; Amendment 39–11896; AD 2000–18–11] (RIN: 2120–AA64) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10176. A letter from the Program Assistant, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; MD Helicopters, Inc. Model MD–900 Helicopters [Docket No. 2000–SW–03–AD; Amendment 39–11893; AD 2000–18–08] (RIN: 2120–AA64) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10177. A letter from the Program Assistant, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter Canada Ltd. Model BO 105 LS A–3 Helicopters [Docket No. 99–SW–68–AD; Amendment 39–11899; AD 2000–18–13] (RIN: 2120–AA64) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10178. A letter from the Program Assistant, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Sikorsky Aircraft-manufactured Model CH–54A Helicopters [Docket No. 99–SW–81–AD; Amendment 39–11901; AD 2000–18–14] (RIN: 2120–AA64) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10179. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS350B3 Helicopters [Docket No. 2000–SW–39–AD; Amendment 39–11900; AD 2000–16–52] (RIN: 2120–AA64) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10180. A letter from the Chief, Office of Regulations and Administrative Law, Department of Transportation, USCG, transmitting the Department's final rule—Drawbridge Operating Regulations; Honker Cut, San Joaquin County, California [CGD 11–00–006] (RIN: 2115–AE47) received 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10181. A letter from the Chief, Office of Regulations and Administrative Law, Department of Transportation, USCG, transmitting the Department's final rule—Safety Zone; Northstar dock, Seal Island, Prudhoe Bay, Alaska [COTP Western Alaska 00–011] (RIN: 2115–AA97) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10182. A letter from the Administrator, General Services Administration, transmitting informational copies of various lease prospectuses, pursuant to 40 U.S.C. 606(a); to the Committee on Transportation and Infrastructure.

10183. A letter from the Chief, Regulations Branch, U.S. Customs Service, Department of the Treasury, transmitting the Department's final rule—Endorsement of Checks Deposited by Customs Service (RIN: 1515–AC48) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10184. A letter from the Chief, Regulations Branch, U.S. Customs Service, Department of the Tresury, transmitting the Department's final rule—Vessel Equipment Temporarily Landed for Repair [TD 00–61] (RIN: 1515–AC35) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10185. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Special Local Regulations for Marine Events; Patapsco River, Baltimore, Maryland [CGD05–00–038] received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10186. A letter from the Chief, Office of Regulations and Administrative Law, Department of Transportation, USCG, transmitting the Department's final rule—Safety Zone; Middle Harbor-San Pedro Bay, CA [COTP Los Angeles-Long Beach, CA; 00–003] (RIN: 2115–AA97) received September 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10187. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation entitled the ''Enhancement of Privacy and Public Safety in Cyberspace Act''; jointly to the Committees on the Judiciary and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3067. A bill to authorize the Secretary of the Interior to convey certain facilities to Nampa and Meridian Irrigation District; with an amendment (Rept. 106–870). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. S. 1778. An act to provide for equal exchanges of land around the Cascade Reservoir (Rept. 106–871). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 3100. A bill to amend the Communications Act of 1934 to prohibit telemarketers from interfering with the caller identification service of any person to whom a telephone solicitation is made, and for other purposes; with an amendment (Rept. 106–872). Referred to the Committee of the Whole House on the State of the Union. Referred to the Corrections Calendar.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 583. Resolution providing for consideration of the Senate amendments to the bill (H.R. 940) to designate the Lackawanna Valley Heritage Area, and for other purposes (Rept. 106–873). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 584. Resolution waiving points of order against the conference report to accompany the bill (H.R. 4919) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those Acts, to authorize the transfer of naval vessels to certain foreign countries, and for other purposes (Rept. 106–874). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 585. Resolution providing for consideration of the bill (H.R. 5109) to amend title 38, United States Code, to improve the personnel system of the Veterans Health Administration, and for other purposes (Rept. 106–875). Referred to the House Calendar.

BILLS PLACED ON THE CORRECTIONS CALENDAR

Under clause 4 of rule XIII, the Speaker filed with the Clerk a notice requesting that the following bills be placed upon the Corrections Calendar:

H.R. 3100. A bill to amend the Communications Act of 1934 to prohibit telemarketers from interfering with the caller identification service of any person to whom a telephone solicitation is made, and for other purposes.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. MEEHAN:

H.R. 5217. A bill to provide adequate sanctions for unfair labor practices resulting in the discharge of employees; to the Committee on Education and the Workforce.

By Mr. GILMAN:

H.R. 5218. A bill to provide grant funds to units of local government that comply with certain requirements and to amend certain Federal firearms laws; to the Committee on the Judiciary, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. PELOSI (for herself and Ms. DUNN):

H.R. 5219. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for research related to developing vaccines against widespread diseases and ensure that such vaccines are affordable and widely distributed; to the Committee on Ways and Means.

By Mr. PAUL (for himself, Mr. EDWARDS, and Mr. SMITH of Texas):

H.R. 5220. A bill to amend title XVIII of the Social Security Act to preserve essential rural hospitals; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of Michigan:

H.R. 5221. A bill to require the United States Postal Service to convey certain real property containing a post-office building in Jackson, Michigan, to the City of Jackson, Michigan; to the Committee on Government Reform.

By Mr. SALMON (for himself, Mr. MCCOLLUM, Mr. MCINTYRE, Mr. MCHUGH, and Mr. HANSEN):

H.R. 5222. A bill to amend title XVIII of the Social Security Act to provide attending physicians greater authority in determining whether a Medicare beneficiary is eligible for hospice care under the Medicare Program; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SANFORD:

H.R. 5223. A bill to require the Secretary of Agriculture to carry out a pilot program to evaluate the feasibility and merits of State administration of units of the National Forest System; to the Committee on Agriculture.

By Mr. GILMAN (for himself, Mr. COMBEST, Mr. STENHOLM, and Mr. BEREUTER):

H.R. 5224. A bill to amend the Agriculture Trade Development and Assistance Act of 1954 to authorize assistance for the stockpiling and rapid transportation, delivery, and distribution of shelf stable prepackaged foods to needy individuals in foreign countries; to the Committee on International Relations, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BLILEY (for himself and Mr. SCOTT):

H.R. 5225. A bill to revise the boundaries of the Richmond National Battlefield Park based on the findings of the Civil War Sites Advisory Committee and the National Park Service and to encourage cooperative management, protection, and interpretation of the resources associated with the Civil War and the Civil War battles in and around the city of Richmond, Virginia; to the Committee on Resources.

By Mrs. CHRISTENSEN (for herself, Mr. RANGEL, and Mr. JEFFERSON):

H.R. 5226. A bill to amend the Internal Revenue Code of 1986 to provide a credit for electricity produced by certain waste management facilities in United States possessions, and for other purposes; to the Committee on Ways and Means.

By Mr. FRANKS of New Jersey (for himself and Mr. GARY MILLER of California):

H.R. 5227. A bill to amend the 21st Century Community Learning Centers Act to expand after-school activities and services; to the Committee on Education and the Workforce.

By Mr. KANJORSKI (for himself and Mr. NEY):

H.R. 5228. A bill to amend title XVIII of the Social Security Act to provide for immediate relief for essential hospitals in a region, to assist in the long-range economic recovery of such hospitals, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KINGSTON (for himself, Mr. BISHOP, Mr. COLLINS, Mr. LEWIS of Georgia, Mr. ISAKSON, Mr. BARR of Georgia, Mr. CHAMBLISS, Mr. DEAL of Georgia, Mr. NORWOOD, and Mr. LINDER):

H.R. 5229. A bill to designate the facility of the United States Postal Service located at 219 South Church Street in Odum, Georgia, as the ''Ruth Harris Coleman Post Office''; to the Committee on Government Reform.

By Mr. LEWIS of Kentucky:

H.R. 5230. A bill to amend the Appalachian Regional Development Act of 1965 to designate Edmonson, Hart, and Metcalfe Counties, Kentucky, as part of the Appalachian region; to the Committee on Transportation and Infrastructure.

By Mr. MOLLOHAN (for himself and Mr. CALVERT):

H.R. 5231. A bill to amend the Federal Food, Drug, and Cosmetic Act and title 35, United States Code, with respect to abbreviated applications for the approval of new drugs; to the Committee on Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. NADLER (for himself, Mrs. MORELLA, Mr. MCDERMOTT, and Mr. KUCINICH):

H.R. 5232. A bill to amend the Immigration and Nationality Act to provide for cancellation of removal and adjustment of status for certain nonpermanent resident aliens whose removal would result in extreme medical hardship; to the Committee on the Judiciary.

By Mr. RADANOVICH:

H.R. 5233. A bill to establish the National Commission on Budget Concepts; to the Committee on the Budget.

By Mr. RADANOVICH (for himself, Mr. ROHRABACHER, Ms. LOFGREN, Mr. HUNTER, Mr. HERGER, Mr. VENTO, Mr. KENNEDY of Rhode Island, and Mr. DOOLEY of California):

H.R. 5234. A bill to amend the Hmong Veterans' Naturalization Act of 2000 to extend the applicability of that Act to certain former spouses of deceased Hmong veterans; to the Committee on the Judiciary.

By Mr. WAXMAN (for himself, Mr. STARK, Mr. BROWN of Ohio, Mr. BERRY, Mr. COBURN, and Mr. DEUTSCH):

H.R. 5235. A bill to ensure the timely availability of generic drugs through enhancement of drug approval and antitrust laws enforced by the Food and Drug Administration and the Federal Trade Commission regarding brand name drugs and generic drugs; to the Committee on Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 123: Mr. SCARBOROUGH.

H.R. 207: Mr. NEY and Mr. HUTCHINSON.

H.R. 284: Mr. SAM JOHNSON of Texas, Mr. RANGEL, Mrs. KELLY, and Mr. RUSH.

H.R. 303: Mr. WAXMAN.

H.R. 534: Mr. KINGSTON, Mr. PACKARD, Mr. COBURN, and Mr. COSTELLO.

H.R. 1020: Mr. DINGELL.

H.R. 1071: Mr. LATOURETTE and Mr. PAYNE.

H.R. 1168: Mr. DAVIS of Florida.

H.R. 1172: Mr. CALVERT.

H.R. 1187: Mr. SHERMAN.

H.R. 1194: Mr. SMITH of New Jersey.

H.R. 1303: Mrs. THURMAN, Ms. BALDWIN, and Mr. BILBRAY.

H.R. 1824: Mr. THOMPSON of California.

H.R. 2121: Mr. HALL of Texas, Mr. STARK, and Mr. NEAL of Massachusetts.

H.R. 2586: Mr. BALDACCI.

H.R. 2640: Mr. CRANE.

H.R. 2660: Mr. MORAN of Kansas.

H.R. 2720: Mrs. NORTHUP.

H.R. 2741: Mr. MARKEY.

H.R. 2814: Ms. KILPATRICK.

H.R. 3578: Mr. HOSTETTLER.

H.R. 3677: Mr. RAMSTAD.

H.R. 3816: Mr. STENHOLM.

H.R. 3872: Mr. WAMP, Mr. SANDLIN, Mr. BARR of Georgia, Mr. MASCARA, Mr. SKELTON, and Mr. BALDACCI.

H.R. 3896: Mrs. NORTHUP

H.R. 4049: Mr. CUNNINGHAM.

H.R. 4102: Mr. MCHUGH.

H.R. 4271: Mr. GREENWOOD and Mr. DEFAZIO.

H.R. 4272: Mr. GREENWOOD and Mr. DEFAZIO.

H.R. 4273: Mr. GREENWOOD and Mr. DEFAZIO.

H.R. 4352: Mr. STUMP and Mr. HALL of Texas.

H.R. 4357: Mr. UDALL of Colorado.

H.R. 4393: Mr. LEWIS of California and Mrs. THURMAN.

H.R. 4395: Mr. KUYKENDALL.

H.R. 4481: Mr. HALL of Ohio, Mr. WALSH, and Mr. MENENDEZ.

H.R. 4508: Mr. RAHALL.

H.R. 4543: Mr. KANJORSKI, Mr. SPENCE, Mr. LATOURETTE, Mr. PHELPS, and Mr. HALL of Ohio.

H.R. 4571: Mr. MCNULTY, Mr. FLETCHER, Mr. BRADY of Pennsylvania, Mr. SOUDER, Mrs. MINK of Hawaii, Mr. MOORE, Ms. ESHOO, Mr. FROST, and Mr. FRANKS of New Jersey.

H.R. 4706: Ms. KAPTUR.

H.R. 4707: Mr. DOOLEY of California, Mr. NADLER, Mr. ABERCROMBIE, Mrs. LOWEY, Ms. PELOSI, Mr. LANTOS, and Ms. WOOLSEY.

H.R. 4715: Mr. COLLINS and Mr. HULSHOF.

H.R. 4716: Mr. STENHOLM.

H.R. 4723: Mr. KOLBE.

H.R. 4746: Mr. HAYES and Mr. EHLERS.

H.R. 4760: Mr. STENHOLM.

H.R. 4792: Mr. PHELPS.

H.R. 4817: Mr. WALSH.

H.R. 4827: Mr. DREIER.

H.R. 4841: Mr. TOWNS, Mr. PETERSON of Pennsylvania, and Mr. GOODE.

H.R. 4857: Mr. HILL of Indiana, Mr. KANJORSKI, and Mr. GONZALEZ.

H.R. 4902: Mr. HILLEARY.

H.R. 4926: Mr. FATTAH, Mr. BLAGOJEVICH, Mr. ENGEL, Mrs. CAPPS, Mr. FILNER, Mr. PACKARD, Mr. RODRIGUEZ, Mr. WEINER, and Mr. FALEOMAEVAEGA.

H.R. 4944: Mr. WISE.

H.R. 4966: Mr. BONIOR.

H.R. 4971: Mr. MCHUGH, Mr. DEUTSCH, Mr. BONILLA, and Mr. CARDIN.

H.R. 4976: Mr. BAKER, Mr. MATSUI, Mr. GANSKE, Mr. CONDIT, Mr. FORD, Mr. OSE, Mr. PHELPS, Mrs. NORTHUP, Mr. WU, Mr. HAYWORTH, Mr. COSTELLO, Mr. PETERSON of Pennsylvania, Mr. FOSSELLA, Mr. HOLT, Mr. TURNER, Mr. SHIMKUS, and Mr. TANNER.

H.R. 4977: Mr. EVANS.

H.R. 5005: Mr. HERGER.

H.R. 5117: Mr. SHAW, Mr. MCCRERY, Mr. CAMP, Mr. NUSSLE, Mr. SAM JOHNSON of Texas, Ms. DUNN, Mr. WELLER, Mr. HULSHOF, Mr. COLLINS, and Mrs. JOHNSON of Connecticut.

H.R. 5136: Mr. HYDE.

H.R. 5152: Mr. GREEN of Texas, Mr. HALL of Texas, Mr. WALSH, and Mrs. JOHNSON of Connecticut.

H.R. 5153: Mr. WALSH.

H.R. 5163: Mr. MOORE, Mr. COYNE, and Mr. ABERCROMBIE.

H.R. 5164: Mr. FROST.

H.R. 5172: Mr. CANADY of Florida, Ms. MCCARTHY of Missouri, Mr. BENTSEN, Ms. DUNN, Mr. TANNER, and Mrs. TAUSCHER.

H.R. 5180: Mr. TALENT and Mr. KOLBE.

H.J. Res. 48: Mr. WOLF.

H.J. Res. 56: Mr. BILBRAY and Mrs. THURMAN.

H.J. Res. 60: Mr. CHAMBLISS.

H.J. Res. 100: Mr. MALONEY of Connecticut.

H. Con. Res. 273: Mr. OLVER and Mr. WEINER.

H. Con. Res. 357: Mr. BOEHLERT, Mr. KLINK, Ms. DANNER, Mr. MCCOLLUM, Mr. BENTSEN, Mr. COOK, Ms. RIVERS, and Mr. DIAZ-BALART.

H. Con. Res. 382: Mr. EVANS.

H. Con. Res. 395: Mr. FALEOMAVAEGA.

H. Con. Res. 396: Mr. GOODE, Mr. WOLF, and Mr. SISISKY.

H. Con. Res. 401: Mr. TANCREDO, Mr. FALEOMAVAEGA, Mr. GIBBONS, Mr. RAHALL, and Mr. ENGEL.

H. Res. 347: Mrs. MALONEY of New York.

H. Res. 461: Mr. EVANS, Mr. WELDON of Pennsylvania, Mr. BROWN of Ohio, Mr. ACKERMAN, Mr. FRANK of Massachusetts, Mrs. MYRICK, Mr. STRICKLAND, Ms. KILPATRICK, and Mr. FARR of California.

H. Res. 578: Mr. ADERHOLT, Mr. WAMP, Mr. HOEKSTRA, Mr. MANZULLO, Mr. PITTS, Mr. HOSTETTLER, Mr. JONES of North Carolina, Mr. KINGSTON, Mrs. MYRICK, Mr. ISTOOK, Mr. GOODE, Mr. DICKEY, Mr. SHADEGG, Mr. RYAN of Wisconsin, Mr. SANFORD, Mr. SAM JOHNSON of Texas, and Mr. COBURN.

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Senate

The Senate met at 9:32 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, we cannot begin this day in the forward march of history without You. It is with Your permission that we are alive, by Your grace that we have been prepared for our work, by Your appointment that we are here, and by Your blessing that we are secure in Your gifts and the talents You have given us. Renew our bodies with health and strength to be the sedan chairs for our thinking brains. Open our inner eyes so that we can see things and people with Your perspective. Teach us new truth today. May we never be content with what we have learned or think we know. Set us free to soar with wings of joy and light. We trade in the spirit of self-importance for the spirit of self-sacrifice, the need to appear great for the desire to make others great, the worry over our place in history with the certainty of Your place in our hearts. Restore the continuous flow of Your spirit through us as a mighty river.

We thank You for the gift of this new day to work for Your glory and the good of America. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable RICK SANTORUM, a Senator from the State of Pennsylvania, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

SCHEDULE

Mr. LOTT. Mr. President, today the Senate will be in a period of Morning Business until 11:30 a.m. Following Morning Business, the Senate will resume the final debate on the conference report to accompany H.R. 4516, the Legislative Branch Appropriations Bill. A vote on final passage of the Conference Report is expected to occur at approximately 3:30 p.m. After the vote, it is hoped that the Senate can begin consideration of the Water Resources Development Act under a time agreement. Therefore, Senators can expect votes throughout this afternoon's session.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. SANTORUM). Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 11:30, with Senators permitted to speak therein for up to 5 minutes.

Under the previous order, the Senator from Texas, Mr. GRAMM, is recognized to speak for up to 30 minutes.

MEDICARE

Mr. GRAMM. Mr. President, I thank the leader for allowing me the opportunity this morning to talk about Medicare and about pharmaceutical benefits.

I will talk about these issues, recognizing two things: One, that Medicare is second only to Social Security as the most important government program in operation today; and two, recognizing that in 1965, when Medicare came into existence and it was focused primarily on hospital care, physician care, and surgery, that reflected the practice of modern medicine in 1965. Today, Medicare is still focused on 1965 medicine. However, pharmaceuticals have taken the place, in many cases, of hospital stays and surgery, and yet Medicare does not pay for pharmaceuticals.

What I will address is the cold reality of where we are, what we want to do, but the dangers we face if we do it wrong. I view this as a statement on the problems we face in trying to provide pharmaceuticals in Medicare.

I hope to do this with a series of charts. I begin with the good news. The good news—the glorious news—is that 68.8 percent of all Medicare recipients already have some form of prescription drug coverage—68.8 percent. That level of coverage is a level of coverage virtually unmatched in terms of the structure of private health insurance. What it means is that almost 69 percent of people in America already have some form of pharmaceutical coverage when they are under Medicare.

Obviously, what this says is, whatever we do, we don't want to do anything that imperils the 69 percent of people who already have pharmaceutical coverage in our effort to try to provide it to the 31 percent of people who don't.

Where does this coverage come from? If we look at this chart, we can see that 44.6 percent of the people who have pharmaceutical coverage in Medicare are getting it through their employer. This is part of the benefit for which they worked a lifetime. They are getting it through an employer-sponsored program. Obviously, we don't want to do anything to induce employers to drop that coverage, nor do we want to do anything to substitute taxpayer money for the private money that is currently going into private health insurance to cover our seniors for pharmaceutical coverage.

There are 15.2 percent of those who have pharmaceutical coverage who get it from Medicaid; 11.9 percent get it from HMOs as part of Medicare; 10.6

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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percent who switched coverage during the last year and went from one form of coverage to another, so they are not counted as being in one category for the year that they had it. Then finally, 15.2 percent get pharmaceutical coverage through Medigap policies. That is the way my momma, for example, gets her pharmaceutical coverage—through a Medigap policy.

What is the point of all this? What does this mean? Why should anybody care about this?

The point is, 69 percent of Americans already have something we want to provide to 31 percent of Americans. We want to be very sure—we might even have a bipartisan agreement on this at some point—we want to be very sure we don't do anything, in trying to help the 31 percent, that could endanger, destroy, eliminate, or replace the coverage that 69 percent of those on Medicare already have.

What is it going to cost for the various plans that have been proposed? My colleagues will remember—I am sure the Presiding Officer remembers—that when Lyndon Johnson sold the Senate on passing Medicare, it was going to cost less than $1 billion a year. Medicare has now become the second largest program in America. It is on its way to becoming the most expensive program in the history of America or the history of the world. The point being, we don't always have the ability to predict what costs are going to be.

Nothing shows this more clearly than the official estimates that have been made of the Clinton-Gore drug plan. When they first introduced their plan, the Office of Management and Budget estimated that the plan would cost $118.8 billion over the first 10 years.

By April of that year, the official estimate from CBO was $149.3 billion. By May, the estimate by the Congressional Budget Office had risen to $160 billion. By July, the estimate from CBO had risen to $337.7 billion.

The point is, what happened to the program between the first estimate made when it was proposed and July? Well, the program was never implemented. What happened is—the President made some changes in it, but what really happened is people started looking deeper and deeper into the program.

The plain truth is, we don't know what the actual cost is going to be. But we know if you are going to have the federal government take over and basically federalize pharmaceuticals so that you are going to have the taxpayer paying for benefits, when currently 44.6 percent of the people who have pharmaceutical coverage are getting it from their former employer—when you have the government take it over and pay for not just the 31 percent who don't have it but for the 69 percent who do, obviously it is going to cost a lot of money.

Secondly, remember that the level of usage clearly is affected by who pays. There are many different figures you can use, but let me just use one figure. For those on Medicare who do not have third party coverage for pharmaceuticals—that is, they don't have somebody else paying their pharmaceutical bills in total or in part—they are spending, on average, less than $400 a year. But for Medicaid beneficiaries where the federal government is paying for all of their pharmaceutical bills, they are spending over $700 a year.

Now some people would say, you either need pharmaceuticals or you don't. The point is, as is true in anything, it makes a difference whether there are copayments, whether there are deductibles, and who is paying. The point this chart makes very clearly is that we have already seen, in one year, the estimated cost of the Clinton-Gore drug plan rise from $118.8 billion to $337.7 billion, and it is not implemented. The point is, we really don't have any idea about how much it is going to cost. As costs go up, what happens? As costs go up, first premiums go up, and then there is political resistance to premiums.

What happened in England with a program similar to the Clinton-Gore plan? What happened in Canada? What happened in Germany? As costs rise, with political pressure to keep premiums down, what happens? In every country in the world that has adopted a one-size-fits-all government program, one thing has happened—and it is not as if it were different in Germany from in Britain, or different in Britain from in Canada. One thing has always happened: When you have a one-size-fits-all government program and costs explode, they ration health care.

Great Britain is a good example. They delay the implementation of new drugs until the cost of those drugs comes down. That may make sense in controlling government costs, but if your mama is sick or your baby is dying, that is rationing health care. And every country in the world, to try to deal with this exact problem of exploding costs, when they have the government take over with a one-size-fits-all program, they end up rationing pharmaceuticals.

So we have people in the Senate who stand up and say that in Great Britain you can get X drug cheaper. What they don't explain is that it wasn't introduced for 2 years because of the cost, because it was rationed by the government. That is something we have to be concerned about because nobody in America wants to be in a situation where, when their mama is sick, they end up talking to some bureaucrat about cost instead of to a doctor about health care.

This is the greatest dilemma we face in doing something about pharmaceuticals. This is not a problem of anything other than arithmetic. Today, half of the people who receive Medicare spend less than $500 annually on prescription drugs. That is a fact. When people hear on television that we are debating having the government set up a program to pay for their pharmaceuticals, they think we are talking about the government paying for their pharmaceuticals. But the plain truth is—as anybody who has actually looked at the plan that has been proposed by Clinton and Gore knows—the first thing they discover is that when it is fully implemented, you are going to have to pay $662.40 in annual premiums for a plan that pays for half of your pharmaceuticals up to, ultimately, $5,000.

Here is the point. Half of all of the seniors are in the position today where their pharmaceutical bills are $500 or less. If we implement a program that has the government take over prescription drugs so that we don't have 68.8 percent of people covered by other health insurance, as we have today, but we have everybody in a government-run program, the premium cost of this is very high. And remember, this is based on a cost estimate which, if we know anything about these programs, is a gross underestimation. The annual premium cost is $662.40, and for that the government pays half of your pharmaceutical costs.

So here is the point. If the government is paying half of a Medicare beneficiaries prescription drug costs, most Medicare beneficiaries are going to get out of this program less than $250 of benefits, but they are going to pay $662.40 in premiums just to be in the program.

Now how many seniors understand that half of them are going to get $250 or less worth of benefits, but are going to end up paying $662.40 a year in premiums? What kind of bargain is it to pay $662.40 to get a benefit worth $250 or less? It is a very bad bargain, which explains why it is mandatory—why either you have to take it the first day you are eligible or you can never get into the program. They have to find ways of forcing people into this bad deal because they are not content to try to help the 31 percent of the people who don't have the insurance. They are trying to force everybody into one program run by the government, of course; and in doing so, for every one person to whom you provide new coverage, you in essence take away coverage that two people already have, which is not funded by the government.

That is why these cost estimates on a one-size-fits-all government-run program are so cataclysmic and why, if you ask people, Do you want government to provide pharmaceutical coverage in Medicare? the vast majority of people say yes. But when you explain to them that half of the people on Medicare today spend less than $500 on prescription drugs and, when the program is fully implemented, the annual premium is going to be $662.40 that will pay for only half of your pharmaceuticals up to the point you spend $5,000, people will look and see that half the people are getting $250 in benefits, and they are spending $662.40 initially when the program is fully implemented and see it isn't a good deal. But

does anybody doubt the program will be at least twice that when it is ultimately in place? I don't think so.

In this political environment we are in, people are always talking about risky schemes. We have all heard it. It is amazing to me that people will talk about spending trillions of dollars, but if you want to give half that amount in tax cuts, it is a risky scheme—spending it is not risky, but giving it back to working families is risky.

Let me talk about how risky this government takeover of the pharmaceutical benefits in America for seniors is. The Clinton-Gore plan is back-end loaded. What do I mean by that? I mean that the first year it is very cheap because it doesn't even go into effect for 2 years from now. Then it becomes very expensive. The first year of the program advertises that it will cost only $13.5 billion. When the program is fully implemented, it costs $59.7 billion, or almost $60 billion a year. When we run this out over a 10-year period and we look at the estimates that are being made when fully implemented, whereas the initial estimate by the Office of Management and Budget was the program would cost $118.8 billion, when we take its cost at full implementation and what we already know, its actual cost is $597 billion over 10 years.

How are we going to make up this difference? Britain has a government-run benefit on pharmaceuticals. Germany has one. Canada has one. How did they make it up? They made it up by raising the premiums initially, and when political resistance occurred, they start rationing health care. That is what we would be buying into here.

There is one other difference, and this is from the Congressional Budget Office ''Analysis of the Health Insurance Initiatives in the Mid-Session Review'' that they published on July 18. I urge my colleagues to look at it. They analyzed the Clinton-Gore drug plan. Most people are obviously focused on, what is it going to cost? The Congressional Budget Office, the nonpartisan budgeting arm of Congress, finds that not only is it going to cost a tremendous amount more than what is being claimed, but equally disturbing to me is this quote:

> The Congressional Budget Office estimates that after 10 years, the average price of drugs consumed by the Medicare beneficiaries would be 8 percent higher if the President's proposal was enacted.

In other words, not only will taking over pharmaceutical coverage for all Medicare beneficiaries, when only 31 percent don't have it, cost a tremendous amount of money, but it will drive up the cost of pharmaceuticals to everyone. This is not just to seniors, this is to everyone.

What is the alternative? Interestingly enough, the best alternative is a bipartisan proposal from a bipartisan commission that was led by Senator BREAUX, a Democrat, from Louisiana.

I have a very revealing chart. I will give Michael Solon on my staff credit for this. I think this is one chart that tells a very important story. Here is what it is based on. The question it asks is the following: If you left everything exactly as it is, and you held the growth of government discretionary programs to the budget, how long could the government pay Medicare and Social Security benefits as they are currently promised? In other words, when would the government run out of money to pay for Medicare and Social Security benefits under the best of circumstances?

He finds, under the current system, the federal government would run out of money in the year 2027. If we don't spend the money or use it for anything else, we keep spending in real terms where it is, and we use all the money in the budget to fund just Social Security and Medicare, the federal governments runs out of money in 2027. That means everybody 40 and over would, for all practical purposes, be covered, but everybody under 40 would be vulnerable to the federal government's inability to pay Medicare and Social Security benefits.

If you adopted the Clinton-Gore plan, what you would do is, by driving up costs, move this doomsday or day of reckoning—whatever you want to call it—from 2027 to 2022, which means that only people 44 and above would have their Medicare and Social Security benefits secured. Stated another way, 17 million people who are between 40 and 44—those 17 million middle-aged people in that 4-year bracket—would have their Medicare benefit and their Social Security benefit imperiled by the adoption of the Clinton-Gore plan.

What is the alternative? The alternative is a bipartisan proposal. The estimates that were done of the bipartisan commission—and I remind my colleagues, people were appointed by the Speaker and the minority leader, by the majority leader and by the minority leader, and by the President—they put together a proposal that a majority supported. But because all of President Clinton's appointees voted against the final package, it did not get the supermajority needed to make a formal recommendation.

However, the majority supported the Breaux proposal. The Breaux proposal basically reformed Medicare and provided pharmaceutical benefits to the 31 percent of the people, or most of them, who don't have Medicare, don't have coverage for pharmaceutical benefits. The important thing was that the reform of Medicare contained in the Breaux commission report—by reforming Medicare, extended its lifetime from 2027 to 2059, which would mean anybody over 8 years old would have their benefits guaranteed if we adopted the bipartisan Breaux commission report.

What is the point of this speech? The whole point of this is the following, and I think these points were very important and I want to just run through them real quickly. Point one, you have 69 percent of all seniors who have some pharmaceutical coverage already. Why would you want to have the government come in and pay for that, especially when 44 percent of them are having it paid for by their former employers? That doesn't make any sense.

The only case in which you would want to do that is if you had some political agenda that said we ought to have a government-run health care system. I submit, based on the record of this administration, when they tried in 1993 and 1994 to have the government take over and run the health care system, that is exactly what their agenda is. But, notice—and this is easy to explain—if you have a problem with 31 percent of the people but you have 69 percent who already have a benefit, don't tear up what they have trying to help the people who need it. That is the first point.

The second point is that when you try to have a program that covers everybody, and you start substituting government dollars, tax dollars for other health insurance that 69 percent of the people already have, you are forced into a system where most seniors will not benefit.

As I explained earlier, today over half of all Medicare beneficiaries spend less than $500 a year on prescription drugs. Yet under this one-size-fits-all, government-runs-it, government-controls-it plan that has been proposed by the President and endorsed by the Vice President, when that plan is phased in, in order to get coverage where the government will pay half of your prescription costs up to you spending $5,000, it costs you $662.40 a year in premiums. But half of all Medicare beneficiaries would only get benefits of $250 or less. Needless to say, when you say to seniors, ''We have a great deal for you, we are going to give you a benefit for $662 a year that half of you will find to be worth less than $250 in any given year,'' they are not excited about it. So how do you deal with that?

You deal with that by trying to mislead people about what it is going to cost. You don't phase in the whole program. You don't even start the program for 2 years, so, boy, it is cheap for the first 2 years because you don't have a program. Then you phase it in.

The point is, when you do that, you start out cheap—$13.5 billion. But when you get it fully phased in, even based on the estimates of the Congressional Budget Office—and we know the real costs will be higher—you are already up to about $60 billion a year when you get it fully implemented.

Obviously, anybody who is trying to be critical of what is being proposed has the obligation to propose an alternative. Fortunately, as a member of the Medicare Commission with Senator BREAUX and Senator KERREY—the two Democrat members who worked on the majority position—there was a proposal made. That proposal was a comprehensive reform of the system.

That comprehensive reform, which provided pharmaceuticals for moderate-income people but let the 69 percent of the people who already had pharmaceutical coverage keep it, didn't substitute tax dollars for General Motors' money on retirement health care. What happened was, whereas the Clinton-Gore plan would actually endanger the Medicare and Social Security benefits of people between the ages of 40 and 44 by driving up costs and by forcing those systems into insolvency or into fee increases or into tax increases sooner, the bipartisan proposal of the Breaux commission would have actually expanded the life of Medicare to 2059. That would mean everybody 8 years old and older would be protected. It would give us an opportunity to further refine the system.

I thank my colleagues for giving me this opportunity. These are important issues. They deserve prayerful consideration. I urge my colleagues to look at them before we change Medicare.

I yield the floor.

The PRESIDING OFFICER (Mr. L. CHAFEE). The Senator from Alabama.

Mr. SESSIONS. Mr. President, I thank the Senator from Texas for his insight and leadership and expertise and courage and ability to explain, in common language, some of our most complex financial issues facing this country. It is an extraordinarily valuable asset to our country, to have Senator GRAMM in this body as a trained economist. I never cease to be amazed and appreciative of what he contributes.

PROTECTING ALABAMA HOSPITALS

Mr. SESSIONS. Mr. President, today I want to talk about the situation involving hospitals in America. We passed the Balanced Budget Act in 1997. It was an agreement, not only of this Congress, but of the President. It was to be administered by the executive branch agency called HCFA. We projected a number of reductions and savings that would occur as a result of our efforts to balance the budget, to curtail double-digit increases in health care, and to make hospitals really force some cost containment in the escalating cost of health care in America.

I believe in that, and I support that. I think that, in part, it has been successful. Experts projected savings over this period of time would have been $115 billion. We now see that savings to Medicare will be closer to $250 billion. In other words, the savings that have come out of Medicare and Medicaid reimbursements to hospitals that are taking care of indigent patients whether they get paid or not have had an impact far in excess of what we anticipated when we passed the BBA.

I have traveled to about eight different hospitals in the last several months in my State. I met with groups of administrators from these hospitals. I talked to nurses, administrators, practitioners and accountants in the hospitals, and I believe that they are not crying wolf, but that their concerns are real. I believe there is a problem there.

I would like to share with the Members of this body some of my concerns about it and say we are going to need to improve and find some additional funding that will help those hospitals.

In Alabama, when we passed the Balanced Budget Act of 1997, Alabama's hospitals' bottom line already was significantly less than that of other hospitals in the country. That year, Alabama had an average operating margin of 2 percent, whereas the average operating margin for 1997 was 16 percent. Aside from lower operating margins, the State also has special health needs. When compared with other States, Alabama's health care market had a higher than average percentage of Medicare and Medicaid and uninsured residents. In 1998, the State's Medicare enrollees made up 15.4 percent of the population and Medicaid residents made up 15.3 percent, both above the national average of 14.1 percent. So when those reimbursements were reduced, Alabama felt it more severely than most States.

One significant part of the BBA that has been especially damaging to our Nation's hospitals is the lack of a market basket update. The market basket is Medicare's measure of inflation. It is an inflation index. It is essentially a cost-of-living adjustment for hospitals. Without an accurate inflationary update, or market basket update, Medicare payments for a hospital's inpatient perspective payment system—the way we pay them—are inadequate and do not reflect inflation or the increased demands of regulations, new technologies, and a growing Medicare population.

As part of the Balanced Budget Act of 1997, which was passed to address the double-digit growth in Medicare spending, updates in the market basket were frozen. But by freezing the updates, mathematically this effectively created negative update factors.

For example, in 1998, the market basket update was 0.1 percent; for 1999, it was a minus 1.9 percent; for fiscal year 2000, it was minus 1.8 percent; for 2001, it is scheduled to be minus 1.1 percent; for 2002, minus 1.1 percent. So, in effect, we not only have frozen the inflation increase over all these years, we have created mathematically a reduction in the funding.

From 1998 to 2000, hospital inflation rates rose 8.2 percent, while Medicare payments for inpatient care rose 1.6 percent. You can do that for a while. We can create some savings, but at some point you begin to cut access to essential health care, making health care in hospitals more difficult less personnel and decreased resources.

Overall, the BBA will result in a reduction of Medicare payments for hospital inpatient care by an estimated $46.3 billion over 10 years. This decrease in payments has been compounded by other increased costs such as the rapid increase in the cost of prescription drugs. We all know the rising costs of health care, particularly drug costs. Hospitals feel this crunch as well.

Cherokee Baptist Medical Center and Bessemer Northside Community Clinic in Alabama are two facilities that have been hurt. For example, Cherokee Baptist Medical Center has estimated that the 5-year impact of BBA implementation for years 1998 through 2002 will create a loss of $3.7 million for this small rural hospital. That is real money in a real community—$3.7 million. The hospital's operating margin fell from 4.5 percent in 1997 to 2.2 percent in 1999.

While Medicare inpatient admissions remain the same, the revenue they have received from them has dropped from $3.5 million to $2.9 million. That is a loss of over $600,000 for the hospital alone.

Bessemer Northside Community Clinic opened in 1997 in an attempt to deal with a specific community need. The community needed convenient care for its elder and uninsured. Bessemer opened to fill that need. But due to reductions in Medicare reimbursements, they lost approximately $3 million in 1999, and were projected to lose $4 million in 2000.

This clinic served about 2,000 low-income and elderly patients in its first year, and was expected to serve 200,000 as part of a regional health network. Now it has closed its doors.

What we need to do: Last year we passed the Balanced Budget Refinement Act. The truth is, it will really come into effect this year. The hospitals will begin to feel its impact in 2001. Some may think we did not do anything last year. We did, but it was phased in, and the real impact is just now beginning to be felt. It is a good start. But it is not enough. Now we need to deal with the market basket update reduction projection of 1.1 percent, again, for 2001 and 2002. We need to restore the full inflationary update. The Alabama Hospital Association as well as the American Hospital Association have identified this as one of their top priorities.

The American Hospital Preservation Act, which was introduced by Senator HUTCHISON and cosponsored by myself and 58 other Senators, should be included in this year's Medicare provider give-back legislation that is now being considered in this Congress.

Now I will talk about the wage index and how that affects a hospital in Stringfellow, AL. This is a chart that gives a clear indication of what this hospital receives compared to the national average.

For the national hospital average, this chart shows a per patient/diagnosis reimbursement rate for labor of $2,760; $1,128 for nonlabor reimbursements. That is what our national hospital average reimbursement rate

looks like for per patient diagnoses for inpatient care, totaling $3,888.

But Medicare/Medicaid reimbursements for Stringfellow Memorial Hospital in Anniston, Alabama—because of lower labor costs and a higher percentage of non-labor costs are calculated by HCFA with a complicated formula that does it—is only reimbursed $2,042 for labor. This means that this rural Alabama hospital is being reimbursed $718 less per patient diagnosis. That is money not going to Stringfellow Hospital. That is money not going to that hospital. And the nonlabor costs are the same. So they are feeling a loss of $718 out of the $3,888 average cost for care compared to the national average.

Make no mistake, there are other hospitals well above the national average. Where rural Alabama hospitals lose $718 per patient, these hospitals may make $1,500 per patient diagnosis.

The nonlabor-labor split also assumes that hospitals purchase outside services from within their region, when in fact, most rural hospitals must purchase services from urban areas—which have must higher wages. In rural Alabama, much of a hospital's services often have to come from Birmingham, the University of Alabama Medical Center, and all the first-rate quality care there. It may have to be transported out to the local hospitals at greater cost than it would be in Birmingham or any other regional medical center.

According to a recent study by Deloitte Consulting, approximately 70 percent of Alabama's hospitals will be operating in the red in 2000 and as many as 14 are likely to close—unless something is done.

The reductions which have resulted from HCFA's implementation of the BBA, have affected Alabama hospitals in many ways. The reductions have hurt hospitals, both big and small, urban and rural. They have been forced to limit access, cut off services, downsize, and in some instances, close their doors.

Shelby Baptist Medical Center in Alabaster, Alabama was forced to close its inmate/juvenile detention medical clinic, close their occupational medicine clinic, close a pediatric clinic, downsize psychiatric services, close physician services to new patients, and decrease the number of health screenings for early detection of disease. They have had to place a hold on all capital projects including a women's services clinic, an additional lab, and the expansion of diagnostic services to the surrounding communities. They have also had to end the development of an ''Open Access Clinic'' to help deal with the area's numerous uninsured and under-insured patients.

Likewise, the net income of Coffee Health Group in Lauderdale, Colbert and Franklin Counties in Alabama dropped from $38.3 million in 1997 to a projected negative $13.6 million in 2000. The hospitals' operating margin—the pre-tax profits which are the major source of a hospital's cash flow—dropped from $19.6 million in 1997 to a projected negative $21.5 million in 2000.

Market basket update: One significant part of the BBA that has been especially detrimental to our nation's hospitals is the lack of a Market Basket Update. The Market Basket is Medicare's measure of inflation. It is essentially a cost of living adjustment for hospitals. Without an accurate inflationary update, or Market Basket Update, Medicare payments for a hospital's inpatient perspective payment system are inadequate and do not reflect the increased demands of regulations, new technologies, and a growing Medicare population.

As part of the Balanced Budget Act of 1997, which was passed to address a looming health care crisis: double-digit growth in Medicare spending, updates in the Market Basket were frozen. By freezing the updates, the BBA effectively created negative update factors: For fiscal year 1998, the market basket update was −0.1 percent, for fiscal year 1999, the update was −1.9 percent, for fiscal year 2000, the update was −1.8 percent, for fiscal year 2001, the update is scheduled to be −1.1 percent, and for fiscal year 2002, the update is scheduled to be −1.1 percent.

Between 1998 and 2000 hospital inflation rates rose 8.2 percent while Medicare payments for hospital inpatient care rose 1.6 percent. Overall, the BBA will result in a reduction of Medicare payments for hospital inpatient care by an estimated $46.3 billion over 10 years. This decrease in payments has been compounded by a rapid increase in the cost of prescription drugs and the price of blood and blood products. We all know of the rising costs of health care—most especially in drug costs. Hospitals feel this crunch as well. While the average costs of ''existing drugs'' or those that came to the market before 1992, is $30.47, the average price of new prescription drugs is $71.49—more than twice that of existing drugs.

Cherokee Baptist Medical Center and Bessemer Northside Community Clinic in Alabama are 2 facilities that have been affected by the BBA and provide disheartening real-life examples.

Cherokee Baptist Medical Center has estimated that the five-year impact of BBA implementation for fiscal years 1998 through 2002 will create a loss of $3.7 million. The hospital's operating margin fell from 4.5 percent in 1997 to 2.2 percent in 1999. And while Medicare inpatient admissions remained the same, the revenue dropped from $3,512,910 to $2,909,666. That's a loss of over $600,000 for this hospital alone.

Bessemer Northside Community Clinic opened in October of 1997 (about the same time the BBA was passed) in coordination with the community and in response to a specific need. The community needed convenient care for its elderly and uninsured. Bessemer opened to fill that need, but due to reductions in Medicare reimbursement that came as a result of the implementation of the BBA, Bessemer lost approximately $3 million in 1999 and was projected to lose about $4 million in 2000. This clinic served about 2,000 low income and elderly patients its first year and was expected to serve over 200,000 as part of a regional health network. It provided more than $4 million in free medical care to Northside residents since the clinic opened. Now, due to the drastic reductions in reimbursement, Bessemer has closed its doors, leaving the community's elderly to travel long distances for care, or in many cases to go without.

Last year Congress passed the Balanced Budget Refinement Act (BBRA) in 1999 to address some of the concerns we had about the affects of the implementation of the BBA. One provision in this legislation allows Sole Community Hospitals—those hospitals that are the only access to health care in an area—to receive a full Market Basket Update in fiscal year 2001. That's a good start, but it's not enough. Now we need to strike the BBA-mandated Market Basket reduction of 1.1 percent for fiscal year 2001 and 2002 and restore a full inflationary update. The Alabama Hospital Association as well as the American Hospital Association have identified this as one of their top priorities, and it is what the American Hospital Preservation Act of 1999 does. This bill which was introduced by my colleague Senator HUTCHISON and cosponsored by myself and 58 other Senators, should be included in this year's Medicare provider give-back legislation to address the continuing needs of our Medicare providers.

Wage index: Mr. President, another Medicare reimbursement issue which needs to be addressed in any upcoming Medicare provider give-back legislation is a needed adjustment to the Wage Index.

Medicare reimbursement for hospital inpatient care is based on a Perspective Payment System (PPS) which was created in the early 1990's to cut Medicare spending. A formula within the PPS is used to adjust Medicare payments to a hospital based on a Wage Index—or the average wage for a particular area. The formula is based on 2 components: labor-related and non labor-related costs. While non labor-related costs are the same nationwide—these are costs for supplies, pharmaceuticals, equipment, etc—labor-related costs differ from region to region and there are large discrepancies between the labor costs in urban and rural areas. The cost of living is lower in rural areas, so they pay, on average, lower wages. The adjustment made for these regional differences is made according to the Wage Index.

The national wage index is 1, but most rural hospitals have a wage index of 0.74 and most hospitals in Alabama have a wage index between 0.74 and 0.89, which is 0.11 to 0.26 below the national average. This index which is used to calculate the base rate for

Medicare reimbursement, has several inequities:

For example:

Adding additional lower paid employees lowers your wage index.

Hiring 2 lower paid employees to do the job of one higher paid employee lowers your wage index.

Increasing wages has no impact on the wage index for 3 years.

Having no corporate overhead from a large proprietary entity lowers your wage index.

When developing the Wage Index mechanism, HCFA decided that 71 percent of a hospital's costs were labor related. This rate also includes a predominant shift to labor-related costs due to purchases of outside services which incorrectly assumes that hospitals purchase services only from within their region and thus pay similar wages for these outside services. In reality, rural hospitals usually purchase services from urban areas and must pay urban wages for these services. However, the purchase of outside services from urban areas which may have a greater labor cost is not reconciled with the prevailing wage rate within the rural area. Hence, rural hospitals are paying urban rates for those services but are not being reimbursed at their urban wage rate. The average percentage of hospital expenditures in Alabama that are labor related is 51 percent—far from the 71 percent used by HCFA. And the annual impact of these formula problems result in a reduction of Alabama hospital payments by HCFA by between 5.5 and 6.5 percent or close to $46 million a year.

To illustrate the unfairness of the Wage Index formula, you must see the differences in the calculation of the base rate for reimbursement using the Wage Index for both the national average and for a typical Alabama hospital.

National Average:

Take the initial national base rate for a per patient diagnosis of $3,888.

Multiply it by the national average for percentage of wages to all other costs (71 percent) = $2760.

Remaining $1128 is non-labor costs.

Apply National Average Wage Index (1) to wage cost of $2760 = $2760.

Add $2760 to the non-labor portion, $1128, to get a total payment of $3888. This is the base rate for Medicare reimbursement per Medicare patient diagnosis.

Compare that to: Stringfellow Memorial Hospital in Anniston, AL:

Take the initial national base rate for a per patient diagnosis of $3,888.

Multiply it by the national average for percentage of wages to all other costs (71 percent) = $2760.

Remaining $1128 is non-labor costs.

Now here's the problem. Instead of applying the national average wage index of 1, for this Alabama hospital, we would use the Montgomery wage index of 0.74.

So, apply the local wage index of (0.74) to wage cost of $2760 = $2042.

Add $2042 to the non-labor portion, $1128, to get a total payment of $3170.

Therefore the base rate for per patient diagnosis at Stringfellow Memorial Hospital is $718 less than the national average. That's nearly 20 percent below the national average.

HCFA has recognized the problem and has addressed it in other areas. In developing the formula for the new Outpatient Perspective Payment System (PPS), which was required by the BBA of 1997, HCFA set the labor component of hospital costs at 60 percent (as compared to the 71 percent in the Inpatient PPS). According to HCFA, in the development of this new Outpatient formula, 60 percent represents the average split of labor and non labor-related costs.

Why then has HCFA not changed the Inpatient PPS formula? Why do we have to do it legislatively?

Senator GRASSLEY has proposed legislation that would correct the faulty wage index formula. His plan would mandate that HCFA apply the wage index adjustment only to each hospital's actual labor costs. This proposal, though it has not been scored, would cost approximately $230 million the first year.

While I support this proposal, I am also sympathetic to my colleagues whose states are not detrimentally affected by the wage index. For that reason, I would also support other possible solutions to the Wage Index issue.

There are 2 possible options:

(1) We can develop a Wage Index ''Floor,'' possibly set at 0.85 or 0.9. Thus there would be no effect (positive or negative) on hospitals with Wage Indeces above that level.

(2) We can establish a hold-harmless provision and apply the Wage Index adjustment to the share of hospital costs that are actually wage related (51 percent for Alabama), but only for hospitals with a Wage Index below 1.

The bottom line is that something must be done before the reductions in the BBA threaten the access to and quality of health care for our nation's seniors and uninsured. This government must not create a situation in which many of these needed hospitals have to close. We must act quickly or closures will occur.

I would like to thank the Chairman of the Senate Finance Committee, Chairman ROTH, for his efforts to address these concerns, and I look forward to working with him and the members of the Senate Finance Committee as well as the Senate Leadership to get this done.

It is time for this Congress to deal with the unfair wage index and improve it and take a step in the right direction. It is hurting our hospitals in rural America. It is really hurting them in Alabama where 70 percent are operating in the red and as many as 14 might close.

MARSHALL SPACE FLIGHT CENTER'S 40TH ANNIVERSARY

Mr. SESSIONS. Mr. President, today we are celebrating the accomplishments of the men and women of the Marshall Space Flight Center in Huntsville, AL, on the occasion of their 40th anniversary which will be celebrated tomorrow.

In September of 1960, President Dwight Eisenhower dedicated the Marshall Space Flight Center, which soon began making history under the leadership of Dr. Wernher von Braun. From the Mercury-Redstone vehicle that placed America's first astronaut, Alan Shepard, into suborbital space in 1961, to the mammoth Saturn V rocket that launched humans to the moon in 1969, Marshall and its industry partners have successfully engineered history making projects that gave, and continue to give, America the world's premier space program.

We are fortunate to have these dedicated men and women in Huntsville. I will be offering some remarks and hope to speak on the floor again later today. I take this opportunity to express my compliments and those of the American people to the men and women at Marshall Space Flight Center, which began 40 years ago, sent men to the moon, and now is working steadfastly to create a cost-efficient, effective way to send people into space routinely, almost as easily as we fly now across the Atlantic Ocean.

ENERGY

Mr. SESSION. Mr. President, I see the Senator from Alaska is here. I will just say this: Senator MURKOWSKI understands the failure of this administration's energy policy. He understands their desperate attempt to blame it on everyone but themselves.

The plain fact is, for almost 8 years, this administration has, through a myriad of ways—the chairman of the Committee on Energy and Natural Resources well knows—reduced American production of energy, leaving us more and more dependent on foreign oil. Now they have gotten together, created their cartel strength again and driven up the price of a barrel of oil in a matter of months from $13 a barrel to over $30, maybe $35. We are feeling it in every aspect of the American Government. It was done not on the basis of a free market supply and demand but because of the political acts of the OPEC nations. This administration needs to do something about it.

I am glad to see Chairman MURKOWSKI here this morning. I know he will be speaking about this important issue.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, may I ask how much time I am allotted under the standing order?

The PRESIDING OFFICER. The Senator may have 13 minutes of the time remaining of the Senator from Alabama.

Mr. MURKOWSKI. I thank the Chair, and I thank my good friend from Alabama.

He indicated that the price of oil had risen. The price of oil yesterday rose to an all-time 10-year high, $37 a barrel. This is a very serious matter that is not receiving enough attention by this body, nor this administration. To give my colleagues an idea, from the Washington Post yesterday there was a quote that the price of crude oil contracts on the futures market on the New York Mercantile Exchange rose above $37 a barrel for the first time.

Here is the more significant point. Analysts predicted that the price jumps, 2.7 percent yesterday and a total of 44 percent for this year, could continue indefinitely. I repeat—could continue indefinitely, especially with the uncertainty connected with Iraq's Saddam Hussein and his accusations that Kuwait was drilling near the Iraqi-Kuwaiti border and stealing Iraq's oil.

Doesn't this sound a little like what happened in 1991 prior to the Persian Gulf war where we had the muscle demonstration by Saddam Hussein and later the implications of that war?

This is serious business. If you don't believe it is serious, ask Tony Blair because the stability of the British Government is very shaky right now as a consequence of the price of energy, a 10-year high, expectations for the price of oil go as high as $40 per barrel and beyond in the near future.

Why are we in this mess and why should American consumers care? I will discuss one segment of this today because Saddam Hussein has the world over a barrel. It is over a barrel of oil.

Why should American consumers care? Well, Iraq is now in a position to set the market price of oil—and therefore, what you pay at the pump, what you pay to heat your homes, what you pay at the grocery store, and what the Northeast Corridor residents are going to be paying in this country this winter for fuel. God help us if we have a cold winter. Iraq is using its profits illegally for weapons of mass destruction. They are threatening the peace and stability of the entire Mideast region. They represent a threat to the security of Israel without question.

Let us look at a little history on how this administration has basically failed to address this threat. Just before the Clinton-Gore administration came in, we carried out a very successful mission in Desert Storm. That mission was not without American casualties. We lost 147 Americans; 467 were wounded; 23 were taken prisoner.

Since that time, we have continued to enforce a no-fly zone. We have flown over 200,000 sorties since the end of Desert Storm, at a cost to the American taxpayer of about $50 million per month. Yet here we are today more reliant on Iraqi oil. We are addicted to the imported oil. We are addicted to oil. In any event, as a consequence of our decline in domestic production, which has been 17 percent since the Clinton Administration took office, and a 14-percent increase in domestic demand during the same period, we are now 58-percent dependent on imported oil.

During the Arab oil embargo—some remember this period of time, 1973—we had gas lines around the block at filling stations. The public was outraged. They were blaming everybody, including Government. That was 1973 when we were 36 percent dependent on imported oil; now we are at 58 percent.

Today Iraq is the fastest growing source of U.S. foreign oil, 750,000 barrels a day, nearly 30 percent of all Iraqi exports. We fought a war over there in 1991. Here we are dependent on Iraq. It makes us powerless to respond. Weapons inspections are unable to proceed. We are concerned about it, but we don't do anything. Illegal oil trading is underway with other Arab nations. We know it, we enforce a blockade in the air, we don't enforce any kind of a blockade for the illegal oil shipments that are going out of Iraq. Profits go to development of weapons of mass destruction, training of the Republican Guards to keep Saddam Hussein alive.

The international community is becoming increasingly critical of sanctions towards Iraq. But consider this: Saddam Hussein puts Iraqi civilians in harm's way when we go over and bomb his targets. Saddam has used chemical weapons against his own people in his own territory. Saddam could have ended sanctions at any time. All he had to do is turn over his weapons of mass destruction; that is basically all. Yet he rebuilds his capacity to produce more. He cares more about these weapons, obviously, than he cares about his own people.

That he is able to dictate our energy future is an absolute tragedy of great proportion. Still, the administration refuses to act. What happened?

Saddam is getting more aggressive. His rhetoric in every speech at the conclusion is ''death to Israel.'' That is what he says. What is the threat to Israel's security? It is Iraq. He has announced a $14,000 bounty on any American plane shot down, for the anti-aircraft crew that is responsible. Now he is accusing Kuwait of stealing Iraqi oil. Here we go again.

That is the same thing that was done in 1990 shortly before he invaded Kuwait. Saddam is willing to use oil to gain further concessions. This is rather interesting, to show you the leverage he has because of his oil production. The U.N. was set to approve a $15 billion compensation measure for Kuwait as a result of damages from the Gulf war. That vote was set to take place next week. Iraq has retaliated and said: No, we are not going to pay that compensation. If you make us pay, we will reduce our output of oil. Now reports are that the U.N. has postponed that vote.

That is their leverage. There is likely not enough spare capacity in OPEC to make up the difference if Iraq pulls back it's production. Here is the Wall Street Journal headline: ''Iraqi Pumps Critical Oil and Knows It.'' That is the leverage of Saddam Hussein today, and his leverage is growing each and every hour.

This article says:

> European oil executives familiar with Iraq say the U.N. sanctions against trading with Iraq are breaking down in the region. Turkey, Jordan, Qatar, Dubai, and Oman are still openly trading with Iraq. Sanctions aren't working. Now he is strong arming the U.N.

They have put off enforcing him to make compensation to Kuwait for the loss of damages associated with his invasion of that country. And his leverage is, hey, I will cut my oil production. The world can't afford to have that happen. Even if we took military action, we would need Saddam Hussein's oil to fuel our planes and bomb him.

I would ask that the full text of the Wall Street Journal article from September 19, 2000 be printed in the RECORD.

The PRESIDING OFFICER. Without objection.

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

[From the Wall Street Journal, Sept. 19, 2000]

IRAQ PUMPS CRITICAL OIL, AND KNOWS IT

(By Bhushan Bahree and Neil King Jr.)

PARIS.—An international pariah for the past decade, Iraqi leader Saddam Hussein now has the world over a barrel.

Iraq exports about 2.3 million barrels a day of crude oil into a world market so thirsty for oil that prices have soared recently spurring an international wave of consumer backlash. The Iraqi exports are significantly more than the combined spare production capacity of all other producers at this time. So the world now depends on Iraqi oil, right?

''You're damned right,'' snapped Amer Rasheed, Iraq's oil minister, during an interview after a ministerial meeting of the Organization of Petroleum Exporting Countries in Vienna last week.

Mr. Rasheed wouldn't answer whether Iraq is likely to use its oil weapon—threatening to halt oil exports—to seek an end, for instance, to United Nations sanctions imposed a decade ago.

Saddam has played this game before. Late last year, Iraq shut its oil taps in a dispute over the sanctions, and oil prices surged.

No sooner had Mr. Rasheed returned to Iraq last week than he accused Kuwait of stealing oil from Iraq's southern oil fields through wells drilled horizontally across the border. The accusation seemed ominous since it was the same charge Iraq leveled against its neighbor before invading Kuwait in 1990. Mr. Rasheed said Iraq would take unspecified action to protect its oil riches.

Yesterday, the Iraqi press reported that Saddam told a cabinet meeting Sunday that even Saudi Arabia, the world's largest oil exporter, didn't have enough spare capacity to relieve the world of worries about an impending oil shortage.

''This is one of those serious times when the threat of a suspension of Iraqi [oil] exports needs to be taken seriously,'' said Raad Alkadiri, country analyst at Petroleum Finance Corp. in Washington.

Nobody knows just what the Iraqi leader may decide to do with his oil power. Some diplomats and industry officials figure Saddam may seek some gains by using the

threat of a halt in oil exports, while others say he may reckon that things are going his way anyway, with support for the long-standing U.N. sanctions growing increasingly weak.

There is little doubt that Iraq is getting more assertive. An Iraqi fighter jet two weeks ago flew over part of Saudi Arabia for the first time in a decade, leading U.S. officials to warn that Washington would strike back if Baghdad provoked neighboring Kuwait or Saudi Arabia. U.S. officials have also warned against thinking they are too distracted by presidential politics to react.

Yet diplomats at the U.N. acknowledge that any concerted effort to get arms inspectors back into Iraq won't advance until after the U.S. presidential election. Hans Blix, head of the new inspection team, made the same point to reporters yesterday, saying ''nothing serious will happen'' until U.S. voters go to the polls Nov. 7.

No one at the U.N. suggests that the Clinton administration has put a hold on Iraqi diplomacy. But a spike in tensions with Iraq, especially if it led to steeper gas prices, could easily ripple through the presidential campaign.

European oil executives familiar with Iraq, meanwhile, say the U.N. sanctions against trading with Iraq are breaking down in the region. Turkey, Jordan, Qatar, Dubai and Oman are all openly trading with Iraq, says one senior European oil executive. ''There is a feeling that except for bombing [against radar sites], the U.S. is turning a blind eye'' to these transgressions, he says.

Western diplomats and industry officials say one potential flash point is a Sept. 26 meeting in Geneva of the U.N. Compensation Commission, which was set up after the Gulf War to decide on claims on losses resulting from Iraq's invasion of Kuwait. The body's governing board is scheduled to consider a claim of some $16 billion by state-owned Kuwait Petroleum Co., a claim that irks Iraq and may have provoked the counterclaim that Kuwait has been stealing Iraqi oil.

The commission has already paid out more than $8 billion to claimants. The U.N. supervises Iraqi exports of oil and directs 30% of the receipts from such sales to fund the commission and finance the awards. Depending on oil prices and Iraqi export levels, the commission is getting some $400 million every month from the Iraqi oil sales. Claims on Iraq total more than $320 billion. Though the commission's awards are expected to be significantly below that, Iraq has long argued that it wouldn't pay damages for decades to come.

If there is a political flare-up now that results in Iraq halting exports, the consequences could be serious at a time when supplies are tight, oil prices already are at 10-year highs of more than $36 a barrel (see article on page C1), and consumers have been protesting across Europe. ''It would be devastating * * * the price of a barrel would double,'' the European oil executive said.

Most OPEC countries are producing flat out to meet strong world demand for oil. Kuwait, for instance, has made clear that it can't even meet the latest quota increase it was allocated as part of last week's OPEC agreement to raise the group's output by 800,000 barrels a day. The increase was aimed at helping to cover world demand, which is running at some 76 million barrels a day.

Iran's output actually declined in August, perhaps because of production difficulties at its fields. Exporters that aren't members of OPEC also are producing as much as oil as they can. Norway and Mexico, for instance, have both said they are producing to capacity.

That's not to say that the rest of the world would be helpless. Saudi Arabia and the United Arab Emirates could produce some extra oil to offset at least part of any shortfall from Iraq. Saudi Arabia's exact surge capacity—the ability to produce extra volumes for a short period of time—isn't precisely known. But given its huge capacity base of more than 10 million barrels a day, the kingdom could produce at a much higher rate for a short period. It also could try to increase its capacity, which would take at least some months.

Meanwhile, the U.S. and other industrial countries that have strategic reserves of petroleum could release them. The U.S. alone has some 570 million barrels of oil stored at salt caverns, and U.S. officials say they are prepared to tap the reserves immediately should Iraq cut off its oil exports.

''We could cover all Iraqi production for a year if we had to,'' one senior U.S. official said.

Altogether, industrial-country members of the Paris-based International Energy Agency have some 112 days of net import coverage through stocks that can be released in case of a 7% decrease in supplies from the average levels of the previous year.

Mr. MURKOWSKI. Think about the simple equation of Saddam's influence over the world right now. You don't have to be a mental giant to reach any other conclusion, but we buy Saddam Hussein's oil. We send him the money. He pays his Republican guards and builds up his biological and chemical weapons capability. We take that oil, put it in our airplanes and fly over and bomb him. And the process starts all over again. What kind of a foreign policy is that?

How do we get back on course? Well, there is a solution. We have to reduce our dependence on foreign oil. We need to go through some avenues to do this. We need to increase our efficiency and maximize our utilization of alternative fuels and renewables. But we also have to increase domestic oil and gas production in this country. We have vast resources in areas like the overthrust belt in Wyoming, Colorado, and other States where we produce oil. We can produce more. But 64 percent of the public land has been withdrawn from exploration. Increased domestic supply is needed to lower prices, reduce volatility, and ensure safe and secure energy supply.

My State of Alaska has been producing about 20 to 25 percent of all the total crude oil produced in this country in the last 20-some years. We can produce more. We have the technology and we can do it safely. Give us an opportunity. Let us show the American can-do spirit. Let us meet the environmental concerns with technology, not rhetoric.

We must increase our domestic energy supply of oil to lower prices, reduce volatility, and ensure safe and secure energy supply. We have legislation to do it. Senator LOTT and I and others introduced the Energy Security Act of 2000, S. 2557. If enacted, It would guide us toward rolling back our dependence on foreign oil to below 50 percent. That is a goal, an objective of the bill.

To meet that goal, our bill would, among other things, increase domestic energy supplies of oil by allowing frontier royalty relief; improving Federal oil lease management; providing tax incentives for production, and assuring price certainty for small producers; allow new exploration in America's Arctic, in the Rocky Mountain States, and along the OCS areas for those States that want it; protect consumers against seasonal price spikes, especially with regard to Northeast heating oil users; foster increased energy efficiency, and provide new tax incentives for renewable energy to replace foreign oil.

The bottom line is, the Clinton-Gore energy policy and our increased dependence on Saddam Hussein is a travesty on the American people, the American mentality, and the American memory. We fought a war in Iraq, and now we are dependent on their resources and unable, or unwilling to do anything about it. Saddam is leveraging the issue by his dictate to the U.N. that he is not going to give them compensation. If they make him, he will simply cut his production, and the world can't afford to have that happen.

Finally, more U.S. dependence on foreign oil gives more leverage to Saddam Hussein to threaten regional stability. The administration seems powerless to respond for fear of cutting back on Iraqi exports. We are in a period almost as if it was during the last year of the Carter administration. Remember that time? We were being held hostage, if you will. We had hostages in our embassy in Iran. This time we have a country, a nation held hostage by Saddam Hussein.

What will the effect be? It is going to be at the gas pump and in your heating oil bill. I haven't even talked about natural gas, and I will not do that today. I want to remind my colleagues that we have been talking about oil today. Tomorrow we are going to talk about natural gas. Natural gas, a year ago, was $2.16. Today it is $5.40 for deliveries in October. The GOP energy plan would defuse Saddam Hussein's threat. The Clinton-Gore plan wants to stand by until the election is over. They hope they get away with it.

That concludes the amount of time allotted to me. Tomorrow I will talk about the price of natural gas and the effect it will have on the economy, your heating bills, and your electric bills.

I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized, but the Senator doesn't have any time.

Mrs. BOXER. Mr. President, I ask unanimous consent that I may use 5 minutes of Senator DURBIN's time, to be followed by Senator GRAHAM and then Senator DORGAN.

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

CLINTON-GORE PRESCRIPTION DRUG PLAN

Mrs. BOXER. Mr. President, I thank my colleague for giving me these 5

minutes. I listened to Senator GRAMM's attack on the Clinton-Gore prescription drug plan, the Democratic plan. I will tell you, it was very interesting because I just read an article in one of the newspapers. I think it was in The Hill. It is an article by Representative SHERROD BROWN. Representative BROWN points to a confidential document—I will quote him—prepared for House Republicans. It found its way into the public realm. It wasn't news at the time, he says, but when you read it, it suggests that the Republicans go after the Democratic plan by calling it a one-size-fits-all plan, ''a big government plan, especially a one-size-fits-all big government plan.''

As I listened to Senator GRAMM, he uses those terms over and over again. Now it sort of makes sense as to why they have put out this strategy on how to attack this plan. I had to smile when I was listening to Senator GRAMM because I thought, Is he attacking the Medicare program? The Medicare program is a program that covers 99 percent of our seniors. I suppose he thinks that the one-size-fits-all big government plan—and I assume he feels that way because Governor Bush, in 4 years, wants to do away with the Medicare plan. So this is what is happening here.

I want to share a couple of charts that show the differences between the two plans. This is amazing. Also, they say it is a forced plan when it is voluntary. Vice President GORE has been very clear that the plan is a voluntary plan. Seniors can take it if they want. So here you have the Democratic plan, which is affordable for all seniors. It is part of Medicare and it is voluntary. It has a defined benefit, and it gives bargaining power to seniors so that the cost of the drugs would go down.

The House Republican bill has no assistance to seniors with incomes over $12,500. So that leaves out most seniors. It is private insurance, not Medicare. Insurers say they won't offer it. We have proof of that and we have quotes. An insurer can modify or drop benefits year to year. Seniors may lose access to local pharmacies or drugs. There is no guarantee of better prices. Let's see the comments about the Bush-Republican plan—the GOP prescription drug plan by health insurers.

We continue to believe the concept of the so-called drug-only private insurance simply would not work in practice.

That is Charles Kahn, President of the Health Insurance Association of America.

Let's look at other comments of health insurers on the GOP plan endorsed by Senator GRAMM and Governor Bush.

Private drug insurance policies are doomed from the start. The idea sounds good, but it cannot succeed in the real world. I don't know of an insurance company that would offer a drug-only policy like that or even consider it.

Charles Kahn, President of the Health Insurance Association of America.

Health insurers tell us that the Bush Republican plan is doomed because no insurance companies are going to do it.

Here is Cecil Bykerk, Executive Vice President of the Mutual of Omaha companies, who says:

I am convinced that stand-alone drug policies won't work.

You have a real plan by AL GORE for voluntary benefits under Medicare—a program that is revered by seniors. The fact is that the Republican plan, by the very companies that are making life miserable for seniors—HMOs, insurance companies, and pharmaceutical companies—is a complete sham.

Things are getting hot around here. It is ''happy season.'' It is political season. I think we have to get back to reality.

Let's realize that the words used by my friend, Senator GRAMM from Texas, come straight out of the Republican campaign strategy book—call it big government, call it one size fits all; if you don't like the Medicare program, then you ought to support Governor Bush's plan because in 4 years he does away with Medicare.

Let's take a look at this one more time.

The Senate Democratic bill, which is essentially the Gore plan, is affordable for all seniors. It is voluntary. It will work.

The House Republican plan and the one that is discussed by PHIL GRAMM is a sham. The insurance companies say they can't do it.

Thank you very much. I thank my colleague from Florida for allowing me to go ahead.

The PRESIDING OFFICER. The Senator from Florida is recognized.

MEDICARE REFORM

Mr. GRAHAM. Mr. President, for the past 3 days I have been discussing the need to reform Medicare and the fundamental reform of shifting Medicare from being a program that focuses on sickness and dealing with disease and the consequences of accidents after they happen, to a health care system that focuses on wellness and maintaining the highest possible quality of life. I pointed out that an essential ingredient of any wellness strategy is prescription drugs. Prescription drugs are a modality in virtually every form of therapy which is designed to reverse disease conditions or to manage those conditions.

Yesterday, I talked about the fact that the prescription drug benefit for senior Americans should be provided through the Medicare program. It is the program which the seniors themselves have indicated over and over that they believe in, they trust, they have confidence in, and that they would like it to be the program through which this additional benefit would be added to all the other benefits that are available through Medicare. They would also like prescription drugs to be available through Medicare.

In the context of the discussion of our colleague from California, I must point out that while the seniors are saying they want to have a prescription drug benefit administered through Medicare, the Governors of the States are saying they do not want to have the responsibility for administering a prescription drug benefit; it is not our job nor should it be our financial responsibility to be involved in prescription drugs for a group of Americans who have since 1965 been covered by a national program and not a State-by-State program.

I would like to talk about the issue of cost and which alternative before us has the best opportunity to serve not only the interests of the 39 million seniors but all Americans in terms of injecting some control over an out-of-control, spiraling increase in the cost of pharmaceutical drugs.

Let me use as an illustration what has happened to a constituent of mine, Mrs. Elaine Kett. Mrs. Kett is a 77-year-old widow from Vero Beach, FL. She lives on a fixed income of approximately $20,000 a year, which means that her income is above the level that would provide benefits for her under the kind of plan that my Teutonic cousin from Texas has indicated he would support.

Like many of my constituents, Mrs. Kett sent me a list of all the prescription drugs that her physician has indicated are medically necessary for her wellness and quality of life. These are the lists of Mrs. Elaine Kett's drugs. As you will see when you add up all the costs of the drugs which she used in 1999, the total cost was $10,053.36. Mrs. Kett has already said her income is $20,000 a year. Fifty cents out of every dollar of Mrs. Kett's income was consumed in paying for the prescription drugs necessary for her life, wellness, and quality.

In her letter, Mrs. Kett writes:

This is killing me because my income is just a bit more than double the cost of these drugs.

Then she adds a postscript.

P.S.—Someone said these are the golden years, only the gold is going into someone else's pocket.

There are millions of Americans just like Mrs. Kett. Passing a real prescription drug benefit to cover Mrs. Kett and all Medicare beneficiaries should be a priority for this session of the Congress.

Today, we will examine one of the key reasons why so many seniors are unable to purchase the medications which their physicians have said are medically necessary. The reason is cost.

Prescription drug prices are growing so quickly that seniors and, I would argue, most Americans cannot keep up. In July, Families USA released a report that concluded:

The growing reliance on prescription drugs by the elderly and the mounting costs of those drugs is a crisis for America's senior citizens.

The elderly already pay a significant portion of prescription drugs expenditures out of their pockets. Today, many seniors are without any prescription drug coverage.

The traditional ways in which seniors have been covered for prescription drugs—which have included employers who provided those benefits to their retirees through the Medicaid program if they were medically indigent or through Medigap policies if they could afford the often exorbitant costs, and through HMOs which provided prescription drugs as a benefit—are constricting in terms of who they will cover and what they will cover.

So every week, more seniors are placed in the position of either having to cover their entire prescription drug costs or a larger proportion of that cost.

Today, almost one out of three seniors lacks any prescription drug coverage. Over 50 percent of Medicare beneficiaries lack coverage at some point during any given year. For those fortunate enough to have prescription drug coverage, the coverage is diminishing.

Thus, unless seniors are assured of prescription drug coverage through Medicare, many will find that needed medications are unavailable.

If it is true that the lack of prescription drug coverage has reached a crisis level for seniors, then why have we not yet enacted a real, affordable, and comprehensive prescription drug benefit under Medicare?

The answer, I suspect, includes the fact that the pharmaceutical companies may have erected an effective blockade to the enactment of a prescription drug benefit through Medicare.

In fact, the watchdog group, ''Public Citizen,'' reports that drug companies spent $83.6 million in lobbying costs this year alone.

I would suspect from looking at the television ads run by the industry that much of those moneys have been spent on lobbying efforts against the passage of a universal, affordable Medicare prescription drug benefit.

Why do the pharmaceutical companies cringe at a Medicare prescription drug proposal? It is because they know the power of the marketplace. As long as 39 million senior Americans have to deal, one by one, and as long as almost one-third of those have to deal without any assistance from any other source in the purchase of their prescription drugs, the market will not function. There is no effective purchaser-seller relationship.

What we do know is that when there is an effective market, prices can be restrained. We know it through the Veterans' Administration, which is able to purchase the exact same prescription drugs Mrs. Kett has been purchasing, but at substantially lower prices because they are using the power of a large purchaser for the benefit of American veterans. State Medicaid programs know this because they are using the power of their large purchases for the benefit of the million medically indigent within their States. HMOs know the power of the marketplace because they purchase their prescription drugs on a wholesale basis and then share those benefits with HMO beneficiaries.

With or without the support of the pharmaceutical companies, we must seek relief for seniors who are the victims of this crisis. The cost of prescription drugs is skyrocketing. We owe it to our seniors to examine the reasons and then to act.

In 1999, the prices of the 50 prescription drugs most used by older Americans increased 2 to 3 times the rate of overall inflation. In 1 year, the 50 most used prescription drugs by American seniors increased by 2 to 3 times the rate of overall inflation.

The numbers speak for themselves: Lorazepam, used to treat conditions including anxiety, convulsions, and Parkinson's disease, rose by 409 percent, 27 times the rate of inflation, from January 1994 through January 2000. Imdur, a drug used to treat angina, rose eight times the rate of inflation. And Lanoxin, used to treat congestive heart failure, rose at six times the rate of inflation.

Not only are the prices of drugs escalating at a rapid pace in the United States, but prices charged to Americans are also flat out incomprehensible.

We have all heard that prices of prescription drugs in other countries—including our neighbors, Canada and Mexico—are generally substantially lower than prices in the United States. The heartburn medicine Prilosec, the world's best seller, the largest selling prescription drug, costs $3.30 per pill in the United States. What is the price in Canada? One dollar and forty-seven cents. The allergy drug Claritin costs almost $2 a pill in the United States. What does it cost elsewhere? Forty-one cents in Great Britain and 48 cents in Australia. We are talking about exactly the same drug produced by the same manufacturer.

A constituent from Springhill, FL, called my office yesterday demanding to know why drug prices are so much lower in Mexico and Canada than they are in his hometown. I can't answer that question. Frankly, I don't think anyone can answer that question. Pharmaceutical manufacturers have been the top-ranked U.S. industry for profits as a percentage of revenue throughout the past decade. After-tax profits for the pharmaceutical industry average 17 percent of sales. By way of comparison, the average for all industries was 5 percent. The effective tax rate for the pharmaceutical industry is 16 percent. The effective tax rate for all manufacturing companies is 23 percent; 31 percent for wholesale and retail trade, financial services, and insurance and real estate, and an average of 27 percent for all industry.

While millions of seniors are sacrificing their last dollar, as is Mrs. Kett, to pay for medication, the pharmaceutical manufacturers are taking in higher profits than any other industry in the United States of America.

Money does not take precedence over health. Profits cannot be the top priority when public health is compromised. We have that responsibility as the representative of those Americans to take action.

One of the things we ought to do in addition to adding prescription drugs as a part of Medicaid is to assure public access to true drug prices as opposed to the mythic average wholesale price. This would be one step to encourage accountability among drug manufacturers. Rapidly escalating prices and inequitable prices across borders warrant an investigation and consideration of prescription drug costs containment.

I submit that by having Medicare as a new force in the marketplace, not through regulation or cost control but by using the principles of Adam Smith in a capitalist society, that with an effective purchaser of drugs for our 39 million seniors, we can see a substantial reduction in the price of pharmaceuticals for them, and all Americans will indirectly benefit. As public servants, we have a fundamental responsibility to protect all of our citizens.

We all recognize that millions of seniors in America are struggling to pay for prescription drugs, so it seems clear our goal in the Senate should be to assure that our prescription drug benefit for seniors and people with disabilities is included in Medicare.

Our proposal is that Medicare would utilize an intermediary referred to as a ''pharmacy benefit manager.'' There would be two or more of these managers in each region of the country. They would be the ones responsible for negotiating with the pharmaceutical companies and then passing on those benefits to the ultimate senior user. We cannot achieve these kinds of benefits through the fractured plan that relies upon private insurance. We cannot assure these benefits by a plan which is fractured through 50 States. We can only assure to our seniors the benefits of effective control by the marketplace if we place this plan within the Medicare program.

I appreciate the opportunity to share these remarks and look forward to a further discussion of prescription drug prices that we face in this Nation.

The PRESIDING OFFICER (Mr. HUTCHINSON). The Senator from North Dakota.

PRESCRIPTION DRUGS COST TOO MUCH

Mr. DORGAN. Mr. President, I want to talk today about the issue of prescription drugs. Some of my colleagues have already talked about this issue at some length. Let me add to that.

In January of this year, on a cold, snowy day, a group of North Dakota

senior citizens and I drove from North Dakota to Canada. It was not much of a drive, as a matter of fact, from Pembina, ND, to Emerson, Canada. We went to Canada to allow these senior citizens to purchase prescription drugs in Emerson, because the same drug that is marketed in Canada—in the same bottle, made by the same company—is sold in most cases for a fraction of the price for which it is sold in the United States.

I want to illustrate that, if I may. I ask unanimous consent to use, on the floor of the Senate, two pill bottles. These bottles are for a medicine called Zocor.

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

Mr. DORGAN. The bottles are slightly different, one is bigger than the other, but Zocor is sold both in Canada and the United States. Zocor is one of a number of cholesterol-lowering drugs. In fact, Dan Reeves, coach of the Atlanta Falcons, has an advertisement saying he takes a similar drug to lower his cholesterol following some heart problems he had.

In any event, Zocor is an FDA-approved drug produced by the same company, often in the same FDA-approved plant. Yet, this bottle of Zocor is sold in Winnipeg, Canada, for $1.82 per caplet. But if you are an American who is using Zocor to lower your cholesterol, you pay $3.82 per tablet. Again, if you buy it in Canada, it is $1.82 per tablet. But in the United States, the same tablet, by the same company, is not $1.82, but $3.82.

The Senate just finished yesterday a debate about normal trade relations. This used to be called most-favored-nation status. Do you know what the situation is with respect to prescription drug prices? We have least-favored-customer status for the American consumer. Why do I say this? Because prescription drug prices here are higher than anywhere else in the world. Why should the American consumer pay prices that are 10 times, or 5 times, or triple or double the price paid by everyone else in the world for the same prescription drugs made in the same plants by the same companies?

The answer is that U.S. consumers should not be least favored consumers as they are forced to be by the pharmaceutical drug industry. We can change that. How can we change it? We can change it by allowing our pharmacists and our distributors to be able to access the same FDA-approved prescription drug in Canada or in other countries—sold by the same company and produced in an FDA-inspected plant—at a lower price and pass the savings along to their customers. If we did that, the pharmaceutical industry would be required to reprice their prescription drugs in this country and reduce their prices.

I want to talk about Sylvia Miller. Sylvia Miller is one of the senior citizens who went to Canada with me. She is from Fargo, ND. A columnist in Fargo wrote a piece about Sylvia Miller. Let me just acquaint you with Sylvia Miller by reading from this piece:

> Sylvia Miller isn't one to complain, but few people would blame her if she chose to complain just a little bit. . . . Sylvia knows that life isn't always easy, that people struggle with the lows and look forward to the highs. . . . She's had her share of dark days in her 70 years of life on this earth.
>
> The 1980s were a pretty rough decade for her. She beat breast cancer in 1981, then lung cancer eight years later. She's a tough lady.

This article says she and her husband lived most of their lives in Durbin and then moved to Fargo in 1987, after ''we were flooded out by water coming cross country—the basement filled up nearly to the ceiling.''

Sylvia went with me to Emerson, Canada, 5 miles across the border, because she wanted to buy her prescription drugs at a better price. This article says Sylvia is a pleasant person. I know that because I know Sylvia. It also says she leads a disciplined life. She has to. She has diabetes. She also has asthma, and she has a heart that could be stronger. She tests her blood sugar level several times a day, eats wisely and at the right times, and the article goes on to say she gives herself shots four times a day, mixing three different insulins, uses two different inhalers for lungs which function below normal capacity, and she requires seven different prescription drugs every month. Last year, she received $4,700 from Social Security, and her prescription drug bill was more than $4,900. She says: Things don't quite add up, do they?

On our trip to Canada, I stood with Sylvia and the others in this little one-room drugstore in Emerson, Canada. The exact same prescription drugs you can buy in this tiny drugstore are sold 5 miles south, in Pembina, ND, or 120 miles south in Fargo, ND. The difference is not in the pill—it is the same pill, same color, same shape, made in the same plant, marketed by the same company. The difference? Price. Americans are the least favored consumers. They pay the highest prices.

So a group of senior citizens who pay too much for prescription drugs—such as Sylvia, who gets $4,700 on Social Security and has a $4,900 prescription drug bill—are trying to get a better price for the drugs they need to lead a good life by traveling to Canada.

These senior citizens should not have to load up in a van on a cold winter morning and drive to Canada. The Customs Service will allow individuals to bring back from Canada a small amount of prescription drugs for their personal use. But there is a Federal law that says a pharmacist from Grand Forks, ND, or Montana or Vermont, can't go to Canada and access that same drug and come back and pass the savings along to their customers. Federal law says you can't do that. We aim to change that Federal law.

The Senate has already passed our proposal. Senator JEFFORDS, Senator GORTON, Senator WELLSTONE and I, and a range of others have worked to pass this plan in the Senate. Our proposal says: Let's allow U.S. pharmacists and distributors to go to other countries and access the identical prescription drugs, approved by the FDA, at a lower price, bring them back, and pass the savings along to the American consumer. Of course, if we get this plan signed into law, what will happen is that the pharmaceutical industry will be required to reprice these drugs in this country.

Now, guess what. The pharmaceutical industry is spending a fortune to try to defeat this proposal. It is in a conference committee. I am one of the conferees. The conference isn't even meeting. Why isn't it meeting? Because people have heartburn over this proposal, and they want to kill it.

The pharmaceutical industry said the 11 former Food and Drug Administration Commissioners have come out in opposition to the proposal. Well, yesterday, I showed a letter that we received from David Kessler, the former Commissioner of the Food and Drug Administration under Presidents Bush and Clinton. I want to tell my colleagues what he says:

> The Senate bill which allows only the importation of FDA approved drugs, manufactured in approved FDA facilities, and for which the chain of custody has been maintained, addresses my fundamental concerns.

He is not opposing what we are trying to do. This is a former FDA Commissioner.

Dr. Kessler says further:

> I believe the importation of these products could be done without causing a greater health risk to the American consumers than currently exists.

We need to give the FDA some additional resources to make sure we do not have counterfeit drugs imported. The pharmaceutical industry says this is an issue of safety. It is not. Here is an FDA Commissioner who says this can be done safely as long as you have safeguards. The pharmaceutical industry says this debate is about safety. They know better than that. It is about profits. Whose profits? Their profits.

Donna Shalala, who is the Secretary of Health and Human Services, has also written us a letter. She has indicated she believes that the Senate approach is an approach that can work. Secretary Shalala has said: ''With respect to the three amendments now in conference''—one of which is the Jeffords-Dorgan amendment I am talking about that was passed by the Senate—''we believe the Jeffords amendment represents a promising approach'' that can be effective if Congress provides new and efficient resources—which we intend to do—to the FDA.

So the head of the Department of Health and Human Services says this can be done safely as well, as long as we provide additional resources to the FDA.

But, again, today, for those who are trying to kill this proposal, I would like to offer another challenge. Of

course, no one has ever accepted the challenge, but I am interested in finding just one Member of Congress—one man or woman serving in the Senate or in the House out of 535 of us—to stand up on the floor of the Senate or House and say: I believe the American consumer should be treated as the least favored consumer by the pharmaceutical industry. I support that. I believe it, and I think we ought to leave it the way it is.

I want one Member of Congress to stand up and say that. I want one Member of Congress to stand up and say: With respect to Zocor, a prescription drug to lower cholesterol, I believe that Americans ought to have to pay $3.82 per tablet for the same medicine for which the pharmaceutical industry will charge the Canadians only $1.82 per tablet. A similar discount is provided to the Italians, the Germans, and the English, and the Swedes, and the rest of the countries, because the big drug companies are charging Americans the highest prices in the world.

I am not asking for the Moon here. I am only asking for one Member of Congress to stand up and support the pharmaceutical industry's pricing policies. And no one will. Because they want to kill this under the cover of darkness. They want to kill this by not having a conference, and by dropping it during some closed meeting in some crevice of this Capitol Building.

This is not an issue without names and faces and consequences. Sylvia Miller went to Canada with me to purchase prescription drugs at a much lower price, as did other senior citizens. But it ought not have to be that way. There is no reason anybody ought to have to go anywhere else in order to access the same prescription drug for half the price they pay in the United States.

That is unfair to the U.S. consumer. We can change it. And we can change it without compromising safety. We can change it, and should, and will.

Let me mention a word about the prescription drug industry. I happen to think we benefit mightily from much of what they do. When they develop a new prescription drug, good for them. But much of the new work in prescription drug development is coming from public investment through the National Institutes of Health and elsewhere. We are making substantial taxpayer-funded investments in research. Much of that research is then taken by the pharmaceutical industry and used to produce new medicines, for which they charge higher prices to the American consumer than anyone else in the world. That is not fair.

I want the pharmaceutical industry to be profitable, but profiting in ways that are unfair to the U.S. consumer should not be allowed.

The pharmaceutical industry has said—and incidentally, they have sent people all around North Dakota to newspapers and TV stations with this message—that if what Senator DORGAN wants to do gets done, there will be less research done on new medicines.

Interesting point. The pharmaceutical industry spends more money for research in Europe than it does in the United States, by just a bit. In other words, more research is done by that industry in Europe than in the United States. They say: If we charge less in the United States, somehow we will do less research. Yet they charge less in Europe and do more research there. And they charge more for prescription drugs in this country than in any country in Europe and do slightly less research. If their argument had any validity at all why is that the case?

To those in the pharmaceutical industry, I understand that you have a responsibility to your stockholders. I understand that. You have the responsibility to earn a decent profit. I understand that. Yet the Wall Street Journal says that the pharmaceutical industry has profits that are ''the envy of the corporate world.''

We am not talking about price controls with the Senate proposal. We are simply saying if the global economy is good for the pharmaceutical industry—and every other industry in this world—then why is the global economy not able to work for Sylvia Miller? Why can't Sylvia Miller's pharmacist go to Winnipeg, Canada, and purchase Zocor, and bring it back and sell it at a price that is much less than is now charged in this country?

The pharmaceutical industry will say: Gee, some of these countries have price controls. That is true. Some of these countries—many of them—say: All you can charge for prescription drugs is your cost plus a profit.

Mr. President, I ask unanimous consent for 3 additional minutes.

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

Mr. DORGAN. Mr. President, one of the inconveniences of the global economy is that you have advantages and disadvantages, and you have to live with both. When you move products around in a global economy—and the pharmaceutical industry certainly does—you get the advantages of importing lower-priced compounds and chemicals with which to make prescription drugs. So the big drug companies benefit from the global economy. But one of the inconveniences of the global economy is that the conditions that exist in the country you are purchasing from comes with that product.

Today, if I were to go up to my colleagues—and I will not—and turn over their necktie, I would find some of them are wearing a necktie made in China. So I say to them: If you are wearing a necktie made in China, governed by a Communist government, no doubt, when you purchased the necktie, you were contributing to the salary of the Communist leader of China. Do you feel comfortable with that necktie?

But, of course, no one set out to give comfort to any government anywhere. They simply bought a necktie. That is why, when the pharmaceutical industry says, ''if you are able to access the lower priced drug in Canada, you are importing some sort of price controls,'' I say nonsense. All you are doing is taking advantage of the global economy, the buying and selling of goods back and forth across borders.

Yes, it is inconvenient that some countries—in fact, many countries—do have price controls. But if pharmacists were able to access products in other countries at a lower price, why should they be prevented from moving them into this country? The Senate plan would allow this with complete safeguards, only for medicines that are approved by the FDA, only those medicines that are manufactured in an FDA-approved plant. Additional resources to the FDA would allow you to make certain you are not moving counterfeit products in and out of this country. With safeguards such as these in place, former FDA Commissioner David Kessler, Health and Human Services Secretary Donna Shalala, and others say it is perfectly appropriate and perfectly acceptable to give consumers, such as Sylvia Miller, the opportunity to have lower priced drugs in this country.

I will finish by asking this: Is there any Member of the House or Senate who believes the U.S. consumer should be the least favored consumer in international trade on prescription drugs? Does anybody stand up in support of this? I fail to see one, in all my time discussing this over the last year and a half, who will stand up and say: Let me be the first to say I support the highest prices for American consumers on prescription drugs. No one will do that because they don't dare do it publicly. They understand how unfair this pricing scheme is.

That is what Senator JEFFORDS and I, and Senators GORTON and WELLSTONE and many others, are intending to change. The Senate has passed our proposal by a wide margin. It is now in conference. Those who have the strings to pull want to dump it and kill it by not having a conference convened. I happen to be a conferee. I intend to be at a conference at some point and fight for this proposal.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired. Under the previous order, the Senator from Illinois is recognized to speak for up to 25 minutes.

Mr. DURBIN. Mr. President, I salute my colleague, the Senator from North Dakota. He has been a leader on the issue of prescription drugs and has challenged all of us to focus on an issue which most American families understand completely.

They know what it costs to go to the pharmacy, if you are not lucky enough to have good insurance. They know what it means when you go into your local pharmacy and they tell you how much a drug costs and you almost faint.

They say: Wait a minute; don't you have some insurance coverage?

Well, yes, I think I do.

This happened to me recently in Springfield, IL. It ended up costing me a fraction of what it would have cost. It was a prescription where I had to think twice about whether I wanted to spend that kind of money on it, if the insurance didn't cover it. But that was an option for me; I am in pretty healthy shape. Imagine a person who is really struggling to just survive, to stay healthy and strong, and the choices they have to make when they have limited income.

What I am talking about is not an outrageous situation or an outlandish idea. It happens every single day. It happens across America. People, families across America, keep looking to Washington and saying: Do you get it? Do you understand this? Do you care?

I have a quote one of my staff came up with that I thought was apropos. It is very old. It goes back to 1913. President Woodrow Wilson wrote it to a friend. He was venting his frustration because several Democrats on the Senate Finance Committee were blocking something he considered to be a high priority. He wrote:

> Why should public men, Senators of the United States, have to be led and stimulated to what all the country knows to be their duty? Why should they see less clearly, apparently, than anyone else, what the straight path to service is? To whom are they listening? Certainly not to the voice of the people when they quibble and twist and hesitate.

That is what this debate gets down to. Are the men and women elected to the Senate and the House of Representatives really listening to the people back home? If we were, would we be wasting a minute and not dealing with the prescription drug benefits people need to survive?

Yet when we take a look at what has been proposed, they are dramatically different, the two major proposals coming from the two major candidates for President. The one that comes from AL GORE and JOE LIEBERMAN on the Democratic side suggests to treat the prescription drug benefit as a Medicare benefit; to say, yes, it is available to every American. It is universal. It is an option which every American can take, and we will protect you under Medicare. You will know that there is a limit to your out-of-pocket expenses. It is simple. It is straightforward. It is consistent with the Medicare program that has been around for over 40 years.

Frankly, there are some people who don't care for it. The drug companies don't care for it. They are making very generous profits every single year, and they know if all of the people under Medicare came together and bargained with them on drug prices and drug costs, their profits may go down. That is why they resist it. That is why this special interest group has been so good at stopping this Congress from doing what the American people want done. Their profits come first, unfortunately, in the Senate—not the people in this country, not the families struggling to pay the bills.

On the other side, they make a proposal which sounds good but just will not work. Under Governor Bush's proposal on prescription drugs, he asserts, for 4 years we will let the States handle it. There are fewer than 20 States that have any drug benefits. Illinois is one of them, I might add. His home State of Texas has none. But he says: Let the States handle it for 4 years; let them work it out.

In my home State of Illinois, I am glad we have it. But it certainly isn't a system that one would recommend for the country. Our system of helping to pay for prescription drugs for seniors applies to certain illnesses and certain drugs. If you happen to be an unfortunate person without that kind of coverage and protection, you are on your own. That is hardly a system for America.

It is far better to take the approach which has been suggested by Mr. GORE and Mr. LIEBERMAN, to have a universal plan that applies to everyone. Let's not say that a person's health and survival depends on the luck of the zip code, where you happen to live, whether your State is generous or not. I don't think that makes sense in America. I think we are better than that.

We proved it with Medicare. We didn't say under Medicare: We will let every single State come up with a health insurance plan for seniors. We said: We will have an American plan, a national plan, and every single American—Hawaii, Alaska, and the lower 48—everyone who can benefit from it gets the same shot at quality health care. And it worked. The critics said, in the 1960s; that is big government; that is socialism, Medicare will be the end of health care as we know it in America. ''Socialized medicine,'' they called it.

Wrong, completely wrong. Ask the people in the hospitals and the doctors today what Medicare has meant. It has meant they are able to give the elderly in America quality health care. Just take a look at the raw statistics. Seniors are living longer today than they did in the 1960s. They are healthier. A lot of good things have come from Medicare.

We believe the same standard should be applied when it comes to prescription drugs. Let us base this on the Medicare system. If you doubt for a moment that this is a serious problem, I wish you would go to your local pharmacy and ask your pharmacist. When I held hearings across Illinois, I brought in doctors and pharmacists and seniors to talk about this issue. The people who were the most adamant about the need for reform were the pharmacists, the men and women in the white coats behind the counter who get the prescriptions from the doctor and try to fill them for the patient and have to face the reality of the cost. Those are the men and women who know every single day that there are seniors who are not filling prescriptions, taking half of what they are supposed to, ignoring the request and, frankly, the best advice of their doctors because they cannot afford otherwise.

Here we stand in the Senate, 7 weeks away from a national election, an election where the American people say a prescription drug benefit is the highest health care priority, and we are not prepared to do anything. Is it any wonder that people looking at the Congress of the United States wonder whether we are paying attention to the reality of life for families across this country? When people can go across the border into Canada and buy the same exact drug sold in the United States, made in the same laboratory, subject to the same FDA inspection, for a fraction of the cost, how in the world can we stand here and say there is nothing we can do about it? There is something we can do about it. There is something we must do about it.

This election is a referendum on whether this Congress has the will to respond to families in need. A lady in Chicago, IL, received a double lung transplant. What a miracle.

Years ago, that was unthinkable. Now it is possible. It works. She stood before me and looked good several years after it occurred. But she said:

> Senator, it cost me $2,500 a month for the immunosuppressive drugs to stay alive. I cannot afford it. So what I have done, frankly, is to give up everything I have on earth and move into my son's home, where I live in the basement. I asked for Medicaid at the Department of Public Aid in Illinois and for the money to pay for my prescription drugs each month. I fill out the forms every month to try to make sure I qualify for the drugs.

She said:

> Senator, one month I missed it. I didn't get the paperwork back in time. For one month, I didn't take the drugs and I was worried sick. I went back to the doctor after that month and he said, ''Don't ever let that happen again. You had irreversible lung damage that occurred during that one-month period of time.''

Think about the burden on that poor lady's shoulders. How many of us dream of being dependent on our children in our elderly and late years? None of us wants that. Many times my mother has said to me, ''I don't want to be a burden.''

That woman is living in the basement of her kid's home. She has no place to turn and is wondering if she can get the paperwork in on time to qualify for Medicaid. Missing that opportunity, she could lose the chance for the miracle of two new lungs that gave her new life, losing the chance for that miracle to continue.

That is the reality of what is happening. Hers is the most extreme case, and I remember it because of that. But as I went across my State, people said: Senator, I get $800 a month from Social Security and it costs me $400 a month for prescription drugs. I don't have any insurance to cover that.

A third of the seniors in this country have no insurance protection whatsoever; a third have poor protection, and

a third are lucky because they worked in the right place and had the right retirement. They are covered and protected. When you hear stories and you come back to Washington, you think: Why are we here? The men and women here are supposed to be here to respond to the real needs of America's families. Yet in this case, and in so many others, this Congress has come up empty. Missed opportunity after missed opportunity.

Let me suggest another thing to you. One thing I have noticed as I visited families in my State of Illinois is that they talk about their children. They will brag about how good they are at playing soccer or playing the piano or getting good grades. But then there will be a pause, a hesitation, and they say: I wonder how we are ever going to pay for that college education. I hear that over and over. New parents with a little baby might say: He looks like his dad and he is sleeping all night, but how in the world are we going to pay for this kid's college?

That is a real concern. The people know the cost of a college education has gone up dramatically. We did a survey in Illinois of community colleges, private colleges, and public universities. Over a 20-year period of time, when a child might consider being in college 20 years later, what happened to the cost of tuition and fees at universities and colleges in my home State of Illinois? They have gone up over 250 percent and, in some cases, over 400 percent. So even if you think you are putting enough money away today to cover what is already a high cost of education, quadruple that cost and you are dealing with the reality of what that could cost in years to come.

So families say to me as a Senator and to those of us serving in Congress: Do you hear us? Do you understand it? You tell us that education is good for our kids and for our country. What are you doing in Washington to help us out, to give us a helping hand?

The honest answer is: Absolutely nothing. There is something we can do. Senator CHUCK SCHUMER, my deskmate here from the State of New York, and Senator JOE BIDEN of Delaware, have been pushing for a plan that I think makes a lot of sense. It is a plan the Democrats are proposing as part of this Presidential campaign. It is very simple and straightforward. It says that you can take the cost of college tuition and fees and deduct them from your income. What it means is that up to $12,000 of tuition and fees can be deducted. For a family, that means they are going to have a helping hand of around $3,000 each year to pay for it. I wish it were more, but it is certainly a helping hand.

When I went to Rockford College in Rockford, IL, I said: What did the average student graduate with in terms of debt? They said it was about $20,000. That is a lot of money when you are first out of college. Yet if the deductibility of college expenses were part of the law in America, that student would be walking out with a debt of $5,000 or $6,000 instead of $20,000.

Wouldn't that be good for this country and for that family? Doesn't it give that young man or woman the right opportunity to make a choice of a job or a graduate education? I can't tell you how many young people I ran into who said: Because of my college debts, I had to take the best-paying job. I really want to be a teacher, but they don't pay enough. I got a chance to go with a dot-com and make a zillion, so I had to do that.

We lost something there. We lost a potential teacher, someone who wanted to put his or her life into teaching others, but decided, because of the finances, to postpone it or never do it. That is reality.

If we look at that reality, the question is, What does Congress do to respond? Instead of coming up with tax relief for middle-income families to pay for college education expenses, the only tax relief bills we have come up with is for the wealthiest people—the so-called elimination of the death tax and the elimination of the marriage penalty tax. When you lift the lid and look inside, it ends up giving over 40 percent of the benefits to people making over $300,000 a year. Excuse me, but if I am making $25,000 a month in income, how much of a tax break do I need? My life is pretty good, thank you. And thank you, America, for giving me the opportunity to have it. I don't need a tax break from this Congress.

But the families struggling to pay for college education expenses deserve a tax break. If we really believe that the 21st century should be the American century, we need to invest not only in helping families put their kids through college, but in helping workers who realize that additional skills give them greater earning potential, the chance to get that training and education. Sometimes that costs money. If it is going to cost money and tuition and fees, they, too, should be able to deduct it. Lifetime learning, lifelong learning is a reality today if you want to be successful. You can't step back.

When I went into my Senate office representing Illinois 4 years ago and put the computer on my desk, believe me, I am not of an age where I am a computer wizard, but I am learning. I realize I have to learn to keep up with this technology because it makes me more effective and efficient. Everybody is learning that lesson, whether you are in a classroom or a workplace, and the people who want to prosper from that experience and want to make their lives better sometimes need additional training. So when we talk about the deductibility of these expenses for lifelong learning and for college education, we are talking about people setting out to improve themselves. It is not a handout. These people are asking for an opportunity to be educated and trained and skilled.

One of the bills we are going to debate this week is the H–1B visa. You may not know what the term means, but basically it is a question as to how many people we will allow to immigrate into the U.S. to take highly paid, unfilled jobs—jobs that require skills America's employers say they can't find in the American workforce. Well, it is a real problem. I think we need to have an expansion of the H–1B visa to allow people to come in from overseas to fill these jobs so American companies will stay in America, so that they will continue to prosper, pay their taxes, profit by their ventures, and I think we can help them.

But what a commentary on our workforce and our education system that we continue to have to look overseas not for what used to be the brute force of labor coming to build railroads and towns, but now they are the most skilled people in the world. So if we say we are going to allow more people to come into this country to fill the highly skilled jobs, don't we have a similar responsibility to the people and families of this country to explain how, the next time around, there will be Americans skilled to fill these jobs? I think that is part of the debate. Yet you won't hear much about it on the floor of this Senate. We don't talk about education much here.

Some of my colleagues want to dismiss it as a State and local issue, that the Federal Government has little or nothing to do with that. I disagree. We should be giving tax relief to families to pay for higher education and even more. When you look at the schools in America, there are genuine needs. I think everybody who has raised a family, as my wife and I have, appreciates that the more kids you have in the room, the tougher it is to manage it. A teacher with 30 kids in a classroom has her hands full. We have to talk about lower class sizes, smaller classes with more individual attention.

On the Democratic side, we have proposed 100,000 new teachers who will go into classrooms. Schools are growing and the population is getting larger, and 100,000 teachers will cut back on the number of kids in a classroom and give a teacher a better chance to teach.

A teacher came up to me at O'Hare Airport in Chicago and said: I teach on the south side of Chicago. We qualified for the Federal program to have smaller classrooms. Thank you, Senator. It is working. Those kids are getting a better education.

I don't deserve the credit. It wasn't my idea. But I happen to support it. We should support more of it. We are not even discussing education on the floor of the Senate. We are talking about H–1B visas to bring in more skilled employees from overseas. And we are not talking about educating and training our kids in the next generation to fill those jobs. We have lost it in this debate. Somehow we are consumed with things that other people think are much more important. I can't think of

anything more important than education. Health care for prescription drugs and education so kids have a better chance for their future makes all the sense in the world.

While we are talking about a better future, let me also address the 10 million Americans who got up to go to work and went to work this morning, and who go to work every single morning, not looking for a government check but for a paycheck at the end of the week where they are paid $5.15 an hour. That is the minimum wage in this country, and it has been stuck there for over 2 years. Why? Because this Congress refuses to give some of the hardest working people in America an increase in the minimum wage. These are people who get up and go to work every day, who are waiting on tables in the restaurants, and who make the beds in the hotels. They are the day-care workers to whom we entrust our children, they are people working in nursing homes watching our parents and grandparents, and we refuse to give them an increase in the minimum wage.

For decades in this Capitol, this was not a partisan issue. From the time Franklin Roosevelt created the minimum wage until the election of Ronald Reagan, it was a bipartisan undertaking. We raise this wage periodically so people can keep up with the cost of living in this country. But, sadly, it has become a partisan issue.

While we fight on the Democratic side to give 10 million Americans an increase in the minimum wage, we are resisted on the other side of the aisle. They don't want to see these increases. Sadly, it means that people who are struggling to get by with $10,000 or $11,000 a year—and, frankly, have to turn to the Government for food stamps and look to other sources and more jobs—many of those people are single parents raising their kids, working at jobs with limited pay and limited requirements for skills, trying to do their level best. We have refused time and time again to increase the minimum wage in this country. That is a sad commentary on this Congress.

I also want to comment on the reality that we will be increasing congressional pay this year, as we have with some frequency, to reflect the cost-of-living adjustment. I think that is fair. But doesn't fairness require that we give the same consideration to people who are working for $5.15 an hour? I hope my colleagues, Senate Democrats and Republicans alike, will share my belief that this is something that absolutely needs to be done.

Whether we are talking about health care or prescription drugs and fairness in paying people for what they work for, there is an agenda that has gone unfilled in this Congress. It is an agenda which has been ignored and about which the American people have a right to ask us to do something.

I can tell you that as we talk about the future of this country and its economy, we are all applauding the fact that we have had the longest period of economic expansion in our history. We have had 22 million new jobs created during the Clinton-Gore administration. There is more home ownership than anytime in our history. There are more small businesses being created, particularly women-owned small businesses, across America. We have seen our welfare rolls going down. The incidence of violent crime is going down. We have seen an expansion of opportunity in this country that has been unparalleled. But if we sit back and want to rest on our accomplishments and our laurels, the American people have a right to throw all of us out of office. Our responsibility is to look ahead and say we can do better to improve this country and make it better for our children and grandchildren.

This Congress has refused to look ahead. It has refused to say how we can expand health care so that over 40 million Americans without any health insurance will have a chance to get the basic quality health care on which all of us insist for ourselves and our family.

This Congress has refused to address the prescription drug needs of families across America at a time of unparalleled prosperity in these United States.

This Congress has refused to look to the need of education when we know full well that the benefits of our economy can only accrue to those who are prepared to use them and who are prepared to compete in a global economy.

Yesterday, by an overwhelming vote, we voted for permanent normal trade relations with China. I voted for that. It was 83–15. It was a substantially bipartisan rollcall. We said that country, which represents one-fifth of the world's population, is a market we need. I hope when the President signs the bill we will begin to see an opening of that market for our farmers and our businesses. But we will only be as good in the global economy as we are in terms of the skill and education of America's workers.

We know full well that there will always be some country in the world—if not China, some other country—that will pay a worker 5 cents an hour and they will take it. We also know that those workers have limited education and limited skills, perhaps doing a manual labor job. And those jobs are always going to be cheaper overseas; that is a fact of life.

But if we are going to prosper in America from a global economy, we have to bring our workforce beyond manual labor, beyond basic skills, and that means investing in our people. It is important to have the very best technology, but it is even more important to have the very best skilled people working in the workplace. We happen to think if we are going to keep this economy moving forward, we need to make certain we don't do anything that is going to derail the economy.

We have seen some suggestions—for example, Governor Bush and some of his Republican friends in the Senate who have suggested over a $1 trillion tax cut that they want to see over the next 10 years. They have suggested we change the Social Security system.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DURBIN. I yield the floor.

MEASURES PLACED ON THE CALENDAR—S. 3068 AND H.R. 5173

Mr. CRAIG. Mr. President, I understand there are two bills at the desk due for their second reading.

The PRESIDING OFFICER. The Senator is correct.

Mr. CRAIG. I ask unanimous consent that they be read by title at this time.

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

The clerk will report.

The legislative clerk read as follows:

A bill (S. 3068) to amend the Immigration and Nationality Act to remove certain limitations on the eligibility of aliens residing in the United States to obtain lawful permanent resident status.

A bill (H.R. 5173) to provide for reconciliation pursuant to sections 103(b)(2) and 213(b)(2)(C) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt.

Mr. CRAIG. Mr. President, I object to further proceedings on the bills at this time.

The PRESIDING OFFICER. The bills will be placed on the calendar.

The PRESIDING OFFICER. The Senator from North Dakota.

JUDGE RONALD DAVIES

Mr. DORGAN. Mr. President, the legislation we will vote on after lunch contains a provision that will name a Federal courthouse in Grand Forks, ND. A Federal building in Grand Forks, ND, will be named the Judge Ronald N. Davies Federal Building. I want to describe to my colleagues something about Judge Ronald Davies.

Some of my colleagues may have had the opportunity to visit the Norman Rockwell exhibit at the Corcoran Gallery of Art in downtown Washington, DC. Among the many examples of Americana in the Gallery is a famous painting of a little African American girl, hair in pigtails, head held high, being escorted into a school by U.S. marshals. It was the result of a ruling by an unassuming Federal judge, a son of North Dakota, that allowed this Nation to take one large step forward in expanding America's dream for all Americans.

Forty-three years ago this month, on September 7, 1957, a Federal judge from North Dakota was asked to go to Arkansas to sit as a Federal judge and render a decision on a case involving civil rights. Surrounded by security guards because of threats on his life, Judge Ronald Davies carefully weighed the facts and the law and then issued an order that the New York Times

later said was a landmark decision in civil rights, ordering the integration of the Little Rock public schools.

Most people will not know the name of Ron Davies, but Judge Davies is one of North Dakota's proudest sons. He was made a Federal judge by the appointment of President Eisenhower in 1955. While on temporary assignment in Arkansas, he issued the decision that would become one of the landmark decisions on the issue of civil rights. He required the integration of the schools in Little Rock.

Judge Davies was not a tall man. In fact, he was just over 5 feet—about 5 foot 1, 5 foot 2—but he will certainly be remembered as a giant in the history of civil rights and integration. Despite threats on his life and National Guardsmen guarding the doors, this man sat in a courthouse and rendered the pivotal decision that will echo throughout this Nation's history. He replied, ''I was only doing my job,'' when asked about that decision. He was unassuming and unwilling to be in the national spotlight. In fact one news program called him an ''obscure judge.'' He agreed. He said, ''We judges are obscure and should be.''

Back then, he was also called ''the stranger in Little Rock.'' But he was no stranger to justice and no stranger to decency and no stranger to common sense. Men such as Judge Davies should be remembered. I think it is appropriate that we recognize this Federal judge with the fiery spirit, a man with an unerring sense of duty who went to Little Rock in a very difficult circumstance and did his job.

When schoolchildren and citizens and visitors pass through the door of the Federal building in Grand Forks, ND, they will be reminded of the courage Judge Davies showed America as he sat and did his job in those difficult times in Little Rock. It was a turning point in our Nation's history.

I can think of no better way to celebrate the life of Judge Davies, and also the important achievements his decision 43 years ago this month have rendered this country, than to put his name on the Federal building in Grand Forks, ND. So when this legislation becomes law later this year, that Federal building will be named the ''Ronald N. Davies Federal Building and United States Courthouse.''

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2001—CONFERENCE REPORT

The PRESIDING OFFICER. The Senate will now resume consideration of the conference report to accompany H.R. 4516, which the clerk will report.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H.R. 4516 making appropriations for the Legislative Branch for the fiscal year ending September 30, 2001, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I understand that under this conference report that is now on the floor, the Senator from Wyoming has an hour reserved.

The PRESIDING OFFICER. The Senator is correct.

Mr. CRAIG. I ask unanimous consent that I be allowed to use up to 10 minutes of that hour.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

PRESCRIPTION DRUGS

Mr. CRAIG. Mr. President, for the course of the last hour and a half, I have been both in committee and in my office. While in my office, I watched a good deal of the discussion going on here on the floor by some of my colleagues on the other side—Senator GRAHAM from Florida, Senator BOXER from California, Senator DURBIN from Illinois, and Senator DORGAN from North Dakota—talking about the issue of prescription drugs.

There isn't a Senator here who does not recognize the importance of this issue primarily with the senior community in America today—primarily with the poorer of that community who cannot afford some of the new drugs that are on the market that are clearly improving their lifestyle, extending their health, and allowing many of our citizens to live better and longer.

That is why some of us, if not all of us, for the last couple of years have recognized the need to respond to the prescription drug issue within Medicare as a primary health provider in this country for our seniors. When that belief first came about, it came about in the context of the reform of Medicare. I think it is important to give a little history.

With a health care program in this country that is 30 years old, we began to recognize that it was in trouble; that it was continuing to pay for health care needs that were sometimes no longer needed and costs continued to go up. We were constantly working to adjust it.

In the Balanced Budget Act of 1997, we made adjustments. Some of those were right; some of those were wrong. Some of those were interpreted by the Federal health care administrators in a way that Congress didn't intend, and we are going to make some of those corrections this year for nursing homes and hospitals. The fundamental question is and should be, Was Medicare providing the necessary health care needs of our seniors?

Out of that grew the prescription drug issue. No question about it, as the President knows, these new designer drugs that are out on the market that are a result of our science, our technology, are doing wonderful things. They are not included. They are not a part of the old Medicare model that we created 30-plus years ago. That is why in the Balanced Budget Act of 1997 this Congress and this Senate said: Let's create the National Bipartisan Commission on the Future of Medicare. Let's reform it to fit the 21st century and the needs of the seniors of America in the 21st century, and let's do that in the context of shaping it differently, making sure prescription drugs are a piece of it. That will be the new health care paradigm.

The President appointed people. We appointed people. We worked. They studied. We brought in the best health care experts in the country and they brought about a report. Something happened along the way. We were getting closer and closer to an election cycle, and it appeared tragically enough that the other side saw this much more as a political issue than a need for substantive reform. As a result, that commission reported it lacked the one vote necessary for a majority to report back to Congress its findings and its proposal for the Congress to act.

Interestingly enough, the two Democrats from the Senate, Senator BREAUX and Senator KERREY, who served on that committee, voted for the report. They saw it as a major step in the right direction and, of course, the President's appointees were advised to vote against the report, or so we understand. They voted against it. Eleven votes were needed to approve the commission's recommendation; 10 of the 17 commissioners voted yes. We needed one more and we simply did not get it.

Before the vote ever took place, President Clinton announced the commission had failed and that his own advisers would draft a plan to serve the Medicare program. I think what he was saying was that his own advisors would draft a political plan to serve the next Presidential election.

The politics of Mediscare and prescription drugs moves now into the political arena. That announcement occurred in March of 1999. It literally was the sounding of a trumpet, the sounding of the fact that prescription drugs and Medicare without reform would become a part of the political mantra of the day; every Senator, Democrat and Republican, recognizing that we had to deal with prescription drugs. In fact, it was interesting to me that Senator BREAUX said: We are not going to fix Medicare; we are going to be looking for issues to beat each other over the head with once again.

That is what he said in the CONGRESSIONAL RECORD of March of 1999—a Democrat, referring to the commission and a failure of the commission and a failure of this President to stand up and be counted for at a time when we had a chance, a window of opportunity to make major national reform in

Medicare and to include prescription drugs in it. We would not be here today voting or debating this issue had that report come forward, been crafted into law, in bill form, and been debated. We would have debated it. With that kind of bipartisan support it could have and it would have happened. But it didn't happen. And tragically enough, it is not going to happen this year.

We are engaged in a national debate over which side can provide the best form of prescription drug program for the seniors of America. The debate in the field today between candidate George W. Bush and candidate Vice President AL GORE has now moved to the floor of the Senate. Prior to that debate, the Congress, in its budget resolution, said: Let's put $200 million in there to deal with prescription drugs this year so that seniors who are in true need, the truly neediest of the senior community who are making those choices between food and prescription drugs could be cared for. I hope we can still get them.

While we have the national debate ongoing today between Governor Bush and Vice President GORE—and it is an appropriate debate to have—the Vice President, I don't believe, deserves another bite at the apple. He has had 8 years and he had a chance to go to this President and say: Let's do Medicare reform. Let's do it now in a bipartisan way. Let's take this issue off the table.

That isn't what happened. It is just too ripe for politics. It is just too tasty an issue to engage in a national debate about it. That is what we are about today. It is now on the floor of the Senate. Vice President GORE has his prescription drug plan out; George W. Bush has proposed his; we will attempt to deal with ours.

I have the privilege of now serving on the Finance Committee. The Finance chairman has brought about a bill and we hope to have it on the floor and we hope it will comply with the amount of money necessary in the budget to fund this in the short term to deal with the problem in the immediate sense. Governor Bush says: Let's deal with it now and let's give truly needy seniors the solution to the problem now.

And AL GORE says: No, no, no; let's work on this—18 months, 2 years; We will have a better plan; we will have an all-inclusive plan.

There are very real differences in what is proposed. Our Vice President says an all-Government plan, Government control, Government managed, universal for everyone. We are saying, no, no, we like the one in the model that the Governor from Texas has put up, with greater flexibility, more choice for seniors. It is very similar to what I have, and very similar to what the Presiding Officer has, under insurance, allowed to be provided for Federal employees by private providers. There is flexibility to make choices.

I don't think I want a Federal warehouse in Boise, ID, distributing drugs to seniors 500 miles away at the other end of the State. I want the local pharmacy allowing the local senior to make the choice with his or her doctor as to what their true needs are and for those needs to be covered in Medicare. That is what the seniors of America want. They don't want the Government saying yes or the Government saying no.

There are very real and fundamental debates. I suspect we are going to hear Senators such as the Senator from Florida now on the floor—and this is an important issue in a State with so many seniors, as has the State of Florida, and I don't dispute that. But it is important that we engage in this debate and that the American public stop and say, gee, is there a free lunch and are there free drugs? The answer is no. It will cost someone, and it will cost $200 or $300 or $400 or $500 million, or $12 billion a year to do a universal program, or a lot more than that. We know it will be very costly. Therefore, it is right and proper to decide who can afford to pay and who can't afford to pay.

How about those seniors who have their own health care program now that pays? Why would AL GORE want to wipe out those insurance programs and go to a Government program? I don't think any seniors who study the program and understand that are going to like that idea. They are going to want their own health care program that they paid for and that maybe is a condition of their retirement coming down from the company they had worked for all their lives. And they ought to have it. That is the kind of flexibility and the dynamics we ought to have in the marketplace.

This Congress, in a bipartisan way, will ultimately solve this problem. We can do it this year a little bit of the way to help the truly needy. That is what we ought to do. I hope we can resolve that in a bipartisan fashion. Then we will allow the national debate to go on. We will ask every senior to compare the score charts, the Governor Bush plan versus the Al Gore plan—a Government plan versus a plan of choice, versus a plan of individualism; a relationship between a doctor and his or her patient versus a relationship with a Government provider.

That choice is going to be very simple for Americans when they are given it in a clear, understandable way. That is why I am on the floor today. Let's back away from the clutter and the finger pointing. Let's compare the plans—they are both out there now—on a point-by-point basis, and let us do what we can do here this year.

We have $200 million built into the budget. We did it in advance, knowing we ought to deal with this issue. We ought to deal with it now for the truly needy seniors of America, those who make the horrible choice of food versus prescription, heat versus prescription. Not in America. Never in America should that be allowed to happen.

I hope the politician will step back for a moment from the restrictions or complications of that issue and solve that problem now for our truly needy seniors while we allow the national debate to go on as to what America and American citizens wish to choose as a part of their overall health care needs.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. VOINOVICH. Mr. President, I ask unanimous consent to speak on the time of Senator THOMAS.

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

THE 90 PERCENT SOLUTION

Mr. VOINOVICH. Mr. President, one of the primary reasons I came to the Senate, was the fact that I believed we had spent money over the years on many things that, while important, we were unwilling to pay for, or, in the alternative, do without. We had a policy of ''let the next guy worry about it'' or more precisely, ''let the next generation worry about it.'' I have said this before and I will keep on saying it until everyone realizes that we have a national debt that is costing us $224 billion in interest payments a year, and that translates into $600 million per day just to pay the interest.

Out of every Federal dollar that is spent this year, 13 cents will go to pay the interest on the national debt. In comparison, 16 cents will go for national defense; 18 cents will go for nondefense discretionary spending; and 53 cents will go for entitlement spending. Right now, we spend more Federal tax dollars on debt interest than we do on the entire Medicare program.

It still amazes me to think that 38 years ago, when my wife Janet and I got married, only 6 cents out of every dollar was going to pay interest on the debt. It is high time for our nation to make some headway into bringing down our national debt and lowering those interest costs.

As my colleagues know, our nation currently enjoys the greatest economic expansion in our history. We have a robust economy, and across the nation, states are reporting record low unemployment rates. Congress should take advantage of this incredible opportunity to create a lasting legacy for the young people of our country, and pay down our national debt and get this burden off the backs of our children and off the backs of our grandchildren.

All the experts say that paying down the debt is the best thing we could do with our budget surpluses.

Indeed, CBO Director Dan Crippen said earlier this year:

> . . . most economists agree that saving the surpluses, paying down the debt held by the public, is probably the best thing that we can do relative to the economy.

Federal Reserve Chairman Greenspan also said:

> My first priority would be to allow as much of the surplus to flow through into a reduction in debt to the public. From an economic point of view, that would be, by far, the best means of employing it.

Lowering the debt sends a positive signal to Wall Street and to Main Street. It encourages more savings and investment which, in turn, fuels productivity and continued economic growth. It also lowers interest rates, which in my view, is a real tax reduction for the American people.

Furthermore, devoting on-budget surpluses to debt reduction is the only way we can ensure that our nation will not return to the days of deficit spending should the economy take a sharp turn down or a national emergency arise.

In the time that I have been in the Senate, I have worked tirelessly to ensure that our on-budget surplus is used to pay down the national debt.

In fact, during consideration of the fiscal year 2000 and the fiscal year 2001 budget resolutions, I offered amendments that would direct whatever on-budget surplus we received in each particular fiscal year towards debt reduction.

In addition, I have been a staunch advocate of ''lock boxing'' both the Social Security and Medicare trust funds to prevent the expenditure of these funds.

Further, I offered an amendment with Senator ALLARD this past June to direct $12 billion in FY 2000 on-budget surplus dollars toward debt reduction. By the way, it passed by a vote of 95–3.

It was a great victory, but the celebration did not last long.

Unfortunately, all but $4 billion of that $12 billion disappeared: used for other spending in the Military Construction Appropriations Conference Report.

My disappointment was somewhat tempered by the news that the on-budget surplus that had been predicted earlier in the year was entirely too low an estimate.

As my colleagues know, in July, the CBO announced that our fiscal year 2000 on-budget surplus had grown to $84 billion—$60 billion more than was projected in January.

We have to be careful not to squander this windfall, because if we are able to maintain some fiscal restraint—and resist the temptation to spend it in the time we have remaining—at the end of this fiscal year, that $60 billion will be used for debt reduction.

We must resist the temptation to tap it before the end of this month—particularly in light of the fact that as of the first of this month, Congress had increased non-defense discretionary spending in fiscal year 2000 to $328 billion: a 9.3 percent boost over the previous fiscal year, and the largest single-year increase in non-defense discretionary spending since 1980.

If we do resist the temptation to spend it, I think we should celebrate the fact that we have made a major dent in our national debt; the most significant payment using on-budget surplus funds in more than 30 years. Think of that.

But, the fiscal year 2000 budget cycle is just about over. The issue today is what are we going to do to strike a blow for fiscal responsibility in the coming fiscal year.

As my colleagues are likely aware, Majority Leader LOTT and Speaker HASTERT have developed legislation, the Debt Relief Lock-Box Reconciliation Act for Fiscal Year 2001, H.R. 5173, that will allocate 90 percent of the fiscal year 2001 surplus towards debt reduction.

What will that mean?

Under H.R. 5173, both the Social Security and the Medicare surpluses will be ''lock-boxed,'' and approximately $200 billion will be protected from those who would use those funds for more spending.

I think the public should know, so there is no confusion, that it is not a literal ''lock box''—like a safety deposit box—but it is an iron-clad commitment that Congress cannot touch these funds for spending. Instead, those surplus dollars could only be used to pay down the debt.

It took Congress until just last year to finally stop using our Social Security surplus as a means to mask more than three decades of spending and instead, use it for debt reduction. We should continue this ''hands off'' approach of the Social Security trust fund.

Sadly, we have not yet been able to do the same with respect to the Medicare surplus—having used nearly all of it on spending in fiscal year 2000. Now is the time to treat the Medicare surplus the same as we have treated the Social Security surplus and make sure that it is subject to the same ''hands off'' policy as well.

Putting these trust funds in a ''lock box'' doesn't mean that we will have solved the problems of Social Security and Medicare, but using them to lower our debt now gives us added flexibility in the future to address the long-term solvency of these two programs. It is about time we reform Social Security and Medicare.

Also under this bill, some $42 billion of the on-budget surplus that the CBO is estimating for the next fiscal year will be used strictly for debt reduction. No smoke-and-mirrors, no gimmicks, just straight debt reduction.

Therefore, under H.R. 5173, 90 percent of all fiscal year 2001 surplus funds will be used for debt reduction.

I have heard the President and some of my colleagues say that this is just going to squeeze the ability to meet ''pressing needs'' in the coming fiscal year. I do not agree.

If the disparity between the preliminary and supplemental surplus projections of fiscal year 2000 are any indicator, there will likely be an upward readjustment of the surplus projections in FY 2001.

If our economy should slow and these projections turn out to be too optimistic, then we could cut spending—which would be fine as far as I am concerned. But in the meantime, this proposal will hold our feet to the fire with respect to spending, and our feet need to be held to the fire.

My colleagues and I are not asking for a lot, simply that this body stand up and be counted. I hear people every day saying let's do something about the national debt. I hear the President of the United States say it is a problem and we need to address it. So, I say to my colleagues that if we agree that we need to bring down the debt, then let's take advantage of the chance to do so and let's enact this proposal.

Reducing the national debt has been a principle of my party. It has been a principle of mine throughout my political career. First of all, you don't go into debt. But, if you do, you get rid of it.

Here we have an ability to put our money where our mouths are, and say, yes, we do believe in reducing the national debt. We are going to take this money, put it aside, and pay down the national debt.

And while I personally would like to see as much of the on-budget surplus used for debt reduction as humanly possible, I believe this is the best proposal we are going to see as negotiations get underway over the fiscal year 2001 budget.

Nevertheless, I believe by capping spending and tax cuts for fiscal year 2001, and locking in set amounts of debt reduction, as this proposal does, we will have effectively established a good first step towards further fiscal responsibility in fiscal year 2002 and beyond. In other words, it establishes a down payment for us to do even more meaningful debt reduction in years ahead.

I think GAO Comptroller General David Walker said it best when he testified last year before the House Ways and Means Committee. Here is what he said:

> This generation has a stewardship responsibility to future generations to reduce the debt burden they inherit, to provide a strong foundation for future economic growth, and to ensure that future commitments are both adequate and affordable. Prudence requires making the tough choices today while the economy is healthy and the workforce is relatively large—before we are hit by the baby boom's demographic tidal wave.

When I came to the Senate, I had one grandchild. Today, I have three. Like all other Americans, I think about what the future has in store for them and about the legacy I want to leave to my grandchildren.

We have a moral obligation to remove the debt-burden that we have placed on their backs. It is up to this Congress—in the weeks we have left—to pass the Debt Relief Lock-Box Reconciliation Act for our children and grandchildren and for the future of our Nation.

The House of Representatives has already stepped up to the plate and passed this bill overwhelmingly, by a vote of—listen to this—381 to 3. It is up to the Senate to do the same.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I will speak on the time that has been reserved for Senator KENNEDY and ask unanimous consent to speak for up to 15 minutes.

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

Mr. GRAHAM. Mr. President, we are now debating a conference report that includes both the legislative branch and the Treasury and general government appropriations bills. Unfortunately, the Treasury and general government bill was never considered on the Senate floor. It went directly from the Appropriations Committee into this conference report.

There are some critical deficiencies in the Treasury and general government appropriations bill, deficiencies that I had hoped to address on the floor with an amendment. I am now prevented from doing that. The deficiencies to which I want to call the attention of my colleagues involve counterterrorism funding, an issue that should be of particular concern to each of us.

As you know, terrorism is a national security threat, a threat which Americans have experienced in reality. Just to mention the names: Oklahoma City, the World Trade Center, Khobar Towers, Pan Am 103. Each of these reminds us of how deadly terrorism can be and how vulnerable we are to it.

What most Americans do not know is that there are many more instances of attempted terrorist activities that have been averted by a combination of good intelligence and effective law enforcement.

The apprehension of a terrorist crossing into the United States by Customs agents just prior to the millennium celebration is one well-known example of the success that we have had in interdicting terrorists before they can strike.

While terrorists have been around for a long time, their actions are becoming increasingly more deadly. In the past 5 years, over 18,000 people someplace around the world have been injured or killed in a terrorist incident. That 18,000 number of persons injured or killed by terrorism in the last 5 years represents a threefold increase over the preceding 5 years.

With the proliferation of chemical, biological, radiological, and even nuclear weapons as a real threat, the potential for even deadlier attacks is a reality. This makes efforts to prevent attacks even more vital.

Earlier this year, the congressionally mandated National Commission on Terrorism issued its report. The report is called: ''Countering the Changing Threat of International Terrorism.'' This report concluded that international terrorism poses an increasingly dangerous and difficult threat, and that countering the growing danger of this threat requires significantly enhancing U.S. efforts.

It further states that priority one is to prevent terrorist attacks using U.S. intelligence and law enforcement as our principal tools to prevent such attacks.

I would also like to cite a recent report by the Commission on America's National Interests. The Commission on America's National Interests is a commission on which Senators ROBERTS, MCCAIN, and myself are members.

The commission's report on ''America's National Interests,'' dated July 2000, lists as a vital interest that:

> Terrorist groups be prevented from acquiring weapons of mass destruction and using them against U.S. citizens, property and troops.

The commission's report goes on to state:

> As one of the most free and open societies in the world, the U.S. is also among the most vulnerable to terrorism. . . .
>
> Protecting American citizens both at home and abroad requires a well-coordinated counter-terrorism effort by all U.S. government agencies, giving due regard for fundamental American civil liberties and values.

The report on ''America's National Interests'' continues:

> Given the severity of the potential consequence of a weapon of mass destruction terrorist incident, as well as the rising technical capacity of non-state actors, the U.S. government should attach the highest priority to developing the capacity to preempt these threats if possible, and mitigate their consequences if necessary.

Mr. President, I repeat from the report on ''America's National Interests'' that ''the U.S. government should attach the highest priority to developing the capacity to preempt these threats if possible, and mitigate their consequences if necessary.''

This report could not have been more clear. Yet still another group of experts studying U.S. national security, the U.S. Commission on National Security, commonly known as the Hart-Rudman commission, concluded in its April 2000 report that our No. 1 priority should be to ensure that the United States is safe from the dangers of a new era: the proliferation of weapons of mass destruction and terrorism. It specifically mentions ''strengthening cooperation among law enforcement agencies, intelligence services, and military forces to foil terrorist plots. . . .''

The words of these three significant reports, as well as many other Americans, did not go unheeded by the administration. The President recognized the growing importance of law enforcement and intelligence in countering the terrorist threat even before these reports were released. He sent to Congress a request for over $300 million in additional funding for exactly the types of enhanced counterterrorism efforts that these three commissions are recommending.

What has happened in the Congress? Of the approximately $300 million requested, a portion of which was requested in a classified form, as it will be used by various intelligence agencies, $28 million of that $300 million was for reprogramming requests in the fiscal year that is about to conclude on September 30. What happened? That request for reprogramming was rejected, rejected including $10 million for the Department of the Treasury and $18 million for the Department of Justice.

I am sad to report that in the bill before us today, the fiscal year 2001 appropriations request, which begins on October 1, did not fare much better. There was a $71.1 million request for the Department of Justice. This has been completely unfunded in both the House and the Senate appropriations committees and thus in this conference report. There was a $77.2 million request for the Department of the Treasury which should have been included in the bill we are currently debating; $74 million of that remains unfunded.

In addition, the request for the intelligence community was not funded in the fiscal year 2001 legislation. In total, of those amounts which are available for public review, of the $300 million requested by the President, $146.1 million was unfunded.

Let me describe a couple of specific initiatives that are particularly important and that so far have not been funded in either the House or Senate appropriations bill.

First, the administration requested over $40 million to support the Joint Terrorism Task Forces. These are interagency law enforcement groups which combine resources and expertise for a more effective and efficient effort to deter and investigate terrorists. This is a proven concept that brings agencies together to solve problems, hopefully problems before they mature into tragic instances. The Joint Terrorism Task Forces were very successful in deterring and preventing terrorism during the millennium. I cannot understand why this Congress would not support this request.

Second, the President requested $6.4 million to create a unit within the Office of Foreign Asset Control dedicated to uncovering and tracking the financial assets of terrorist organizations. This is an area of law enforcement in which America, in the area of terrorism, is woefully deficient. It is vitally important that we establish this new office and that we gain an insight and an ability to oversee and control terrorist financing. This was a specific recommendation of the National Commission on Terrorism. This item was rejected, and so our woeful deficiency will continue for another year, if the current position of Congress, including the position of the legislation before us this afternoon, becomes law.

In fact, there were several items that were included in the President's request that the Commission on Terrorism specifically recommended. They include increased resources to meet technology requirements, expansion of linguistic capabilities, increased funding for investigative initiatives—all of those unfunded.

There is also an as yet unfunded request to establish a Center for Anti-Terrorism and Security Training. This will provide a centralized training facility for those on the front lines fighting terrorists around the world, including our own Capitol Police, diplomatic security officers protecting our embassies abroad, and our allies who look to us to help them in their fight against terrorism. The counterterrorism funding I am highlighting is desperately needed. All agencies have agreed that we need to do more to step up our efforts against terrorism. These requests are supported by the bipartisan National Commission on Terrorism and, in more general terms, the Commission on America's National Interests, and the Hart-Rudman commission.

What I find especially hard to imagine is why we would refuse this $300 million request when it is so widely recognized that the cost of failure, when it comes to terrorism, involves weapons of mass destruction and could be in the billions of dollars. This is an area where we must do absolutely everything we can on the prevention side to avoid, to interdict acts of terrorism before they are inflicted upon our citizens.

Mr. President, there is yet another consequence of the action we are being asked to take by supporting an appropriations bill which is so deficient in meeting this key area of our Nation's security. All too often we are seen as pushing other governments to do more in the fight against terrorism, to help us in an international effort against terrorism. If we are unwilling to support what our own experts tell us is needed, what is in our national interest, how can we be effective in convincing others to do more? I don't think there is an answer to that question. We must practice what we preach.

The good news is there is still time to remedy the situation. I hope the appropriations committees will fund the President's request for counterterrorism funding. This is about a real threat that is here today and cannot be ignored. Failing to take action on this modest request is irresponsible. Those who call for spending more for potential future threats and for increasing spending on other national security priorities cannot ignore the vital national interest, the first-line priority of an effective national protection against terrorism.

I will express my dismay, my shock at what has been done by the Congress thus far by voting against this bill. And should the Congress, in its lack of attention or lack of appropriate recognition of the importance of terrorism, should we pass this appropriations bill, which is so deficient in responding to the challenges of terrorism, then I will urge the President to veto this bill and give the Congress an opportunity to redeem itself from what is potentially a very serious error—placing the national security of the United States at risk.

I thank the Chair and 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. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DASCHLE. Mr. President, I will use some of my leader time to comment briefly on the pending legislation.

I come to the floor to express my strong objection to the manner in which this was presented to the Senate. It is wrong, it is dangerous, it is shortsighted, and it does a real disservice to this institution, period.

I have no objection to appropriations bills coming to the floor, as they must. I have no objection to perhaps even limiting the amendments at this late date to relevant legislation that may be affected in the bill. But I do have a strong reservation when we gag the Senate, as we have once again, limiting debate about important matters directly relating to tax and appropriations in a way that precludes the right of every Senator to be fully engaged in these deliberations.

I have heard again and again from colleagues on the other side that it is our desire to slow things down—to stop things. Let me say that is poppycock. No one here wants to slow anything down. In just a moment I will present a list for the RECORD of all the things we are prepared to take up this afternoon—this afternoon.

We know why this package was cobbled together in the form and manner in which it now appears before the Senate. It was put together to deny us the right to offer amendments—something we seek to do not because we want to slow things down but because we want a voice.

I am not necessarily opposed to the telephone tax repeal. Senator ROBB has been an extraordinary advocate of that. I give him great credit for getting us this far. But I must say I think it begs the question at this hour, with our Republican colleagues clamoring for 90 percent of the surplus to be used for debt retirement, should we would choose the telephone tax, of all things, as one of the items to be paid for with the remaining 10 percent of the surplus our Republican colleagues suggest should be available for both tax reduction as well as investments?

I am told there is about $28 billion left in the budget if we reserve 90 percent for the surplus. If we assume for the moment that we accept the Republicans' proposal to use 50 percent of that $28 billion for tax reduction and 50 percent for investments, that leaves about $14 billion for tax reduction in the remainder of this year. Fourteen billion dollars isn't a lot of money when you are talking about the proposals we have had to vote on this year, but $14 billion represents what the Republicans would make available for tax cuts.

The telephone tax would use up one-third of what they would allocate for tax reduction in this fiscal year—one-third. Maybe we want to commit one-third of the remaining surplus for tax reduction to the telephone tax.

But this Senate is denying us the opportunity to suggest something else. This Senate is denying us the opportunity to offer amendments and to have a debate. In fact, I must say I will bet you most people are going to vote on this and they don't even have a clue what the telephone tax is. I know the Presiding Officer does. He just noted that to me. But I will venture a guess that a lot of people do not.

That is just one of the problems we have with this course of action.

I don't have any objection to taking up the Treasury-Postal appropriations bill. I don't have any objection to taking up Legislative Branch appropriations bill. But I do have an objection when the administration informs us that we have virtually eliminated funding for counterterrorism and have not provided the funding necessary for the IRS and we have been denied the opportunity to at least debate these issues.

Then I am told indirectly that, well, we will come up with the money somewhere on another vehicle. I am mystified by that approach. What is it that leads us to think we can find the money elsewhere, at a later date, if we can't find it now? And if we can't find it now, it just seems to me we are premature in moving the bill forward until we can find it.

There are a lot of specific practical problems that I hope my colleagues share about this approach—problems related to our ability to participate in the process, problems related to our ability to offer amendments, problems related to the fundamental rights of every Senator to be involved in the debate, problems related directly to the substance of the issues on which we are now voting. Those are serious problems, and they shouldn't be minimized. But beyond that, I have fundamental problems with the precedent we are setting here.

There are many who may come into the Senate in future years who, if we continue this process, may come to the conclusion that if it is good on appropriations, why not on any authorization? Why not on a tax bill? Let's just go from committee to conference. Let's forget this Chamber. This Chamber might well be additional office space someday. We don't need a Chamber anymore—not for deliberations, because there are none.

Where does it end? Not in our generation. I am sure this will be a slow process. But, institutionally, anybody who cares about the way the Senate should be run should care about the process we are using now.

I don't know what message it sends to our young Members on either side of

the Chamber about the way we do business around here. But I don't want to have it heard or said on the Senate floor anytime in the near future that this is the greatest deliberative body, because we aren't deliberating. We are not deliberating on these issues, we are rubber stamping. We are sending them through the process the way you might expect it done in the House, but it doesn't, and it shouldn't, happen here. Institutionally, Republican or Democrat, old or young, it shouldn't matter. I am troubled, very troubled, by this process.

As I said a moment ago, we have no objection—none—to moving to other bills. I will not do it. But I would love to ask unanimous consent to move, immediately following the conclusion of our debate on this package, to the Commerce-State-Justice appropriations bill. Guess what. I would get an objection on the other side. I am not sure why. I don't know why. But I know this. We haven't brought it up because somebody over there doesn't want it to come up. That isn't us.

I would love to ask unanimous consent to take up the D.C. appropriations bill, the intelligence authorization bill, and the H–1B bill. Let's take them up. Let's have a debate. Let's offer amendments. I have offered to Senator LOTT that we could take up the H–1B bill with five amendments on a side with an hour limit on each amendment, period. We would be done in a day. I believe we could do it in a day. The other side has rejected this offer.

Don't let anybody say with a straight face or with any credibility that it is Democrats holding things up. Let's get to these bills. Let's get them done. Let's offer amendments. But, for heaven's sake, let's remember this institution. Let's call it the most deliberative body and mean it. Let's recognize the institutional quality.

It degrades us each time something such as this happens.

I yield the floor. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. GRAMS). Without objection, it is so ordered.

(The remarks of Mr. MURKOWSKI are located in today's RECORD under ''Morning Business.'')

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BENNETT. Mr. President, we are about through with this debate, as demonstrated by the fact that Senators on neither side are coming to the floor. We would be able to vote more rapidly than anticipated except that some Senators have made appointments based on the assumption we would not be voting until 3:30 or 4. However, we have cleared on both sides that we can vote on the adoption of the pending conference report at 3:15 and that paragraph 4 of rule XII be waived. I ask unanimous consent that the Senate agree to the adoption of that time and the waiving of that rule.

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

Mr. BENNETT. I suggest the absence of a quorum and ask unanimous consent that the time be charged equally on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. STEVENS. Mr. President, the Senate will shortly vote on the conference report to accompany H.R. 4516, the Legislative Branch Appropriations Act for 2001.

As the managers have stated, this conference report also includes the Treasury-general government bill for fiscal year 2001.

Many Senators have voiced concern about the inclusion of the Treasury bill, which had not previously passed the Senate, in this conference report. Many Senators have questioned me personally about this. Having served in this body for nearly 32 years, I understand and share that commitment to the procedures of the Senate and want to do my best to preserve the rights of all Senators.

I am here to ask Senators in this case to consider the product rather than the process by which this conference report comes before the Senate. This report addresses critical funding priorities for all of the elements of the legislative branch. Senator BENNETT and Senator FEINSTEIN have achieved a very balanced agreement with the House on the underlying bill that merits the support of the Senate.

In the Treasury bill, substantial changes were made to the committee-reported bill, the bill that came out of our Appropriations Committee, to accommodate priorities of the Members of the House and of the executive branch, both in terms of funding and of legislation. It would be preferable to have this bill come separately before the Senate, but the Appropriations Committee now finds itself in the stranglehold of the calendar.

In all likelihood, we have about 10 voting days remaining in this Congress. We are working to compress weeks of work into a handful of days. There are additional changes that Members and the President seek in the Treasury portion of the conference report. I have extended my personal commitment to Senator DORGAN to work with him and Senator CAMPBELL to try to incorporate those adjustments into another conference report. I also have given my word to Senator REID concerning problems regarding the police section of the legislative bill itself.

Adoption of this report now will permit us to redouble our efforts to conclude our work as rapidly as possible on the other bills that still pend before Congress, and we will be able to achieve the changes some sought to make in the current bill. Any other course will set the Senate and the Congress way back in getting our job done.

If this conference report is not approved, we will have to find some way to go back to conference with the House. And if it is decided that we must bring the Treasury bill before the Senate, I can assure Senators that we will have a postelection session.

It is just not possible to finish these bills before the election and get home in a reasonable amount of time—at least before the election—for the Members of the House and Senate who are up for election to conduct their campaigns.

I don't know of any other way to do what we have to do, other than to try to match up some of these bills in conference. There are lots of issues that both sides of the aisle may disagree on and fight over during the days that remain in this Congress.

The bill before the Senate, I believe, is a reasonable bill, comprised of two separate bills that meet important national objectives. I have come to the floor to urge the Senate to support this conference report, to accept the commitments that I and others have made concerning the additional concerns expressed on the floor, and let our committee complete its work.

I report to the Senate that conferences are scheduled today on the Interior bill and Transportation appropriations bill. But there is one thing Senators should know; our committee will be working every day—not just the 10 days of votes—between now and adjournment to try to finish the bills before the scheduled day of adjournment, October 6. Even when that day comes, it will not be the last day for the Appropriations Committee. We will have to await the outcome of the President's review and determine whether there have to be changes made in the bills following the veto, should that occur. I am not predicting it will occur, but it might.

If the Senate votes and approves this bill and sends it to the President, it is going to lend real momentum to concluding the appropriations process in a very responsible way this year. There have been things that held up these bills this year, including many days on the Senate floor with cloture motions and other matters. I am not critical of those. That is very important work for the Senate to do.

Now we are in the appropriations process and we are trying to deal with a period that will really end on the 28th, not the 30th, because of the holiday and our recess next week. We have to find a way to complete these bills.

The Senators who want to vote against the bill ought to be prepared to come back after the election. We are not going to be able to finish these bills separately this year. We are going to have to find a way to join them together. I, for one, have lived through too many postelection sessions. I don't want to live through another one. I urge Members of the Senate to support this conference report and let us get on about our work.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. ROTH. Mr. President, with passage of the legislative branch appropriations conference report, the Senate will successfully roll back one of the most regressive taxes in history and given Americans everywhere a much-deserved break.

For some time, now, I have pushed to repeal the telephone excise tax, a tax that is placed on individuals and families, regardless of income or circumstances.

Quite simply, if you owned a phone, you paid the tax, and along with its regressive nature, the tax was lamentable because it stood as one more example of how antiquated, unfair, counterproductive government policies not only outlive their original design, but become almost impossible to abolish.

The telephone excise tax was first imposed in 1898, more than 102 years ago. Its purpose was to fund the Spanish-American War, to provide for those who, like Teddy Roosevelt and his Rough Riders, needed the wherewithal to defend U.S. interests.

At the time it was imposed, it came as something of a luxury tax—a tax on the wealthy, as few Americans owned telephones.

Roosevelt rode up San Juan Hill. The war came to an end. But Washington couldn't resist holding on to the revenue. From time to time, the tax was repealed, but it always seemed to get reinstated—rising as high as 25 percent at one point—and placing an unfair burden on millions.

Today, however, we shall successfully eliminate the telephone excise tax, and this—in my mind—is cause for celebration. Studies show that individuals and families with income less than $10,000 spend almost 10 percent of their income on telephone bills. Individuals and families earning $50,000 spend 2 percent of their income for telephone service. Because of what we have done here today, these families—and all families—will benefit.

I'm proud of this action, grateful to those who supported repealing this excise tax. What we have done is not only in the interest of Americans everywhere, but it is a clear demonstration that we are willing and able to appropriately address the need to reduce the excessive tax burden that has been placed on the back of America's middle class.

My sincere hope is that this is the beginning of a long and successful trend.

On another issue, I am concerned that the legislative branch appropriations conference report—while it contains good news for taxpayers—while it contains good news for taxpayers—does not meet the full funding needs of the Internal Revenue Service. As you know, 2 years ago in a major bipartisan initiative, Congress successfully passed the largest IRS reform and restructuring effort in history. That law has been effective in protecting taxpayers and giving the IRS the direction necessary to re-engineer its business practices, upgrade its computer systems, and provide taxpayers with better service.

But in order to most effectively carry out Congress' mandate, and to fulfill its mission to collect and protect the Federal revenue, the IRS needs adequate funding.

This appropriations conference report, unfortunately, provides hundreds of millions of dollars less than what the agency needs. And the absence of proper funding will cut directly into the improved conditions that Congress desires. Unless additional funding is provided, the Service may be unable to effectively perform its audit and collection functions. Without adequate funding, service functions will diminish.

There will be a loss of telephone and walk-in service for taxpayers, a decrease in the level of toll-free service, and it will become more difficult for taxpayers to receive assistance.

We must provide additional funds to the IRS in other appropriate bills before this Congress adjourns. Only by doing this can we ensure that the IRS has the resources it needs to meet the standards of service and accountability that Congress has required.

Along with eight members of the Senate Finance Committee, I have signed a letter to members of the Appropriations Committee asking that funding be restored. And I intend to work with my colleagues toward this end.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. GREGG. Mr. President, I ask consent that the vote occur on adoption of the pending conference report at 3 p.m., and that paragraph 4 of Rule 12 be waived.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

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

The PRESIDING OFFICER (Mr. GREGG). Without objection, it is so ordered.

MINIMUM WAGE

Mr. DURBIN. Mr. President, I rise to speak this afternoon on an issue which is important to all Americans, particularly the 10 million who are presently working for a minimum wage. Senator KENNEDY of Massachusetts will join me in a few minutes to discuss the issue, which has been a major crusade for him for the last several years.

Earlier I noted that until the mid-1980s the issue of a minimum wage increase was never a partisan issue. In fact, Republican and Democratic Presidents alike endorsed the idea of periodically trying to increase the minimum wage to reflect the cost of living. But for some reason, in the mid-1980s, that all changed. It became a Democratic and Republican battle as to whether people who were earning a minimum wage should be able to keep up with the cost of living, keep up with inflation. Because of that battle, fits and starts and the wins and losses, many minimum wage workers across America started falling behind. In fact, their buying power, working for a minimum wage, was diminishing because Congress had failed to give them an adequate increase in their income to keep up with the cost of living.

Some arguments on the other side suggested: If you raise the minimum wage for workers who have no skills, entry level workers, it is going to basically kill jobs because employers are going to have to make a choice. They are either going to pay more to a minimum wage worker on the job and then reduce the size of the workforce or pay less to that minimum wage worker and keep a larger workforce.

It seems as if there is linear logic to this argument, but, in fact, when you look at it, the economic history of this country just does not back it up. As you will notice on this first chart which I am showing, as we have seen increases in the minimum wage from April of 1995 where the wage was increased, in October of 1996, to $4.75, and then again in October of 1997 to $5.15 an hour, the current minimum wage, the number of people working in America has continued to grow. So the argument that increasing the minimum wage is a job killer just does not make any sense.

Just the opposite seems to be true. In a growing economy, when you give to

the workers at the lowest level an increase in their living wage, they are likely to spend it. They need it for rent, for groceries, for their kids' shoes, for school expenses. So little of it is saved as lower income families are forced to spend everything to make ends meet; that spending, of course, creates demand in the economy for the production of more products and services. That is what has happened to us repeatedly. Since 1996, if you will take a look here at the minimum wage increase, unemployment is down in all the major groups.

People say these minimum wage jobs are just for kids who do not have any skills or background. When they come to the workplace and get their first job, they have to be prepared to be paid very little for it. I used to be one of those a long time ago. Take a look at what has happened here between September of 1996 and August of the year 2000. The 1996 minimum wage increase did not kill job opportunities in a single category here: Among teenagers, even among high school dropouts, African Americans, Hispanic Americans, or women in the workforce.

One of the other misconceptions is that somehow the minimum wage is just going to be paid to those who are, frankly, children who have limited work experience, a first job, so they will get a minimum wage. Who are these 10.1 million workers across America who would benefit from an increase in the minimum wage? I think you would be surprised to learn, as I was, that 69 percent of the workers who benefit are adults over the age of 20. So the idea that this is a children's wage or a teenager's wage is just wrong. Mr. President, 69 percent of minimum wage workers, 7 million of them, are over 20; 60 percent of these are women and many of these women have children.

You know what we are talking about here. We are talking about someone who has gone through a divorce, perhaps has a child they are trying to raise and do their very best by working a minimum wage job. Sixty percent of these minimum wage workers are women and 45 percent of them have full-time jobs. They are full-time minimum wage workers making less than $11,000 a year: 16 percent African American, 20 percent Hispanic; 40 percent of them work in retail. They sell us our hamburgers and our CDs at the store and all the things we buy; 27 percent are in the service sector; 83 percent of the minimum wage workers are heads of households and they are earning between $5.15 an hour and $6.14 an hour. Mr. President, 40 percent of minimum wage workers are the sole adult breadwinners in their families.

The argument that we are talking about a training wage for kids who really just want a first time on the job overlooks 40 percent of the minimum wage workforce who are adults trying to make enough money to feed a child—those are the minimum wage workers. I can recall a speech given many years ago by Rev. Jesse Jackson from Chicago, which I am proud to represent in the Senate, when he talked about these people going to work every day—the invisible workforce. We do not see them cleaning our hotel rooms, clearing off the tables, working in the kitchens and the day-care centers and the nursing homes; people we rely on to make America a better place, who do the tough, often thankless jobs in America for $5.15 an hour.

In my home State of Illinois, the estimate is we have over 400,000 minimum wage workers. These are people who deserve an increase in that minimum wage for a chance to be able to get out of poverty. Frankly, most Americans agree: If you are a hard-working person who is not looking for a handout but just looking for a chance to go to work, you really deserve some sort of basic living wage.

Look at this chart. ''Americans Support Wages That Keep Working Families Out Of Poverty.'' Overwhelmingly, 81 percent strongly agree with this. Does anyone really, listening to this speech, this debate, believe if you are making $10,700 a year you are out of poverty? That you have a comfortable life? Even with the Earned-Income Tax Credit, one of the few things with which we try to help these working families, by and large life is from payday to payday. They are striving just to meet the necessities and basics of life. So when we talk about an increase in the minimum wage, we are talking about helping these families who are going to work every single day finally reach up over the ledge and look ahead, beyond poverty.

If welfare reform was not about rewarding that type of person, what was the debate all about? I voted for it. Some of my colleagues said don't do that because you are going to leave the poor behind when they really need help. I hope we never do.

But I can tell you, this minimum wage debate is about those people, folks with limited job experience. They are finally off the dole, off welfare, trying to do their best, stuck in a $5.15-an-hour job; showing up for work on a regular basis, full-time employees—45 percent of them—and still stuck at $5.15 an hour.

During the Republican Convention in Philadelphia, there was a lot of talk about the economy. It was amazing, in a way, because they failed to acknowledge, as you might expect, we are in a period of prosperity unparalleled in the history of the United States. We have had the longest run of economic expansion ever. We are now talking about eliminating our national debt. That has not happened since the Civil War, I might add—the Civil War in the 19th century, if there is any doubt what I am referring to.

In Philadelphia, they said the problem with this economy is it has left too many people behind. It has helped create 22 million new jobs in this country, a lot of them in my State and other States around the Nation. But if you are talking about leaving people behind, how about the people on minimum wage who have been left behind because a Republican dominated and controlled Congress refuses to give a minimum wage increase to the hardest working people in this country?

Oh, the Republicans in the House have come forward with a proposal. They have had the idea of implementing this $1-an-hour increase over 3 years. They want to bring it down to 2 years, but there are a couple attachments to it and riders and things they would like to add. For example, they would like to really challenge paying overtime to workers in general—not talking about minimum wage workers but talking about workers in general. Frankly, many of us think that is a bitter pill to swallow; that a lot of hard-working families would have to give up on their overtime pay so the lowest paid workers in this country earning $5.15 an hour would have a chance to get out of poverty and have a living wage. That is not a deal which, frankly, any of us should buy.

It is time for us to do the right thing. We are going to go home in a few weeks. A lot of Senators will be campaigning for other candidates or for their own reelection, and they will face a lot of crowds and people coming up to them. You aren't likely to see a lot of minimum wage workers in those crowds. These are hard-working folks struggling to get by, many times with more than one job; they do not have time to listen to politicians who get out and gab and make their speeches on the stump.

But it is a shame we will not have a chance to see them because, if we do, we, frankly, have to ask of them some understanding and forgiveness, that this Congress, with its large agenda of important items, has failed to address the most fundamental need in their lives—an increase in the minimum wage so they can survive and raise their children and live in dignity.

If we value hard work in this country, we should compensate the hard workers, the minimum wage workers adequately. For over 2 years we have refused to do it. I see my colleague, Senator KENNEDY, is on the floor. I salute him for the leadership he has shown on this issue time and time again. I am sorry we are in a position where both parties no longer have come to a bipartisan agreement on dealing with a minimum wage.

But I say to Senator KENNEDY, as I am prepared to yield the floor to him, that this is a battle worth fighting in the closing weeks of this session. As we consider all of the possibilities and all of the special interests that need to be tended to and made happy before we leave, let us not forget the people who cannot afford a lobbyist in this town—the minimum wage workers across America who we count on week in and week out to make America work.

I think we owe it to them to increase the minimum wage by 50 cents an hour

over each of the next 2 years, to a level of $6.15, knowing full well that that is not a comfort level, that isn't going to give them relief from concern about paying for the necessities of life; but we owe it to them to increase this wage. Frankly, this Senator is prepared to say that this experience with this minimum wage increase has convinced me once and for all that relying on the goodness and gratitude of Congress on an infrequent basis to give the hardest working people in this country enough money to scrape themselves out of poverty and make a living has to come to an end.

We need to put into law a cost-of-living adjustment for the minimum wage, so we can say to the people across America, the millions who work for this minimum wage: Your life is not going to be hanging in the balance as to whether politicians in Washington are paying attention. You pay attention to your family and your job every day. We should pay attention to you by making certain you have a living wage.

Mr. President, I yield the floor to my colleague from Massachusetts, Senator KENNEDY.

Mr. BENNETT. If the Senator would withhold, I would like to make an inquiry about time.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. It is my understanding that on the Republican side there are still 45 minutes remaining under the control of Senator MCCAIN.

The PRESIDING OFFICER. Twenty-nine minutes.

Mr. BENNETT. I ask unanimous consent that that time be reserved for my control as manager of the bill.

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

Mr. BENNETT. I thank the Chair.

Mr. DURBIN. Mr. President, how much time is remaining on the Democratic side?

The PRESIDING OFFICER. The Senator from North Dakota has 4 minutes, and Senator KENNEDY has 11½ minutes.

Mr. DURBIN. I thank the Chair and yield to Senator KENNEDY.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I had hoped to be able to address some of the issues here this afternoon, but we will have to work out additional time later in the afternoon.

The appropriations bill that is before us effectively will increase the pay for Members of Congress by over $5,000 a year. I support that particular proposal, but we ought to know that that is what is effectively included in this legislation. That is there basically because of the Republican leadership. As I mentioned, I support that, as I have supported other pay increases in the past.

But what Americans should understand is the fact that on the one hand the Republican leadership is prepared to have a $5,000 increase in the pay of Members of Congress and still deny us the opportunity to vote for a 50-cent-an-hour increase this year and a 50-cent-an-hour increase next year for the hard-working Americans who are at the bottom end of the economic ladder. It is basically and fundamentally wrong. And the American people ought to understand it.

We have 2½ weeks left. We ought to be able to make a judgment decision whether those Americans—some 10.1 million who will be affected by the increase in the minimum wage—ought to be able to have an increase in the minimum wage. We believe they should. We have fought to try to get that to happen. We have been limited in our opportunities to address that issue because of parliamentary tactics which have been used by the Republican majority in the Senate to deny us that.

No one needs a briefing about the issues on the increase in the minimum wage. They are basic. They are fundamental. Ninety-five percent of the Members of this body have voted on this issue. It would not take a great deal of time. We would be willing to enter into an hour equally divided if we were able to get an opportunity to vote on an increase in the minimum wage.

The American people ought to understand what the priorities are as we are coming to the last days of this Congress with 2½ weeks left. This is an issue of priorities. The Republican leadership has said we will put this appropriations bill forward. They have basically sidetracked the whole debate on the education bill, even though that was a priority for them before and even though their standard bearer is out there talking about the importance of higher education. I wish that the candidate would just call up the majority leader and say: Put the education bill on the floor of the Senate. Why aren't you doing it?

We are going to be dealing with the H–1B legislation which is going to affect 100,000 visas and denying the opportunity to make other kinds of changes in that particular program. We are saying that that is more important than having a short debate on an increase in the minimum wage?

As my friend and colleague has pointed out—who are these people? They are basically people who are assistants to teachers, who work in the schools in this country.

Who are they? They are helping assistants to child care workers, who are looking after the children of working families.

Who are these people? They are assistants in nursing homes, who are looking after the parents who have retired and are now in nursing homes being taken care of either by their children in nursing homes or perhaps even under the Medicaid system.

These are the people who are minimum wage workers. They are the men and women who clean the buildings around this country.

What has happened to them over the period? I wish the Members of this body had seen the excellent piece on ABC this morning that talked about what is happening in the workforce. It pointed out that now the American worker is working longer than any other worker and that the rates of productivity have increased. Generally speaking, when you have an increase in productivity and you have workers willing to work more, they get an increase in their pay. Not here, not minimum wage workers.

What we have seen is that those at the top part of the economic ladder have been experiencing a very substantial increase and those on the bottom fifth of the economic ladder, which include the minimum wage workers, have actually fallen behind in their purchasing power. If we do not take action on an increase in the minimum wage in the final 2½ weeks, then the increase we had 3 years ago will effectively be wiped out for these workers. That is quite a message; that is quite a priority.

Mr. President, I ask the Chair to advise me when I have 2 minutes remaining.

What has happened? We have offered this. And what has come back now from the other side, from the Republican leadership? They say: All right, we will let you have a 2-year increase in the minimum wage if you will agree to a $76 billion tax reduction for the wealthiest individuals in this country. Some deal, some deal for workers—$76 billion in tax reductions. You would think at least they would have the common sense just to do it for the small mom-and-pop stores. No. This is for the big boys, tax cuts, $76 billion. The last time we had an increase in the minimum wage, it was $21 billion. A lot of people thought that was too much. Seventy six billion dollars they want. And that isn't enough.

What they also want to do is wipe out time and a half for overtime for 73 million Americans, cut back on overtime pay. So you don't have to even pay, not only the minimum wage workers, but those above them, overtime pay. That is part of the deal: We will give 50 cents an hour to hard-working Americans this year and 50 cents next year. Give us the $76 billion. Let us be able to make other workers work. It will save us billions and billions and billions of dollars in terms of payroll. That is the deal they are offering.

Beyond that, I know this isn't a typical Republican position. They say: We are going to preempt the States that are out there in terms of the tax credit for workers in restaurants where they are able, instead of paying the full minimum wage, to say: We will only pay part. And if they get the rest in terms of tips, we don't have to make up the wages. That is a fine situation anyway. Someone is able to provide additional kinds of services; because of that, able to get a tip; and you are going to penalize them. We are going to put that into giving the credit to the employers. It is a lousy deal for workers in the

first place. The Restaurant Association and their employees have gone through the roof anyway since the last time we passed it. Nonetheless, what they are saying is, OK, here is one deal for the minimum wage, but because some of the States have been a little more understanding and a little more helpful to these workers, we will preempt those States. I don't hear any statements on the other side of the aisle: Well, we don't want one size fits all. If you eliminate ''one size fits all'' and ''Washington knows best'' from the Republican vocabulary, they haven't got much to say. On this bill, there is no consistency. Give us $76 billion. Let us eliminate overtime. Then we will have a deal.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. KENNEDY. Mr. President, we are going to take every opportunity—and there will be some that will come down—to try to do something in terms of the minimum wage.

As I have said before, this is a women's issue because the majority of the recipients of the minimum wage are women. It is a children's issue because a majority of the women who get the minimum wage have children. This is a family issue. We hear ''family values'' around here. This is a family values issue because whether those parents have time to spend with those children depends on income. It is a children's issue.

It is a civil rights issue because the great percentage of those who are out there working are men and women of color. And beyond that, it is fairness issue. In the United States of America, with the economy going right through the roof, with the greatest economic prosperity in the history of the Nation, we are going to say: If you work hard, 40 hours a week, 52 weeks of the year, we don't think you ought to live in poverty. The Republican leadership refused to let us get a vote on this. That is absolutely unconscionable. The American people ought to understand it on election day.

I yield the floor.

The PRESIDING OFFICER. Who seeks time?

The Senator from Utah.

Mr. BENNETT. Mr. President, I am here in my capacity as manager of the conference report. We have had very little conversation about the conference report or any of the items contained in the bill, but through this debate, we have had a great deal of conversation about a number of other issues.

I suppose in the spirit of that debate, I can be excused if I respond to the comments made by the senior Senator from Massachusetts. The senior Senator from Massachusetts as well as the Senator from Illinois have given us a great number of statistics about the minimum wage, a great deal of information from various studies that have been done about the minimum wage. I remind them of the last time we had a definitive study on the minimum wage that was given to us with great fanfare from the Department of Labor; that further analysis of that study by objective academics indicated that the methodology of the study was false; that the conclusion of the study, which was that the minimum wage did not in fact destroy jobs, was false, and that the minimum wage does in fact have an impact.

I don't want to debate studies and arguments and academics. I want to take us, for just a moment, into the real world of employment. We hear over and over that we are in the most prosperous economy that anybody can remember. That is true. That creates a real world situation which has not been addressed in any of the rhetoric we have just heard.

The real world situation is this: When the economy is very strong, there is a very strong demand for labor. As a consequence, unemployment goes down. Unemployment is at historic lows at this time of a good economy. And in the real world, where people really seek jobs and employers really seek workers, there is a shortage of workers.

I talk to employers in my State and I say: What is your biggest problem?

They say: Our biggest problem is finding workers. We post jobs. We do everything we can to try to get people to come in and take these jobs. They come in off the street and if, during the presentation of what the job is like, we say something that they don't particularly like, they turn and walk out. Why? Because they can walk into another employer down the street and have exactly the same kind of presentation. They are in a position where they can pick and choose.

I know this doesn't sound like macroeconomics, but this is the reality of the marketplace in which we operate. If I can talk about macroeconomics for a moment, let me quote Alan Greenspan, who appears regularly before the Senate Banking Committee and the Joint Economic Committee, on both of which I have the opportunity to serve. He says to us the one thing he watches with greatest concern in terms of the possibility of this economy overheating and spiraling off into inflation is the shortage of labor. He says the reason he has not raised interest rates more is because our labor is becoming so much more productive that we can have this kind of tremendous demand in the economy, even though the labor force is not expanding as rapidly as one would think it would have to in historic terms. The labor force is expanding in productivity so that it can keep up with the demand for labor in the economy without becoming inflationary.

So there are microeconomic considerations and individual considerations, but it always comes down to the same fact in the real world: There is no shortage of jobs. There is no shortage of good-paying jobs. There is no shortage of jobs above the poverty level. The problem is with people who, for whatever reason, cannot take the jobs that are available. The reason is usually training. The reason is usually experience.

If I may get personal for a moment, Mr. President, I don't know how many other Members of this body have worked for a minimum wage, but I have. I did it when I was 14. The job, frankly, was something of a gift because I don't think I added very much value to the corporation that I worked for at age 14 at 50 cents an hour. For me, it was a tremendous experience. I look back on the time that I worked at ages 14, 15, 16, and so on, in the summertime, after school, and on weekends, as one of the most important formative experiences of my life. But I think if the Federal Government had come in and said, no, you can't pay BOB BENNETT 50 cents an hour and we are going to order you to pay him 75 cents, my employer, in all probability, would have said: What he does for us is, frankly, not worth 75 cents an hour, and being true to our shareholders and our other employees whose jobs we do not want to jeopardize, we will just let him go. But the minimum wage was low enough that I could work for 50 cents an hour, I could have that kind of experience and, frankly, I could get the kinds of job skills that made it possible for me, a few years later, to command salaries at substantially higher than the minimum wage.

When I hear about the minimum wage from people in my State, it is always from employers who are employing—and this is a very pejorative term, but it is true—marginal workers. And they say: Senator, if you raise the minimum wage, I am going to have to let them go. The contribution that they make to my company, or farm, or ranch, whatever it might be, is marginal. I can afford to pay them the minimum wage now and say that I get some return from their labor. If you raise it, I am going to have to say, no, it isn't worth it; I can't afford this. These people then end up unemployed. The problem with these workers is not to have the Government step in and attempt to repeal the law of supply and demand; the problem is to find innovative, new ways to give them the training and skills they require in order to command a higher wage on the basis of their work.

We are about to move, I hope, on to a debate on H–1B visas. People will say: What does that have to do with the minimum wage? It is a manifestation of the same basic principle I am talking about here; that is, we cannot, no matter how powerful we think we are as Senators, repeal the law of supply and demand.

H–1B visas are used primarily by high-tech employees from other countries who come into this country to take high-tech jobs. What is the demand for those high-tech jobs? Right

now, there are between 350,000 and 400,000 high-tech jobs, paying in the high five figures and into the low six figures, going begging in this country, and the companies that have those jobs are saying: If we can't find Americans, we want people from outside America to come in and fill these jobs. Will you please allow us to give visas to these people?

We cannot legislate that those kinds of salaries be paid to someone who is not capable of doing the job. The focus here, in terms of those who are at the lowest ends of our economic ladder, should be finding ways to train them, equip them, and prepare them to command, on the basis of their own skills, the wages they want instead of having the Government just automatically decree that they be paid a wage that may, in fact, be higher than the amount of value that they can add to their employer.

The Senator from Illinois displayed a chart that showed the minimum wage going up and employment going up, and then he suggested that one causes the other. I suggest that there is no relationship whatsoever between those two trend lines. There is another trend line that I think has a relationship. What is the area of greatest unemployment in this country? If you break it down with the demographics and the metropolitan areas, you find that the area of greatest unemployment in this country is among young, black teenagers in the inner city, particularly male. That is, statistically, the area of highest unemployment.

The unemployment rate among young, teenage, black males in the inner city in the United States is not only in double digits; it is in high double digits. I don't have the figures with me now. I didn't understand that we were going to debate minimum wage on the legislative branch bill. But they are in the 50 percent, 60 percent, 70 percent area. Those young, black men would benefit enormously by having a job experience. I know that, as I say, from my own experience, when I was paid the minimum wage at age 14. But it was less to add value to the company than to add skills and understanding to myself.

If we had the law of supply and demand operating unimpeded by Government instruction, I can imagine—and I think I could find jobs for those young, black teenagers to do in the inner city. They would not be $6-an-hour jobs, but they would be jobs where there could be some value added to the employer and tremendous experience and training value added to the employee. And the Government, over time, would get tremendous benefits out of that because if those young men could be trained in marketable skills and then go out and command jobs at $10 and $12 and $15 an hour based on their skills rather than the Government demanding that they be paid that whether they produce value for it or not, the economy would be better, society would be better, and America as a whole would be better.

So as I listen to these debates on the minimum wage, the emotion, the shouting, and the great indignation that is sent forward here, I ask the Senators to step away from the academic studies. Go out among the employers of their own States and ask this direct question: What will happen in your business to the people you hire if the Federal Government intervenes in this situation and starts to dictate the wages that you pay?

A comment came out of the oil crisis of the 1970s when President Carter was telling us that the energy crisis was a crisis that was the moral equivalent of war and that we must somehow marshal the entire energies of the Nation to deal with it. Interestingly enough, as the Senator from Alaska points out, ever since we declared that kind of war, American dependence on foreign oil has gone up, not down. That is one of the main reasons we are looking at $2-a-gallon gasoline in the Midwest, as we are seeing the results of 8 years of an administration that has opposed any kind of energy development in the United States. In that period, an economist made this point that I have never forgotten. He said: When the Federal Government interferes with the setting of prices by the forces of supply and demand, you get one of two results.

If the Federal Government sets the price higher than the market would set it, you get a shortage. When the Federal Government sets the price lower than the market would set it, you get a surplus. In other words, when the Federal Government says you must pay a wage higher than these people can return value for, you get a shortage of jobs that these people can fill. If the Government should arbitrarily say we will set a price lower than these people can produce, then you get a surplus of people.

We don't need shortages and we don't need surpluses. We need jobs. We don't need shortages. We don't need surpluses of energy. To put it back in the same context, we need the energy.

The law of supply and demand gives you a price. It is always the right price as supply meets demand. As soon as someone steps in to try to manipulate that law—be that someone a monopolist, or be that someone a Federal legislator—and you get a diversion between the price that the demand would call for and that the supply would provide, you get either a shortage or a surplus. It has been that way since time immemorial, and it will be that way forevermore into the future.

We need to learn that lesson and be a little humble towards that process in the Senate as we stand on the floor of the Senate and raise our voices in indignation to say we must do something for these people in the name of fairness, and realize that in the long run we are in all probability hurting far more than we are helping.

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

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

Mr. BENNETT. Mr. President, I ask unanimous consent that the time currently running virtually equally between the two sides be charged equally against both sides.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

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

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

Mrs. BOXER. Mr. President, I will vote against the combined legislative branch and Treasury-Postal Service appropriations bills.

While the administration has identified a couple of funding shortfalls in the bill, that is not my primary concern here, and it is not the reason I am opposing this legislation.

I am voting against the bill because the Senate has never considered the Treasury-Postal appropriations bill. Let me repeat that: the Senate is being asked to vote on a conference report on a bill that never passed the Senate.

This is a complete distortion of the legislative process. We are not potted plants. The people of the state of California elected me to represent them. That means debating bills, offering amendments that are important to the people of my state, and casting votes. It does not mean giving a rubber stamp to whatever conference report comes before us when we have not even debated the bill in the first place.

I was considering offering an amendment to this bill prohibiting the sale of firearms to individuals who are drunk. Believe it or not, it is not against the law to sell a gun to someone who is intoxicated. I was considering offering an amendment regarding the carrying of concealed weapons in places of worship. And I was considering offering an amendment praising Smith and Wesson for entering into an agreement with the administration to change the way it manufactures and distributes firearms.

But I was prevented—every Senator was prevented—from offering any amendments because the Treasury-Postal Service bill was never brought up. Normally a bill that does not come before the Senate cannot become law.

But the majority wanted to avoid debating and voting on these amendments, and so they found a way to

make an end-run around the rules of the Senate and to run roughshod over the rights of 100 Senators.

I will not be a party to this process, so I will vote against the bill.

Ms. SNOWE. Mr. President, I rise today in support of the contraceptive coverage provision included in the FY2001 Treasury-Postal appropriations conference report currently before the Senate.

This provision is fundamental to the health of the approximately 2 million women of reproductive age who rely on the Federal Employees Health Benefits Program, or FEHBP, for their health care, and I thank Chairman CAMPBELL for again including this important language. This language is essentially the same language that has been signed into law the last 2 years.

This provision says that if an FEHBP health plan provides coverage of prescription drugs and devices, they must also cover all FDA-approved prescription contraceptives. It also says that plans which already cover outpatient services also cover medical and counseling services to promote the effective use of those contraceptives.

This language respects the rights of religious plans that, as a matter of conscience, choose not to cover contraceptives. Furthermore, the committee language we have before us makes it clear that this language does not cover abortion in any way, shape, or form.

The contraceptive coverage provision signed into law the last 2 years, and contained in this year's bill, contains a conscience clause that strikes the appropriate balance between recognizing the legitimate religious concerns of individual health plans and physicians with the equally important goal of increasing access to prescription contraceptives and reducing unintended pregnancy and abortion rates in this country.

The religious exemption in current law specifically exempts the religious-based plans that the Office of Personnel Management, which manages FEHBP, identified as participating in FEHBP. And it exempts ''any existing or future plan, if the plan objects to such coverage on the basis of religious beliefs.''

Despite concerns voiced by opponents, this provision has caused no upheaval in the Federal Employees Health Benefit Program. When plans have left the program in the last 2 years they cited insufficient enrollment, noncompetitive premiums, or unpredictable utilization as the reason for leaving the program—not the requirement to cover prescription contraception. And other than the five plans specifically excluded in current law, no plan has requested to be excluded from the provision nor has any plan complained that the conscience clause is insufficient. Furthermore, OPM is not aware of any physician or other health care provider who requested an exclusion.

The need to retain the current committee language is clear. Today, nearly 9 million Federal employees, retirees, and their dependents participate in the FEHBP. Approximately 2 million women of reproductive age rely on FEHBP for all their medical needs. Unfortunately, before 1998, the vast majority of these women were denied access to the broad range of safe and effective methods of contraception.

It is clear that the need for prescription contraceptive coverage is well understood by women across the country. And while we in Congress debate this need and delay guaranteeing coverage to women across the country, states are taking up the call on their own. In fact there are 13 states—Maryland, Connecticut, Georgia, Hawaii, Maine, New Hampshire, Nevada, North Carolina, Vermont, California, Delaware, Iowa, and Rhode Island—who have passed their own contraceptive coverage legislation.

Across America, the lack of equitable coverage of prescription contraceptives contributes to the fact that women today spend 68 percent more than men in health care costs. That's 68 percent. And this gap in coverage translates into $7,000 to $10,000 over a woman's reproductive lifetime.

So I ask my colleagues: with 10 percent of all Federal employees earning less than $25,000 what do you think is the likely effect of these tremendous added costs for these Federal employees?

Well, I'll tell you the effect is has: Many of them simply stop using contraceptives, or will never use them in the first place, because they simply can't afford to. And the impact of those decisions on these individuals and on this nation is a lasting and profound one.

Women spend more than 90 percent of their reproductive life avoiding pregnancy, and a woman who doesn't use contraception is 15 times more likely to become pregnant than women who do. Fifteen times. And of the 3 million unintended pregnancies in the United States, half of them will end in abortion.

Mr. President, I can't think of anyone I know, no matter their ideology or party, who doesn't want to see the instances of abortion in this nation reduced. Well, imagine if I told you we could do something about it.

We vote year after year to restrict abortion coverage in FEHBP plans. My colleagues know that I vote against this restriction every time it comes up. At the same time I firmly believe that, if the Senate is going to vote against allowing FEHBP plans to cover abortion, then we should require this same plan to cover prescription contraceptives if they cover other prescription medications—prescription contraceptives which prevent unintended pregnancies that lead to abortion.

That is what the committee language does. When the Alan Guttmacher Institute estimates that the use of birth control lowers the likelihood of abortion by a remarkable 85 percent, how can we ignore a provision like this which makes the use of birth control more affordable to our Federal employees, and do so—according to the Congressional Budget Office—with negligible cost to the Federal Government.

The fact is, all methods of contraception are cost effective when compared to the cost of unintended pregnancy. And with unplanned pregnancies linked to higher rates of premature and low-birth weight babies, costs can rise even above and beyond those associated with healthy births.

As the American Journal of Public Health estimates, the cost under managed care for a year's dose of birth control pills is less than one-tenth of what it would cost for prenatal care and delivery.

Whatever the reason, as an employer and model for the rest of the nation, the Federal Government should provide equal access to this most basic health benefit for women. The committee language would allow Federal employees to have that option.

In closing, Mr. President, let me say that if we, as a nation, are truly committed to reducing abortion rates and increasing the quality of life for all Americans, then we need to begin focusing our attention on how to prevent unintended pregnancies. Retailing contraceptive coverage for Federal employees is a significant step in the right direction. I thank Chairman CAMPBELL for again including this important language.

Mr. DOMENICI. Mr. President, I am pleased to rise today in support of the conference report accompanying H.R. 4516, the Legislative Branch and Treasury-general government appropriations bill for FY 2001.

The pending conference agreement combines two of the 13 annual appropriations bills into one bill, which provides $34.9 billion in new budget authority and $30.9 billion in new outlays to fund the operations of the Legislative Branch, and the Executive Office of the President, and the agencies of the Department of the Treasury, including the Internal Revenue Service (IRS), Customs Service, Bureau of Alcohol, Tobacco and Firearms, the General Services Administration, and related agencies. When outlays from prior-year budget authority and other completed actions are taken into account the conference agreement totals $33.0 billion in BA and $32.5 billion in outlays for fiscal year 2001.

The final bill is $145 million in BA and $145 million in outlays below the most recent section 302(b) allocation for these two subcommittees filed on September 20th.

The final bill also has a revenue effect for two provisions—repeal of a provision in the Balanced Budget Act of 1997 that temporarily increases federal employee retirement contributions by 0.5 percent; and repeal of the telephone tax enacted in the late 1800's to help finance the Spanish-American War. A loss of revenue totaling approximately

$4.8 billion is estimated for fiscal year 2001, and additional amounts in the outyears.

I commend the subcommittee chairman and ranking members for bringing this important measure to the floor. I urge the adoption of the bill and ask for unanimous consent that the Budget Committee scoring of the bill be printed in the RECORD at this point.

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

H.R. 4516, LEGISLATIVE BRANCH APPROPRIATIONS, 2001: SPENDING COMPARISONS—CONFERENCE REPORT

[Fiscal year 2001, $ millions]

	General purpose	Mandatory	Total
Conference Report[1]:			
Budget authority	18,161	14,805	32,966
Outlays	17,683	14,810	32,493
Senate 302(b) allocation:			
Budget authority	18,306	14,805	33,111
Outlays	17,828	14,810	32,638
2000 level:			
Budget authority	16,210	14,479	30,689
Outlays	16,679	14,488	31,167
President's request			
Budget authority	19,057	14,805	33,862
Outlays	17,951	14,810	32,761
House-passed bill:			
Budget authority	16,886	14,805	31,691
Outlays	17,201	14,810	32,011
Conference report compared to:			
Senate 302(b) allocation:			
Budget authority	−145	.....	−145
Outlays	−145	.....	−145
2000 level:			
Budget authority	1,951	326	2,277
Outlays	1,004	322	1,326
President's request			
Budget authority	−896	.....	−896
Outlays	−268	.....	−268
House-passed bill:			
Budget authority	1,275	.....	1,275
Outlays	482	.....	482

[1] Also reflects conference report on Treasury-General Government Appropriations. Conference report also includes repeal of federal communications excise tax, which results in a revenue loss of $4.328 billion in 2001, and a repeal of federal employee retirement contribution, which results in a revenue loss of $460 million in 2001. Neither revenue effect is reflected in the discretionary scoring of this bill, and count on the PAYGO scorecard instead.

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.

Mr. BENNETT. Mr. President, am I correct in my assumption that the previous order calls for a vote now on the conference report?

The PRESIDING OFFICER. The Senator is correct.

Mr. BENNETT. Have the yeas and nays been ordered?

The PRESIDING OFFICER. No.

Mr. BENNETT. Mr. President, I ask for the yeas and nays on the conference report.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the conference report. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from California (Mrs. FEINSTEIN), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

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

The result was announced—yeas 28, nays 69, as follows:

[Rollcall Vote No. 253 Leg.]

YEAS—28

Allard	Bond	Cochran
Bennett	Campbell	Craig
Crapo	Hutchinson	Nickles
Domenici	Inhofe	Shelby
Enzi	Kyl	Smith (OR)
Fitzgerald	Lott	Specter
Gorton	Lugar	Thomas
Grassley	Mack	Thurmond
Gregg	McConnell	
Hagel	Murkowski	

NAYS—69

Abraham	Feingold	Mikulski
Ashcroft	Frist	Miller
Baucus	Graham	Moynihan
Bayh	Gramm	Murray
Biden	Grams	Reed
Bingaman	Harkin	Reid
Boxer	Hatch	Robb
Breaux	Helms	Roberts
Brownback	Hollings	Rockefeller
Bryan	Hutchison	Roth
Bunning	Inouye	Santorum
Burns	Jeffords	Sarbanes
Byrd	Johnson	Schumer
Chafee, L.	Kennedy	Sessions
Cleland	Kerrey	Smith (NH)
Collins	Kerry	Snowe
Conrad	Kohl	Stevens
Daschle	Landrieu	Thompson
DeWine	Lautenberg	Torricelli
Dodd	Leahy	Voinovich
Dorgan	Levin	Warner
Durbin	Lincoln	Wellstone
Edwards	McCain	Wyden

NOT VOTING—3

Akaka	Feinstein	Lieberman

The conference report was not agreed to.

Mr. STEVENS. Mr. President, I enter a motion to reconsider the vote by which the conference report was defeated.

The PRESIDING OFFICER. The motion is so entered.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

IMMIGRATION AND NATIONALITY ACT AMENDMENTS—MOTION TO PROCEED—Resumed

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (S. 2045) to amend the Immigration and Nationality Act with respect to H–1B nonresidential aliens.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Florida.

Mr. GRAHAM. Mr. President, we are debating the motion to proceed to the legislation that would increase the number of visas for aliens who have certain technical skills that are deficient within the United States; that is, the H–1B visa bill. Several of us hope this bill can be expanded in order to deal with other pressing issues of immigration to provide not only for those who are desirous of working in the high-tech industry—the high-tech industry which needs their services—but also that we can redress some of the injustices which have seeped into our immigration law. So I am, today, rising to discuss those elements of unfairness that we hope can be considered under the title of the Latino and Immigrant Fairness Act.

The focus of this legislation is, as the title of the act says, fairness. We all learned some fundamental lessons in grammar school. One of those is what is fair and what is not fair. It is fair for a teacher to punish two noisy schoolchildren who have broken the rules in the classroom by keeping both of them inside during the recess period. We may, in our own childhood, have been subjected to that kind of sanction. But if the teacher decides to let one child go out and play but keeps the other in, that wouldn't be fair. In other words, one of the aspects of fairness is treating people who are in the same circumstances in the same way.

We are here today trying to achieve that type of fairness because, in 1996, we passed an immigration law that went too far. It violated that rule of treating people in the same circumstances in the same way.

It was also unfair because it applied retroactively. People who had played by the rules, who were doing all the things that they thought this society wanted them to do in order to become a part of our society, suddenly found that all those steps were for naught, and they were about to be subjected to deportation. Making laws retroactive is almost always bad public policy. It is changing the rules in the middle of the game. That is what we have done, but this is our opportunity to correct it.

A little history: Central American and Haitian immigrants came to the United States, particularly in the 1980s, and were welcomed by Presidents Ronald Reagan and George Bush. They were fleeing civil wars or violent upheavals in their repressive governments. They followed every rule.

Over the past 10 or 15 years, they set down roots. They raised families; they bought homes, started small businesses. Then, with the passage of the 1996 immigration bill, they suddenly became deportable. They could be forced to return to their countries, the very countries they fled. They were being forced to do so based on no actions of their own but, rather, a change in the rules enacted here in Congress.

Congress was quick to recognize some of the overreaching of the 1996 immigration law because 1 year later, in 1997, and then 2 years later, in 1998, Congress took steps to correct this injustice for some people—mainly Nicaraguans, Cubans, and some Haitians. In 1997, with bipartisan support, Congress passed the Nicaraguan Adjustment and Central American Relief Act, often called NACARA.

In 1998, with bipartisan support, we passed the Haitian Refugee Immigration Fairness Act. In 2000, with the Latino and Immigrant Fairness Act, we can complete the process and correct injustices for all who face similar circumstances.

One part of the Latino and Immigrant Fairness Act, the part that we

refer to as ''NACARA Parity,'' would have a tremendous impact on Central American and Haitian nationals. Many of the Central American and Haitian beneficiaries of this legislation reside in my State of Florida. I know them well. They are small business owners; they are educators; they are volunteers. They are raising families who are contributing to our State. These residents are a vibrant and crucial part of our community. Many have made Florida their home for 15 or 20 years or more. It is patently unfair to uproot these families after they have sunk such deep roots into our communities.

I had the honor of participating in a hearing held recently in Miami when we originally introduced the Haitian Refugee Immigration Fairness Act. At that hearing we heard some stories, stories of adults and children; stories of people like Louisiana Micleese and Nestela Robergeau. It deeply affected the whole audience in attendance at the hearing.

I spoke at the hearing and told the story of a Miami resident, Alexandra Charles, who witnessed the brutal killing of her mother by military personnel in Haiti. Alexandra couldn't come to the hearing when I spoke on her behalf because she was working at one of the two jobs she is holding down in order to pay her way through the Miami Dade Community College. This young adult, who had grown up in Florida, was in danger of being deported to what, for her, was, for all intents and purposes, a foreign country. Congress did the right thing and passed legislation to protect her. But we did not protect others.

There are other elements of this legislation, the Latino fairness legislation. It is legislation which will update the registry which has not been updated in many years. That is the registry of who is currently in the United States, who has been living here as a law-abiding person and can apply for some legal status in the United States, and also a restoration of the 245(i) program, which is pro-business, pro-family, and common sense.

I will not speak at length on those other two provisions in this legislation because I know there are colleagues who will follow me who desire to do so. But I want to make one point that is common to all three components of this legislation: The ''NICARA Parity'' provision, the registry update, and the restoration of the 245(i) program.

Many business organizations see this legislation, the three components, not only as humanitarian and fair but one that makes economic sense. I would like to submit for the RECORD a letter of support from the U.S. Chamber of Commerce and other business organizations.

I ask unanimous consent a letter dated September 8 of this year from the Essential Worker Immigration Coalition be printed in the RECORD at the conclusion of my remarks.

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

(See Exhibit 1.)

Mr. GRAHAM. Mr. President, these immigrants are long-time employees of small businesses and other businesses in virtually every State. They are workers who do some of the toughest, hardest jobs in America. What affects them affects all of us, especially the businesses and the consumers who rely on their dedication, energy, and commitment to achieving the American dream.

I urge all my colleagues to work with us and assure that this vital, long overdue legislation, legislation that is in the best American traditions of fairness and justice, becomes law and becomes law this year.

EXHIBIT 1

EWIC ESSENTIAL WORKER IMMIGRATION COALITION,
Washington, DC, September 8, 2000.

U.S. SENATE,
Washington, DC.

DEAR SENATOR: The Essential Worker Immigration Coalition (EWIC) is a coalition of businesses, trade associations, and other organizations from across the industry spectrum concerned with the shortage of both semi-skilled and unskilled (''essential worker'') labor.

While all sectors of the economy have benefited from the extended period of economic growth, one significant impediment to continued growth is the shortage of essential workers. With unemployment rates in some areas approaching zero and despite continuing vigorous and successful welfare-to-work, school-to-work, and other recruitment efforts, some businesses are now finding themselves with no applicants of any kind for numerous job openings. There simply are not enough workers in the U.S. to meet the demand of our strong economy, and we must recognize that foreign workers are part of the answer.

Furthermore, in this tight labor market, it can be devastating when a business loses employees because they are found to be in the U.S. illegally. Many of these workers have been in this country for years: paying taxes and building lives. EWIC supports measures that will allow them to remain productive members of our society.

We believe there are several steps Congress can take not to help stabilize the current workforce:

- Update the registry date. As has done in the past, the registry date should be moved forward, this time from 1972 to 1986. This would allow undocumented immigrants who have lived and worked in the U.S. for many years to remain here permanently.
- Restore Section 245(i). A provision of immigration law, Section 245(i), allowed eligible people living here to pay a $1,000 fee and adjust their status in this country. Since Section 245(i) was grandfathered in 1998, INS backlogs have skyrocketed, families have been separated, businesses have lost valuable employees, and eligible people must leave the country (often for years) in order to adjust.
- Pass the Central American and Haitian Adjustment Act. Refugees from certain Central American and Caribbean countries currently are eligible to become permanent residents. However, current law does not help others in similar circumstances. Congress needs to act to ensure that refugees from El Salvador, Guatemala, Haiti and Honduras have the same opportunity to become permanent residents.

We are also enclosing our reform agenda which includes our number one priority: allowing employers facing worker shortages greater access to the global labor market. EWIC's members employ many immigrants and support immigration reforms that unite families and help stabilize the current U.S. workforce. We look forward to working with you to pass all of these important measures.

Sincerely,

ESSENTIAL WORKER IMMIGRATION COALITION.

ESSENTIAL WORKER IMMIGRATION COALITION MEMBERS

American Health Care Association, American Hotel & Motel Association, American Immigration Lawyers Association, American Meat Institute, American Road & Transportation Builders Association, American Nursery & Landscape Association, Associated Builders and Contractors, Associated General Contractors, The Brickman Group, Ltd., Building Service Contractors Association International, Carlson Hotels Worldwide and Radisson, Carlson Hotels Worldwide and TGI Friday's, Cracker Barrel Old Country Store, Harborside Healthcare Corporation, Ingersoll-Rand.

International Association of Amusement Parks and Attractions, International Mass Retail Association, Manufactured Housing Institute, Nath Companies, National Association for Home Care, National Association of Chain Drug Stores, National Association of RV Parks & Campgrounds, National Council of Chain Restaurants, National Retail Federation, National Restaurant Association, National Roofing Contractors Association, National Tooling & Machining Association, National School Transportation Association, Outdoor Amusement Business Association, Resort Recreation & Tourism Management, US Chamber of Commerce.

Mr. GRAHAM. Mr. President. 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.

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

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

Mrs. BOXER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question is a motion to proceed on S. 2045.

Mrs. BOXER. Mr. President, I would like to address that subject, and I will probably speak for about 20 minutes.

The PRESIDING OFFICER. The Senator has that right. The Senator from California is recognized.

Mrs. BOXER. Mr. President, we have a very important issue facing us in California. In fact, we have two very important issues facing us in California that are intertwined into this particular discussion on immigration policy. One of them deals with the real shortage of high-tech labor that we face in California and elsewhere in the country, where we are finding that the high-tech industry cannot find enough good, qualified people with the proper skills, experience, and training to fill the high-tech jobs that are really fueling our economic recovery and our economic prosperity, not only in California but in many other States.

This is a real problem. At first, when I heard about it, I thought, could this

be true? Could it be true that we do not have these workers? Since I have asked that question, and a number of others did also, there have been some studies showing that it is the case; that we do have a shortage of these workers. If we don't make accommodations for people to come into this country who have these skills, we will simply not be able to function as an economy.

The second problem we face in California—and perhaps in other States, I am sure—is the question of fairness in our immigration law. Fairness really needs to be a hallmark of what we do when it comes to immigration. We should not treat people from one country who face real problems differently from people from another country who face similar problems. Yet we have that with respect to our Latin American policy. So we really need to have a situation where we have a Latino fairness act, while we are, in fact, taking care of the labor shortages for our business friends. These things are interrelated in many ways. I hope we will be able to take them up together and pass them together; or if we can't do it that way, I hope that we have an agreement between both sides of the aisle, and with the President, that we will make sure both of these problems are addressed and are addressed in a good and careful way.

Let me talk about the Latino fairness question. Basically, what we are asking for is parity for all Americans so immigrants from El Salvador, Guatemala, Honduras, and Haiti have the same chance and go through the same process for permanent status or asylum as those from Nicaragua and Cuba. It is very simple. Why should we say to immigrants from one Latin American country that they would have a different standard when, in fact, there has been great suffering in all of these countries?

It may take place in different ways, but the bottom line is that there are many people from these countries who had to leave these countries because of fear of harm to themselves, their families; and those people were in these countries I mentioned.

We have heard about death squads. We have heard about horrible things happening to people and people disappearing in the middle of the night. In fact, the families in Guatemala have been shattered by this kind of thing, and a group of mothers got together and brought this issue to the world's attention. So there has been suffering. We remember the suffering from El Salvador with the right-wing death squads operating there, and we know the horror stories from Haiti and the other countries that are clamoring for some kind of fairness.

So if you lived in Nicaragua and you were hurt there by the Communist regime, or if you lived in Cuba and you were hurt there by the Communist regime, we want to open our arms to you. Why wouldn't we want to open our arms to you if you were hurt by a right-wing regime? We should not be playing politics at all. We should say that people who are persecuted by government—whether the bullet came from the right, left, or the middle, it doesn't matter; it is still a bullet. We should be fair to all of those people.

We want to update the registry so that undocumented aliens in the U.S. before 1986 can get a chance to remain permanently. The current cutoff date is 1972. Historically, we have gone back and changed those dates. It is time to do that.

We want to restore section 245(i), which allows those eligible for permanent resident status, who are in the U.S. already, to remain here while the process is being completed.

I want to tell you a real story about why this is so important. Jaime came to the U.S. from Mexico, and is now married to Michelle, a U.S. citizen. The couple has two daughters, both U.S. citizens. As a citizen, Michelle petitioned for an immigrant visa for her husband. When it came time to complete the visa application process, Jaime and his wife went to the consular offices in Cuidad Juarez, Mexico, for the interview. He was unaware that if he left the United States he would be barred from entering for 10 years. Michelle returned but has since lost her job and is struggling financially to support her children. Jaime is making very little money in Mexico—not enough to support his family in the U.S. Michelle finds every day a struggle to survive without her husband. The separation has caused great emotional anguish, as well as economic hardship.

I think all of us on both sides of the aisle care about families and care about family unification. We know how important it is that children have a mother and a dad at home, if it is possible. So here we have a policy where this gentleman who came here a long time ago, was working and supporting his family, made a mistake and left the country; now he finds out he can't come back for 10 years. We need to fix this problem.

So while we are helping our friends in the high-tech industry get workers and allow those workers to come into this country, to immigrate into this country, it seems to me that we ought to address this Latino fairness act.

As I said before, I was a little dubious when I heard of these shortages in the high-tech companies I represent. So I was very pleased when there was a study because the study showed that in fact they were telling us the absolute truth; they are short a lot of people.

In January 2000, unemployment hit its lowest level in 30 years. What a great economic story we have to tell. It is important to all of our sectors that are desperate for properly qualified employees.

We thought we would never see this day, even as recently as 1992, which seems like yesterday. That is when I won election to the Senate. The people in my State were suffering double-digit unemployment. We are very happy to stand here today and say that because of the Clinton-Gore policy that made it through, we have seen the greatest economic recovery in history, with the biggest surplus we have seen, having created 22 million new jobs.

So we have a problem, and our problem is an enviable one to the entire world. We really need to have more help in our high-tech industry.

That is why this bill that is pending before us is so important. That is why I support it so strongly.

We see that an independent study group found a shortage of 400,000 programmers, systems analysts, and computer scientists.

We know we have a real problem. We also know we are not doing enough in this country to educate our kids.

That is why I am so excited at the idea of a huge commitment to education, the kind Vice President GORE talked about—he said the biggest since the GI bill. That is what we need so we don't have to import these workers.

The number of bachelor's degrees awarded in computer science has declined 43 percent between 1986 and 1996. The number of bachelor's degrees awarded in engineering declined 19 percent between 1986 and 1996.

We are not turning out the graduates for the computer science and engineering skills that we need.

We need to really move on this matter; it breaks my heart to say these high-paying jobs are not going to American workers.

Some of the good things in this H–1B visa bill deal with retraining. A lot of the funds will come from the fees the companies will pay. They have to pay a fee when they bring a worker in to do important things—workforce training; math and science engineering; technology; postsecondary scholarships for low-income and disadvantaged students; to the National Science Foundation for matching or direct grants to support private company partnerships; to assist schools in initiating, improving, or expanding math and science; and information technology curricula through a variety of methods. We have some funds to help our Department of Labor enforce and process these workers, and for the Immigration and Naturalization Service.

I compliment the committee for its work. I particularly thank Senator KENNEDY who did a very good job of working with the high-tech community. They are very supportive of seeing that these fees go to this education and job training. It is so important. It isn't enough. We need a bigger commitment to education. That is clear.

When I talk about education, I always quote a wonderful man who was the President in the 1950s, Dwight David Eisenhower. Ike said in those years that in order for us to be strong, it took more than just a strong military. He said you could have more guns than any other country. You could

have more missiles, more ships, and more people in uniform. But if you didn't have an educated workforce, if education wasn't front and center, it would mean nothing; we would be weak.

He was the first President in modern times to say there is a role for the Federal Government in education. He signed the National Defense Education Act in order to stimulate teachers to go into math and science, and so on.

If he were here today, I think he would be saying to us: You didn't do enough in education. You have done great on the military; we are the most powerful Nation in the world, but we had better make sure our people can run these very complicated military machines, let alone anything to do with the civilian sector.

My view is that we have a great opportunity with this bill. It is important that we give the high-tech community the workers they need so they will stay in this country, and so they will continue to fuel this economic growth.

It is also important that at the same time we are allowing so many thousands of farm workers into the country to help us—and we are very happy and willing to do that—that we look at our immigration policy toward people who have been here for many years—the Latino community—and pass the Latino fairness act.

I think if we did both of those things we would feel very good about the Senate because it would be fairness all the way around.

I appreciate having this opportunity to speak on this today. I know from the Silicon Valley and other areas of my State—Los Angeles, San Diego, and even now in the Central Valley where there is more and more growth in the high-tech computer industries—that we need this visa bill.

I also can tell you from my Latino community that they expect to be treated fairly. They are not asking for the world. They want their families to be reunited. They want fairness and equity for all Central Americans.

Again, if there was persecution in one country and we opened our arms to those good people, we should open our arms to the others from the other countries who have been left out.

Again, El Salvador, Guatemala, Honduras, and Haiti have been struggling. They need our help.

I think this is an opportunity to help our business community and to help our immigrants who are really making our country so strong and, in my opinion, doing the work that needs to be done every day. We couldn't find harder workers than they. They ought to be treated with dignity and respect.

While we are at it, we ought to raise the minimum wage. I hope we can take that up in the near future. I don't know if you can calculate what you would make if you earned a minimum wage. It is hard to survive. It is practically impossible to survive.

I hope we can do these things for our workers, for our businesses, for our immigrants, and move this country forward so the American dream is there for all of our people.

Thank you very much. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, I ask unanimous consent that the Senator from Wisconsin and I be allowed to proceed as if in morning business for a period of not to exceed 25 minutes.

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

Ms. COLLINS. Thank you, Mr. President.

(The remarks of Ms. COLLINS and Mr. FEINGOLD are located in today's RECORD under ''Morning Business.'')

Mr. FEINGOLD. Mr. President, I yield the floor and 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. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DURBIN. Mr. President, the Senate has been considering an important measure to increase the number of visas available for high-technology workers from other countries to come to the United States. I urge my colleagues to lend their support to that measure but also to an equally important measure, not only for providing a workforce in America but for keeping true to our fundamental sense of American fairness. The bill to which I refer is the Latino and Immigrant Fairness Act. I am honored to be a cosponsor of one of the three major elements of that act.

The United States is known throughout the world for the splendid vision that guides the actions we take as a nation. America is first and foremost a country that cherishes equality, a land where all people are equal under the eyes of the law, a land of liberty and justice for all.

This vision of America is a constant challenge to those of us in the Senate who are privileged to be working for the American people, working to make it concrete and real in everyday life. It is a hard task, indeed, to ensure equality of opportunity for all people, harder still to provide equal justice. Perhaps most difficult of all is the challenge of ensuring that equality of opportunity, of liberty, and of justice are available to the poorest, the most underrepresented, the most disenfranchised segments of American society.

There is an area of public policy where our efforts at achieving this American ideal have not always been successful, an area where counterproductive laws and cumbersome bureaucracies have dealt a series of unfair blows against people least able to defend themselves, an area where inequality in the eyes of the law is too often the rule rather than the exception. I am speaking of the plight of our immigrant population.

Let me confess at the outset that I come to this subject with some prejudice. My mother was an immigrant to this country. In my office in the Senate above my desk is my mother's naturalization certificate. I keep it there as a reminder that the son of an immigrant to this country can one day be a U.S. Senator, representing a State as great as the State of Illinois.

My story isn't unique. There are stories such as mine all over America—of people who came here as immigrants, their sons and daughters, looking for the American dream and finding it. Given that opportunity to participate in this great society, to work hard, to try to achieve their very best, they did. Because of that, we are a great nation.

The current state of affairs is shocking when it comes to the arbitrary treatment of immigrants coming to our country. Almost at random, Federal authorities deem some immigrants to be legally here while others in identical situations are denied any legal protection.

In a nation that treasures and respects ''family values'', immigrant families are being torn apart under the capricious application of our current laws. Husbands must leave their wives, parents are separated from their children, brothers and sisters told they may never be able to see one another again, all in the name of an immigration policy that treats Nicaraguans differently from Salvadorans, children differently from adolescents, and skilled carpenters differently from skilled computer technicians.

The simple, inescapable fact is that our current immigration laws are unfair. They create a highly unworkable patchwork approach to the status of immigrants, one that assaults our sense of fair play. Immigrants from Nicaragua and Cuba who have lived here since 1995 can obtain green card status in the U.S. through a sensible, straightforward process. Guatemalans, Salvadorans and East Europeans are covered by a different, more stringent and more cumbersome set of procedures. A select group of Haitian immigrants are classified under another restrictive status. Hondurans by yet another.

Here are some examples:

As if this helter-skelter approach isn't bad enough, existing policies also treat family members of immigrants—spouses and children—differently depending on where they live, and under which provision of which law they are covered. Consider the case of young Gheycell, who came to the U.S. when she was 12 years old with her father and sister. The family was fleeing from war-torn Guatemala; fleeing the carnage, brutality and utter chaos that ravaged their poor country. They applied for asylum here in the United States, and received work permits as their case was decided. Nine years

later, the case is still pending. Gheycell's father and sister have been told they will get their green cards, but Gheycell, now 21 years old, is no longer a minor child, and has thereby lost her legal status. Although she has grown up in the United States, although she has become an active and integrated member of her community, although she has attended college here and wants to further pursue her education and her career and, most of all, although she desperately wants to stay together with her family, the vagaries of our current system have plunged this young lady into a status as an undocumented alien.

Or consider the plight of Maria Orellana, a war refugee from El Salvador, who fled the country when soldiers killed two members of her family. She has lived the past ten years in the United States. Recently, the INS ordered her deported even though she is eight months pregnant and even though her husband—himself an immigrant—has legal status here and expects to soon be sworn in as a U.S. citizen. When a newspaper reporter asked the INS to comment on Maria's case, the reply was: ''I don't know why Congress wrote it differently for people of different countries. We're not in a position to change a law given to us by Congress . . . we just enforce the law as written.''

Well, the law, in this case, was written badly, and needs to be fixed. That fix is before us today. It is the Latino and Immigrant Fairness Act. This bill addresses three areas of the most egregious inequities in immigration law, offering fixes that are not only meet the test of simple fairness, but also benefit our nation in important ways.

The first area that the Latino and Immigrant Fairness Act addresses is NACARA parity. Currently, the Nicaraguan Adjustment and Central American Relief Act—NACARA—creates different standards for immigrants depending on their country of origin. This patchwork approach relies on artificial distinctions and inevitably creates inequities among different populations of immigrants. The Latino and Immigrant Fairness Act would eliminate these inequities by providing a level playing field on which all immigrants with similar histories would be treated equally under the law. The Act extends to other immigrants—whether from the Americas or from Eastern Europe—the same opportunities that NACARA currently provides only to Nicaraguans and Cubans.

Secondly, a provision to restore Section 245(i) of the Immigration Act would restore a long-standing and sensible policy that was unfortunately allowed to lapse in 1997. Section 245(i) had allowed individuals that qualified for a green card to obtain their visa in the U.S. if they were already in the country. Without this common-sense provision, immigrants on the verge of getting a green card must return to their home country to obtain their visa. However, the very act of making such an onerous trip can put their status in jeopardy, since other provisions of immigration law prohibit re-entry to the U.S. under certain circumstances. Restoring the Section 245(i) mechanism to obtain visas here in the U.S. is a good policy that will help keep families together and keep willing workers in the U.S. labor force.

Third, and equally important, is changing the Date of Registry. Undocumented immigrants seeking permanent residency must demonstrate that they have lived continuously in the U.S. since the ''date of registry'' cut-off. The Latino and Immigrant Fairness Act would update the date of registry from 1972—almost 30 years of continuous residency—to 1986. Many immigrants have been victimized by confusing and inconsistent INS policies in the past fifteen years—policies that have been overturned in numerous court decisions, but that have nonetheless prevented many immigrants from being granted permanent residency. Updating the date of registry to 1986 would bring long overdue justice to the affected populations.

Correcting the inequities in current immigration policies is not only a matter of fundamental fairness, it is good, pragmatic public policy. The funds sent back by immigrants to their home countries are important sources of foreign exchange, and significant stabilizing factors in several national economies. The immigrant workforce is important to our national economy as well. Federal Reserve Chairman Alan Greenspan has frequently cited the threat to our economic well-being posed by an increasingly tight labor pool. Well, this act would allow workers already here to move more freely in the labor market, and provide not just high-tech labor, but a robust pool of workers able to contribute to all segments of the economy.

In short, the Latino and Immigrant Fairness Act is an important step for restoring a fundamental sense of fairness in our treatment of America's immigrant population. Even in the midst of the Senate's busy end-of-session schedule, this is a bill that should be passed into law. It is a matter of common sense, and of good public policy but most of all, it is a matter of simple fairness.

But—and this must be said—the Latino and Immigrant Fairness Act has had an extraordinarily difficult time seeing the light of day. My good colleagues, Senators KENNEDY and REID and I tried to bring this bill forward for consideration in July, before the Senate left for its August recess. We were unsuccessful. We are trying again now, in the limited time left for this Congressional session, and again, we have been unsuccessful. And I must ask, for the sake of preserving families, shouldn't this bill be voted on? For the sake of our national economy—beset as it is by a shortage of essential workers—shouldn't this bill be voted on? For the sake of the economies of those Latin American countries that receive considerable sums from immigrants to the U.S. who are able to legally live and work here, shouldn't this bill be voted on? For the sake of our national sense of fairness, of justice, of our very notion of right and wrong, shouldn't this bill be voted on?

The Latino Immigration and Fairness Act has unusually broad support. President Clinton and Vice President GORE both actively support the provisions in this bill. So does Jack Kemp. Empower America supports this bill as pro-family and pro-market. AFL–CIO supports it as pro-labor. Many faith-based organizations have lent their support as well, recognizing the simple fairness that is at the heart of this legislation. In light of this broad spectrum of bipartisan support for the Latino and Immigrant Fairness Act, it seems the only proper course of action is to bring this bill forward in the Senate for full consideration. Again, I have to close by asking this esteemed body: Shouldn't this bill be voted on?

Mr. President, I reserve the balance of my time.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I applaud what the distinguished Senator from Illinois has said. He, of course, has worked so long on both the H–1B visas issue and the immigration issues included in the Latino and Immigrant Fairness Act. I know of nobody who spends more time on these issues than he does. I am proud to be here with him, and I invite him to return to these issues as we proceed in this debate.

H–1B VISAS

Mr. LEAHY. Mr. President, I am pleased that we are finally turning our attention to this legislation and a debate over the best way to increase the number of H–1B visas, a policy goal that is shared widely in this body. The bill was reported from the Judiciary Committee more than six months ago. It has taken us a very long time to get from Point A to Point B, and it has often appeared that the majority has been more interested in gaining partisan advantage from a delay than in actually making this bill law.

The Democratic Leader has consistently said that we would be willing to accept very strict time limits on debating amendments, and would be willing to conduct the entire debate on S. 2045 in less than a day. Our Leader has also consistently said that it is critical that the Senate take up proposals to provide parity for refugees from right-wing regimes in Central America and to address an issue that has been ignored for far too long—how we should treat undocumented aliens who have lived here for decades, paying taxes and contributing to our economy. I joined in the call for action on H–1B and other critical immigration issues, but our efforts were rebuffed by the majority.

Indeed, months went by in which the majority made no attempt to negotiate these differences, time which many members of the majority instead spent trying to blame Democrats for the delay in their bringing this legislation to the floor. At many times, it seemed that the majority was more interested in casting blame upon Democrats than in actually passing legislation. Instead of working in good faith with the minority to bring this bill to the floor, the majority spent its time trying to convince leaders in the information technology industry that the Democratic Party is hostile to this bill and that only Republicans are interested in solving the legitimate employment shortages faced by many sectors of American industry. Considering that three-quarters of the Democrats on the Judiciary Committee voted for this bill, and that the bill has numerous Democratic cosponsors, including Senator LIEBERMAN, this partisan appeal was not only inappropriate but absurd on its face.

Finally, last week, the majority made a counteroffer that did not provide as many amendments as we would like, but which did allow amendments related to immigration generally. We responded enthusiastically to this proposal, but individual members of the majority objected, and there is still no agreement to allow immigration amendments. At least some members of the majority are apparently unwilling even to vote on issues that are critical to members of the Latino community. This is deeply unfortunate, and leaves those of us who are concerned about humanitarian immigration issues with an uncomfortable choice. We can either address the legitimate needs of the high-tech industry in the vacuum that the majority has imposed, or we can refuse to proceed on this bill until the majority affords us the opportunity to address other important immigration needs. I voted yesterday to proceed to S. 2045 because I believe it presents a good starting point for discussion, and because I believe we should make progress on immigration issues in this Congress. I still hope that an agreement can be reached with the majority that will allow votes on other important immigration matters as part of our consideration of this bill.

I believe there is a labor shortage in certain areas of our economy, and a short-term increase in H–1B visas is an appropriate response. Due to the stunning economic growth we have experienced in the past eight years, unemployment is lower than the best-case scenario envisioned by most economists. Increasing the number of available H–1B visas is particularly important for the high-tech industry, which has done so much to contribute to our strong economy. Although it is important that the high-tech industry ensure that it is making maximum possible use of American workers, it should also have access to highly-skilled workers from abroad, particularly workers who were educated at American universities. Under current law, however, which allowed for 115,000 visas for FY 2000, every visa was allotted by March, only halfway through the fiscal year.

So I support this bill's call for an increase in the number of visas. But I believe the legislation can be improved, and I look forward to the opportunity to make improvements through the amendment process. Most importantly, instead of including an open-ended provision exempting from the cap those foreign workers with graduate degrees from American universities, as S. 2045 does, I believe we should retain a concrete cap on the number of these visas. I believe we should increase the cap to 200,000, and then set aside a significant percentage of those visas for such workers. This should address employers' needs for highly-skilled workers, while also limiting the number of visas that go to foreign workers with less specialized skills.

I regret that we will likely be unable to offer other important amendments to this bill. For much of the summer, the majority implied that we were simply using the concerns of Latino voters as a smokescreen to avoid considering S. 2045. Speaking for myself, although I have had reservations about certain aspects of S. 2045, I voted to report it from the Judiciary Committee so that we could move forward in our discussions of the bill. I did not seek to offer immigration amendments on the Senate floor because I wanted to derail S. 2045. Nor did the White House urge Congress to consider other immigration issues as part of the H–1B debate because the President wanted to play politics with this issue, as the distinguished Chairman of the Judiciary Committee suggested on the floor last Friday. Rather, the majority's inaction on a range of immigration measures in this Congress forced those of us who were concerned about immigration issues to attempt to raise those issues. Under our current leadership, the opportunity to enact needed change in our immigration laws does not come around very often, to put it mildly.

It is a disturbing but increasingly undeniable fact that the interest of the business community has become a prerequisite for immigration bills to receive attention on the Senate floor. In fact, with only a few weeks remaining before we adjourn, this will be the first immigration bill to be debated on the floor in this Congress. Even humanitarian bills with bipartisan backing have been ignored in this Congress, both in the Judiciary Committee and on the floor of the Senate.

The bipartisan bills that have suffered from the majority's neglect include both modest bills designed to assist particular immigrant groups and larger bills designed to reform substantial portions of our immigration and asylum laws. Bills to assist Syrian Jews, Haitians, Nicaraguans, Liberians, Hondurans, Cubans, and Salvadorans all need attention. Bills to restore due process rights and limited public benefits to legal permanent residents have been ignored.

The Refugee Protection Act, a bipartisan bill with 10 sponsors that I introduced with Senator BROWNBACK, has not even received a hearing in the Judiciary Committee, despite my request as Ranking Member. The Refugee Protection Act addresses the issue of expedited removal, the process under which aliens arriving in the United States can be returned immediately to their native lands at the say-so of a low-level INS officer. Expedited removal was the subject of a major debate in this Chamber in 1996, and the Senate voted to use it only during immigration emergencies. This Senate-passed restriction was removed in what was probably the most partisan conference committee I have ever witnessed. The Refugee Protection Act is modeled closely on that 1996 amendment, and I hope that it again gains the support of a majority of my colleagues.

As a result of the adoption of expedited removal, we now have a system where we are removing people who arrive here either without proper documentation or with facially valid documentation that an INS officer suspects is invalid. This policy ignores the fact that people fleeing despotic regimes are quite often unable to obtain travel documents before they go—they must move quickly and cannot depend upon the government that is persecuting them to provide them with the proper paperwork for departure. In the limited time that expedited removal has been in operation, we already have numerous stories of valid asylum seekers who were kicked out of our country without the opportunity to convince an immigration judge that they faced persecution in their native lands. To provide just one example, a Kosovar Albanian was summarily removed from the U.S. after the civil war in Kosovo had already made the front pages of America's newspapers.

The majority has mishandled even those immigration bills that needed to be passed by a date certain to avoid significant humanitarian and diplomatic consequences. First, the Senate failed to pass a bill to make permanent the visa waiver program that allows Americans to travel to numerous other countries without a visa. The visa waiver pilot program expired on April 30, and the House passed legislation to make the program permanent in a timely manner, understanding the importance of not allowing this program—which our citizens and the citizens of many of our closest allies depend upon—to lapse. The Senate, however, simply ignored the deadline and has subsequently ignored numerous deadlines for administrative extensions of the program.

Second, the Senate has thus far refused to act on the bipartisan S. 2058, which would extend the deadline by one year for Nicaraguans, Cubans, and Haitians to apply for adjustment of

status under the Nicaraguan Adjustment and Central American Relief Act, NACARA, and the Haitian Refugee Immigration Fairness Act, HRIFA. The original deadline expired on March 31. But the Senate did not extend the deadline—an action that the Judiciary Committee unanimously approved—by March 31. And the Senate has not acted to extend the deadline in the intervening five and a half months. No one has expressed any opposition to S. 2058, which counts Senators MACK and HELMS among its sponsors; rather, the majority has simply allowed the bill to sit and fester, perhaps holding it hostage to the passage of S. 2045. As a result, we in the Congress have had to rely upon the Administration's assurances that it would not remove those who would be aided by the extension from the United States while this legislation was pending. As someone who has served for more than 25 years in the Senate, I find it profoundly disturbing that this body must rely on the Administration not to enforce the law because it has taken us so long to actually make good on our intention to change it. We should not need to rely on the good graces of the Administration—we should do our job and legislate.

I am well aware that immigration is just one of the many issues that Congress must address. Indeed, there may be some Congresses where immigration needs to be placed on the backburner so that we can address other issues. But this is not such a Congress. It was only four years ago that we passed two bills with far-reaching effects on immigration law—the Antiterrorism and Effective Death Penalty Act and the Illegal Immigration Reform and Immigrant Responsibility Act. There are still many aspects of those laws that merit our careful review and rethinking. Among many others, Senators KENNEDY, MOYNIHAN, and DURBIN have been actively involved in promoting necessary changes to those laws, in an attempt to rededicate the United States to its historic role as a leader in immigration policy. But their efforts too have been ignored by the majority.

When a bill such as S. 2045 comes to the floor, then, those of us who are concerned about immigration legislation would be abdicating our duty not to raise other potential immigration legislation. Most members of both parties want to see a significant increase in the number of H–1B visas. If there had been another avenue to obtain consideration of the rest of our immigration agenda, we would have taken it. But such an avenue was not offered.

I voted to proceed to consideration of this bill. I hold out hope that we can reach an agreement to discuss other critical immigration matters. If the majority truly wishes to display compassionate conservatism, and show concern for all Americans, such an agreement should be easy to reach.

LATINO AND IMMIGRANT FAIRNESS ACT

Mr. LEAHY. Mr. President, let me speak about the Latino and Immigrant Fairness Act and why we should consider this bill now.

I say this with no ulterior motive. Obviously, if anyone looks at the demographics of Vermont, they know I am not speaking about this because of a significant Hispanic population in the State of Vermont. I speak about it out of a sense of fairness. It is called the Latino and Immigrant Fairness Act. That is what it is.

I am a proud cosponsor of this legislation, not only as a Senator but as ranking member of the Judiciary Committee, because it addresses three very important issues to the Latino community.

We fought on our side of the aisle consistently to obtain debate and a vote on these proposals either as an amendment or as a freestanding bill.

Once again, I call on the leadership to give us either a vote as a freestanding bill or as an amendment because we ought to stand up in the Senate and say how we stand on this issue. If my colleagues on the other side believe in compassionate conservatism, they will allow a vote on this bill, which offers help to hardworking families who pay taxes and help keep our economy strong.

First off, this legislation ensures that we treat all people who fled tyranny in Central America equally, regardless of whether the tyrannical regime they fled was a left-wing or right-wing government.

I remember going into a refugee camp in Central America and talking to a woman who was there with her one remaining child. Her husband had been killed. Her other children had been killed.

I said: Do you ally yourself with the left or the right? She didn't know who was on the left or who was on the right in the forces that were fighting. She only knew that she and her husband had wanted to raise their family and to farm a little land. And yet the forces of the regime came in and killed the whole family with the exception of her and her one child.

People who have no political position get caught in terrible circumstances, in between forces to which they have no allegiance.

In 1997, Congress granted permanent residence status to Nicaraguans and Cubans who fled dictatorship and who met certain conditions. It may well have been the right step. But others were left behind.

It is past time to extend the benefits of the 1997 law to Guatemalans, Salvadorans, Hondurans, and Haitians. To benefit under this bill, an immigrant would have to have been in the United States since December of 1995 and would have to demonstrate good moral character.

In addition to the clear humanitarian justifications for treating an immigrant from Guatemala who fled terror in the same way we treat an immigrant from Nicaragua who fled terror, there is also a strong foreign policy justification for this bill. These immigrants send money back to their families. They help support fledgling economies in what remain fragile democracies. The United States has devoted significant effort to assisting democratic efforts in Latin America, and the hard work that Latin American immigrants perform in America helps to stablize the growth of democracy there.

Second, this amendment would reinstate section 245(i), which, for a $1,000 fee, allows immigrants on the verge of getting legal permanent residence status to achieve that status from within the United States, instead of being forced to leave their families and their jobs for lengthy periods to be able to complete the process. Section 245(i) was a part of American law until 1997, when Congress failed to renew the provision. There is bipartisan support for correcting this erroneous policy, and now is the time to do it. It is important to note that these are people who already have the right under our laws to obtain permanent residency—this provision simply streamlines that process while contributing a significant amount to the Treasury. Indeed, in the last fiscal year in which section 245(i) was law, it produced $200 million in revenue for the government. At a time when the Immigration and Naturalization Service is plagued by backlogs, that is funding that would be useful.

Third, of course, the amendment would allow people who have lived and worked here for 14 years or more, contributing to the American economy, to adjust their immigration status. That has been a part of the immigration law since the 1920s. It has been continually updated. It should be updated now for the first time in 14 years. This will adjust the status of thousands of people already working in the United States, helping both them and their employers to continue playing a role in our current economic boom. These are people who have built deep roots in the United States, who have families here and children who are American citizens, and who have in many cases done jobs that American citizens did not want. We should continue our historical practice and update the registry.

This legislation has the strong support of numerous groups representing Hispanic Americans, including the League of United Latin American Citizens, the National Council of La Raza, the Mexican American Legal Defense and Educational Fund, and the National Association of Latino Elected and Appointed Officials. It also has the support of conservative groups such as Americans for Tax Reform and Empower America. It has received union support from the AFL-CIO, the Union of Needletrades and Industrial Textile Employees, and the Service Employees International Union. Religious groups ranging from the U.S. Catholic Conference to the Anti-Defamation League

to Lutheran Immigration and Refugee Services have also endorsed the bill. Finally, business organizations including the National Restaurant Association and the American Health Care Association have also encouraged this bill's passage.

When we talk about H–1B visas, we are usually talking about giving immigration benefits to people who are going to have high-paying, high-tech jobs. Everybody wants to do that. We worked to get that out of the Judiciary Committee.

But I would say to those who are holding up the Latino and Immigrant Fairness Act, don't think only of people in high-tech, high-paying jobs. Think of the needs of ordinary workers.

It seems that the immigration concerns of everyday families have been ignored day after day in this Congress. I am talking about people who are not going to be in executive positions, and who cannot afford lawyers or anything else they want. I am talking about men and women who work for an hourly wage, who try to raise their families, who go to church, who want to see their children go to school, who want to live the American life, the American dream.

My grandparents came to this country. They did not speak a word of English. But they raised a family. They raised six children, including my mother. They started a small business. They had a grandson who ended up in the Senate. But they also had six children. They weren't wealthy. My grandfather came here not speaking a word of English, with his brother, and they started a stone shed. Then when they had enough money to afford to send back to Italy for their wives and their children, they did. It was the American dream. People still have that dream. We should help them, especially in this case.

There are also important due process issues that need to be fixed if America wants to retain its historic role as a beacon for refugees and a nation of immigrants. But in this Congress, even humanitarian bills with bipartisan backing have been completely ignored, both in the Judiciary Committee and on the Senate floor. The bipartisan bills that have suffered from the majority's neglect include both modest bills designed to assist particular immigrant groups and larger bills designed to reform substantial portions of our immigration and asylum laws. Bills to assist Syrian Jews, Haitians, Nicaraguans, Liberians, Hondurans, Cubans, and Salvadorans all need attention. Bills to restore due process rights and limited public benefits to legal permanent residents have been ignored.

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I am well aware that immigration is just one of the many issues that Congress must address. Indeed, there may be some Congresses where immigration needs to be placed on the backburner so that we can address other issues. But this is not such a Congress. It was only four years ago that we passed two bills with far-reaching effects on immigration law—the Antiterrorism and Effective Death Penalty Act and the Illegal Immigration Reform and Immigrant Responsibility Act. There are still many aspects of those laws that merit our careful review and rethinking. Among many others, Senators KENNEDY, MOYNIHAN, and DURBIN have been actively involved in promoting necessary changes to those laws, in an attempt to rededicate the United States to its historic role as a leader in immigration policy. But their efforts too have been ignored by the majority.

In the limited time we have remaining, I urge the majority to just bring up the Latino and Immigrant Fairness Act and have a vote on it. We know we could pass it if we could only be allowed to have a vote. Let's show the kind of fairness that America wants to show. Let us be the beckoning country that it was to my grandparents and my great-grandparents.

The PRESIDING OFFICER. The Senator from Wyoming.

MORNING BUSINESS

Mr. ENZI. I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 10 minutes each.

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

MEDICARE HOME HEALTH

Ms. COLLINS. Mr. President, it is absolutely critical that Congress take action this year to address some of the unintended consequences of the Balanced Budget Act of 1997, which has been exacerbated by a host of ill-conceived new regulatory requirements imposed by the Clinton administration.

The combination of regulatory overkill and budget cutbacks is jeopardizing access to critical home health services for millions of our Nation's most frail and vulnerable senior citizens.

Tonight, the Senator from Wisconsin and I are taking the opportunity to talk about this very important issue. The Senator from Wisconsin has been a real leader in helping to restore the cuts and to fight the onerous regulatory requirements imposed by the administration which have affected home health care services across the Nation.

I also want to recognize that there have been many other Senators who have been involved in this fight. I am going to put a list of the cosponsors to the legislation that I have introduced into the RECORD.

I ask unanimous consent a list of cosponsors, which exceeds 50 Senators, be printed in the RECORD, reflecting the contributions many of our colleagues have made to this fight.

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

COSPONSORS OF S. 2365

Spencer Abraham, Wayne Allard, John Ashcroft, Max Baucus, Robert F. Bennett, Jeff Bingaman, Christopher S. Bond, Barbara Boxer, Sam Brownback, Conrad R. Burns.

Lincoln D. Chafee, Max Cleland, Thad Cochran, Kent Conrad, Michael DeWine,

Christopher J. Dodd, John Edwards, Michael B. Enzi, Dianne Feinstein, Bill Frist.

Slade Gorton, Rod Grams, Judd Gregg, Chuck Hagel, Orrin G. Hatch, Jesse Helms, Ernest F. Hollings, Y. Tim Hutchinson, Kay Bailey Hutchison, James M. Inhofe.

James M. Jeffords, John F. Kerry, Frank R. Lautenberg, Patrick J. Leahy, Carl Levin, Joseph I. Lieberman, Blanche Lincoln, Richard G. Lugar, Barbara A. Mikulski, Frank H. Murkowski.

Patty Murray, Jack Reed, Pat Roberts, John D. Rockefeller IV, Rick Santorum, Charles E. Schumer, Bob Smith, Gordon Smith, Olympia J. Snowe, Arlen Specter.

Robert G. Torricelli, George V. Voinovich, John W. Warner, Paul D. Wellstone.

Ms. COLLINS. Mr. President, health care has come full circle. Patients are spending less time in the hospital. More and more procedures are being done on an outpatient basis, and recovery and care for patients with chronic diseases and conditions has increasingly been taking place in the home. Moreover, the number of older Americans who are chronically ill or disabled in some way continues to grow each year. Concerns about how to care for these individuals will only multiply as our population ages and is at greater risk of chronic disease and disability.

As a consequence, home health has become an increasingly important part of our health care system. The kinds of highly skilled—and often technically complex—services that our nation's home health agencies provide have enabled millions of our most frail and vulnerable older persons to avoid hospitals and nursing homes and stay just where they want to be—in the comfort and security of their own homes.

By the late 1990s, home health was the fastest growing component of Medicare spending. The program grew at an average annual rate of more than 25 percent from 1990 to 1997. The number of home health beneficiaries more than doubled, and Medicare home health spending soared from $2.5 billion in 1989 to $17.8 billion in 1997.

This rapid growth in home health spending understandably prompted the Congress and the Administration, as part of the Balanced Budget Act of 1997, to initiate changes that were intended to slow this growth in spending and make the program more cost-effective and efficient. These measures, however, have unfortunately produced cuts in home health spending far beyond what Congress intended. Home health spending dropped to $9.7 billion in FY 1999—just about half the 1997 amount. And on the horizon is an additional 15 percent cut that would put our already struggling home health agencies at risk and would seriously jeopardize access to critical home health services for millions of our nation's seniors.

Last year, I chaired a hearing of the Permanent Subcommittee on Investigations where we heard about the financial distress and cash-flow problems that home health agencies across the country are experiencing. Indeed, over 2,500 agencies, about one-quarter of all home health agencies nationwide, have either closed or stopped serving Medicare patients. Others have laid off staff or declined to accept new patients with more serious health problems. Moreover, the financial problems of home health agencies have been exacerbated by a number of burdensome new regulatory requirements imposed by the Health Care Financing Administration.

One witness, who is a CEO of a visiting nurse service in Saco, ME, termed HCFA's regulatory policy as that of being ''implement and suspend.'' No longer had the agency spent all this money and time and effort in complying with a new regulatory requirement, then the Federal Government decided: never mind; we really didn't mean it; we weren't ready to implement this.

We also heard numerous complaints about OASIS, a system of data collection containing data on the physical, mental, and functional status of patients receiving care from home health agencies. Not only has this been a very expensive and burdensome paperwork process, but the process of collecting information invades the personal privacy of many patients, which they understandably are concerned about.

I recently met with home health nurses in southern Maine and I heard complaints about the administrative burdens and paperwork requirements associated with OASIS and its effect on patient care. I also heard what the real impact of the budget cutbacks has meant for many of the people in the State of Maine.

I call attention to a chart that shows the impact that we are already experiencing in the State of Maine. As shown in the chart, nearly 7,500 Maine citizens have lost access to home health services altogether. What has happened to those 7,500 senior citizens? Believe me, I know from my discussions with dedicated nurses who were providing home health services to them, it is not that they have recovered; it is not that they have gotten well. Rather, the loss of home health services has forced many of them into nursing homes prematurely or has put them at risk of increased hospitalization.

Ironically, the Medicare trust fund pays far more for nursing home care or for hospitalization than it would continuing to provide home health care services to these individuals. The chart shows the financial burden in Maine in a year's time has suffered a 26-percent decrease in reimbursements for a 30-percent cut in visits. Again, it is our most vulnerable, frail, ill, elderly citizens who are bearing the brunt of these cutbacks.

I heard very sad stories about the impact. Consider the case of one elderly woman who suffered from advanced Alzheimer's disease, pneumonia, and hypertension, among other illnesses. She was bed bound, verbally nonresponsive, and had a number of other serious health issues, including infections and weight loss. This woman had been receiving home health services for 2 years. That allowed her to continue to stabilize through the care and the coordination of a compassionate and skilled home health nurse. Unfortunately, the agency received a denial notice, terminating home health care for this woman.

A true tragedy happened in this case. Less than 3 months later, after her home health care had been terminated, this woman died as a result of a wound on her foot that went untreated, a serious wound that undoubtedly her home health nurse would have recognized.

This is only one of the heart-wrenching stories that I heard during that visit. It is only one of the countless testimonials that I have heard from both patients and home health providers across the State.

It is now clear that the savings goals set forth for home health in the Balanced Budget Act of 1997 have not only been met but far surpassed. According to a recent study by the Congressional Budget Office, spending for home health care has fallen by more than 35 percent in the last year. In fact, CBO cites this larger than anticipated reduction in home health care spending as the reason why overall Medicare spending fell last year for the first time.

The CBO now projects that the post-Balanced Budget Act reductions in home health will be about $69 billion between fiscal years 1998 and 2002. This is over four times the $16 billion that Congress expected to save as a result of the 1997 act. It is a clear indication, particularly when combined with the regulatory overkill of this administration, that the Medicare home health cutbacks have been far deeper and far wider reaching than Congress ever intended.

I have introduced legislation which is cosponsored by the Senator from Wisconsin who, as I said, has been a leader in this area, with my colleague from Missouri, Senator BOND. In fact, both Senator BOND and Senator ASHCROFT, as well as many of my other colleagues, are cosponsors of legislation that eliminates the further 15-percent reduction in Medicare payments to home health agencies that is currently scheduled to go into effect on October 1 of next year. If we do not act to eliminate this 15-percent cut that is looming on the horizon, it will sound the death knell for thousands of home health agencies. And ultimately the people, the true victims, will be those senior citizens who will no longer receive the care they need. I know the Presiding Officer has also been very concerned about the impact in his State; all Members who have rural States know the importance of home health care.

As Congress prepares for action on Medicare, we should give top priority to providing much needed relief to our Nation's beleaguered home health agencies. The legislation I have introduced currently has 55 Senate cosponsors—32 Republicans and 23 Democrats.

It has the strong backing of patient and consumer groups, ranging from the American Diabetes Association, the National Council on Aging, Easter Seals, the American Nurses Association, and the National Family Caregivers Association, as well as the two major industry groups representing home health care agencies with whom we have worked very closely.

It is imperative we solve this problem before we adjourn this year. I appreciate the opportunity to address this issue.

The remainder of the time will be reserved for the Senator from Wisconsin, with whom it has been a real pleasure to work on this issue.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I am very pleased to join the Senator from Maine in talking about the importance of eliminating the automatic 15-percent reduction in Medicare payments to home health agencies. It is currently scheduled for October 1, 2001. I am very pleased to be working with her on this because she is a tremendous leader on this issue. It is a very good example of the kind of bipartisanship that is essential for this body to function well. I am most pleased to be working with the Senator on this because it is so obvious she has taken a great deal of time to listen to her constituents about this very important issue.

I have heard the same sad story in Wisconsin, and we hear a lot of very compelling human stories in this job. But I find this one impossible to ignore. I know the Senator from Maine feels the same way. The fact is, this system of home health care—at least in the State of the Senator from Maine and my State—was working. It is not as if it is something we are trying to create. It was working. Because of some poorly constructed policies, it is being harmed in a way that is truly harming older people in our country.

The story the Senator from Maine gave is a very compelling example of a broader series of tragedies that are occurring, I think, on an almost daily basis in my State of Wisconsin, and in many other States.

So, I thank her. I believe strongly that Congress must act to preserve access to home health care for seniors and others. That is why I have made the preservation of access to home health services one of my top priorities in the U.S. Senate.

For seniors who are homebound and have skilled nursing needs, having access to home health services through the Medicare Program is the difference between staying in their own home and moving into a nursing home.

The availability of home health services is integral to preserving independence, dignity, and hope for many beneficiaries. I feel strongly that where there is a choice, we should do our best to allow patients to choose home health care. I think seniors need and deserve that choice.

Mr. President, as you know, and as many of our colleagues know, the Balanced Budget Act of 1997 contained significant changes to the way that Medicare pays for home health services. Perhaps the most significant change was a switch from cost-based reimbursement to an interim payment system, or IPS.

IPS was intended as a cost-saving transitional payment system to tide us over until the development and implementation of a prospective payment system or PPS, for home health payments under Medicare. Unfortunately, the cuts went deeper than anyone—including CBO forecasters—anticipated, leaving many Medicare beneficiaries without access to the services they need.

These unintended consequences of the Balanced Budget Act of 1997 have been severe indeed. Instead of the $100 billion in 5-year savings that we targeted, present projections indicate that actual Medicare reductions have been in the area of $200 billion.

Home health care spending, which the Congressional Budget Office expected to rise by $2 billion in the last 2 years even after factoring in the Balanced Budget Act cuts, has instead fallen by nearly $8 billion, or 45 percent.

These painful cuts have forced more than 40 home health care agencies in 22 Wisconsin counties to close their doors, in just 2 years.

So, what do these changes mean for Medicare beneficiaries?

Frankly, in many parts of Wisconsin, these changes mean that beneficiaries in certain areas or with certain diagnoses simply do not have access to home health care.

I am concerned that a further 15-percent cut in home health care reimbursements will further jeopardize care and leave some of our frailest Medicare beneficiaries without the choice to receive care at home. Last year, I was proud to work with Senator COLLINS and others to delay the automatic 15-percent reduction in Medicare home health payments for one year. However, I believe this reduction must be eliminated in order to preserve access to home health care.

I think seniors need and deserve the choice to stay in their homes, and I hope my colleagues will follow the leadership of Senator COLLINS and others by supporting the elimination of the 15-percent cut.

Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes.

Mr. FEINGOLD. Mr. President, I believe that will be sufficient. I will just proceed, if I may.

JUDICIAL HONORARIA

Mr. FEINGOLD. Mr. President, I come to the floor today to express my deep concern about a provision that is tucked into the Commerce, State, Justice appropriations bill. It came to light in a front page story last Thursday in the Washington Post. We have become accustomed in this body to hearing about outrageous special interest provisions finding their way into must-pass appropriations bills, but this one is really special. Section 305 of the bill that was reported by the Appropriations Committee exempts Federal judges from the ban on receiving cash honoraria contained in the Ethics in Government Act.

If this provision becomes law, Federal judges will once again be able to accept cash compensation for speeches. There will be no limit on this additional compensation because the bill also provides that honoraria will not be considered outside income, which is subject under current law to a cap equal to 15 percent of the salary of a Level II executive employee, or about $22,000. With this change, Federal judges will be able to supplement their Federal salaries of over $140,000 per year with tens of thousands of dollars from speaking engagements.

The Federal judiciary as a whole is widely respected, and deservedly so. But it has been a bad few months for the reputation of the judiciary. Even before this effort to lift the honoraria ban, there has been increasing attention to the practice of Federal judges traveling to posh resorts and dude ranches to attend seminars and conferences. These junkets are ''all-expenses paid,'' and the bill is often footed by legal foundations and industry groups with litigation interests before the very judges who attend the seminars.

A recent report released by Community Rights Council found that at least 1,030 Federal judges took over 5,800 privately funded trips between 1992 and 1998. Some of these seminars are conducted at posh vacation resorts in locations such as Amelia Island, FL and Hilton Head, SC, and include ample time for expense-paid recreation. These kinds of education/vacation trips, which have been valued at over $7,000 in some cases, create an appearance that the judges who attend are profiting from their positions. More important, they create an appearance that is not consistent with the image of an impartial judiciary.

That is the same image that is threatened by this proposed repeal of the honoraria ban. Who in this body believes that the powerful interests that seek our good will through campaign contributions would not try to curry favor with judges with generous honoraria? Have we learned nothing over the past two decades? In 1989, the Congress took a big step forward by increasing the salaries of federal employees and prohibiting honoraria. Perhaps we need to revisit the issue of the salaries of federal judges in light of current economic circumstances. But one thing I am absolutely certain we should not

do is relax the ethical standards to which they are subject. The independence and impartiality of the judiciary are too important to our system of justice. This would truly be a case of cutting off our nose to spite our face.

Now let me say a few words about the process by which this significant change in the ethical guidelines that apply to judges has come close to becoming law. The provision was included in the bill reported by the Appropriations Committee on July 18. It was very quietly added to that bill. It takes up only a page and a half of 126 pages of legislative language. And the committee report, which usually can be counted on to explain the bill says the following about section 305:

* * * section 305 amends section 501 of 5 U.S.C. App.

That is it. No explanation, no rationale, no argument for why this change should be made, or why it is being done in an appropriations bill instead of in substantive legislation that might be the subject—which you might imagine we would like to have—of hearing and committee consideration.

At any rate, the Commerce State Justice appropriations bill still has not yet come to the floor and now it appears very likely it will never come to the floor. That means that those of us who oppose the lifting of the honoraria ban, not to mention other troubling provisions in that bill, will never have a chance to offer an amendment to delete it from the bill. We will never have a chance to ask our colleagues to vote on this provision. We will never know whether the United States Senate supports what the Appropriations Committee has done.

I think that is outrageous. We should be ashamed. This is a very important revision to the Ethics in Government Act. The Senate should be permitted to vote on it. But the Republican leadership will not let that happen. That means that the crucial decision will be made by the appropriators in their mock conference, and by the negotiators of a final omnibus spending bill.

It appears that lifting the honoraria ban for judges in some of our colleagues' minds is just a first step to allowing other public officials to supplement their salaries with payments from special interests. The majority leader was quoted as saying that we'll probably need to get rid of the ban for Members of Congress as well. I urge the people who are crafting these bills to think twice before starting down this slippery slope. Let's keep the honoraria ban in place for judges and ensure that our judiciary maintains its integrity and the respect of the American people.

STRATEGIC PETROLEUM RESERVE

Mr. MURKOWSKI. Mr. President, I rise today to call the attention of my colleagues to an urgent matter, and that is the reauthorization of the Strategic Petroleum Reserve. The legislation is sitting here today and awaits clearance. It is contained in the Energy Policy and Conservation Act, or EPCA.

We have a hold on the passage of EPCA, which contains the Strategic Petroleum Reserve reauthorization. Also in the EPCA package is the Northeast home heating oil reserve. I know this is of great interest to Members from the Northeast, who are concerned, legitimately, about the potential of higher prices for home heating oil this fall and this winter, particularly if we should have a very cold winter.

The White House, the Secretary of Energy, has pleaded with Congress to pass EPCA, including the Strategic Petroleum Reserve reauthorization. I am chairman of the Energy and Natural Resources Committee. We passed a companion measure out of this committee. Now EPCA waiting on the floor. An effort was made last night to clear it. The administration claims it is an emergency that they have the reauthorization. They are contemplating going into the SPR and taking oil out of it to try an address this crisis. The merits of that deserve additional consideration by this body.

I will just share this observation on the logic of such a move. SPR is a reserve, it holds about a 50-day supply of oil, which is to be used in the case of emergency disruption of our foreign oil. Currently our dependence on foreign oil amounts to about 58 percent of our consumption. However, because of the high prices and the inadequacy of our refining industry, we are facing a train wreck relative to energy prices, gasoline, diesel, and other petroleum products. If it seems I am being a little ambitious in citing the critical nature of this crisis, let me tell you that the Government of Great Britain and Prime Minister Tony Blair find it a real issue relative to the stability and continuity of that Government.

The responses we have seen in Germany, England, Poland, and other countries to the increasing price of energy and what it means to the consumer is not only of growing concern, but it has reached a crisis mentality. During this country's last energy crisis, we had our citizens outraged. It was in 1973 when the oil embargo associated with the production from OPEC—it was called the Arab oil embargo—hit this country. We had gas lines around the block. People were mad, outraged, indignant. At that time, we were only 37-percent dependent on imported oil. Today, we are 58 percent. The Department of Energy contemplates we might be as high as 63 or 64 percent in the not too distant future.

The oil price yesterday was the highest in 10 years, more than $37 a barrel. There are those who predict it is going to go to $40 a barrel. Here we have the reauthorization of the Strategic Petroleum Reserve, at the request of the administration, being held up by a Member on the other side of the aisle. There may be other reasons the Senator has seen fit to put a hold on this legislation.

I certainly would be happy to debate one of the issues that concerns activity in my State. It is the measure that allows power plants smaller than 5-megawatts to be licensed through a state procedure in Alaska. It would allow our Native people in rural areas to have clean, renewable energy rather than the high-cost diesel power they now burn.

I want to tell my colleagues, the Native people in Alaska really need this exemption. This is utilizing the renewable resource; namely, rainwater, snowfall. The inability of these small projects to support the cost of a Federal energy regulatory relicensing procedure—which is appropriate for large-scale projects—makes it absolutely beyond the capability of these small villages to utilize renewable resources associated with a 5 megawatt powerplant generated by water power.

I do not know whether there is an objection on the royalty-in-kind provision. No other Senator has indicated an objection, nor has the administration. It is hard to understand an objection when the provision simply says that the Secretary of the Interior may accept gas and oil in lieu of cash payments. The Department of the Interior has that power now and is using it in pilot projects.

The provision allows the Secretary more administrative flexibility to actually increase revenues from the Government's oil and gas royalty-in-kind program. Under current law, the Government has the option of taking its royalty share either as a portion of production—usually one-eighth or one-sixth—or its equivalent in cash.

Recent experiences with the MMS's royalty-in-kind pilot program has shown that the Government can increase the value of its royalty oil and gas by consolidation and bulk sales. Under royalty-in-kind, the Government controls and markets its oil without relying on its lessees to act as its agent. This eliminates a number of issues that have resulted in litigation in recent years and allows the Government to focus more directly on adding value to its oil and gas.

I would hope my appeal results in the administration, the Secretary of Energy, and others who believe very strongly that EPCA should be passed, including the reauthorization of the Strategic Petroleum Reserve. This action is especially timely, when indeed this country faces a crisis in the area of oil. I think the merits of the President having this authority at a time when we contemplated an emergency suggests the immediacy of the fact that this matter be resolved and addressed satisfactorily. We should adhere to the plea of the President to reauthorize SPR. I want the Record to note it is certainly not this side of the aisle that is holding this matter up. I would suggest it be directed by the appropriate parties to get clearance so we can pass EPCA out of this body.

FEDERAL SUPPORT FOR THE 2002 WINTER OLYMPIC GAMES

Mr. HATCH. Mr. President, I could not believe my ears yesterday afternoon when I heard the Senator from Arizona take out after my home State and my home city.

On behalf of the people of Utah and America, I express our outrage over the notion that supporting our country's Olympic Games could be termed either ''parochial'' or ''pork barrel.'' Nothing could be further from the truth.

I frankly do not agree with every provision the committee recommends either. But, I do not question the motives or sincerity of my colleagues who put it there.

Yesterday, the Senator from Arizona specifically questioned the level of federal support for the 2002 Winter Olympic Games in Salt Lake City. It is, of course, his right to oppose such assistance. But, before he walks further down the plank, I would like to provide a few facts. Perhaps the Senator will reevaluate his position.

First, the report just issued by the General Accounting Office, ''Olympic Games: Federal Government Provides Significant Funding and Support,'' is flawed in several respects. I am sorry that the Senator from Arizona has relied so heavily on this document to form his opinions about the Salt Lake Games.

Foremost among the problems with the GAO report is the fact that it errs in categorizing a number of projects, specifically in the transportation area, as ''Olympic'' projects. In fact, these are improvements to transportation infrastructure that would have been requested regardless of whether Salt Lake had been awarded the Olympic bid.

I would be happy to show the Senator from Arizona the details of the I–15 improvements and why they were necessary to repair road and bridge deterioration, implement safety designs, and relieve congestion. None of this has anything to do with the Olympic Games. Local planning for this project was actually begun in 1982, 13 years before Salt Lake City was awarded the Games.

GAO itself implies that the inclusion of these projects as Olympic projects is misleading. The report states on page 8: ''According to federal officials, the majority of the funds would have been provided to host cities and states for infrastructure projects, such as highways and transit systems, regardless of the Olympic Games.''

The major effect of the 2002 Olympic Games on this project is the timetable for completion. Quite obviously, we cannot have jersey walls marking off construction zones and one-lane passages during the Games.

Moreover, while Utah has sought and received some federal assistance for the project, the I–15 reconstruction project has been funded substantially by Utah's Centennial Highway Fund, which was established in 1997 and funded by an increase in the state's gasoline tax. This fact seems to disappear from the radar screen during these debates.

The GAO report also ascribes the TRAX North-South light rail system to the Olympic expense column. This, too, is not the case. The full funding agreement for the North-South light rail project was granted by the U.S. Department of Transportation in August 1995, less than two months after Salt Lake was awarded the Games. Clearly light rail was not initiated because of the Games.

While the light rail system will certainly benefit Olympic spectators during the Games, that is not why Salt Lake City and communities south of the city built it.

Salt Lake is growing by leaps and bounds. More and more people commute into the city—not unlike the Washington metropolitan area. It is a city that is striving to reduce air pollution by encouraging the use of public transportation. That is why they built light rail.

I would like to point out to my colleagues that the General Accounting Office did another report entitled, ''Surface Infrastructure: Costs, Financing and Schedules for Large-Dollar Transportation Projects.'' In this 1998 report, the GAO evaluated Utah's major transportation projects for the House Transportation Appropriations Subcommittee. This report concluded that both the I–15 and light rail projects were being efficiently run and were well within budget. Many of the contracts were being awarded at costs lower than expected. Yet, this fact was not included in the debate yesterday.

The Department of Transportation Inspector General issued a report in November 1998 concluding that the I–15 reconstruction project was on schedule and that the cost estimates were reasonable. It also praised Utah's use of the ''design-build'' method of contracting on this project. This fact was similarly omitted from the discussion yesterday.

Contrary to the impression left by the Senator from Arizona, the Salt Lake Olympic Committee, SLOC, has never sought to ''sneak'' anything into an appropriations bill. Mitt Romney and his staff have been open about every dime being requested.

Those transportation projects which are necessary to put on the Olympic Games in 2002 were delineated in a transportation plan submitted to and approved by the U.S. Department of Transportation. The funds being requested were detailed in that plan.

The Senator from Arizona yesterday implied that these so-called ''pork barrel'' appropriations for the 2002 Winter Games were an outgrowth of the Olympic bribery scandal which has embarrassed my home state. His comments were most unfortunate for many reasons—not the least of which is his suggestion that these appropriations requests are in any way improper is just wrong.

SLOC made its budget publicly available to the press. It has briefed officials at federal agencies and at the White House. SLOC has regularly visited with members of Congress including members of the House and Senate Appropriations Committees. Right from the outset, SLOC outlined their plans and budgets and has provided periodic updates. These updates have showed lower requirements for federal assistance. But, again, this fact was not mentioned in the GAO report or by the Senator from Arizona.

A second criticism of the GAO report is its comparison of federal support for the Los Angeles Summer Games in 1984 to federal assistance for the Salt Lake Games in 2002. Simply put, this is an apples to oranges comparison.

First, the Salt Lake Olympic Committee has fully integrated planning for the Paralympic Games with the Olympic Games. The Paralympics did not even exist in 1984. In 1996, Atlanta chose to have two separate organizing entities.

Second, the Senator from Arizona may not have noticed, but there have been an estimated 7,282 reported terrorist attacks since 1984. Let me refresh my colleagues' memories. These attacks have included: Pam Am Flight 103 in 1988; the World Trade Center in 1993; the Oklahoma City Federal Building in 1995; the Tokyo subway in 1995; Khobar Towers in 1997; and U.S. Embassies in Kenya and Tanzania in 1998.

Not all of them have been on the front pages of major newspapers, but this startling number demonstrates the need for enhanced security at an international event like the Olympic Games. The same level of security provided for the Los Angeles Games would most likely be inadequate for the Salt Lake Games. It is essential that we provide security based on the situation in the year 2002.

Security and counterterrorism are legitimate federal duties. I am glad the Secret Service is getting $14.8 million for communications infrastructure. I want our law enforcement personnel to have the best equipment available, not just for the Salt Lake City Olympics, but at all times.

I do not believe that the Secret Service, FBI, and other security agencies are buying disposable products. This equipment will be well used to keep Americans safe in cities all across America.

Third, and perhaps most importantly, by the GAO's own calculation, only $254 million is requested for planning and staging the Games, not the $1.3 billion figure cited yesterday. I would like to note that this is roughly 25 percent of the entire budget for the Salt Lake Games.

If that seems like a lot, let us review the point made by the Congressional Research Service in its 1997 report, ''Financing the Olympic Games Held in the United States, 1904–1960: A Brief Overview,'' and noted by the GAO. In

1960, Squaw Valley received an appropriation of $20 million to assist in staging the Winter Olympic Games—about 25 percent of the total budget for the Games.

Let me be clear that I am not advocating an automatic 25 percent federal subsidy for a host city. But, I wish to make the point that this level of assistance is not unprecedented and could be construed as quite modest when compared with governmental subsidies foreign cities receive from their national governments.

Before I conclude, Mr. President, I would like to make one final point.

The Senator from Arizona suggested yesterday that the USOC should not consider bids of cities that do not have the capacity to host the Games.

Well, Mr. President, that would eliminate every city in America from hosting an Olympic Games, summer or winter. No city—not even New York or Los Angeles—could put on a 21st century, multi-week, international event like this entirely on its own.

Think about this: Lake Placid, New York, has hosted the Winter Games twice, in 1932 and in 1980. But, in 1990, Lake Placid had a population of fewer than 2500 people. There is no way metropolitan Salt Lake City, with a million people, let alone Lake Placid could host these Games under the proposed McCain criteria.

Allow me to suggest, Mr. President, that America itself will host the 2002 Winter Olympic Games, just as it did in Atlanta, Los Angeles, Lake Placid, or Squaw Valley. An American bid city is selected by the United States Olympic Committee for its organizational ability and world class sporting venues. It becomes America's choice. If chosen by the IOC, the city does not host the Games on its own behalf, but for our whole country.

When a U.S. athlete mounts the podium in Salt Lake City two years from now, the music you hear will not be ''Come, Come Ye Saints.'' No, it will be ''The Star-Spangled Banner,'' our country's national anthem.

I agree with the GAO and with Senator MCCAIN on one thing. I agree that we ought to give some consideration to how, if the United States ever hosts another Olympic Games, we should support the host city. There is much to commend a better process for such support.

I would be very happy to join Senator MCCAIN in such a mission. But, I wish that, in the meantime, he would join us in support of America's host city for the XIX Winter Olympiad.

VICTIMS OF GUN VIOLENCE

Mr. DURBIN. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read the names of some of those who have lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is in session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

September 20, 1999:

Donetta L. Adams, 26, Bloomington, IN; Barbara F. Allen, 65, Bloomington, IN; Eugene S. Bassett, Jr., 35, Davenport, IA; Antonio Butler, 19, Miami, FL; William Cook, 38, Detroit, MI; Rosa Gomez, 41, Miami, FL; Travis L. Harris, 27, Chicago, IL; James Hoard, 31, Bloomington, IN; Katherine Kruppa, 39, Houston, TX; Teal Lane, 19, Baltimore, MD; Mark Pitts, 22, Detroit, MI.

One of the victims of gun violence I mentioned was 65-year-old Barbara Allen of Bloomington, Indiana. Barbara's boyfriend shot and killed both her and her pregnant daughter, 26-year-old Donetta Adams, before turning the gun on himself.

Another victim of gun violence, 41-year-old Rosa Gomez of Miami, was shot and killed by her ex-boyfriend after having been harassed and threatened by him on several occasions.

We cannot sit back and allow such senseless gun violence to continue. The deaths of these people are a reminder to all of us that we need to enact sensible gun legislation now.

PERMANENT NORMAL TRADING RELATIONS FOR CHINA

Mr. ABRAHAM. Mr. President, I rise today to discuss the vote I cast yesterday in support of H.R. 4444, the bill extending permanent normal trading relations to the Peoples' Republic of China.

While the vote we cast yesterday was to grant China PNTR, it cannot be viewed separate from the question of China's accession to the WTO. In our negotiations with the Chinese over their entry in the WTO, we agreed to end the annual exercise of renewing NTR and to extend NTR to China permanently. In fact, if we do not grant China PNTR we will be the ones in violation of the WTO's rules when China is ultimately granted entry into the WTO. And, as a result, we will lose access to their markets and the beneficiaries of this will be our trade competitors in Europe, Asia, and South America. Most importantly, we have gained some very important trade concessions in our negotiations with the Chinese over their entry into the WTO, and we stand to gain even greater trade concessions from them once they join the WTO and become subject to its rules and dispute resolution procedures.

By extending PNTR and allowing China entry into the WTO, the U.S. can expect to increase exports to China by an estimated $13.9 billion within the first five years. And according to the U.S. Department of Agriculture, American farmers will account for $2.2 billion of that increase in exports to China. If our economy is to continue to grow and we are to continue to create more good-paying, skilled jobs so that unemployment remains low and Americans can take home more income, we must expand our economic opportunities. The best way to accomplish that is to find new markets for our products. And the most lucrative new market that exists is China.

As our colleague from Texas, Senator PHIL GRAMM, pointed out in a ''Dear Colleague'' letter he circulated earlier this week, things in China are changing significantly, if perhaps not as quickly or as comprehensively as we wish. Senator GRAMM quoted a report on China recently issued by the Federal Reserve Bank of Dallas, in which the observation is made: ''Beijing's billboards no longer spout ideology. They advertise consumer products like Internet service, cell phones, and credit cards.'' There can be little doubt that China is changing. The task left to us to decide is how best to effectuate positive change there.

My primary concern, in evaluating how to vote on PNTR and China's accession to the WTO has always been: ''What is in the best interests of Michigan's workers and businesses?''

China was Michigan's 15th largest export market in 1998. That rank has almost certainly risen since then. Michigan's exports to China grew by 25 percent during the 5 years between 1993 and 1998, increasing from $211 million to $264 million. Businesses in the Detroit area accounted for $180 million of those exports in 1998, an 11 percent increase over its 1993 figure. Other areas of Michigan are seeing truly phenomenal growth in trade with China. Exports to China from businesses located in the Flint and Lansing areas grew by more than 84 percent from 1993 to 1998. And exports from Kalamazoo and Battle Creek businesses to China grew by an astounding 353 percent during that same period, according to the U.S. International Trade Administration.

The growth in China trade outside of Detroit is due to the surprisingly high number of small and medium-sized businesses in Michigan that are exporting to China. According to the Commerce Department, more than 60 percent of the Michigan firms exporting to China in 1997 were either small or medium-sized companies. Of the 149 small and medium-sized Michigan businesses exporting to Michigan in 1997, as substantial majority of these were small businesses with fewer than 100 employees. This trend extends beyond Michigan as well. Nationwide, not only did small and medium-sized businesses in 1997 comprise 35 percent of all U.S. merchandise exports to China—up from 28 percent in 1992—but this 35 percent share of the Chinese market was higher than the share small and medium-sized businesses had of overall U.S. merchandise exports that year—31 percent.

While Michigan's manufacturing sector certainly stands to benefit from passing PNTR and China's accession to the WTO, we must not overlook the tremendous benefits that Michigan farmers also stand to gain from these agreements. Agriculture is Michigan's second largest industry, and exporting is a vital component of the state's agricultural business. Michigan agricultural exports totaled almost $1 billion in 1998, but that figure was down almost $100 million from two years earlier. With increased competition in agriculture at home and abroad from the European Community and major S. American exporters such as Chile, opening up a massive new market such as China would be of tremendous benefit to a state like Michigan that relies so heavily on agriculture production and export.

The agreement the U.S. negotiated with China, which includes PNTR, contains significant trade concessions by the Chinese in four areas critical to Michigan agriculture. Michigan exported $240 million worth of soybeans and soybean products in 1998, and China is the world's largest growth market for soybeans. China has agreed to lower tariff rates on soybeans to 3 percent with no quota limits. Michigan is also a large feed grains producer, exporting $163 million worth of feed grains and products in 1998. China has agreed to lower their quota to a nominal 1 percent within an agreed upon import quota schedule. However, that quota grows at a tremendous rate, starting at 4.5 million metric tons and growing to 7.5 million metric tons by 2004. By comparison, China imported less than 250,000 metric tons of corn from all countries in 1998. The circumstances are much the same for two other very important Michigan agriculture products—vegetables and fruit. On vegetables, China's tariff rates are scheduled to drop anywhere from 20 to 60 percent by 2004. With respect to fresh and processed deciduous fruit, China has committed to tariff reductions of up to 75 percent. To a state like Michigan, which is known for its cherries, apples, pears, and peaches, this is a significant breakthrough for our fruit growers.

Of course, Mr. President, this is not the end of the story. While many of these tariffs will be substantially reduced and quotas are lifted or expanded considerably, tariffs and quotas will still remain on many U.S. goods—as they in fact will continue to exist on certain goods coming from China into the United States. But once China is a member of the WTO, the U.S. will continue to push to have Chinese trade barriers reduced even further and eliminated altogether.

A critical element of this debate that too often gets overlooked is the degree to which our membership in the WTO helps us eliminate unfair trading practices amongst our trading partners. The WTO provides a forum to which we can take trade disputes with our trading partners involving unfair trading practices by them. One of the primary functions of the WTO is to provide procedures to settle trade disputes promptly, eliminating a significant deficiency of the previous GATT system in which the process often dragged out indefinitely. The WTO procedures are inherently more fair and more predictable—and that is to our benefit as the world's largest economy and as the world's foremost promoter of free and fair trade.

The United States has filed more complaints to the WTO against other countries—49 of them as of April of this year—than any other WTO member country. The U.S. has also prevailed in 23 of the 25 complaints acted upon up to that time—clear evidence that the WTO is of tremendous assistance to us in getting other countries to stop their unfair trading practices. This is also why we can be confident that once China becomes a member of the WTO that we will be able to further reduce the remaining trade impediments they have against our goods and that we will be able to ensure that they live up to the commitments they have already made to us in exchange for PNTR and our support for them joining the WTO.

While I have supported annual renewal of NTR each year I have been in the Senate, I have also been a severe critic of many of China's policies and actions and their human rights record. In 1997, I introduced the China Policy Act, in which I attempted to outline a new paradigm for dealing with the Chinese. Specifically, I felt it was unwise for us to use trade continually as our weapon of first resort each time an issue arose between our two countries, whether it be nuclear non-proliferation and missile sales to rogue nations, religious persecution, repression in Tibet, forced abortion, or threatening gestures towards Taiwan.

I feel it unfair to American companies and farmers doing business in China to make them constantly bear the brunt of our efforts to get the Chinese to modify their behavior. I am also concerned about pursuing such a strategy when it would likely result in U.S. companies and farmers losing market share and market access in China to our trade competitors in Europe, Asia, and South America. The China Policy Act legislation I introduced in 1997 essentially said, ''Let us reserve using trade as a weapon only for those occasions when our dispute with China is trade related.''

My China Policy Act took a very tough stand on what I believe was unacceptable behavior by the Chinese in the area of missile sales and nuclear proliferation. In response to China's sale of 60 cruise missiles to Iran, which I viewed as a direct violation of the Iran-Iraq Non-Proliferation Act of 1972, my legislation required the President to impose the sanctions provided for by the 1972 act against China. In addition, because I believed the Chinese sale was so dangerous, my legislation suspended the President's ability to waive those sanctions.

I have also taken other steps to thwart China's ability to export dangerous armaments and weapons of mass destruction. I voted for the Cochran amendment to the FY '98 DoD Authorization bill to control the export to China of supercomputers that could be utilized by them in their development of missiles and in exploiting nuclear technology. I also supported the Hutchinson amendment to the FY '99 DoD Authorization bill to study the development of U.S. Theater Missile Defense systems against potential Chinese ballistic missiles.

Based on this track record and of my continuing concerns for China's actions in this area, I felt compelled to support the Thompson amendment because I believed it was the wisest approach to dealing with this very real threat to our national security. To those who argued that the Thompson amendment would undermine the very principles upon which PNTR was based, I would counter that Senator THOMPSON made a number of significant modifications to his legislation to address these very concerns.

The Senator from Tennessee went to great lengths to ensure that American agriculture would be spared the brunt of any trade actions taken against China. This ensures that our farmers are not unfortunate victims of attempts by U.S. policymakers to punish the Chinese for their behavior in non-trade areas. Senator THOMPSON also gave the President greater flexibility to respond to crises by making sanctions against supplier countries under the act discretionary rather than mandatory. And the evidentiary standard in the legislation for imposing mandatory sanctions on companies identified as proliferators has been raised to give the President discretion in determining whether a company has truly engaged in proliferation activities.

So I believe the most problematic areas of Senator THOMPSON's original legislation have been addressed responsibly and that made it worthy of support. While I remain a staunch supporter of PNTR for China and supporting China's accession into the WTO, I simply cannot ignore China's past practices in the area of missile sales to rogue nations and it's role in nuclear proliferation. The U.S. must maintain the ability to confront such aggressive arms practices abroad as a means of protecting its own national security.

In conclusion, I am keenly aware of the deeply divided feelings Americans have over the questions of PNTR and China's accession to the WTO. There are few, if any, states in which feelings are more polarized on this subject than in Michigan. I respect the fact that sincere people can and will draw a conclusion different from mine. To those who came to a different conclusion, I say that we here in Congress have promised to pay close attention to the reports

issued by the Congressional-Executive Commission on Human and Labor Rights created in this legislation. If China's behavior does not improve and if they do not abide by the agreements they have signed, I am sure that Congress will respond accordingly. I certainly intend to.

As many of my colleagues may know, both my wife and I grew up in union households. Her father was a member of the United Auto Workers. And my father was a UAW member as well. That is not an uncommon situation in a state like Michigan, as you can well imagine, where a significant percentage of the population is employed either by one of the automakers or one of the various supplier companies. But like most Michiganders who grew up in a union household or are currently living in one I know what it's like to see a father or mother come home celebrating a raise or some benefits they had secured in a recently ratified contract. And I also know the pain and stress that goes with layoffs or plant closings, things my state has had all too much experience with in the not too distant past.

Many current union workers and their families have come up to me in the past year and said they were scared about what will happen if we pass PNTR and allow China into the WTO. They fear that the Chinese will not live up to the commitments they have made with respect to eliminating trade barriers or that American companies might choose to move their operations overseas leaving workers here unemployed and without any available jobs or careers into which to move. Those are very real fears. And I take those concerns very seriously and to heart.

China will open its markets in the very near future. The question is: Will U.S. firms be among those competing for these new markets, competing for a portion of the one billion new consumers that are going to be available in China? Or are we going to cede those new opportunities to our competitors in Europe, Asia, and South America? Likewise, the question is not whether U.S. companies will eventually do business in China. The question is whether it will be on our terms or on China's. Will companies be forced to move over to China in order to avoid high tariffs, quotas on U.S. produced goods, or other restrictions which make it difficult for them to do business there? Or will we attempt to eliminate such barriers to market access now through negotiation, so that U.S. companies can continue to operate here in the States, employing U.S. workers and paying U.S. Taxes, and still export goods and services to China in a competitive environment with our trading competitors?

I think when most workers consider the options we face, they will agree that the best course for our nation is to join with the other nations of the world in accepting China into the WTO and attempting to work with the procedures available there to open their markets further and ensure they live up to the commitments they have already made.

That is the conclusion to which this Senator has come. That is why I voted for permanent normal trade relations for the Peoples' Republic of China. That is why I support China's accession to the WTO.

ARMED FORCES CONCURRENT RETIREMENT AND DISABILITY PROVISION

Mr. REID. Mr. President, as the defense authorization conference is meeting, I rise today to urge my colleagues to stand behind the Senate version of the bill with respect to Section 666 of H.R. 4205. This provision permits retired members of the Armed Forces who have a service connected disability to receive military retired pay concurrently with veterans' disability compensation.

Veterans from Nevada and all over the country care about this legislation.

Career military retired veterans are the only group of federal retirees who are required to waive their retirement pay in order to receive VA disability. Simply put, the law discriminates against career military men and women. All other federal employees receive both their civil service retirement and VA disability with no offset.

This inequity is absurd. How do we explain this inequity to these men and women who scarified their own safety to protect this great nation? How do we explain this inequity to Edward Lynk from Virginia who answered the call of duty to defend our nation? Mr. Lynk served for over 30 years in the Marine Corps and participated in three wars, where he was severely injured during combat in two of them.

Or George Blahun from Connecticut who entered the military in 1940 to serve his country because of the impending war. He served over 35 years during World War II, the Korean War and the Vietnam War. He is 100% disabled because of injuries incurred while performing military service. He asks that Congress stop giving veterans the ''arbitrary bureaucratic rhetorical nonsense'' and truly support this legislation. We must demonstrate to these veterans that we are thankful for their dedicated service. As such, we must fight for the amendment in the Senate version of the national defense authorization bill for FY 2001.

This is an absolute injustice to our career military retired veterans. Federal employees, for example a member of Congress or a staffer here on Capital Hill or an employee from the Department of Engery, are not penalized if they receive disability benefits. While career military men and women that have incurred injuries while in the line of duty are prohibited from doing so because of an archaic, out-dated 109-year-old law.

The amendment in the Senate bill represents an honest attempt to correct this inequity that has existed for far too long. Allowing disabled veterans to receive military retired pay and veterans disability compensation concurrently will restore fairness to the entire Federal retirement policy.

It is unfair for our veterans not to receive both of these payments concurrently. We must ensure that our veterans who are facing serious disabilities as a result of injuries sustained during their service do not have to choose between retirement pay and losing a portion of their disability benefits.

We have an opportunity to show our gratitude to these remarkable 437,000 disabled military men and women who have scarified so much for this great country of ours.

We are currently losing over one thousand WWII veterans each day. Every day we delay acting on this inequity means that we have denied fundamental fairness to thousands of men and women.

The Senate passed this provision by unanimous consent and the House companion bill, H.R. 303 from Congressman BILIRAKIS has 314 cosponsors. Our veterans have earned this and now it is our chance to honor their service to our nation. Freedom isn't free—and this is a small cost to the Federal government given the immeasurable sacrifices made by these dedicated Americans.

SPACE TRANSPORTATION

Mr. SESSIONS. Mr. President, I rise today with two purposes in mind. The first is to compliment the men and women who labor on behalf of the nation at the George C. Marshall Space Flight Center in Huntsville, Alabama on the occasion of Marshall's 40th Anniversary. My second purpose is to share some thoughts on the importance of Space Transportation in light of the VA/HUD Appropriations Bill that will come before this body in the not too distant future. These two issues are inextricably linked in that Marshall Space Flight Center is the world leader in space transportation yet ever dependent on the funding that the VA/HUD appropriators provide. For that reason, I compliment Senator KIT BOND, and his superlative staff in advance of the bill being debated for all they continue to do on behalf of NASA and the nation. Their foresight will ultimately make the difference as we continue to move forward as a nation of explorers.

In September, 1960 President Dwight Eisenhower dedicated the Marshall Space Flight Center which soon began making history under the mentorship and direction of Dr. Wernher von Braun. From the Mercury-Redstone vehicle that placed America's first astronaut, Alan B. Shepard, into sub-orbital space in 1961, to the mammoth Saturn V rocket that launched humans to the moon in 1969, Marshall and its industry partners have successfully engineered

history making projects that gave, and continue to give, America the world's premier space program.

We in Alabama and across America have so much to be thankful for and in a small way Marshall and its scientists, engineers and support personnel have carved out a niche of excellence that brought history to the community, state and nation. From Skylab, to the space shuttle to the lunar roving vehicle, America has looked to Marshall for experience and leadership. They were the right stuff, and they continue today to be the best with over 30 world-class facilities and test facilities. As NASA's Center of Excellence for Space Propulsion the men and women of Marshall are not simply dreamers of what may be, but are working hard in research and development to provide the propulsion systems that will enable NASA to provide the nation safe, reliable, low-cost access to space, rapid interplanetary transportation, and the hope of exploration beyond the solar system. This is not folly, Mr. President, this is reality.

These initiatives require us to make new investments in Space Transportation and this is what I believe Senator BOND and his committee are trying to do. Investments are being made and must continue to be made in the years to come in the Space Launch Initiative, the Third Generation technology program, and in Shuttle upgrades if we are going to achieve our collective space destiny.

I would like to take a few moments today to discuss these initiatives and the promise they hold for our country. I would also like to talk about some of the technology spin-offs these investments will yield for other parts of our economy.

The Space Launch Initiative is intended to dramatically reduce the cost of access to space by an order of magnitude over the next 10 years and to increase the reliability of space launch vehicles.

This initiative will result in the creation of a ''highway to space'' that will enable increased commercial activity in Earth orbit and beyond. The impact for our nation's economy will be dramatic, I believe. We need only to look at the past to understand the possibilities associated with opening new frontiers. Throughout our history, commerce and growth have been fueled when boundaries have been pushed back.

Let me briefly describe the elements and the purpose of NASA's Space Launch Initiative. The Space Shuttle remains the world's only reusable launch vehicle and continues to be a workhorse for NASA and the American public. You may have been watching the recent activities in space surrounding STS–106 (which landed this morning in Florida), our first shuttle mission to the International Space Station since the arrival of its newest component, the Russian supplied service module—Zvezda. The Shuttle is the first generation of reusable launch systems, but it has its faults and we must improve on this system. It is a very expensive system to operate and requires thousands of people and months of work to prepare the system for launch. In order to meet the goals of the Space Launch Initiative, NASA and its partners must develop systems that only require around 100 people and about one week for turnaround.

The Space Launch Initiative will focus on reducing technical and programmatic risks as well as the business risks associated with the development of new space launch technologies. While the goal will be to develop a Second Generation Reusable Launch Vehicle that increases crew safety by a factor of 10 and decreases cost by the same amount, the technology we develop along the way will only serve to enrich the economy. Let me provide an example—its NASA's X–33 program.

The X–33 is a sub-scale flight demonstrator designed to test many technologies that will drive a full-scale Second Generation vehicle. Like many developmental programs, the X–33 has had its share of setbacks. However, even with setbacks the X–33 program has actually spun off technology that will improve the lives of many newborn children.

Let me explain. The X–33's original composite tank contained fiber optic sensing technology embedded along the edge to monitor the health of the system. Realizing the potential of this technology could be far reaching, NASA's Marshall Space Flight Center partnered with Dr. Jason Collins of the Pregnancy Institute in Slidell, Louisiana and with Prism, a San Antonio manufacturer of medical products, to improve obstetric forceps used to position an infant in the mother's womb prior to delivery, and in some cases used to assist with the delivery. Obstetrical forceps have been in use for over 300 years with more than 700 variations of the design, however, none of these allowed the physician to assess the force the instrument placed on the infant. An improvement was definitely needed that would minimize the risk to newborns delivered by forceps. NASA's solution: forceps made of polymeric material which flexes under pressure with fiber optic sensors from the X–33 program embedded in the material during the manufacturing process that indicate strain.

It is predicted that the fiber optic forceps will reduce the number of cesarean section deliveries, reduce the risk of injury to the mother, and significantly lower the occurrence of fetal injury caused by ordinary forceps, thus reducing overall health care costs.

Another part of the Space Launch Initiative is a program called the Alternate Access to the Space Station. This is an extremely important part of the Initiative for several reasons. The Alternate Access to Space Station effort will provide our country with more than one way service to the Space Station. As you may recall, Mr. President, in the aftermath of the Challenger disaster, the Shuttle program was down for several years. However, once the International Space Station is on orbit with a permanent crew on board, we cannot afford to face a time in which the Shuttle or any one launch vehicle is out of service for an extended period of time.

We must have a very robust method of keeping the Station re-supplied. We cannot afford to be tied to one or even two launch systems, but must have access to several launch vehicles. The Alternate Access program is designed to develop some of the most innovative launch vehicle concepts that exist today in industry for the purpose of providing resupply capability to the Station. This effort will give many up-and-coming aerospace companies and entrepreneurs the ability to break into the market by using NASA's requirements as the baseline on which to build their business case and attract investors.

While the Space Launch Initiative is designed to reduce the cost of access to space from $10,000 a pound to $1,000 a pound, in order to make space travel truly routine for the average citizen, we must do more. NASA is also planning to invest in Third Generation technologies to further reduce the cost of putting a pound of payload in orbit. The goal of the Third Generation activities is to get launch costs down to $100 a pound within 25 years. At that point, routine access to space for a variety of activities will become possible.

NASA's Third Generation program has been dubbed Spaceliner 100—the idea being that the technology advancements would result in a launch vehicle with commercial airliner reliability and again, a cost of around $100 a pound for launch. I was pleased last year to jump-start this investment. In a bipartisan effort, I along with Majority Leader TRENT LOTT, Senators SHELBY, BREAUX, LANDRIEU, VOINOVICH, DEWINE, and COCHRAN pressed for the inclusion of $80 million dollars in the FY 00 VA–HUD bill for Spaceliner 100.

I am glad to see that this action did not go unnoticed by the Administration. In this year's FY 2001 budget submission, the White House included $1.2 Billion for NASA's Third Generation effort over the next five years. This funding will support research in earth-to-orbit, in-space, and interstellar transportation technologies.

Earlier in my comments, I mentioned the Space Shuttle and the tremendous contribution it has made and will continue to make to our nation's space program. As we move towards these advanced launch vehicles, NASA must not take their eye off of the launch vehicle we depend on today. I am pleased to see that this is not the case, in fact the agency is taking steps to ensure that the Shuttle continues to be a robust vehicle. In fact, NASA is actually advocating upgrades for the Shuttle and the Administration proposed to

spend $1.4 Billion dollars over five years in upgrades to the Shuttle. However, in light of the investments in Second and Third Generation technologies, you might wonder if Shuttle upgrades are worth it. The answer is yes and here's why:

First, we are dealing with a crew safety issue. Today the Shuttle performs on the edge of its capabilities. Statistically speaking, the Shuttle system will encounter a catastrophic failure once in every 450 launches. However, with the proposed upgrades, the Shuttle would have a much better safety margin.

With the upgrades, for every launch of the Shuttle, the catastrophic failure rate would be one in every 1,000 launches. Although this is not even close to the one in 2 million safety margin we enjoy on commercial airliners, it is a vast improvement. And when you are dealing with human lives, every little bit helps.

Second, every upgrade proposed for the Shuttle will be a candidate for use on Second Generation systems. In other words, not only is NASA improving safety for Shuttle crews, they are getting the opportunity to ''road test'' many new technologies.

I have briefly described NASA's Space Launch Initiative as well as the Agency's Third Generation efforts. I have provided an example or two of spin off technologies we are receiving and will continue to receive from this significant investment. These efforts are important to our nation's economic future as well as our continued National security. I believe these efforts will amount to a defining moment in our nation's space program in the day's ahead.

I am proud of the lead role NASA's Marshall Space Flight Center in Huntsville, Alabama is taking in these efforts. But as anyone at Marshall will tell you, this will take the combined efforts of many of NASA's other Field Centers, along with the full participation of America's aerospace industry, and the help of many academic partners.

I began my remarks today by describing the 40 year effort at Marshall and the hard work that we have witnessed by Senator BOND's committee. We should not be lured into a false sense of security that we will always have the talent in our field centers we have today, or the great support we enjoy from the authorization and appropriations committees. As we look into the future, access to space will be as important to us as civil aviation is today. However, we all have a lot of work ahead of us, and this is an endeavor we must educated ourselves on and monitor closely that it doesn't stray off course. There is simply too much at stake to allow that to happen.

In the mid-1970's, the U.S. dominated the worldwide commercial space launch market. Today, we launch only 30 percent of the world's commercial payloads. Our re-emergence into the commercial market place will depend on bold investments, and on the boldness of our leaders who wish for America to remain a Nation of Explorers.

I urge my colleagues therefore to study carefully the upcoming NASA appropriation bill and suggest to them that they support the VA/HUD Appropriations Bill, and the investments in the Space Launch Initiative, Third Generation technologies, and Shuttle upgrades. These investments will truly be the keys to our future success in space and in the future global marketplace.

They also guarantee that the men and woman at the George C. Marshall Space Center have the tools to unlock the technological mysteries that lie before us, and in doing so make planet Earth a better place to live.

NORTH CAROLINA GOVERNOR JIM HUNT ON EDUCATION REFORM—VOUCHERS ARE THE WRONG ANSWER

Mr. KENNEDY. Mr. President, one of our top priorities in Congress is to improve public schools for all students—by reducing class size, improving training and support for teachers, expanding after-school programs, modernizing and building safe school facilities, and increasing accountability for results. But some in Congress advocate diverting scarce resources to subsidize private schools through vouchers, when it is public schools that need the help and support.

An article in today's Wall Street Journal by North Carolina Governor Jim Hunt eloquently explains why we should do more to support public schools, and why we should oppose private school vouchers.

Governor Hunt is a respected leader and renowned champion on education issues. He has been a strong advocate for many years for improving public schools, particularly by upgrading curricula, supporting better teacher training, and increasing early childhood education opportunities. As Governor Hunt states, it would be a step in the wrong direction to undermine these important priorities by relying on voucher schemes, just as we are starting to see solid results in improved student achievement.

I believe that Governor Hunt's article will be of interest to all of us who care about these issues, and I ask unanimous consent that it may be printed in the RECORD.

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

[From The Wall Street Journal, Wed., Sept. 20, 2000]

THE VOUCHER CHORUS IS OFF-KEY

(By Gov. James B. Hunt Jr.)

We are hearing a chorus of voices arguing that school vouchers are the key to improving American education, especially for minority groups and other low-income students in urban areas. We are accustomed to hearing such arguments from the political right, but now the voices are sounding in stereo.

My friend Robert Reich has taken to the pages of The Wall Street Journal to propose a far-reaching voucher plan (''The Case for 'Progressive' Vouchers,'' editorial page, Sept. 6). With all due respect to Mr. Reich and his allies on both the right and the left, let me suggest that vouchers are the wrong solution to the wrong problem at the wrong time. Instead of focusing on how to improve schools, they assume that pulling money out of failing schools provides an appropriate incentive to turn such schools around.

But school improvement is hard work. In 1983, Americans received a wake-up call about public schools. In a stinging report ''A Nation at Risk,'' a blue-ribbon national commission warned that the level of teaching and learning in primary and secondary schools was so low that it threatened our economic competitiveness. As a result, a national movement was launched to improve academic performance. Virtually every state has now spelled out high standards for student achievement, many of them enforced by tests for promotion and graduation from high school. Rigorous accountability systems have been introduced for teachers and school administrators accompanied by monetary incentives for success and sanctions for failure. Many states are focusing on reducing class sizes.

It has taken us nearly two decades to put together these and other strategies relating to curricula, teacher training, early childhood education and other elements that contribute to a successful school, and they are now paying off. It is wishful thinking to assert, as voucher proponents do, that struggling schools will somehow magically transform themselves because of a threat that some of their students will take a voucher, pack up their book bags and go elsewhere.

Vouchers address the wrong problem by narrowing the issue. Few would dispute that private schools can provide a good academic education. But there is a group of students whose needs must also be considered: the 90% of our kids who will remain in public schools. Mr. Reich acknowledges that the ''closest thing we've seen to a national school-voucher experiment'' occurred in New Zealand and that the result of that decade-long experiment was that ''the worst schools grew worse.'' The New Zealand study proves the point of voucher opponents. We cannot support a policy of educational triage that allows a few students to get help while neglecting the needs of the many more students left behind.

Finally, the current push for vouchers is ill-timed. As already noted, we now have evidence that the concerted efforts in recent years to improve the teaching and learning that occurs in public schools is paying off. In North Carolina we have the ABCs of Public Education, a reform effort that emphasizes accountability at the school level. During the 1999–2000 school year 69.6% of our 2,100 public schools met or exceeded their growth standards on achievement tests. For schools that are falling behind, our state dispatches special teams to fix the lowest performing schools—not withdraw funds, as voucher proponents would have us do.

While we are raising the standards, we are also raising the pay of those in the classroom to the national average. In addition, teachers, guidance counselors and administrators can receive as much as $1,500 each and teaching assistants as much as $500 if their schools reach a certain level of proficiency. The RAND Corp. report found that between 1990 and 1996 students in our state showed the highest average annual gain on the National Assessment of Education Progress reading and math tests. Our state's average total SAT score moved up two points in 1999–2000, continuing the upward

trend the state has experienced since 1989. We also have the highest number of teachers who've proven their expertise by earning certification through the National Board for Professional Teaching Standards.

Voucher proponents do make one point that needs to be taken seriously—vouchers can contribute to diversity and innovation in the system. It is true that we have moved well beyond the point where one-size-fits-all education is adequate. We need to encourage schools to offer a variety of approaches. But this can readily be achieved, as is already happening, within the public system through the design and promotion of magnet, subject-focused and other alternative schools that meet the specific interests of students and their parents while meeting high standards.

Let's also not assume, as has been implied by Mr. Reich, that where parents live determines their level of interest in schools. An expensive home in the suburbs doesn't guarantee a parent is passionate about where their children are learning. We need to make sure every parent is active and involved with his or her child's education.

AFRICAN AMERICAN FAMILY SERVICES

Mr. WELLSTONE. Mr. President, I rise today to recognize the 25th anniversary of the establishment of African American Family Services.

This inspirational organization has spent the past 25 years providing culturally specific services to the Minnesota African American community. Since 1975, it has expanded its services from solely dealing with chemical dependency to providing critical services in chemical health, family preservation, domestic violence, and adolescent violence prevention and anger management.

In addition to these programs, African American Family Services provides its clients with two other invaluable services—a resource center, which includes a resource library and a cross-peer education mentoring project, and a technical assistance center, which creates training programs to educate human and social service professionals on enhancing service delivery to African American clients.

Twenty-five years after its founding, this organization is still searching for new and innovative ways to serve Minnesotans. Currently, African American Family Services is attempting to work more directly with the children of its clients, hoping that this will help to break the cycle of self-destructive behavior that many families experience.

As the leading provider of human services to the Minnesota African American community, this organization has served countless individuals and families. By providing an effective network of dedicated staff and volunteers who have worked hard to serve every person who walks through its doors, African American Family Services truly has been able to make a difference in the lives of its clients.

I am grateful to have had the opportunity to work with this wonderful organization, and am proud to commend its outstanding record of success and service to the community on the floor of the United States Senate. Please join me in honoring all of the people who have made the success of the African American Family Services possible.

UNHCR DEATH IN GUINEA

Mr. FEINGOLD. Mr. President, I rise today to speak about the tragic events that occurred over the weekend in the West African country of Guinea. West Africa is a very rough neighborhood, and for years Guinea has borne a heavy refugee burden, as Liberian and Sierra Leonean people have fled into its borders to escape violence in their home countries. In fact, Guinea hosts more refugees than any other country in Africa—nearly half a million of them.

The region's tensions have, unfortunately, spilled over to affect the welfare of refugees. Recently, a crisis erupted when a series of armed incursions into Guinea from Liberia and Sierra Leone provoked a violent reaction on the part of Guinean authorities who rounded up and arrested thousands of foreigners, including refugees, accusing them of aiding the attackers.

On Sunday, in the town of Macenta, Mensah Kpognon, a Togolese employee of the United Nations High Commissioner for Refugees was killed, and another UNHCR worker from the Ivory Coast, Sapeu Laurence Djeya, was abducted by unidentified attackers. Reports indicate that dozens of civilians were also killed in the raid.

This terrible tragedy marks the fourth murder of a UNHCR worker in less than two weeks. Three others, including an American citizen, Carlos Caceres, were murdered on September 6, 2000 in Atambua, West Timor by a militia mob while Indonesian armed forces and police failed to stop the violence.

These terrible crimes, committed against individuals who dedicated their lives to helping others in need, must not continue. All responsible members of the international community must work together to provide security for the humanitarian workers laboring in difficult conditions around the globe. Governments in the region must ensure that those responsible for these acts must be held accountable for their actions. Cross-border raids into Guinea must be stopped. And most urgently, the governments of West Africa must work to find Sapeu Laurence Djeya and to ensure her safety and freedom.

THE INTERNATIONAL ACADEMIC OPPORTUNITY ACT

Mr. SCHUMER. Mr. President, I rise today to speak about the International Academic Opportunity Act introduced by Senator's LUGAR, FEINGOLD, COLLINS and me. This bill provides $1.5 million in scholarships to low income college students to finance their study abroad. It is estimated that this program will help over 300 students in its first year. I believe that this legislation will provide needed resources to help low income students compete in today's global marketplace.

In this era of globalization, it has become imperative for America's students to be prepared to operate in an international environment and economy. By studying abroad, students will be exposed to different languages and cultures that will help them become the successful leaders in the future.

This scholarship, otherwise referred to as the Gilman Scholarship Act, because it was the developed by the Hon. BENJAMIN GILMAN of New York, will provide up to $5000 per student for their study abroad. Mr. GILMAN targeted these scholarships to low income students who otherwise would not have been able to consider a study abroad program. I believe that by increasing the number of students that will benefit from an international education we can only enhance the capacity of our citizens to participate in a global society.

This legislation passed unanimously in the House and I hope that we will be able to pass it in the Senate before the end of session. I urge leadership and my fellow Senators to support a swift and unhindered passage.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, September 19, 2000, the Federal debt stood at $5,658,234,946,688.07, five trillion, six hundred fifty-eight billion, two hundred thirty-four million, nine hundred forty-six thousand, six hundred eighty-eight dollars and seven cents.

Five years ago, September 19, 1995, the Federal debt stood at $4,965,955,000,000, four trillion, nine hundred sixty-five billion, nine hundred fifty-five million.

Ten years ago, September 19, 1990, the Federal debt stood at $3,232,292,000,000, three trillion, two hundred thirty-two billion, two hundred ninety-two million.

Fifteen years ago, September 19, 1985, the Federal debt stood at $1,823,102,000,000, one trillion, eight hundred twenty-three billion, one hundred two million.

Twenty-five years ago, September 19, 1975, the Federal debt stood at $550,758,000,000, five hundred fifty billion, seven hundred fifty-eight million which reflects a debt increase of more than $5 trillion—$5,107,476,946,688.07, five trillion, one hundred seven billion, four hundred seventy-six million, nine hundred forty-six thousand, six hundred eighty-eight dollars and seven cents during the past 25 years.

ADDITIONAL STATEMENTS

IN RECOGNITION OF DR. JOAB M. LESESNE, JR.

● Mr. HOLLINGS. Mr. President, now here is one thing with which I can

agree, and not be in a minority. Dr. Joab M. Lesesne, Jr. has not only headed Wofford College with distinction for 28 years, but he has brought luster to the National Association of Independent Colleges and Universities as its Chairman. A man of many talents, Joe served as a general in the South Carolina National Guard and is presently Chairman of the South Carolina Department of Natural Resources Governing Board. Dr. Shi, the eminent President of Furman University, cites this record better than I in a recent editorial in the Greenville News. I ask that the editorial be reprinted in the RECORD.

The material follows:

[From the Greenville News, Sept. 17, 2000]

JOE LESESNE STANDS AS A TRUE AMERICAN HERO

(By David Shi)

In an age with few heroes, it becomes even more important to honor those who stand above the crowd. Last week, Furman University had the privilege of bestowing an honorary doctoral degree on Joab Lesesne, the recently retired president of Wofford College. He had served it well—with a special genius that everyone observed yet no one can define.

Joe Lesesne was raised on a college campus. His father, a Wofford graduate, served as president of Erskine College. After graduating from Erskine, the younger Lesesne went on to earn his M.A. and Ph.D. degrees in history from the University of South Carolina. He began his career at Wofford in 1964 as an assistant professor of history, and he soon distinguished himself in the classroom. Lesesne was a luminous teacher who made the past shine with interest and significance.

Professor Lesesne was appointed assistant dean in 1967. Soon thereafter, he implemented the college's interim term, a four-week winter learning program that has become an indispensable part of a Wofford education. He later became director of development and then dean of the college. In 1972, at the ripe age of 34, he was named Wofford's ninth president.

Lesesne quickly realized that going from the faculty to the presidency means abandoning righteousness for pragmatism. He also discovered that a college president needs the endurance of an athlete, the wisdom of a Solomon and the courage of a lion. But perhaps most important is to have the stomach of a goat in order to accommodate all of the civic club luncheons, campus banquets and meals-on-the-run.

As a resolute champion of the distinctive virtues of residential liberal arts colleges, Lesesne led Wofford through a remarkable era of progress, change and achievement. The college's endowment soared during his long tenure, new buildings were constructed, and he helped attract a stronger, more diverse faculty and student body. Along the way, President Lesesne displayed extraordinary composure and resilience. Hard to surprise and even harder to shock, he displayed the magnanimity of a saint in dealing with complaints and crises.

President Lesesne became a leader of national prominence within the higher education community. He was the first Southerner to chair the board of the National Association of Independent Colleges and Universities, and he headed the council of presidents of South Carolina's private colleges. In addition, he is a retired major general in the South Carolina Army National Guard, and he continues to chair the South Carolina Commission on Natural Resources.

Yet the real value of a career can sometimes be better gauged by a person's character than by a public portfolio. Joe Lesense is a genial representative of a fast vanishing world of grace, civility, loyalty, faith and moral rectitude. A warm man with a big heart, he has no enemies—even among those who disagree with him. Known for his casual intensity and refreshing humility, he loves to tell stores and to catch fish.

For almost 30 years as a college president, Joe Lesesne manifested unshaken nerve, rescuing wit, and, above all, a love for Wofford that has never waned. He had a special affection for students. He teased them, entertained them, inspired them and guided them. They responded with equal affection.

It has been invigorating for those of us still in our age of impetuous vanities to associate with such a wise colleague. I cannot imagine anyone more effective at helping the people of this state appreciate the important role played by Wofford and the other private liberal arts colleges. Joe Lesesne is one of those refreshing people who prefers to grin rather than scowl, banter rather than pontificate. What a wonderful mentor he has been to me and many others.

In his compassionate awareness of others, in his instinctive respect for them, in his declared willingness to help, in his courtesy, tolerance and gentleness, Joe Lesesne demonstrated that the highest intelligence is at its most fertile and expressive when allied to the deepest humanity. As to all of these traits, he has provided us the great gift of his example. Blessed are those who perform good works and earn our respect and admiration. Thanks, Joe.●

NATIONAL BLUE RIBBON SCHOOLS IN MARYLAND

● Mr. SARBANES. Mr. President, I am pleased to congratulate and welcome to our Nation's Capitol the two middle schools and two high schools from Maryland that have been named Blue Ribbon School Award winners by the United States Department of Education. These schools are among only 198 middle and high schools nationwide to be honored with this award, the most prestigious national school recognition for public and private schools.

The designation as a Blue Ribbon School is a ringing endorsement of the successful techniques which enable the students of these schools to succeed and achieve. Over the past few years, I have made a commitment to visit the Blue Ribbon Schools and have always been delighted to see first hand the interaction between parents, teachers, and the community, which strongly contributed to the success of the school. I look forward to visiting each of these four schools and congratulating the students, teachers and staff personally for this exceptional accomplishment.

According to the Department of Education, Blue Ribbon Schools have been judged to be particularly effective in meeting local, state and national goals. These schools also display the qualities of excellence that are necessary to prepare our young people for the challenges of the next century. Blue Ribbon status is awarded to schools which have strong leadership; a clear vision and sense of mission that is shared by all connected with the school; high quality teaching; challenging, up-to-date curriculum; policies and practices that ensure a safe environment conducive to learning; a solid commitment to family involvement; evidence that the school helps all students achieve high standards; and a commitment to share the best practices with other schools.

After a screening process by each State Department of Education, the Department of Defense Dependent Schools, the Bureau of Indian Affairs, and the Council for American Private Education, the Blue Ribbon School nominations were forwarded to the U.S. Department of Education. A panel of outstanding educators from around the country then reviewed the nominations, selected schools for site visits, and made recommendations to Secretary of Education Richard Riley.

The four winning Maryland secondary schools are as follows:

Baltimore City College High School: founded in 1839 is the third oldest public high school in the country. A college preparatory magnet high school emphasizing the liberal arts and serving students and parents in Baltimore, City College sends 95 percent of its graduates to post-secondary institutions and, in doing so, has played a part in the American dream—preparing students to succeed in college as well as giving them day-to-day experience in working with people of all backgrounds to lead in the community.

Bel Air Middle School: located in Harford County, is a high-performing model of teaching and learning because of its outstanding academic programs and the high level of commitment from teachers, students, local businesses, and parents. Bel Air Middle School has developed an integrated assessment program entitled, ''Student Achievement and Improvement through Lifelong Learning'', SAIL, which has been recognized nationally by the National Council of Teachers of English. Additionally, Bel Air Middle School has a literacy Team, which provides the faculty with ongoing professional development, particularly in the areas of reading and writing.

Paint Branch High School: in Burtonsville, Montgomery County, offers a dynamic and innovative whole-school signature program in science and the media. In addition to delivering a rigorous, comprehensive high school program with a full complement of honors and advanced placement classes and additional support related, community service, and extra-curricular experiences emphasizing research and experimentation. Several business partnerships support the largest internship program in the county, with nearly 170 students this year earning credit at such sites as the National Institutes of Health, Johns Hopkins University Applied Physics Laboratory, Discovery Communication, Inc., and Black Entertainment Television.

Plum Point Middle School: in Huntingtown, Calvert County, exhibits enthusiasm and strength which grows from school-wide philosophy that considers each member valuable and every minute important. Students are encouraged to participate in a variety of educational and extracurricular activities. Over 75 percent of its students are involved in after-school activities. The school has been county athletic champion 13 times in various sports. Over 20 percent of the teaching staff have been award winners—including Maryland's 1999 Teacher of the Year, Rachael Younkers.●

RECOGNITION OF CLAIRE HOWARD

● Mr. SANTORUM. Mr. President, I would like to take this opportunity to recognize Ms. Claire Howard of Bethlehem, Pennsylvania who will serve as President of the USA Council of Serra International next year. This is a most noteworthy accomplishment, as she is the first woman ever to serve in this high capacity. I would like to insert the following article into the RECORD, which was printed in the Allentown Diocese Times on August 3, 2000:

Claire Howard of Bethlehem was installed as President-Elect by United States Serra clubs at the annual Serra International Convention in Kansas City. She will serve a one-year term as President-Elect on the USA/Canada Council Board. In 2001, she will become the first woman President of not only the USA Council, but also the first in Serra International's 65-year history.

As President-Elect of the USA Council (USAC) of Serra International, a worldwide organization that works to foster and promote Catholic religious vocations, she will work closely with the national staff and local Serra clubs, and assist the president as needed. She also serves as a liaison with the council's 13 standing committees.

''I'm looking forward to making sure we all really commit ourselves to the ministry of building up the body of Christ through our Serran work,'' Howard said.

A charter member of the Serra Club of Bethlehem, Howard has served two years as club President. An active member over the years, she has served on almost all the standing committees.

Her future seat as president is not Howard's only ''first'' in Serra International; she has trail-blazed the way for women in Serra for years, ascending steadily through the ranks of the organizational structure. In 1993, she was the first woman to serve as District Governor of Serra International and in 1994 became the first regional representative (again the first woman) of Region 3 of the then newly formed USA/Canada Council of Serra International.

She has chaired USACC's Meetings and Conventions Committee, which is responsible for coordination of the fall regional conventions in the 13 regions of the United States and Canada. In recent years she has served as USA Council Vice President for the Membership and Programs committees.

For the past six years, she has been the Coordinator of the Serra Clubs of the Allentown Diocese's ''Life/Vocation Awareness Weekend,'' working closely with diocesan Director of Vocations the Rev. Francis A. Nave. The weekend offers any adult who would like to explore the possibilities of entering the priesthood or a religious order a time of reflection, prayer and interaction with priests and religious [leaders].

Howard was also appointed by the Most Rev. Edward P. Cullen, D.D., Bishop of Allentown, to be the Serran representative for the Allentown Diocese Vocation Recruitment Committee.

An active member of St. Anne Church, Bethlehem, she serves as a Eucharistic minister, lector and coordinator of the adult Bible study group. Howard's community work includes active membership in Morning Star Rotary; sustaining membership in the Junior League of the Lehigh Valley; Bethlehem Palette Club; and Bethlehem Quota Club.

She works as a full-time associate real estate broker with RE/MAX 100 Real Estate of the Greater Lehigh Valley. She is married to John J. Howard Jr., and they have three grown children. They divide their spare time between a small home in Orlando, Fla. and a season home in Stone Harbor, N.J.

The USA Council was formed officially June 1, 1994, as a national council for all Serra clubs in the United States and originally included clubs in Canada. The USA Council represents Serra International in the United States and is committed to its mission.

As Serra International is the lay vocations arm of the church, the council's mission is to foster and affirm vocations to the ministerial priesthood and vowed religious life in America, and through this ministry, further their members' common Catholic faith.

The council's primary purpose is to establish communication links between the Catholic Church hierarchy, Serra clubs and local Serrans to effectively distribute information, coordinate vocations programs and activities, and promote membership growth in the two countries. There are 12,585 Serrans in 313 Serra clubs in more than 100 dioceses in the United States.

Serra International, founded in 1935 in Seattle, Washington, is a Catholic membership organization of lay men and women who work to promote vocations to the priesthood and religious life while developing their Catholic identity. There are more than 22,000 Serrans organized into 732 clubs in 35 countries throughout the world.●

RECOGNITION OF MS. SUE DILLON, FOUNDER AND PRESIDENT OF TAIL'S END FARM ANIMAL RESCUE

● Mr. SANTORUM. Mr. President, it is at this time that I would like to recognize Ms. Sue Dillon for her efforts as founder and president of Tail's End Farm Animal Rescue. Ms. Dillon started this organization to save horses from going to slaughter and focused on finding them good homes.

In 1993, she realized that there were no organizations or facilities in Pennsylvania to accommodate homeless farm animals needing shelter. Consequently, in order to save the lives of these animals, Ms. Dillon decided that she would take on the challenge of providing a safe haven for these animals. In 1996, she discovered that she needed to turn her facility into a full-scale, no-kill, animal facility. She obtained a non-profit status, the correct licences and opened her doors to cats, dogs, and any other homeless animals.

Although Ms. Dillon has volunteers to run the farm, help with adoption, and other facets of the operation, she remains to be a huge part of the Rescue. She continues to be actively involved with the everyday operations of the organization.

I would like to take this opportunity to recognize Sue Dillon in taking the lead to provide a safe haven for many of these animals. She is an exemplary citizen, and I applaud her efforts on this issue.●

RECOGNITION OF HOT PINK PITTSBURGH DANCE RECITAL

● Mr. SANTORUM. Mr. President, I rise today to recognize the fundraiser Hot Pink Pittsburgh, a collaboration of Family Health Council and Pink Ribbons Project Dancers in Motion Against Breast Cancer, which will increase the awareness of breast cancer, its treatment and prevention. The event will raise funds to provide essential health care services to a growing number of uninsured women in Pennsylvania.

Hot Pink Pittsburgh will take the stage of the Byham Theater on October 2, 2000 to showcase performers and increase community awareness and appreciation. Dancers from the Pittsburgh Ballet Theater, Dance Alloy, Shona Sharif African Dance and Drum Ensemble and Hope Stone Dance as well as members of the Pittsburgh Symphony will donate their performances for the benefit.

This event will help Family Health Council provide annual exams, breast and cervical cancer screening and health education. Early detection and treatment gives women their best chance of breast cancer survival, while cervical cancer is preventable with screening and treatment.

Family Health Council, founded in 1971, serves more than 100,000 women and their families in western Pennsylvania every year. As a non-profit organization you provide gynecological and obstetric care; breast and cervical cancer screening; comprehensive nutrition services; nationally recognized teen pregnancy prevention resources; domestic and international adoption; and applied research in women's health. Family Health Council also administers a network of more than 20 community-based health care organizations. Your organization is supported by patient fees, private and public grants, and individual gifts.

I commend the efforts of the Family Health Council and Pink Ribbon Project Dancers in Motion Against Breast Cancer as well as those so dedicated to increasing the awareness of breast cancer, its treatment and prevention.●

MESSAGES FROM THE HOUSE

At 12:00 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2842. An act to amend chapter 89 of title 5, United States Code, concerning the Federal Employees Health Benefits (FEHB) Program, to enable the Federal Government to enroll an employee and his or her family in the FEHB Program when a State court orders the employee to provide health insurance coverage for a child of the employee but the employee fails to provide the coverage.

H.R. 2883. An act to amend the Immigration and Nationality Act to confer United States citizenship automatically and retroactively on certain foreign-born children adopted by citizens of the United States.

H.R. 3679. An act to provide for the minting of commemorative coins to support the 2002 Salt Lake Olympic Winter Games and the programs of the United States Olympic Committee.

H.R. 3834. An act to amend the rural housing loan guarantee program under section 502(h) of the Housing Act of 1949 to provide loan guarantees for loans made to refinance existing mortgage loans guaranteed under such section.

H.R. 4068. An act to amend the Immigration and Nationality Act to extend for an additional 3 years the special immigrant religious worker program.

H.R. 4450. An act to designate the facility of the United States Postal Service located at 900 East Fayette Street in Baltimore, Maryland, as the ''Judge Harry Augustus Cole Post Office Building.''

H.R. 4625. An act to designate the facility of the United States Postal Service located at 2108 East 38th Street in Erie, Pennsylvania, as the ''Gertrude A. Barber Post Office Building.''

H.R. 4642. An act to make certain personnel flexibilities available with respect to the General Accounting Office, and for other purposes.

H.R. 4673. An act to assist in the enhancement of the development and expansion of international economic assistance programs that utilize cooperatives and credit unions, and for other purposes.

H.R. 4786. An act to designate the facility of the United States Postal Service located at 110 Postal Way in Carrollton, Georgia, as the ''Samuel P. Roberts Post Office Building.''

H.R. 4870. An act to make technical corrections in patent, copyright, and trademark laws.

H.R. 4975. An act to designate the post office and courthouse located at 2 Federal Square, Newark, New Jersey, as the ''Frank R. Lautenberg Post Office and Courthouse.''

H.R. 4999. An act to control crime by providing law enforcement block grants.

H.R. 5062. An act to establish the eligibility of certain aliens lawfully admitted for permanent residence for cancellation of removal under section 240A of the Immigration and Nationality Act.

H.R. 5106. An act to make technical corrections in copyright law.

H.R. 5107. An act to make certain corrections in copyright law.

H.R. 5203. An act to provide for reconciliation pursuant to sections 103(a)(2), 103(b)(2), and 213(b)(2)(C) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt, and to amend the Internal Revenue Code of 1986 to provide for retirement security.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 257. Concurrent resolution concerning the emancipation of the Iranian Baha'i community.

H. Con. Res. 345. Concurrent resolution expressing the sense of the Congress regarding the need for cataloging and maintaining public memorials commemorating military conflicts of the United States and the service of individuals in the Armed Forces.

The message further announced that the House has passed the following bill, without amendment:

S. 704. An act to amend title 18, United States Code, to combat the overultization of prison health care services and control rising prisoner health care costs.

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 1638. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to extend the retroactive eligibility dates for financial assistance for higher education for spouses and dependent children of Federal, State, and local law enforcement officers who are killed in the line of duty.

ENROLLED BILLS SIGNED

At 5:05 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 1638. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to extend the retroactive eligibility dates for financial assistance for higher education for spouses and dependent children of Federal, State, and local law enforcement officers who are killed in the line of duty.

At 5:34 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 2460. An act to authorize the payment of rewards to individuals furnishing information relating to persons subject to indictment for serious violations of international humanitarian law in Rwanda, and for other purposes.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2842. An act to amend chapter 89 of title 5, United States Code, concerning the Federal Employees Health Benefits (FEHB) Program, to enable the Federal Government to enroll an employee and his or her family in the FEHB Program when a State court orders the employee to provide health insurance coverage for a child of the employee but the employee fails to provide the coverage; to the Committee on Governmental Affairs.

H.R. 3834. An act to amend the rural housing loan guarantee program under section 502(h) of the Housing Act of 1949 to provide loan guarantees for loans made to refinance existing mortgage loans guaranteed under such section; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 4450. An act to designate the facility of the United States Postal Service located at 900 East Fayette Street in Baltimore, Maryland, as the ''Judge Harry Augustus Cole Post Office Building''; to the Committee on Governmental Affairs.

H.R. 4625. An act to designate the facility of the United States Postal Service located at 2108 East 38th Street in Erie, Pennsylvania, as the ''Gertrude A. Barber Post Office Building''; to the Committee on Governmental Affairs.

H.R. 4642. An act to make certain personnel flexibilities available with respect to the General Accounting Office, and for other purposes; to the Committee on Governmental Affairs.

H.R. 4786. An act to designate the facility of the United States Postal Service located at 110 Postal Way in Carrollton, Georgia, as the ''Samuel P. Roberts Post Office Building''; to the Committee on Governmental Affairs.

H.R. 4999. An act to control crime by providing law enforcement block grants; to the Committee on the Judiciary.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 345. Concurrent resolution expressing the sense of the Congress regarding the need for cataloging and maintaining public memorials commemorating military conflicts of the United States and the service of individuals in the Armed Forces; to the Committee on Energy and Natural Resources.

MEASURES PLACED ON THE CALENDAR

The following bills were read the second time, and placed on the calendar:

H.R. 5173. An act to provide for reconciliation pursuant to sections 103(b)(2) and 213(b)(2)(C) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt.

S. 3068. A bill to amend the Immigration and Nationality Act to remove certain limitations on the eligibility of aliens residing in the United States to obtain lawful permanent resident status.

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3679. An act to provide for the minting of commemorative coins to support the 2002 Salt Lake Olympic Winter Games and the programs of the United States Olympic Committee.

MEASURE READ THE FIRST TIME

The following bill was read the first time:

H.R. 5203. An act to provide for reconciliation pursuant to sections 103(a)(2), 103(b)(2), and 213(b)(2)(C) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt, and to amend the Internal Revenue Code of 1986 to provide for retirement security.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–10832. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Importation of Animal Semen'' (Docket #99–023–2) received on September 15, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–10833. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Change in

Disease Status of East Anglia Because of Hog Cholera'' (Docket #00–080–1) received on September 15, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–10834. A communication from the Associate Administrator of the Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Cranberries Grown in States of Massachusetts, et al.; Temporary Suspension of Provisions in the Rules and Regulations'' (Docket Number: FV00–929–6 IFR) received on September 15, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–10835. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of three rules entitled ''Clopyralid; Pesticide Tolerances for Emergency Exemptions'' (FRL #6741–9), ''Diflubenzuron; Pesticide Tolerance Technical Correction'' (FRL #6741–3), and ''Glyphosate; Pesticide Tolerance'' (FRL #6746–6) received on September 18, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–10836. A communication from the Administrator of the Rural Utilities Services, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''7 CFR Part 1755, RUS Form 397, Special Equipment Contract (Including Installation)'' (RIN0572–AB35) received on September 18, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–10837. A communication from the Administrator of the Rural Utilities Services, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''7 CFR Part 1755, General Policies, Types of Loans, Loan Requirements—Telecommunication Program'' (RIN0572–AB56) received on September 18, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–10838. A communication from the Administrator of the Rural Utilities Services, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''7 CFR Part 1710, 1717, and 1718—Reduction in Minimum TIER Requirements'' (RIN0572–AB51) received on September 18, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–10839. A communication from the Associate Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Oranges, Grapefruit, Tangerines, and Tangelos Grown in Florida; Limiting the Volume of Small Red Seedless Grapefruit'' (Docket Number: FV00–905–4 IFR) received on September 18, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC–10840. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''IFR Altitudes; Miscellaneous Amendments Docket No. 30177; Amdt. no. 424 (10–5–911–00)'' (RIN2120–AA63) (2000–0005) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10841. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''IFR Altitudes; Miscellaneous Amendments Airworthiness Standards; Bird Ingestion Docket No. FAA–1998–4815; Amdt No. 23–54, 25–100 and 33–20'' (RIN2120–AA63) (2000–0006) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10842. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''Airworthiness Directives: Request for Comments; Bell Helicopter Textron, inc. Model 412, 412EP, and 412CF Helicopters; docket No. 2000–SW–29AD (9–14–10–5)'' (RIN2120–AA64) (2000–0470) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10843. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''Airworthiness Directives: Request for Comments; Eurocopter France Model AS350B3 Helicopters; Docket No. 2000–SW–39 AD (9–14–9–30)'' (RIN2120–AA64) (2000–0464) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10844. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''Airworthiness Directives: Sikorsky Aircraft-manufactured Model CH–54A Helicopters; Docket No. 99–SW–81–AD (10–5–9–14)'' (RIN2120–AA64) (2000–0466) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10845. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''Airworthiness Directives: Eurocopter Canada Ltd. Model BO 105 LS A–3 helicopters; Docket No. 99–SW–68–AD (9–14–10–5–00)'' (RIN2120–AA64) (2000–0467) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10846. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''Airworthiness Directives: MD Helicopters, Inc. Model MD–900 Helicopters; Docket No. 2000–SW–03 AD (9–14–10–5)'' (RIN2120–AA64) (2000–0468) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10847. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''Airworthiness Directives: Israel Aircraft industries, Ltd., Model 1125 Westwind Astra Series Airplanes Docket No. 2000–NM–287 AD (9–14–9–29)'' (RIN2120–AA64) (2000–0469) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10848. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments 105, 2009 (9–14–10–5)'' (RIN2120–AA65) (2000–0047) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10849. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''Airspace Actions Revision of Class D Airspace; Robert Gray Army Airfield, TX, and Revocation of Class D Airspace, Hood Army Airfield, TX Docket No. 2000–SW–18 (9–14–11–30)'' (RIN2120–AA66) (2000–0221) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10850. A communication from the Program Assistant, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law , the report of a rule entitled ''Airspace Actions Revision of Class E Airspace; Tulsa, OK Docket No. 2000–SW–15 (9–14–11–30)'' (RIN2120–AA66) (2000–0222) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10851. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations; Middle Harbor-San Pedro Bay, CA (COTP Los Angeles-Long Beach 00–003)'' (RIN2115–AA97) (2000–0083) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10852. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations; Northstar dock, Seal Island, Prudhoe Bay , Alaska (COTP Western Alaska 00–011)'' (RIN2115–AA97) (2000–0084) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10853. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regatta Regulations; SLR; Patapsco River, Baltimore, Maryland (CGD05–00–038)'' (RIN2115–AE46) (2000–0014) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10854. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regatta Regulations; SLR; Michelob Championship at Kingsmill Fireworks Display, James River, Williamsburg, Virginia (CGD05–00–041)'' (RIN2115–AE46) (2000–0013) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10855. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regatta Regulations; SLR; Hampton Bay Days Festival, Hampton River, Hampton, Virginia (CGD05–00–039)'' (RIN2115–AE46) (2000–0015) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10856. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Bayou Du Large, LA (CGD08–00–024)'' (RIN2115–AE47) (2000–0046) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10857. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Hackensack River, NJ (CGD01–00–209)'' (RIN2115–AE47) (2000–0048) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10858. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Honer Cut, San Joaquin County, California (CGD11–00–006)'' (RIN2115–AE47) (2000–0047) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

EC–10859. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regulated Navigation Areas; Sanibel, Florida (CGD07–00–086)'' (RIN2115–AE84) (2000–0003) received on September 14, 2000; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–617. A resolution adopted by the City Council of Ann Arbor, Michigan relative to economic sanctions against Iraq; to the Committee on Banking, Housing, and Urban Affairs.

POM–618. A resolution adopted by the Legislature of the Commonwealth of Guam relative to clemency; to the Committee on Energy and Natural Resources.

RESOLUTION NO. 368

Whereas, Mr. Alejandro T.B. Lizama, known to his friends and the large number of civic and community organizations as ''Al,'' was arrested and sentenced to a year in prison for charges stemming from an incident at the U.S. District Court of Guam; and

Whereas, ''Al'' is a Historic Preservation Specialist II employed with the Historic Resources Division of the Guam Department of Parks and Recreation, devoting his life work to the study, documentation and preservation of the Chamorro culture through art, research and outreach; and

Whereas, ''Al'' during his over twenty-five (25) years of service as an employee of the Guam Department of Parks and Recreation, has shared this knowledge with the military and federal community, including those from the Department of the Air Force, the Department of Defense school system, and the Navy Family Service Center, voluntarily conducting ''Welcome to Guam Orientation'' programs and other outreach programs; and

Whereas, ''Al'' is the recipient of countless certificates of appreciation and commendation, voluntary service awards and certificates of appreciation, including those from Major General Richard T. Swope USAF Commander, Thirteenth Air Force; Colonel Stephen M. McClain, USAF Commander, 633d Air Base Wing; Commander D.L. Metzig, U.S. Navy, Director of Navy Family Service Center Guam, by direction of the Commander; and Principal Steven Dozier, Guam Department of Defense High School, for his many hours of voluntary service to their Communities;

Whereas, in 1994 ''Al'' was selected and recognized as one of Ten Employees of the Year in the ''Magnificent Seven Program,'' a prestigious event which recognizes individuals and groups for their achievements and contributions in the service of the government of Guam; and

Whereas, ''Al'' is one (1) of just four (4) nominees for the 2000 ''Governor's Award of Excellence,'' recognized for his innumerable contributions to the Community over the years, including, but not limited to, volunteering his time to speak to students and members of the Community in outreach programs about the significance of preserving one's culture and past; and

Whereas, ''Al'' is an accomplished artist whose many donated artworks appear proudly displayed in all parts of the Island; and

Whereas, ''Al'' was awarded the ''Bronze Star Medal'' for valor, the ''Combat Infantry's Badge'' and other Campaign medals for his patriotic service and achievement during the Vietnam War; and

Whereas, ''Al'' suffers from Post-Traumatic Stress Disorder (''PTSD'') and was accepted to participate in the PTSD Residential Rehabilitative Program in Hilo, Hawaii, to deal with the trauma scars acquired during his service to our Country in Vietnam; and

Whereas, it would be against the interests of both ''Al'' and the Island Community, and would not advance the cause of justice and retribution if he were to be incarcerated for a full year; now therefore, be it

Resolved, That I Mina Bente Singko Na Liheslaturan Guahan does hereby, on behalf of the people of Guam, respectfully request that clemency be granted to Veteran Alejandro T.B. Lizama by President William J. Clinton, that his sentence be commuted and that he be released and returned to Guam; and be it further

Resolved, That the Speaker certify, and the Legislative Secretary attests to, the adoption hereof and that copies of the same be thereafter transmitted to the Honorable William J. Clinton, President of the United States of America; to the President of the United States Senate; to the Speaker of the United States House of Representatives; to the Secretary General of the United Nations; to the National Organization for the Advancement of Chamoru People; to the Honorable Congressman Robert A. Underwood, Member of the U.S. House of Representatives; and to the Honorable Carl T.C. Gutierrez, I Magal ahen Guahan.

POM–619. A resolution adopted by the Township of Pequannock, New Jersey relative to prescription drug benefit enhancement; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROTH, from the Committee on Finance, with amendments:

H.R. 4986: A bill to amend the Internal Revenue Code of 1986 to repeal the provisions relating to foreign sales corporations (FSCs) and to exclude extraterritorial income from gross income (Rept. No. 106–416).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. MCCAIN for the Committee on Commerce, Science, and Transportation.

Arthenia L. Joyner, of Florida, to be a Member of the Federal Aviation Management Advisory Council for a term of one year. (New Position)

David Z. Plavin, of New York, to be a Member of the Federal Aviation Management Advisory Council for a term of one year. (New Position)

Sue Bailey, of Maryland, to be Administrator of the National Highway Traffic Safety Administration.

(The above nominations were reported with the recommendation that they be confirmed subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. MCCAIN for the Committee on Commerce, Science, and Transportation.

The following named officers for appointment in the United States Coast Guard to the grade indicated under title 14, U.S.C., section 271:

To be rear admiral

Rear Adm. (lh) Robert C. Olsen Jr., 4781
Rear Adm. (lh) Robert D. Sirois, 8309
Rear Adm. (lh) Patrick M. Stillman, 0193

The following named officers for appointment in the United States Coast Guard to the grade indicated under title 14, U.S.C., section 271:

To be rear admiral (lower half)

Capt. Charles D. Wurster, 3540
Capt. Thomas H. Gilmour, 0516
Capt. Robert F. Duncan, 3843
Capt. Richard E. Bennis, 6591
Capt. Jeffrey J. Hathaway, 9612
Capt. Kevin J. Eldridge, 5421

(The above nominations were reported with the recommendation that they be confirmed.)

Mr. MCCAIN. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably nomination lists which were printed in the RECORD of the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

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

Coast Guard nominations beginning MICHAEL J. CORL and ending GREGORY J. HALL, which nominations were received by the Senate and appeared in the Congressional Record on September 7, 2000.

Coast Guard nominations beginning Mark B. Case and ending Robert C. Ayer, which nominations were received by the Senate and appeared in the Congressional Record on September 12, 2000.

Coast Guard nominations beginning Kevin G. Ross and ending Charles W. Ray, which nominations were received by the Senate and appeared in the Congressional Record on September 12, 2000.

By Mr. JEFFORDS for the Committee on Health, Education, Labor, and Pensions.

Mark D. Gearan, of Massachusetts, to be a Member of the Board of Directors of the Corporation for National and Community Service for a term of two years. (New Position)

Mark S. Wrighton, of Missouri, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2006.

Leslie Beth Kramerich, of Virginia, to be an Assistant Secretary of Labor.

Seymour Martin Lipset, of Virginia, to be a Member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 2003. (Reappointment)

(The above nominations were reported with the recommendation that they be confirmed subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SCHUMER:

S. 3074. A bill to make certain immigration consultant practices criminal offenses; to the Committee on the Judiciary.

By Mr. FEINGOLD:

S. 3075. A bill to repeal the provisions of law that provide automatic pay adjustments

for Members of Congress, the Vice President, certain senior executive officers, and Federal judges, and for other purposes; to the Committee on Governmental Affairs.

By Mr. LUGAR (for himself, Mr. SCHUMER, Ms. COLLINS, and Mr. FEINGOLD):

S. 3076. A bill to establish an undergraduate grant program of the Department of State to assist students of limited financial means from the United States to pursue studies abroad; to the Committee on Foreign Relations.

By Mr. MOYNIHAN (for himself, Mr. DASCHLE, Mr. ROCKEFELLER, Mr. BREAUX, Mr. GRAHAM, Mr. KERREY, Mr. ROBB, Mr. KENNEDY, Mr. AKAKA, Mr. BINGAMAN, Mrs. BOXER, Mr. CLELAND, Mr. DODD, Mr. DORGAN, Mr. EDWARDS, Mr. HOLLINGS, Mr. INOUYE, Mr. JOHNSON, Mr. KERRY, Ms. LANDRIEU, Mr. LEAHY, Mr. LEVIN, Mrs. LINCOLN, Ms. MIKULSKI, Mr. MILLER, Mrs. MURRAY, Mr. REED, Mr. SARBANES, Mr. SCHUMER, Mr. TORRICELLI, and Mr. WELLSTONE):

S. 3077. A bill to amend the Social Security Act to make corrections and refinements in the Medicare, Medicaid, and SCHIP health insurance programs, as revised by the Balanced Budget Act of 1997 and the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999, and for other purposes; to the Committee on Finance.

By Mr. DOMENICI:

S. 3078. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Santa Fe Regional Water Management and River Restoration Project; to the Committee on Energy and Natural Resources.

By Mr. HATCH:

S. 3079. A bill to amend the Public Health Services Act to provide for suicide prevention activities with respect to children and adolescents; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HATCH:

S. 3080. A bill to amend the Public Health Services Act to provide for the establishment of a coordinated program to improve preschool oral health; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HATCH:

S. 3081. A bill to amend the Public Health Services Act to provide for the conduct of studies and the establishment of innovative programs with respect to traumatic brain surgery; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HATCH:

S. 3082. A bill to amend title XVIII of the Social Security Act to improve the manner in which new medical technologies are made available to Medicare beneficiaries under the Medicare Program, and for other purposes; to the Committee on Finance.

By Mr. LEAHY:

S. 3083. A bill to enhance privacy and the protection of the public in the use of computers and the Internet, and for other purposes; to the Committee on the Judiciary.

By Mr. HATCH:

S. 3084. A bill to amend title XVIII of the Social Security Act to provide for State accreditation of diabetes self-management training programs under the Medicare Program; to the Committee on Finance.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, Mr. CLELAND, and Mrs. MURRAY):

S. 3085. A bill to provide assistance to mobilize and support United States communities in carrying out youth development programs that assure that all youth have access to programs and services that build the competencies and character development needed to fully prepare the youth to become adults and effective citizens; to the Committee on Health, Education, Labor, and Pensions.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

Mr. FEINGOLD:

S. 3075. A bill to repeal the provisions of law that provide automatic pay adjustments for Members of Congress, the Vice President, certain senior executive officers, and Federal judges, and for other purposes; to the Committee on Governmental Affairs.

CONGRESSIONAL PAY ADJUSTMENT LEGISLATION

Mr. FEINGOLD. Mr. President, I rise to introduce a bill that would put an end to automatic cost-of-living adjustments for Congressional pay.

As my Colleagues are aware, it is an unusual thing to have the power to raise our own pay. Few people have that ability. Most of our constituents do not have that power. And that this power is so unusual is good reason for the Congress to exercise that power openly, and to exercise it subject to regular procedures that include debate, amendment, and a vote on the RECORD.

Earlier today, the Senate voted down the conference report on the Legislative Branch appropriations bill. As I noted during the debate on that bill, by considering the Treasury-Postal appropriations bill as part of that conference report, shielded as it was from amendment, the Senate blocked any opportunity to force an open debate of a $3,800 pay raise next year for every Member of the Senate and the House of Representatives. This process of pay raises without accountability must end.

The stealth pay raise technique being employed this year began with a change Congress enacted in the Ethics Reform Act of 1989. In section 704 of that Act, Members of Congress voted to make themselves entitled to an annual raise equal to half a percentage point less than the employment cost index, one measure of inflation. Many times, Congress has voted to deny itself the raise, and Congress traditionally does that on the Treasury-Postal appropriations bill.

And by bringing the Treasury-Postal Appropriations bill to the Senate floor for the first time this week in a conference report, without Senate floor consideration, the majority leadership prevented anyone from offering an amendment on that bill to block the pay raise. The majority leadership tried to make it impossible even to put Senators on record in an up-or-down vote directly for or against the pay raise. The majority nearly perfected the technique of the stealth pay raise.

And the majority also made it impossible to link this Congressional pay raise directly to other pay issues of importance to the American people. The majority made it impossible to consider, among other things, an amendment that would have delayed the Congressional pay raise until working Americans get a much-needed raise in the minimum wage.

The majority leadership thus appears to believe that cost-of-living adjustments make sense for Senators and Congressmen, but that cost-of-living adjustments do not make sense for working people making the minimum wage.

The process that gives Senators and Congressmen an automatic cost-of-living adjustment makes it easier for the majority leadership to block the Senate from rectifying this injustice. If the Senate had to debate and vote on a bill to raise its pay, a Senator could offer an amendment that would point out inequities like this.

The question of how and whether Members of Congress can raise their own pay was one that our Founders considered from the beginning of our Nation. In August of 1789, as part of the package of 12 amendments advocated by James Madison that included what has become our Bill of Rights, the House of Representatives passed an amendment to the Constitution providing that Congress could not raise its pay without an intervening election. Almost exactly 211 years ago, on September 9, 1789, the Senate passed that amendment. In late September of 1789, Congress submitted the amendments to the states.

Although the amendment on pay raises languished for two centuries, in the 1980s, a campaign began to ratify it. While I was a member of the Wisconsin state Senate, I was proud to help ratify the amendment. Its approval by the Michigan legislature on May 7, 1992, gave it the needed approval by three-fourths of the states.

The 27th Amendment to the Constitution now states: ''No law, varying the compensation for the services of the senators and representatives, shall take effect, until an election of representatives shall have intervened.''

I try to honor that limitation in my own practices. In my own case, throughout my 6-year term, I accept only the rate of pay that Senators receive on the date on which I was sworn in as a Senator. And I return to the Treasury any additional income Senators get, whether from a cost-of-living adjustment or a pay raise we vote for ourselves. I don't take a raise until my boss, the people of Wisconsin, give me one at the ballot box. That is the spirit of the 27th Amendment.

Now, this year's procedural device allowing another pay raise to go into effect without a recorded vote does not violate the letter of the Constitution. But stealth pay raises like the one that the Senate allowed this year certainly violate the spirit of that amendment.

Mr. President, this practice must end. To address it, I am introducing this bill to end the automatic cost-of-living adjustment for Congressional pay. Senators and Congressmen should have to vote up-or-down to raise Congressional pay.

The majority has sought to prevent votes on pay raises. My bill would simply require us to vote in the open. We owe our constituents no less.

I urge my Colleagues to support this bill.

Mr. President, I ask unanimous consent to print the bill in the RECORD.

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

S. 3075

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

SECTION 1. ELIMINATION OF AUTOMATIC PAY ADJUSTMENTS FOR FEDERAL OFFICIALS.

(a) MEMBERS OF CONGRESS.—

(1) IN GENERAL.—Paragraph (2) of section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) is repealed.

(2) TECHNICAL AND CONFORMING AMENDMENTS.—Section 601(a)(1) of such Act is amended—

(A) by striking ''(a)(1)'' and inserting ''(a)'';

(B) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively; and

(C) by striking ''as adjusted by paragraph (2) of this subsection'' and inserting ''adjusted as provided by law''.

(b) VICE PRESIDENT.—Section 104 of title 3, United States Code, is amended—

(1) in subsection (a)—

(A) by striking ''(a)'';

(B) in the first sentence by striking ''as adjusted under this section'' and inserting ''adjusted as provided by law''; and

(C) by striking the second and third sentences; and

(2) by striking subsection (b).

(c) EXECUTIVE SCHEDULE POSITIONS.—

(1) IN GENERAL.—Section 5318 of title 5, United States Code, is repealed.

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) The table of sections for chapter 53 of title 5, United States Code, is amended by striking the item relating to section 5318.

(B) Sections 5312, 5313, 5314, 5315, and 5316 of title 5, United States Code, are each amended by striking ''as adjusted by section 5318 of this title'' and inserting ''adjusted as provided by law''.

(d) JUSTICES AND JUDGES.—

(1) IN GENERAL.—Section 461 of title 28, United States Code, is repealed.

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) The table of sections for chapter 21 of title 28, United States Code, is amended by striking the item relating to section 461.

(B) Sections 5, 44(d), 135, and 252 of title 28, United States Code, are each amended by striking ''as adjusted by section 461 of this title'' and inserting ''adjusted as provided by law''.

(C) Section 371(b)(2) of title 28, United States Code, is amended in the second sentence by striking ''under section 461 of this title'' and inserting ''as provided by law''.

(e) EFFECTIVE DATES.—This section shall take effect on February 1, 2001.

Mr. LUGAR (for himself, Mr. SCHUMER, Ms. COLLINS, and Mr. FEINGOLD):

S. 3076. A bill to establish an undergraduate grant program of the Department of State to assist students of limited financial means from the United States to pursue studies abroad; to the Committee on Foreign Relations.

INTERNATIONAL ACADEMIC OPPORTUNITY ACT OF 2000

Mr. LUGAR. Mr. President, I rise to introduce the International Academic Opportunity Act of 2000. I'm pleased to be joined by Senators SCHUMER, COLLINS, and FEINGOLD in introducing this important piece of legislation.

Our bill attempts to address a gap in U.S. institutions of higher education among undergraduate students who wish to study abroad but who lack the financial means to do so. Specifically, our bill would establish an undergraduate grant program in the Department of State for the purpose of assisting American students with limited financial means to pursue studies abroad. It would provide grants for eligible students of up to $5,000 toward the cost of studying overseas for up to one academic year. These grants would be made available from existing appropriations, so we are not requesting any new funds to administer the program.

The program would be administered by the Department of State and funded through the 150 International Affairs budget. Global education is a foreign policy and national security issue, not only an education matter. During the cold war period and now, international education is part of the glue that helps to hold alliances together, that promotes cooperative bilateral relationships, that enhances international trade and business and narrows the psychological distance between counties and cultures. Our target population are the many students who wish to study abroad but who are unable to do so because of financial limitations. Our bill attempts to remedy this gap in American higher education.

To qualify for these grants, an individual must be a student in good standing at a United States institution of higher education, must have been accepted for up to one academic year of study at an institution of higher education outside the United States or be in a study program abroad approved by the student's home institution, and must be a citizen or national of the United States. Priority would be given to those who have a demonstrated financial need and who meet these other eligibility requirements.

It is my understanding that this proposal has been endorsed by the American Council on Education, the Association of State College and Universities, the Alliance for International Education and Cultural Exchange, NAFSA (Association of International Educators), the Institute of International Education, the American Councils for International Education: ACTR/ACCELS, and other educational associations and organizations involved in promoting and implementing international exchanges and higher education.

Mr. President, there are roughly five foreign students studying in the United States for every one U.S. student studying abroad. Only one percent of our total university population in the United States—about 15 million—studies abroad. This imbalance is troubling and should be rectified. 95 percent of the world's population—and all potential trading partners and customers for U.S. exports—live outside the United States. We need to improve the availability and the means for more students, scholars and practitioners to study abroad—in institutions of higher learning, to engage in language studies, to conduct field research, and to participate in international exchanges.

There is extensive research which indicates that experience in study abroad programs produces significant measurable language improvement, typically raising students from survival level skills to real fluency. Research also shows that alumni of study abroad programs view that experience as critical to their career choices and to the performances of their jobs.

In a globalized economy, our ability to understand, communicate, and conduct international commerce and other forms of cross-national and cross-cultural interactions hinge on our ability to understand and work effectively with other societies. Globalization makes the imperative of knowing and understanding the rest of the world more compelling than ever. The global economic and technology revolutions have helped redefine our nation's economic security. The opening of markets, the expansion of international trade, the extraordinary effects of Internet technology, and the need for American business to compete around the world require a larger global vision that can be advanced through expanded contacts and international education.

In order to make our program successful, other countries need to improve their exchange programs to attract American students by making more classroom space available, more and better housing, and improved language capabilities. For our part, we need to do more to encourage undergraduate students to explore the challenges and opportunities of living abroad in another culture, of being exposed to different values and different mores.

I believe this bill merits special attention. The costs are minimal, it adds no new funding to the already-strained appropriations for international affairs and it addresses the needs of those undergraduate American students who wish to study abroad but cannot ordinarily do so because they lack the financial means.

I hope my colleagues will support this initiative.

I ask that the full text of the bill be printed in the RECORD.

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

S. 3076

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 ''International Academic Opportunity Act of 2000''.

SEC. 2. STATEMENT OF PURPOSE.

It is the purpose of this Act to establish an undergraduate grant program for students of limited financial means from the United States to enable such students to study abroad. Such foreign study is intended to broaden the outlook and better prepare such students of demonstrated financial need to assume significant roles in the increasingly global economy.

SEC. 3. ESTABLISHMENT OF GRANT PROGRAM FOR FOREIGN STUDY BY AMERICAN COLLEGE STUDENTS OF LIMITED FINANCIAL MEANS.

(a) ESTABLISHMENT.—Subject to the availability of appropriations and under the authorities of the Mutual Educational and Cultural Exchange Act of 1961, the Secretary of State shall establish and carry out a program in each fiscal year to award grants of up to $5,000, to individuals who meet the requirements of subsection (b), toward the cost of up to one academic year of undergraduate study abroad. Grants under this Act shall be known as the ''Benjamin A. Gilman International Scholarships''.

(b) ELIGIBILITY.—An individual referred to in subsection (a) is an individual who—

(1) is a student in good standing at an institution of higher education in the United States (as defined in section 101(a) of the Higher Education Act of 1965);

(2) has been accepted for up to one academic year of study—

(A) at an institution of higher education outside the United States (as defined by section 102(b) of the Higher Education Act of 1965); or

(B) on a program of study abroad approved for credit by the student's home institution;

(3) is receiving any need-based student assistance under title IV of the Higher Education Act of 1965; and

(4) is a citizen or national of the United States.

(c) APPLICATION AND SELECTION.—

(1) Grant application and selection shall be carried out through accredited institutions of higher education in the United States or a combination of such institutions under such procedures as are established by the Secretary of State.

(2) In considering applications for grants under this section—

(A) consideration of financial need shall include the increased costs of study abroad; and

(B) priority consideration shall be given to applicants who are receiving Federal Pell Grants under title IV of the Higher Education Act of 1965.

SEC. 4. REPORT TO CONGRESS.

The Secretary of State shall report annually to the Congress concerning the grant program established under this Act. Each such report shall include the following information for the preceding year:

(1) The number of participants.

(2) The institutions of higher education in the United States that participants attended.

(3) The institutions of higher education outside the United States participants attended during their year of study abroad.

(4) The areas of study of participants.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $1,500,000 for each fiscal year to carry out this Act.

SEC. 6. EFFECTIVE DATE.

This Act shall take effect October 1, 2000.

By Mr. MOYNIHAN (for himself, Mr. DASCHLE, Mr. ROCKEFELLER, Mr. BREAUX, Mr. GRAHAM, Mr. KERREY, Mr. ROBB, Mr. KENNEDY, Mr. AKAKA, Mr. BINGAMAN, Mrs. BOXER, Mr. CLELAND, Mr. DODD, Mr. DORGAN, Mr. EDWARDS, Mr. HOLLINGS, Mr. INOUYE, Mr. JOHNSON, Mr. KERRY, Ms. LANDRIEU, Mr. LEAHY, Mr. LEVIN, Mrs. LINCOLN, Ms. MIKULSKI, Mr. MILLER, Mrs. MURRAY, Mr. REED, Mr. SARBANES, Mr. SCHUMER, Mr. TORRICELLI, and Mr. WELLSTONE):

S. 3077. A bill to amend the Social Security Act to make corrections and refinements in the Medicare, Medicaid, and SCHIP health insurance programs, as revised by the Balanced Budget Act of 1997 and the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999, and for other purposes; to the Committee on Finance.

BALANCED BUDGET REFINEMENT ACT OF 2000

Mr. MOYNIHAN. Mr. President, I am pleased to join with Senator DASCHLE and many of my Democratic colleagues in sponsoring the Balanced Budget Refinement Act of 2000 (BBRA–2000). First, a few words on the genesis of this bill.

As part of the effort to balance the Federal Budget, the Balanced Budget Act of 1997 (BBA) provided for reduction in Medicare payments for medical services. At the time of enactment, the Congressional Budget Office (CBO) estimated that these provisions would reduce Medicare outlays by $112 billion over 5 years. We now know that these BBA cuts have been much larger than originally anticipated.

Hospital industry representatives and other providers of health care services have asserted that the magnitude of the reductions are having unintended consequences which are seriously impacting the quantity and quality of health care services available to our citizens.

Last year, the Congress address some of those unintended consequences, by enacting the Balanced Budget Refinement Act (BBRA), which added back $16 billion over 5 years in payments to various Medicare providers, including: Teaching Hospitals; Hospital Outpatient Departments; Medicare HMOs (Health Maintenance Organizations); Skilled Nursing Facilities; Rural Health Providers; and Home Health Agencies.

However, Members of Congress are continuing to hear from providers who argue that the 1997 reductions are still having serious unanticipated consequences.

To respond to these continuing problems, the President last June proposed additional BBA relief in the amount of $21 billion over the next 5 years. On July 27, Senator DASCHLE and I announced the outlines of a similar, but more substantial, Senate Democratic BBA relief package that would provide about $40 billion over 5 years in relief to health care providers and beneficiaries. Today, along with many of our colleagues, Senator DASCHLE and I are introducing this package as the Balanced Budget Refinement Act of 2000 (BBRA–2000).

Before I submit for the record a summary of this legislation, I want, in particular, to highlight that our legislation would prevent further reductions in payments to our Nation's teaching hospitals. The BBA, unwisely in my view, enacted a multi-year schedule of cuts in payments by Medicare to academic medical centers. These cuts would seriously impair the cutting edge research conducted by teaching hospitals, as well as impair their ability to train doctors and to serve so many of our nation's indigent.

Last year, in the BBRA, we mitigated the scheduled reductions in fiscal years 2000 and 2001. The package we are introducing today, would cancel any further reductions in what we call ''Indirect Medical Education payments,'' thereby restoring nearly $2.7 billion over 5 years ($6.9 billion over 10 years) to our Nation's teaching hospitals.

I have stood before my colleagues on countless occasions to bring attention to the financial plight of medical schools and teaching hospitals. Yet, I regret that the fate of the 144 accredited medical schools and 1416 graduate medical education teaching institutions still remains uncertain. The proposals in our Democratic BBRA–2000 package will provide critically needed financing in the short-run.

In the long-run, however, we need to restructure the financing of graduate medical education along the lines I have proposed in the Graduate Medical Education Trust Fund Act (S. 210). What is needed is explicit and dedicated funding for these institutions, which will ensure that the United States continues to lead the world in this era of medical discovery. The Graduate Medical Education Trust Fund Act would require that the public sector, through the Medicare and Medicaid programs, and the private sector through an assessment on health insurance premiums, provide broad-based financial support for graduate medical education. S. 210 would roughly double current funding levels for Graduate Medical Education and would establish a Medical Education Advisory Commission to make recommendations on the operation of the Medical Education Trust Fund, on alternative payment sources for funding graduate medical education and teaching hospitals, and on policies designed to maintain superior research and educational capacities.

In addition to restoring much needed funding to our Nation's teaching hospitals, BBRA–2000 would add back funding in many vital areas of health care. Key provisions of the bill we are introducing today would: provide full market basket (inflation) adjustments to hospitals for 2001 and 2002; prevent further reductions in Indirect Medical Education (IME) payments to teaching hospitals; target additional relief to rural hospitals; eliminate cuts in payments to hospitals for handling large numbers of low-income patients (referred to as ''disproportionate share

(DSH) hospital payments''); repeal the scheduled 15 percent cut in payments to home health agencies; provide a full market basket (inflation) adjustment to skilled nursing facilities; assist beneficiaries through preventive benefits and smaller coinsurance payments; provide increased payments to Medicare manager care plans (HMOs); and improve eligibility and enrollment processes in Medicaid and the State Children's Health Insurance Program (SCHIP).

Mr. President, I ask unanimous consent that the bill language, a summary of the bill, and several letters of support which I send to the desk, be placed in the RECORD at the conclusion of my statement. I would like to thank Kyle Kinner and Kirsten Beronio of the minority health staff of the Finance Committee for their efforts in assembling this legislation.

S. 3077

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

SECTION 1. SHORT TITLE; AMENDMENTS TO SOCIAL SECURITY ACT; REFERENCES TO OTHER ACTS; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 2000''.

(b) AMENDMENTS TO SOCIAL SECURITY ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

(c) REFERENCES TO OTHER ACTS.—In this Act:

(1) THE BALANCED BUDGET ACT OF 1997.—The term ''BBA'' means the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 251).

(2) THE MEDICARE, MEDICAID, AND SCHIP BALANCED BUDGET REFINEMENT ACT OF 1999.—The term ''BBRA'' means the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (113 Stat. 1501A–321), as enacted into law by section 1000(a)(6) of Public Law 106–113.

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

Sec. 1. Short title; amendments to Social Security Act; references to other Acts; table of contents.

TITLE I—PROVISIONS RELATING TO PART A

Subtitle A—Skilled Nursing Facilities

Sec. 101. Eliminating reduction in skilled nursing facility (SNF) market basket update.
Sec. 102. Revision of BBRA increase for skilled nursing facilities in fiscal years 2001 and 2002.
Sec. 103. MedPAC study on payment updates for skilled nursing facilities; authority of Secretary to make adjustments.

Subtitle B—PPS Hospitals

Sec. 111. Revision of reduction of indirect graduate medical education payments.
Sec. 112. Eliminating reduction in PPS hospital payment update.
Sec. 113. Eliminating reduction in disproportionate share hospital (DSH) payments.
Sec. 114. Equalizing the threshold and updating payment formulas for disproportionate share hospitals.
Sec. 115. Care for low-income patients.
Sec. 116. Modification of payment rate for Puerto Rico hospitals.
Sec. 117. MedPAC study on hospital area wage indexes.

Subtitle C—PPS Exempt Hospitals

Sec. 121. Treatment of certain cancer hospitals.
Sec. 122. Payment adjustment for inpatient services in rehabilitation hospitals.

Subtitle D—Hospice Care

Sec. 131. Revision in payments for hospice care.

Subtitle E—Other Provisions

Sec. 141. Hospitals required to comply with bloodborne pathogens standard.
Sec. 142. Informatics and data systems grant program.
Sec. 143. Relief from medicare part A late enrollment penalty for group buy-in for State and local retirees.

Subtitle F—Transitional Provisions

Sec. 151. Reclassification of certain counties and areas for purposes of reimbursement under the medicare program.
Sec. 152. Calculation and application of wage index floor for a certain area.

TITLE II—PROVISIONS RELATING TO PART B

Subtitle A—Hospital Outpatient Services

Sec. 201. Reduction of effective HOPD coinsurance rate to 20 percent by 2014.
Sec. 202. Application of transitional corridor to certain hospitals that did not submit a 1996 cost report.
Sec. 203. Permanent guarantee of pre-BBA payment levels for outpatient services furnished by children's hospitals.

Subtitle B—Provisions Relating to Physicians

Sec. 211. Loan deferment for residents.
Sec. 212. GAO studies and reports on medicare payments.
Sec. 213. MedPAC study on the resource-based practice expense system.

Subtitle C—Ambulance Services

Sec. 221. Election to forego phase-in of fee schedule for ambulance services.
Sec. 222. Prudent layperson standard for emergency ambulance services.
Sec. 223. Elimination of reduction in inflation adjustments for ambulance services.
Sec. 224. Study and report on the costs of rural ambulance services.
Sec. 225. Interim payments for rural ground ambulance services until regulation implemented.
Sec. 226. GAO study and report on the costs of emergency and medical transportation services.

Subtitle D—Preventive Services

Sec. 231. Elimination of deductibles and coinsurance for preventive benefits.
Sec. 232. Counseling for cessation of tobacco use.
Sec. 233. Coverage of glaucoma detection tests.
Sec. 234. Medical nutrition therapy services for beneficiaries with diabetes, a cardiovascular disease, or a renal disease.
Sec. 235. Studies on preventive interventions in primary care for older Americans.
Sec. 236. Institute of Medicine 5-year medicare prevention benefit study and report.
Sec. 237. Fast-track consideration of prevention benefit legislation.

Subtitle E—Other Services

Sec. 241. Revision of moratorium in caps for therapy services.
Sec. 242. Revision of coverage of immunosuppressive drugs.
Sec. 243. State accreditation of diabetes self-management training programs.
Sec. 244. Elimination of reduction in payment amounts for durable medical equipment and oxygen and oxygen equipment.
Sec. 245. Standards regarding payment for certain orthotics and prosthetics.
Sec. 246. National limitation amount equal to 100 percent of national median for new pap smear technologies and other new clinical laboratory test technologies.
Sec. 247. Increased medicare payments for certified nurse-midwife services.
Sec. 248. Payment for administration of drugs.
Sec. 249. MedPAC study on in-home infusion therapy nursing services.

TITLE III—PROVISIONS RELATING TO PARTS A AND B

Subtitle A—Home Health Services

Sec. 301. Elimination of 15 percent reduction in payment rates under the prospective payment system for home health services.
Sec. 302. Exclusion of certain nonroutine medical supplies under the PPS for home health services.
Sec. 303. Permitting home health patients with Alzheimer's disease or a related dementia to attend adult day-care.
Sec. 304. Standards for home health branch offices.
Sec. 305. Treatment of home health services provided in certain counties.

Subtitle B—Direct Graduate Medical Education

Sec. 311. Not counting certain geriatric residents against graduate medical education limitations.
Sec. 312. Program of payments to children's hospitals that operate graduate medical education programs.
Sec. 313. Authority to include costs of training of clinical psychologists in payments to hospitals.
Sec. 314. Treatment of certain newly established residency programs in computing medicare payments for the costs of medical education.

Subtitle C—Miscellaneous Provisions

Sec. 321. Waiver of 24-month waiting period for medicare coverage of individuals disabled with amyotrophic lateral sclerosis (ALS).

TITLE IV—RURAL PROVIDER PROVISIONS

Subtitle A—Critical Access Hospitals

Sec. 401. Payments to critical access hospitals for clinical diagnostic laboratory tests.
Sec. 402. Revision of payment for professional services provided by a critical access hospital.
Sec. 403. Permitting critical access hospitals to operate PPS exempt distinct part psychiatric and rehabilitation units.

Subtitle B—Medicare Dependent, Small Rural Hospital Program

Sec. 411. Making the medicare dependent, small rural hospital program permanent.
Sec. 412. Option to base eligibility for medicare dependent, small rural hospital program on discharges during any of the 3 most recent audited cost reporting periods.

Subtitle C—Sole Community Hospitals

Sec. 421. Extension of option to use rebased target amounts to all sole community hospitals.
Sec. 422. Deeming a certain hospital as a sole community hospital.

Subtitle D—Other Rural Hospital Provisions

Sec. 431. Exemption of hospital swing-bed program from the PPS for skilled nursing facilities.
Sec. 432. Permanent guarantee of pre-BBA payment levels for outpatient services furnished by rural hospitals.
Sec. 433. Treatment of certain physician pathology services.

Subtitle E—Other Rural Provisions

Sec. 441. Revision of bonus payments for services furnished in health professional shortage areas.
Sec. 442. Provider-based rural health clinic cap exemption.
Sec. 443. Payment for certain physician assistant services.
Sec. 444. Bonus payments for rural home health agencies in 2001 and 2002.
Sec. 445. Exclusion of clinical social worker services and services performed under a contract with a rural health clinic or federally qualified health center from the PPS for SNFs.
Sec. 446. Coverage of marriage and family therapist services provided in rural health clinics.
Sec. 447. Capital infrastructure revolving loan program.
Sec. 448. Grants for upgrading data systems.
Sec. 449. Relief for financially distressed rural hospitals.
Sec. 450. Refinement of medicare reimbursement for telehealth services.
Sec. 451. MedPAC study on low-volume, isolated rural health care providers.

TITLE V—PROVISIONS RELATING TO PART C (MEDICARE+CHOICE PROGRAM) AND OTHER MEDICARE MANAGED CARE PROVISIONS

Sec. 501. Restoring effective date of elections and changes of elections of Medicare+Choice plans.
Sec. 502. Special Medigap enrollment antidiscrimination provision for certain beneficiaries.
Sec. 503. Increase in national per capita Medicare+Choice growth percentage in 2001 and 2002.
Sec. 504. Allowing movement to 50:50 percent blend in 2002.
Sec. 505. Delay from July to November 2000, in deadline for offering and withdrawing Medicare+Choice plans for 2001.
Sec. 506. Amounts in medicare trust funds available for Secretary's share of Medicare+Choice education and enrollment-related costs.
Sec. 507. Revised terms and conditions for extension of medicare community nursing organization (CNO) demonstration project.
Sec. 508. Modification of payment rules for certain frail elderly medicare beneficiaries.

TITLE VI—PROVISIONS RELATING TO INDIVIDUALS WITH END-STAGE RENAL DISEASE

Sec. 601. Update in renal dialysis composite rate.
Sec. 602. Revision of payment rates for ESRD patients enrolled in Medicare+Choice plans.
Sec. 603. Permitting ESRD beneficiaries to enroll in another Medicare+Choice plan if the plan in which they are enrolled is terminated.
Sec. 604. Coverage of certain vascular access services for ESRD beneficiaries provided by ambulatory surgical centers.
Sec. 605. Collection and analysis of information on the satisfaction of ESRD beneficiaries with the quality of and access to health care under the medicare program.

TITLE VII—ACCESS TO CARE IMPROVEMENTS THROUGH MEDICAID AND SCHIP

Sec. 701. New prospective payment system for Federally-qualified health centers and rural health clinics.
Sec. 702. Transitional medical assistance.
Sec. 703. Application of simplified SCHIP procedures under the medicaid program.
Sec. 704. Presumptive eligibility.
Sec. 705. Improvements to the maternal and child health services block grant.
Sec. 706. Improving access to medicare cost-sharing assistance for low-income beneficiaries.
Sec. 707. Breast and cervical cancer prevention and treatment.

TITLE VIII—OTHER PROVISIONS

Sec. 801. Appropriations for Ricky Ray Hemophilia Relief Fund.
Sec. 802. Increase in appropriations for special diabetes programs for children with type I diabetes and Indians.
Sec. 803. Demonstration grants to improve outreach, enrollment, and coordination of programs and services to homeless individuals and families.
Sec. 804. Protection of an HMO enrollee to receive continuing care at a facility selected by the enrollee.
Sec. 805. Grants to develop and establish real choice systems change initiatives.

TITLE I—PROVISIONS RELATING TO PART A

Subtitle A—Skilled Nursing Facilities

SEC. 101. ELIMINATING REDUCTION IN SKILLED NURSING FACILITY (SNF) MARKET BASKET UPDATE.

(a) ELIMINATION OF REDUCTION.—Section 1888(e)(4)(E)(ii) (42 U.S.C. 1395yy(e)(4)(E)(ii)) is amended—

(1) in subclause (I), by adding ''and'' at the end;

(2) by striking subclause (II); and

(3) by redesignating subclause (III) as subclause (II).

(b) SPECIAL RULE FOR PAYMENT FOR SKILLED NURSING FACILITY SERVICES FOR FISCAL YEAR 2001.—Notwithstanding the amendments made by subsection (a), for purposes of making payments for covered skilled nursing facility services under section 1888(e) of the Social Security Act (42 U.S.C. 1395yy(e)) for fiscal year 2001, the Federal per diem rate referred to in paragraph (4)(E)(ii) of such section—

(1) for the period beginning on October 1, 2000, and ending on March 31, 2001, shall be the rate determined in accordance with subclause (II) of such paragraph as in effect on the day before the date of enactment of this Act; and

(2) for the period beginning on April 1, 2001, and ending on September 30, 2001, shall be the rate computed for fiscal year 2000 pursuant to subclause (I) of such paragraph increased by the skilled nursing facility market basket percentage change for fiscal year 2001 plus 1 percentage point.

SEC. 102. REVISION OF BBRA INCREASE FOR SKILLED NURSING FACILITIES IN FISCAL YEARS 2001 AND 2002.

(a) REVISION.—Section 101(d) of BBRA (113 Stat. 1501A–325) is amended—

(1) in paragraph (1)—

(A) by striking ''4.0 percent for each such fiscal year'' and inserting ''the applicable percent (as defined in paragraph (3)) for each such fiscal year (or portion of such year)''; and

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

''(3) APPLICABLE PERCENT DEFINED.—For purposes of this subsection, the term 'applicable percent' means, with respect to services provided during—

''(A) the period beginning on October 1, 2000, and ending on March 31, 2001, 4.0 percent;

''(B) the period beginning on April 1, 2001, and ending on September 30, 2001, 8.0 percent; and

''(C) fiscal year 2002, 6.0 percent.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if included in the enactment of section 101 of BBRA (113 Stat. 1501A–324).

SEC. 103. MEDPAC STUDY ON PAYMENT UPDATES FOR SKILLED NURSING FACILITIES; AUTHORITY OF SECRETARY TO MAKE ADJUSTMENTS.

(a) STUDY.—The Medicare Payment Advisory Commission established under section 1805 of the Social Security Act (42 U.S.C. 1395b–6) (in this section referred to as ''MedPAC'') shall conduct a study of nursing home costs to determine the adequacy of payment rates (including updates to such rates) under the medicare program under title XVIII of such Act (42 U.S.C. 1395 et seq.) (in this section referred to as the ''medicare program'') for items and services furnished by skilled nursing facilities. In conducting such study, MedPAC shall use data on actual costs and cost increases.

(b) REPORT.—Not later than 12 months after the date of enactment of this Act, MedPAC shall submit a report to the Secretary of Health and Human Services and Congress on the study conducted under subsection (a), including a description of the methodology and calculations used by the Health Care Financing Administration to establish the original payment level under the prospective payment system for skilled nursing facility services under section 1888(e) of the Social Security Act (42 U.S.C. 1395yy(e)) and to annually update payments under the medicare program for items and services furnished by skilled nursing facilities, together with recommendations regarding methods to ensure that all input variables, including the labor costs, the intensity of services, and the changes in science and technology that are specific to such facilities, are adequately accounted for.

(c) AUTHORITY OF SECRETARY TO MAKE ADJUSTMENTS.—Notwithstanding any other provision of law, the Secretary of Health and Human Services may make adjustments to payments under the prospective payment system under section 1888(e) of the Social Security Act (42 U.S.C. 1395yy(e)) for covered skilled nursing facility services to reflect any necessary adjustments to such payments as is appropriate as a result of the study conducted under subsection (a).

(d) PUBLICATION.—

(1) IN GENERAL.—Not later than April 1, 2002, the Secretary of Health and Human Services shall publish for public comment a description of—

(A) whether the Secretary will make any adjustments pursuant to subsection (c); and

(B) if so, the form of such adjustments.

(2) FINAL FORM.—Not later than August 1, 2002, the Secretary of Health and Human Services shall publish the description described in paragraph (1) in final form.

Subtitle B—PPS Hospitals

SEC. 111. REVISION OF REDUCTION OF INDIRECT GRADUATE MEDICAL EDUCATION PAYMENTS.

(a) REVISION.—

(1) IN GENERAL.—Section 1886(d)(5)(B)(ii) (42 U.S.C. 1395ww(d)(5)(B)(ii)) is amended—

(A) in subclause (IV), by adding ''and'' at the end; and

(B) by striking subclauses (V) and (VI) and inserting the following new subclause:

''(V) on or after October 1, 2000, 'c' is equal to 1.6.''.

(2) TECHNICAL AMENDMENTS.—Section 1886(d)(5)(B) (42 U.S.C. 1395ww(d)(5)(B)), as amended by paragraph (1), is amended—

(A) by realigning the left margins of clauses (ii) and (v) so as to align with the left margin of clause (i); and

(B) by realigning the left margins of subclauses (I) through (V) of clause (ii) appropriately.

(b) SPECIAL ADJUSTMENT FOR PURPOSES OF MAINTAINING 6.5 PERCENT IME PAYMENT FOR FISCAL YEAR 2001.—Notwithstanding paragraph (5)(B)(ii)(V) of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)(ii)(V)), as amended by subsection (a), for purposes of making payments for subsection (d) hospitals (as defined in paragraph (1)(B) of such section) with indirect costs of medical education, the indirect teaching adjustment factor referred to in paragraph (5)(B)(ii) of such section shall be determined—

(1) for discharges occurring on or after October 1, 2000, and before April 1, 2001, pursuant to such paragraph as in effect on the day before the date of enactment of this Act; and

(2) for discharges occurring on or after April 1, 2001, and before October 1, 2001, by substituting ''1.66'' for ''1.6'' in subclause (V) of such paragraph (as so amended).

(c) CONFORMING AMENDMENT RELATING TO DETERMINATION OF STANDARDIZED AMOUNT.—Section 1886(d)(2)(C)(i) (42 U.S.C. 1395ww(d)(2)(C)(i)) is amended—

(1) by inserting a comma after ''Balanced Budget Act of 1997''; and

(2) by inserting '', or any payment under such paragraph resulting from the application of section 111(b) of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 2000'' after ''Balanced Budget Refinement Act of 1999''.

SEC. 112. ELIMINATING REDUCTION IN PPS HOSPITAL PAYMENT UPDATE.

(a) IN GENERAL.—Section 1886(b)(3)(B)(i) (42 U.S.C. 1395ww(b)(3)(B)(i)) is amended—

(1) in subclause (XV), by adding ''and'' at the end;

(2) by striking subclauses (XVI) and (XVII);

(3) by redesignating subclause (XVIII) as subclause (XVI); and

(4) in subclause (XVI), as so redesignated, by striking ''fiscal year 2003'' and inserting ''fiscal year 2001''.

(b) SPECIAL RULE FOR PAYMENT FOR INPATIENT HOSPITAL SERVICES FOR FISCAL YEAR 2001.—Notwithstanding the amendments made by subsection (a), for purposes of making payments for fiscal year 2001 for inpatient hospital services furnished by subsection (d) hospitals (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B))), the ''applicable percentage increase'' referred to in section 1886(b)(3)(B)(i) of such Act (42 U.S.C. 1395ww(b)(3)(B)(i))—

(1) for discharges occurring on or after October 1, 2000, and before April 1, 2001, shall be determined in accordance with subclause (XVI) of such section as in effect on the day before the date of enactment of this Act; and

(2) for discharges occurring on or after April 1, 2001, and before October 1, 2001, shall be equal to—

(A) the market basket percentage increase plus 1.1 percentage points for hospitals (other than sole community hospitals) in all areas; and

(B) the market basket percentage increase for sole community hospitals.

SEC. 113. ELIMINATING REDUCTION IN DISPROPORTIONATE SHARE HOSPITAL (DSH) PAYMENTS.

(a) ELIMINATION OF REDUCTION.—

(1) IN GENERAL.—Section 1886(d)(5)(F)(ix) (42 U.S.C. 1395ww(d)(5)(F)(ix)) is amended—

(A) in subclause (III), by striking ''during each of fiscal years 2000 and 2001'' and inserting ''during fiscal year 2000'';

(B) by striking subclause (IV);

(C) by redesignating subclause (V) as subclause (IV); and

(D) in subclause (IV), as so redesignated, by striking ''during fiscal year 2003'' and inserting ''during fiscal year 2001''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to discharges occurring on or after October 1, 2000.

(b) SPECIAL RULE FOR DSH PAYMENT FOR FISCAL YEAR 2001.—Notwithstanding the amendments made by subsection (a)(1), for purposes of making disproportionate share payments for subsection (d) hospitals (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B))) for fiscal year 2001, the additional payment amount otherwise determined under clause (ii) of section 1886(d)(5)(F) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(F))—

(1) for discharges occurring on or after October 1, 2000, and before April 1, 2001, shall be adjusted as provided by clause (ix)(III) of such section as in effect on the day before the date of enactment of this Act; and

(2) for discharges occurring on or after April 1, 2001, and before October 1, 2001, shall be increased by 3 percent.

(c) CONFORMING AMENDMENTS RELATING TO DETERMINATION OF STANDARDIZED AMOUNT.—Section 1886(d)(2)(C)(iv) (42 U.S.C. 1395ww(d)(2)(C)(iv)), is amended—

(1) by striking ''Act of 1989 or'' and inserting ''Act of 1989,''; and

(2) by inserting '', or the enactment of section 113(b) of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 2000'' after ''Omnibus Budget Reconciliation Act of 1990''.

SEC. 114. EQUALIZING THE THRESHOLD AND UPDATING PAYMENT FORMULAS FOR DISPROPORTIONATE SHARE HOSPITALS.

(a) APPLICATION OF UNIFORM 15 PERCENT THRESHOLD.—Section 1886(d)(5)(F)(v) (42 U.S.C. 1395ww(d)(5)(F)(v)) is amended by striking ''exceeds—'' and all that follows and inserting ''exceeds 15 percent.''.

(b) CHANGE IN PAYMENT PERCENTAGE FORMULAS.—Section 1886(d)(5)(F)(viii) (42 U.S.C. 1395ww(d)(5)(F)(viii)) is amended to read as follows:

''(viii) The formula used to determine the disproportionate share adjustment percentage for a cost reporting period for a hospital described in subclause (II), (III), or (IV) of clause (iv) is—

''(I) in the case of such a hospital with a disproportionate patient percentage (as defined in clause (vi)) that does not exceed 20.2, (P–15)(.65) + 2.5;

''(II) in the case of such a hospital with a disproportionate patient percentage (as so defined) that exceeds 20.2 but does not exceed 25.2, (P–20.2)(.825) + 5.88;

''(III) except as provided in subclause (IV), in the case of such a hospital with a disproportionate patient percentage (as so defined) that exceeds 25.2, the disproportionate share adjustment percentage = 10; and

''(IV) in the case of such a hospital with a disproportionate patient percentage (as so defined) that exceeds 30.0 and that is described in clause (iv)(III), (P–30)(.6) + 10;

where 'P' is the hospital's disproportionate patient percentage (as so defined).''.

(c) CONFORMING AMENDMENTS.—Section 1886(d)(5)(F)(iv) (42 U.S.C. 1395ww(d)(5)(F)(iv)) is amended—

(1) in subclause (I), by striking ''is described in the second sentence of clause (v)'' and inserting ''is located in a rural area and has 500 or more beds'';

(2) by amending subclause (II) to read as follows:

''(II) is located in an urban area and has less than 100 beds, or is located in a rural area and has less than 500 beds and is not described in subclause (III) or (IV), is equal to the percent determined in accordance with the applicable formula described in clause (viii);'';

(3) by striking subclauses (III) and (IV);

(4) by redesignating subclauses (V) and (VI) as subclauses (III) and (IV), respectively;

(5) in subclause (III) (as so redesignated), by striking ''and is not classified as a sole community hospital under subparagraph (D),''; and

(6) in subclause (IV) (as so redesignated), by striking ''10 percent'' and inserting ''equal to the percent determined in accordance with the applicable formula described in clause (viii)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to discharges occurring on or after April 1, 2001.

SEC. 115. CARE FOR LOW-INCOME PATIENTS.

(a) FREEZE IN MEDICAID DSH ALLOTMENTS.—

(1) IN GENERAL.—Section 1923(f) (42 U.S.C. 1396r–4(f)) is amended—

(A) by redesignating paragraph (4) as paragraph (5); and

(B) by inserting after paragraph (3), the following new paragraph:

''(4) SPECIAL RULE FOR FISCAL YEARS 2001 THROUGH 2008.—With respect to each of fiscal years 2001 through 2008—

''(A) paragraph (2) shall be applied—

''(i) by substituting—

''(I) in the heading, '2001' for '2002';

''(II) in the matter preceding the table, '2001 (and the DSH allotment for a State for fiscal year 2001 is the same as the DSH allotment for the State for fiscal year 2000, as determined under the following table)' for '2002'; and

''(ii) without regard to the columns in the table relating to FY 01 and FY 02 (fiscal years 2001 and 2002); and

''(B) paragraph (3) shall be applied by substituting—

''(i) in the heading, '2002' for '2003';

''(ii) in subparagraph (A), '2002' for '2003'.''.

(2) REPEAL; APPLICABILITY.—Effective October 1, 2008, the amendments made by paragraph (1) are repealed and section 1923(f) of the Social Security Act (42 U.S.C. 1396r–4(f)) shall be applied and administered as if such amendments had not been enacted.

(b) INCREASE IN DSH ALLOTMENTS FOR THE DISTRICT OF COLUMBIA.—

(1) IN GENERAL.—Each of the entries in the table in section 1923(f)(2) (42 U.S.C. 1396r–4(f)(2)) relating to the District of Columbia for FY 98 (fiscal year 1998), for FY 99 (fiscal year 1999), for FY 00 (fiscal year 2000), for FY

01 (fiscal year 2001), and for FY 02 (fiscal year 2002) are amended by striking the amount otherwise specified and inserting ''43.4''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect as if included in the enactment of section 4721(a) of BBA (111 Stat. 511).

(c) OPTIONAL ELIGIBILITY OF CERTAIN ALIEN PREGNANT WOMEN AND CHILDREN FOR MEDICAID AND SCHIP.—

(1) MEDICAID.—Section 1903(v) (42 U.S.C. 1396b(v)) is amended—

(A) in paragraph (1), by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (4)''; and

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

''(4)(A) A State may elect (in a plan amendment under this title) to provide medical assistance under this title, notwithstanding sections 401(a), 402(b), 403, and 421 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, for aliens who are lawfully residing in the United States (including battered aliens described in section 431(c) of such Act) and who are otherwise eligible for such assistance, within any of the following eligibility categories:

''(i) PREGNANT WOMEN.—Women during pregnancy (and during the 60-day period beginning on the last day of the pregnancy).

''(ii) CHILDREN.—Children (as defined under such plan), including optional targeted low-income children described in section 1905(u)(2)(B).

''(B) In the case of a State that has elected to provide medical assistance to a category of aliens under subparagraph (A), no action may be brought under an affidavit of support against any sponsor of such an alien on the basis of provision of assistance to such category.''.

(2) SCHIP.—Section 2107(e)(1) (42 U.S.C. 1397gg(e)(1)) is amended by adding at the end the following new subparagraph:

''(D) Section 1903(v)(4)(A)(ii) (relating to optional coverage of permanent resident alien children), but only if the State has in effect an election under that same eligibility category for purposes of title XIX.''.

(3) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000, and apply to medical assistance and child health assistance furnished on or after such date.

SEC. 116. MODIFICATION OF PAYMENT RATE FOR PUERTO RICO HOSPITALS.

(a) MODIFICATION OF PAYMENT RATE.—Section 1886(d)(9)(A) (42 U.S.C. 1395ww(d)(9)(A)) is amended—

(1) in clause (i), by striking ''October 1, 1997, 50 percent ('' and inserting ''October 1, 2000, 25 percent (for discharges between October 1, 1997, and September 30, 2000, 50 percent,''; and

(2) in clause (ii), in the matter preceding subclause (I), by striking ''after October 1, 1997, 50 percent ('' and inserting ''after October 1, 2000, 75 percent (for discharges between October 1, 1997, and September 30, 2000, 50 percent,''.

(b) SPECIAL RULE FOR PAYMENT FOR FISCAL YEAR 2001.—

(1) IN GENERAL.—Notwithstanding the amendment made by subsection (a), for purposes of making payments for the operating costs of inpatient hospital services of a section 1886(d) Puerto Rico hospital for fiscal year 2001, the amount referred to in the matter preceding clause (i) of section 1886(d)(9)(A) of the Social Security Act (42 U.S.C. 1395ww(d)(9)(A))—

(A) for discharges occurring on or after October 1, 2000, and before April 1, 2001, shall be determined in accordance with such section as in effect on the day before the date of enactment of this Act; and

(B) for discharges occurring on or after April 1, 2001, and before October 1, 2001, shall be determined—

(i) using 0 percent of the Puerto Rico adjusted DRG prospective payment rate referred to in clause (i) of such section; and

(ii) using 100 percent of the discharge-weighted average referred to in clause (ii) of such section.

(2) SECTION 1886(d) PUERTO RICO HOSPITAL.—For purposes of this subsection, the term ''section 1886(d) Puerto Rico hospital'' has the meaning given the term ''subsection (d) Puerto Rico hospital'' in the last sentence of section 1886(d)(9)(A) of the Social Security Act (42 U.S.C. 1395ww(d)(9)(A)).

SEC. 117. MEDPAC STUDY ON HOSPITAL AREA WAGE INDEXES.

(a) STUDY.—

(1) IN GENERAL.—The Medicare Payment Advisory Commission established under section 1805 of the Social Security Act (42 U.S.C. 1395b–6) (in this section referred to as ''MedPAC'') shall conduct a study on the hospital area wage indexes used in making payments to hospitals under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)), including an assessment of the accuracy of those indexes in reflecting geographic differences in wage and wage-related costs of hospitals.

(2) CONSIDERATIONS.—In conducting the study under paragraph (1), MedPAC shall consider—

(A) the appropriate method for determining hospital area wage indexes;

(B) the appropriate portion of hospital payments that should be adjusted by the applicable area wage index;

(C) the appropriate method for adjusting the wage index by occupational mix; and

(D) the feasibility and impact of making changes (as determined appropriate by MedPAC) to the methods used to determine such indexes, including the need for a data system required to implement such changes.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, MedPAC shall submit a report to the Secretary of Health and Human Services and Congress on the study conducted under subsection (a) together with such recommendations for legislation and administrative action as MedPAC determines appropriate.

Subtitle C—PPS Exempt Hospitals

SEC. 121. TREATMENT OF CERTAIN CANCER HOSPITALS.

(a) IN GENERAL.—Section 1886(d)(1)(B)(v) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)(v)) is amended—

(1) in subclause (I), by striking ''or'' at the end;

(2) in subclause (II), by striking the semicolon at the end and inserting '', or''; and

(3) by adding at the end the following:

''(III) a hospital that was recognized as a clinical cancer research center by the National Cancer Institute of the National Institutes of Health as of February 18, 1998, that has never been reimbursed for inpatient hospital services pursuant to a reimbursement system under a demonstration project under section 1814(b), that is a freestanding facility organized primarily for treatment of and research on cancer and is not a unit of another hospital, that as of the date of enactment of this subclause, is licensed for 162 acute care beds, and that demonstrates for the 4-year period ending on June 30, 1999, that at least 50 percent of its total discharges have a principal finding of neoplastic disease, as defined in subparagraph (E);''.

(b) CONFORMING AMENDMENT.—Section 1886(d)(1)(E) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(E)) is amended by striking ''For purposes of subparagraph (B)(v)(II)'' and inserting ''For purposes of subclauses (II) and (III) of subparagraph (B)(v)''.

(c) PAYMENT.—

(1) APPLICATION TO COST REPORTING PERIODS.—Any classification by reason of section 1886(d)(1)(B)(v)(III) of the Social Security Act (as added by subsection (a)) shall apply to 12-month cost reporting periods beginning on or after July 1, 1999.

(2) BASE YEAR.—Notwithstanding the provisions of section 1886(b)(3)(E) of such Act (42 U.S.C. 1395ww(b)(3)(E)) or other provisions to the contrary, the base cost reporting period for purposes of determining the target amount for any hospital classified by reason of section 1886(d)(1)(B)(v)(III) of such Act (as added by subsection (a)) shall be the 12-month cost reporting period beginning on July 1, 1995.

(3) DEADLINE FOR PAYMENTS.—Any payments owed to a hospital by reason of this subsection shall be made expeditiously, but in no event later than 1 year after the date of enactment of this Act.

SEC. 122. PAYMENT ADJUSTMENT FOR INPATIENT SERVICES IN REHABILITATION HOSPITALS.

(a) OPTION TO APPLY PROSPECTIVE PAYMENT SYSTEM DURING TRANSITION PERIOD.—Section 1886(j)(1)(A) (42 U.S.C. 1395ww(j)(1)(A)) is amended in the matter preceding subclause (i) by inserting ''the greater of the prospective payment rate determined in paragraph (3)(A) or'' after ''is equal to''.

(b) INCREASE IN PROSPECTIVE PAYMENT PERCENTAGE DURING TRANSITION PERIOD.—Section 1886(j)(1)(A)(ii)(I) (42 U.S.C. 1395ww(j)(1)(A)(ii)(I)) is amended by inserting ''102 percent of'' before ''the per unit''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of section 4421 of BBA (111 Stat. 410).

Subtitle D—Hospice Care

SEC. 131. REVISION IN PAYMENTS FOR HOSPICE CARE.

(a) INCREASE.—Section 1814(i)(1)(C) of the Social Security Act (42 U.S.C. 1395f(i)(1)(C)) is amended—

(1) in clause (i), by adding at the end the following new sentence: ''With respect to routine home care and other services included in hospice care furnished during fiscal year 2001, the payment rates for such care and services for such fiscal year shall be 110 percent of such rates as would otherwise be in effect for such fiscal year (taking into account the increase under clause (ii) but not taking into account the increase under section 131 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999), and such payment rates shall be used in determining payments for such care and services furnished in a subsequent fiscal year under clause (ii).''; and

(2) in clause (ii), by striking ''during a subsequent fiscal year'' and inserting ''during a fiscal year beginning after September 30, 1990''.

(b) ELIMINATING REDUCTION IN UPDATE.—Section 1814(i)(1)(C)(ii) of the Social Security Act (42 U.S.C. 1395f(i)(1)(C)(ii)) is amended—

(1) in subclause (VI), by striking ''through 2002'' and inserting ''through 2000''; and

(2) in subclause (VII), by striking ''for a subsequent fiscal year'' and inserting ''for fiscal year 2001 and each subsequent fiscal year''.

(c) SPECIAL RULE FOR PAYMENT FOR HOSPICE CARE FOR FISCAL YEAR 2001.—Notwithstanding the amendments made by subsections (a) and (b), for purposes of making payments under section 1814(i)(1)(C) of the Social Security Act (42 U.S.C. 1395f(i)(1)(C)) for routine home care and other services included in hospice care furnished during fiscal year 2001, such payment rates shall be determined—

(1) for the period beginning on October 1, 2000, and ending on March 31, 2001, in accordance with such section as in effect on the day before the date of enactment of this Act; and

(2) for the period beginning on April 1, 2001, and ending on September 30, 2001—

(A) by substituting ''120 percent'' for ''110 percent'' in the second sentence of clause (i) of such section (as added by subsection (a)(1)); and

(B) as if the increase under subclause (ii)(VII) (as amended by subsection (b)) for fiscal year 2001 was equal to the market basket increase for the fiscal year plus 1.0 percentage point.

Subtitle E—Other Provisions

SEC. 141. HOSPITALS REQUIRED TO COMPLY WITH BLOODBORNE PATHOGENS STANDARD.

(a) AGREEMENTS WITH HOSPITALS.—Section 1866(a)(1) (42 U.S.C. 1395cc(a)(1)) is amended—

(1) in subparagraph (R), by striking ''and'' at the end;

(2) in subparagraph (S), by striking the period at the end and inserting '', and''; and

(3) by inserting after subparagraph (S) the following new subparagraph:

''(T) in the case of hospitals that are not otherwise subject to regulation by the Occupational Safety and Health Administration, to comply with the Bloodborne Pathogens standard under section 1910.1030 of title 29 of the Code of Federal Regulations.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to agreements in effect on or after the date that is 1 year after the date of enactment of this Act.

SEC. 142. INFORMATICS AND DATA SYSTEMS GRANT PROGRAM.

(a) GRANTS TO HOSPITALS.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall establish a program to make grants to hospitals that have submitted applications in accordance with subsection (c) to assist such hospitals in offsetting the costs related to—

(A) developing and implementing standardized clinical health care informatics systems designed to improve medical care and reduce adverse events and health care complications resulting from medication errors; and

(B) establishing data systems to comply with the administrative simplification requirements under part C of title XI of the Social Security Act (42 U.S.C. 1320d et seq.).

(2) COSTS.—For purposes of paragraph (1), the term ''costs'' shall include costs associated with—

(A) purchasing computer software and hardware; and

(B) providing education and training to hospital staff on computer information systems.

(3) DURATION.—The authority of the Secretary to make grants under this section shall terminate on September 30, 2011.

(4) LIMITATION.—A hospital that has received a grant under section 1611 of the Public Health Service Act (as added by section 447 of this Act) is not eligible to receive a grant under this section.

(b) SPECIAL CONSIDERATION FOR LARGE URBAN HOSPITALS.—In awarding grants under this section, the Secretary shall give special consideration to hospitals located in large urban areas (as defined for purposes of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)).

(c) APPLICATION.—A hospital seeking a grant under this section shall submit an application to the Secretary at such time and in such form and manner as the Secretary specifies.

(d) REPORTS.—

(1) INFORMATION.—A hospital receiving a grant under this section shall furnish the Secretary with such information as the Secretary may require to—

(A) evaluate the project for which the grant is made; and

(B) ensure that the grant is expended for the purposes for which it is made.

(2) TIMING OF SUBMISSION.—

(A) INTERIM REPORTS.—The Secretary shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate at least annually on the grant program established under this section, including in such report information on the number of grants made, the nature of the projects involved, the geographic distribution of grant recipients, and such other matters as the Secretary deems appropriate.

(B) FINAL REPORT.—The Secretary shall submit a final report to such committees not later than 180 days after the completion of all of the projects for which a grant is made under this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i) $25,000,000 for each of the fiscal years 2001 through 2011 for the purposes of making grants under this section.

SEC. 143. RELIEF FROM MEDICARE PART A LATE ENROLLMENT PENALTY FOR GROUP BUY-IN FOR STATE AND LOCAL RETIREES.

Section 1818(d) (42 U.S.C. 1395i–2(d)) is amended by adding at the end the following new paragraph:

''(6)(A) In the case where a State, a political subdivision of a State, or an agency or instrumentality of a State or political subdivision thereof determines to pay, for the life of each individual, the monthly premiums due under paragraph (1) on behalf of each of the individuals in a qualified State or local government retiree group who meets the conditions of subsection (a), the amount of any increase otherwise applicable under section 1839(b) (as modified by subsection (c)(6) of this section) with respect to the monthly premium for benefits under this part for an individual who is a member of such group shall be reduced by the total amount of taxes paid under section 3101(b) of the Internal Revenue Code of 1986 by such individual and under section 3111(b) by the employers of such individual on behalf of such individual with respect to employment (as defined in section 3121(b) of such Code).

''(B) For purposes of this paragraph, the term 'qualified State or local government retiree group' means all of the individuals who retire prior to a specified date that is before January 1, 2002, from employment in 1 or more occupations or other broad classes of employees of—

''(i) the State;

''(ii) a political subdivision of the State; or

''(iii) an agency or instrumentality of the State or political subdivision of the State.''.

Subtitle F—Transitional Provisions

SEC. 151. RECLASSIFICATION OF CERTAIN COUNTIES AND AREAS FOR PURPOSES OF REIMBURSEMENT UNDER THE MEDICARE PROGRAM.

(a) FISCAL YEARS 2002 THROUGH 2004.—Notwithstanding any other provision of law, effective for discharges occurring during fiscal years 2002, 2003, and 2004, for purposes of making payments under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d))—

(1) Iredell County, North Carolina is deemed to be located in the Charlotte-Gastonia-Rock Hill, North Carolina-South Carolina Metropolitan Statistical Area; and

(2) the large urban area of New York, New York is deemed to include Orange County, New York (including hospitals that have been reclassified into such county).

For purposes of that section, any reclassification under this subsection shall be treated as a decision of the Medicare Geographic Classification Review Board under paragraph (10) of that section.

(b) FISCAL YEARS 2001 THROUGH 2003.—Notwithstanding any other provision of law, effective for discharges occurring during fiscal years 2001, 2002, and 2003, for purposes of making payments under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d))—

(1) the Jackson, Michigan Metropolitan Statistical Area is deemed to be located in the Ann Arbor, Michigan Metropolitan Statistical Area;

(2) Tangipahoa Parish, Louisiana is deemed to be located in the New Orleans, Louisiana Metropolitan Statistical Area; and

(3) the large urban area of New York, New York is deemed to include Duchess County, New York.

For purposes of that section, any reclassification under this subsection shall be treated as a decision of the Medicare Geographic Classification Review Board under paragraph (10) of that section.

(c) TECHNICAL CORRECTION TO BBRA.—

(1) IN GENERAL.—Section 152 of BBRA (113 Stat. 1501A–334) is amended—

(A) in subsection (a)(2), by inserting ''(including hospitals that have been reclassified into such county)'' after ''such county''; and

(B) in subsection (b)(2), by inserting ''(including hospitals that have been reclassified into such county)'' after ''Orange County, New York''; and

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect as if included in the enactment of section 152 of BBRA (113 Stat. 1501A–334).

SEC. 152. CALCULATION AND APPLICATION OF WAGE INDEX FLOOR FOR A CERTAIN AREA.

Notwithstanding any other provision of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)), for discharges occurring during fiscal year 2000, the Secretary of Health and Human Services shall calculate and apply the wage index for the Barnstable-Yarmouth Metropolitan Statistical Area under that section as if the Jordan Hospital were classified in such area for purposes of payment under that section for such fiscal year. Such recalculation shall not affect the wage index for any other area.

TITLE II—PROVISIONS RELATING TO PART B

Subtitle A—Hospital Outpatient Services

SEC. 201. REDUCTION OF EFFECTIVE HOPD COINSURANCE RATE TO 20 PERCENT BY 2019.

Section 1833(t)(3)(B)(ii) (42 U.S.C. 1395l(t)(3)(B)(ii)) is amended—

(1) by striking ''If the'' and inserting:

''(I) IN GENERAL.—If the''; and

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

''(II) ACCELERATED PHASE-IN.—The Secretary shall estimate, prior to January 1, 2002, the unadjusted copayment amount for each such service (or groups of such services). If the Secretary estimates such unadjusted copayment amount to be greater than 20 percent for any such service (or group of such services) on or after January 1, 2019, the Secretary shall, for services furnished beginning on or after January 1, 2002, reduce the unadjusted copayment amount for such service (or group of such services) in equal increments each year, from the amount applicable in 2001, by an amount estimated by the Secretary such that the unadjusted copayment amount shall equal 20 percent beginning on or after January 1, 2019.''.

SEC. 202. APPLICATION OF TRANSITIONAL CORRIDOR TO CERTAIN HOSPITALS THAT DID NOT SUBMIT A 1996 COST REPORT.

(a) IN GENERAL.—Section 1833(t)(7)(F)(ii)(I) (42 U.S.C. 1395l(t)(7)(F)(ii)(I)) is amended by inserting ''(or, in the case of a hospital that did not submit a cost report for such period, during the first cost reporting period ending in a year after 1996 and before 2001 for which the hospital submitted a cost report)'' after ''1996''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 202 of BBRA.

SEC. 203. PERMANENT GUARANTEE OF PRE-BBA PAYMENT LEVELS FOR OUTPATIENT SERVICES FURNISHED BY CHILDREN'S HOSPITALS.

(a) IN GENERAL.—Section 1833(t)(7)(D) (42 U.S.C. 1395l(t)(7)(D)), as amended by section 432, is amended—

(1) in the heading, by inserting '', CHILDREN'S,'' after ''SMALL RURAL''; and

(2) by striking ''section 1886(d)(1)(B)(v)'' and inserting ''clause (iii) or (v) of section 1886(d)(1)(B)''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to services provided on or after the date that is 1 year after the date of enactment of this Act.

Subtitle B—Provisions Relating to Physicians

SEC. 211. LOAN DEFERMENT FOR RESIDENTS.

(a) FAIRNESS IN MEDICAL STUDENT LOAN FINANCING.—

(1) ELIGIBILITY REQUIREMENTS.—Section 427(a)(2)(C)(iii) of the Higher Education Act of 1965 (20 U.S.C. 1077(a)(2)(C)(iii)) is amended by inserting before the semicolon the following: '', except that for a medical student such period shall not exceed the full initial residency period''.

(2) INSURANCE PROGRAM AGREEMENTS.—Section 428(b)(1)(M)(iii) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)(1)(M)(iii)) is amended by inserting before the semicolon the following: '', except that for a medical student such period shall not exceed the full initial residency period''.

(3) DEFERMENT ELIGIBILITY.—Section 455(f)(2)(C) of the Higher Education Act of 1965 (20 U.S.C. 1087e(f)(2)(C)) is amended by inserting before the period the following: '', except that for a medical student such period shall not exceed the full initial residency period''.

(4) CONTENTS OF LOAN AGREEMENT.—Section 464(c)(2)(A)(iii) of the Higher Education Act of 1965 (20 U.S.C. 1087dd(c)(2)(A)(iii)) is amended by inserting before the semicolon the following: '', except that for a medical student such period shall not exceed the full initial residency period''.

(b) FAIRNESS IN ECONOMIC HARDSHIP DETERMINATION.—Section 435(o)(1)(B) of the Higher Education Act of 1965 (20 U.S.C. 1085(o)(1)(B)) is amended to read as follows:

''(B) such borrower is working full time and has a Federal educational debt burden that equals or exceeds 20 percent of such borrower's adjusted gross income, and the difference between such borrower's adjusted gross income minus such burden is less than 250 percent of the greater of—

''(i) the annual earnings of an individual earning the minimum wage under section 6 of the Fair Labor Standards Act of 1938; or

''(ii) the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Service Block Grant Act) applicable to a family of 2; or''.

SEC. 212. GAO STUDIES AND REPORTS ON MEDICARE PAYMENTS.

(a) GAO STUDY ON HCFA POST-PAYMENT AUDIT PROCESS.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study of the post-payment audit process under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) (in this section referred to as the ''medicare program'') as such process applies to physicians, including the proper level of resources that the Health Care Financing Administration should devote to educating physicians regarding—

(A) coding and billing;

(B) documentation requirements; and

(C) the calculation of overpayments.

(2) REPORT.—Not later than 18 months after the date of enactment of this Act, the Comptroller General shall submit a report to the Secretary of Health and Human Services and Congress on the study conducted under paragraph (1) together with specific recommendations for changes or improvements in the post-payment audit process described in such paragraph.

(b) GAO STUDY ON ADMINISTRATION AND OVERSIGHT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study on the aggregate effects of regulatory, audit, oversight, and paperwork burdens on physicians and other health care providers participating in the medicare program.

(2) REPORT.—Not later than 18 months after the date of enactment of this Act, the Comptroller General shall submit a report to the Secretary of Health and Human Services and Congress on the study conducted under paragraph (1) together with recommendations regarding any area in which—

(A) a reduction in paperwork, an ease of administration, or an appropriate change in oversight and review may be accomplished; or

(B) additional payments or education are needed to assist physicians and other health care providers in understanding and complying with any legal or regulatory requirements.

SEC. 213. MEDPAC STUDY ON THE RESOURCE-BASED PRACTICE EXPENSE SYSTEM.

(a) STUDY.—The Medicare Payment Advisory Commission established under section 1805 of the Social Security Act (42 U.S.C. 1395b–6) (in this section referred to as ''MedPAC'') shall conduct a study of the refinements to the practice expense relative value units during the transition to a resource-based practice expense system for physician payments under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) (in this section referred to as the ''medicare program'').

(b) REPORT.—Not later than July 1, 2001, MedPAC shall submit a report to the Secretary of Health and Human Services and Congress on the study conducted under subsection (a) together with recommendations regarding—

(1) any change or adjustment that is appropriate to ensure full access to a spectrum of care for beneficiaries under the medicare program; and

(2) the appropriateness of payments to physicians.

Subtitle C—Ambulance Services

SEC. 221. ELECTION TO FOREGO PHASE-IN OF FEE SCHEDULE FOR AMBULANCE SERVICES.

Section 1834(l) (42 U.S.C. 1395m(l)) is amended by adding at the end the following new paragraph:

''(8) ELECTION TO FOREGO PHASE-IN OF FEE SCHEDULE.—

''(A) IN GENERAL.—If the Secretary provides for a phase-in of the fee schedule established under this subsection, a supplier of ambulance services may make an election to receive payments based only on such fee schedule at any time during such phase-in, and the Secretary shall begin to make payments to the supplier based only on such fee schedule not later than the date that is 60 days after the date on which the supplier notifies the Secretary of such election.

''(B) WAIVER OF BUDGET NEUTRALITY.—The Secretary shall apply paragraph (3)(A) as if this paragraph had not been enacted.''.

SEC. 222. PRUDENT LAYPERSON STANDARD FOR EMERGENCY AMBULANCE SERVICES.

(a) IN GENERAL.—Section 1861(s)(7) (42 U.S.C. 1395x(s)(7)) is amended by inserting before the semicolon at the end the following: '', except that such regulations shall not fail to treat ambulance services as medical and other health services solely because the ultimate diagnosis of the individual receiving the ambulance services results in a conclusion that ambulance services were not necessary, as long as the request for ambulance services is made after the sudden onset of a medical condition that would be classified as an emergency medical condition (as defined in section 1852(d)(3)(B)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to ambulance services provided on or after October 1, 2000.

SEC. 223. ELIMINATION OF REDUCTION IN INFLATION ADJUSTMENTS FOR AMBULANCE SERVICES.

Subparagraphs (A) and (B) of section 1834(l)(3) (42 U.S.C. 1395m(l)(3)(A)) are each amended by striking ''reduced in the case of 2001 and 2002 by 1.0 percentage points'' and inserting ''increased in the case of 2001 by 1.0 percentage point''.

SEC. 224. STUDY AND REPORT ON THE COSTS OF RURAL AMBULANCE SERVICES.

(a) STUDY.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary''), in consultation with the Office of Rural Health Policy, shall conduct a study of the means by which rural areas with low population densities can be identified for the purpose of designating areas in which the cost of providing ambulance services would be expected to be higher than similar services provided in more heavily populated areas because of low usage. Such study shall also include an analysis of the additional costs of providing ambulance services in areas designated under the previous sentence.

(b) REPORT.—Not later than June 30, 2001, the Secretary shall submit a report to Congress on the study conducted under subsection (a), together with a regulation based on that study which adjusts the fee schedule payment rates for ambulance services provided in low density rural areas based on the increased cost of providing such services in such areas.

SEC. 225. INTERIM PAYMENTS FOR RURAL GROUND AMBULANCE SERVICES UNTIL REGULATION IMPLEMENTED.

(a) INTERIM PAYMENTS.—Section 1834(l) (42 U.S.C. 1395m(l)), as amended by section 221, is amended by adding at the end the following new paragraph:

''(9) INTERIM PAYMENTS FOR RURAL GROUND AMBULANCE SERVICES.—Until such time as the fee schedule established under this subsection is modified by the regulation described in section 224(b) of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 2000, the amount of payment under this subsection for ground ambulance services provided in a rural area (as defined in section 1886(d)(2)(D)) shall be the greater of—

''(A) the amount determined under the fee schedule established under this subsection (without regard to any phase-in established pursuant to paragraph (2)(E)); or

''(B) the amount that would have been paid for such services if the amendments made by

section 4531(b) of the Balanced Budget Act of 1997 had not been enacted;

as adjusted for inflation in the manner described in paragraph (3)(B). For purposes of this paragraph, an ambulance trip shall be considered to have been provided in a rural area only if the transportation of the patient originated in a rural area.''.

(b) CONFORMING AMENDMENTS.—Section 1833(a)(1) (42 U.S.C. 1395l(a)(1)) is amended—

(1) in subparagraph (R)—

(A) by inserting ''except as provided in subparagraph (T),'' before ''with respect''; and

(B) by striking ''and'' at the end; and

(2) in subparagraph (S), by striking the semicolon at the end and inserting '', and (T) with respect to ambulance services described in section 1834(l)(9), the amount paid shall be 80 percent of the lesser of the actual charge for the services or the amount determined under such section;''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to services provided on and after January 1, 2001.

SEC. 226. GAO STUDY AND REPORT ON THE COSTS OF EMERGENCY AND MEDICAL TRANSPORTATION SERVICES.

(a) STUDY.—The Comptroller General of the United States shall conduct a study of the costs of providing emergency and medical transportation services across the range of acuity levels of conditions for which such transportation services are provided.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Comptroller General shall submit a report to the Secretary of Health and Human Services and Congress on the study conducted under subsection (a), together with recommendations for any changes in methodology or payment level necessary to fairly compensate suppliers of emergency and medical transportation services and to ensure the access of beneficiaries under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) to such services.

Subtitle D—Preventive Services

SEC. 231. ELIMINATION OF DEDUCTIBLES AND COINSURANCE FOR PREVENTIVE BENEFITS.

(a) IN GENERAL.—Section 1833 (42 U.S.C. 1395l) is amended by inserting after subsection (o) the following new subsection:

''(p) DEDUCTIBLES AND COINSURANCE WAIVED FOR PREVENTIVE BENEFITS.—The Secretary may not require the payment of any deductible or coinsurance under subsection (a) or (b) of any individual enrolled for coverage under this part for any of the following preventive health care items and services:

''(1) Blood-testing strips, lancets, and blood glucose monitors for individuals with diabetes described in section 1861(n).

''(2) Diabetes outpatient self-management training services (as defined in section 1861(qq)(1)).

''(3) Pneumococcal, influenza, and hepatitis B vaccines and administration described in section 1861(s)(10).

''(4) Screening mammography (as defined in section 1861(jj)).

''(5) Screening pap smear and screening pelvic exam (as defined in paragraphs (1) and (2) of section 1861(nn), respectively).

''(6) Bone mass measurement (as defined in section 1861(rr)(1)).

''(7) Prostate cancer screening test (as defined in section 1861(oo)(1)).

''(8) Colorectal cancer screening test (as defined in section 1861(pp)(1)).''.

(b) WAIVER OF COINSURANCE.—Section 1833(a)(1)(B) (42 U.S.C. 1395l(a)(1)(B)) is amended to read as follows: ''(B) with respect to preventive health care items and services described in subsection (p), the amounts paid shall be 100 percent of the fee schedule or other basis of payment under this title,''.

(c) WAIVER OF DEDUCTIBLE.—Section 1833(b)(1) (42 U.S.C. 1395l(b)(1)) is amended to read as follows: ''(1) such deductible shall not apply with respect to preventive health care items and services described in subsection (p),''.

(d) ADDING ''LANCET'' TO DEFINITION OF DME.—Section 1861(n) (42 U.S.C. 1395x(n)) is amended by striking ''blood-testing strips and blood glucose monitors'' and inserting ''blood-testing strips, lancets, and blood glucose monitors''.

(e) CONFORMING AMENDMENTS.—

(1) ELIMINATION OF COINSURANCE FOR CLINICAL DIAGNOSTIC LABORATORY TESTS.—Paragraphs (1)(D)(i) and (2)(D)(i) of section 1833(a) (42 U.S.C. 1395l(a)) are each amended—

(A) by striking ''basis or which'' and inserting ''basis, which''; and

(B) by inserting '', or which are described in subsection (p)'' after ''critical access hospital''.

(2) ELIMINATION OF COINSURANCE FOR CERTAIN DME.—Section 1834(a)(1)(A) (42 U.S.C. 1395m(a)(1)(A)) is amended by inserting ''(or 100 percent, in the case of such an item described in section 1833(p))'' after ''80 percent''.

(3) ELIMINATION OF COINSURANCE FOR SCREENING MAMMOGRAPHY.—Section 1834(c)(1)(C) (42 U.S.C. 1395m(c)(1)(C)) is amended by striking ''80 percent'' and inserting ''100 percent''.

(4) ELIMINATION OF DEDUCTIBLES AND COINSURANCE FOR COLORECTAL CANCER SCREENING TESTS.—Section 1834(d) (42 U.S.C. 1395m(d)) is amended—

(A) in paragraph (2)(C)—

(i) by striking clause (ii);

(ii) by striking ''FACILITY PAYMENT LIMIT.—'' and all that follows through ''Notwithstanding'' and inserting ''FACILITY PAYMENT LIMIT.—Notwithstanding''; and

(iii) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively; and

(B) in paragraph (3)(C)—

(i) by striking clause (ii); and

(ii) by striking ''FACILITY PAYMENT LIMIT.—'' and all that follows through ''Notwithstanding'' and inserting ''FACILITY PAYMENT LIMIT.—Notwithstanding''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to items and services furnished on or after July 1, 2001.

SEC. 232. COUNSELING FOR CESSATION OF TOBACCO USE.

(a) COVERAGE.—Section 1861(s)(2) (42 U.S.C. 1395x(s)(2)) is amended—

(1) in subparagraph (S), by striking ''and'' at the end;

(2) in subparagraph (T), by inserting ''and'' at the end; and

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

''(U) counseling for cessation of tobacco use (as defined in subsection (uu)) for individuals who have a history of tobacco use;''.

(b) SERVICES DESCRIBED.—Section 1861 (42 U.S.C. 1395x) is amended by adding at the end the following new subsection:

''Counseling for Cessation of Tobacco Use

''(uu)(1) Except as provided in paragraph (2), the term 'counseling for cessation of tobacco use' means diagnostic, therapy, and counseling services for cessation of tobacco use which are furnished—

''(A) by or under the supervision of a physician; or

''(B) by any other health care professional who is legally authorized to furnish such services under State law (or the State regulatory mechanism provided by State law) of the State in which the services are furnished, as would otherwise be covered if furnished by a physician or as an incident to a physician's professional service.

''(2) The term 'counseling for cessation of tobacco use' does not include coverage for drugs or biologicals that are not otherwise covered under this title.''.

(c) ELIMINATION OF COST-SHARING.—

(1) ELIMINATION OF COINSURANCE.—Section 1833(a)(1) (42 U.S.C. 1395l(a)(1)), as amended by section 225(b), is amended—

(A) by striking ''and'' before ''(T)''; and

(B) by inserting before the semicolon at the end the following: '', and (U) with respect to counseling for cessation of tobacco use (as defined in section 1861(uu)), the amount paid shall be 100 percent of the lesser of the actual charge for the services or the amount determined by a fee schedule established by the Secretary for the purposes of this subparagraph''.

(2) ELIMINATION OF DEDUCTIBLE.—The first sentence of section 1833(b) (42 U.S.C. 1395l(b)) is amended—

(A) by striking ''and'' before ''(6)''; and

(B) by inserting before the period the following: '', and (7) such deductible shall not apply with respect to counseling for cessation of tobacco use (as defined in section 1861(uu))''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to services furnished on or after July 1, 2001.

SEC. 233. COVERAGE OF GLAUCOMA DETECTION TESTS.

(a) IN GENERAL.—Section 1861 (42 U.S.C. 1395x), as amended by section 232, is amended—

(1) in subsection (s)(2)—

(A) in subparagraph (T), by striking ''and'' at the end;

(B) in subparagraph (U), by inserting ''and'' at the end; and

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

''(V) glaucoma detection tests (as defined in subsection (vv));''; and

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

''Glaucoma Detection Tests

''(vv) The term 'glaucoma detection test' means all of the following conducted for the purpose of early detection of glaucoma:

''(1) A dilated eye examination with an intraocular pressure measurement.

''(2) Direct ophthalmoscopy or slit-lamp biomicroscopic examination.''.

(b) LIMITATION ON ELIGIBILITY AND FREQUENCY.—Section 1834 (42 U.S.C. 1395m) is amended by adding at the end the following new subsection:

''(m) LIMITATION ON COVERAGE OF GLAUCOMA DETECTION TESTS.—

''(1) IN GENERAL.—Notwithstanding any other provision of this part, with respect to expenses incurred for glaucoma detection tests (as defined in section 1861(vv)), payment may be made only for glaucoma detection tests conducted—

''(A) for individuals described in paragraph (2); and

''(B) consistent with the frequency permitted under paragraph (3).

''(2) INDIVIDUALS ELIGIBLE FOR BENEFIT.—Individuals described in this paragraph are as follows:

''(A) Individuals who are 60 years of age or older and who have a family history of glaucoma.

''(B) Other individuals who are at high risk (as determined by the Secretary) of developing glaucoma.

''(3) FREQUENCY LIMIT.—

''(A) IN GENERAL.—Subject to subparagraph (B), payment may not be made under this part for a glaucoma detection test performed for an individual within 23 months following the month in which a glaucoma detection test was performed under this part for the individual.

''(B) EXCEPTION.—The Secretary may permit a glaucoma detection test to be covered on a more frequent basis than that provided under subparagraph (A) under such circumstances as the Secretary determines to be appropriate.''.

(c) NO APPLICATION OF DEDUCTIBLE.—Section 1833(b)(5) (42 U.S.C. 1395l(b)(5)) is amended by inserting ''or with respect to glaucoma detection tests (as defined in section 1861(vv))'' after ''1861(jj))''.

(d) CONFORMING AMENDMENTS.—Section 1862(a) (42 U.S.C. 1395y(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (H), by striking ''and'' at the end;

(B) in subparagraph (I), by striking the semicolon at the end and inserting '', and''; and

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

''(J) in the case of glaucoma detection tests (as defined in section 1861(vv)), which are furnished to an individual not described in paragraph (2) of section 1834(m) or which are performed more frequently than is covered under paragraph (3) of such section;''; and

(2) in paragraph (7), by striking ''or (H)'' and inserting ''(H), or (I)''.

(e) EFFECTIVE DATE.—The amendments made by this section apply to tests provided on or after July 1, 2001.

SEC. 234. MEDICAL NUTRITION THERAPY SERVICES FOR BENEFICIARIES WITH DIABETES, A CARDIOVASCULAR DISEASE, OR A RENAL DISEASE.

(a) COVERAGE.—Section 1861(s)(2) (42 U.S.C. 1395x(s)(2)), as amended by section 233(a), is amended—

(1) in subparagraph (U) by striking ''and'' at the end;

(2) in subparagraph (V) by inserting ''and'' at the end; and

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

''(W) medical nutrition therapy services (as defined in subsection (ww)(1)) in the case of a beneficiary with diabetes, a cardiovascular disease (including congestive heart failure, arteriosclerosis, hyperlipidemia, hypertension, and hypercholesterolemia), or a renal disease;''.

(b) SERVICES DESCRIBED.—Section 1861 (42 U.S.C. 1395x), as amended by section 233(a), is amended by adding at the end the following new subsection:

''Medical Nutrition Therapy Services; Registered Dietitian or Nutrition Professional

''(ww)(1) The term 'medical nutrition therapy services' means nutritional diagnostic, therapy, and counseling services for the purpose of disease management which are furnished by a registered dietitian or nutrition professional (as defined in paragraph (2)) pursuant to a referral by a physician (as defined in subsection (r)(1)).

''(2) Subject to paragraph (3), the term 'registered dietitian or nutrition professional' means an individual who—

''(A) holds a baccalaureate or higher degree granted by a regionally accredited college or university in the United States (or an equivalent foreign degree) with completion of the academic requirements of a program in nutrition or dietetics, as accredited by an appropriate national accreditation organization recognized by the Secretary for this purpose;

''(B) has completed at least 900 hours of supervised dietetics practice under the supervision of a registered dietitian or nutrition professional; and

''(C)(i) is licensed or certified as a dietitian or nutrition professional by the State in which the services are performed; or

''(ii) in the case of an individual in a State that does not provide for such licensure or certification, meets such other criteria as the Secretary establishes.

''(3) Subparagraphs (A) and (B) of paragraph (2) shall not apply in the case of an individual who, as of the date of enactment of this subsection, is licensed or certified as a dietitian or nutrition professional by the State in which medical nutrition therapy services are performed.''.

(c) PAYMENT.—Section 1833(a)(1) (42 U.S.C. 1395l(a)(1)), as amended by section 232(c)(1), is amended—

(1) by striking ''and'' before ''(U)''; and

(2) by inserting before the semicolon at the end the following: '', and (V) with respect to medical nutrition therapy services (as defined in section 1861(ww)), the amount paid shall be 85 percent of the lesser of the actual charge for the services or the amount determined under the fee schedule established under section 1848(b) for the same services if furnished by a physician''.

(d) EFFECTIVE DATE.—The amendments made by this section apply to services furnished on or after July 1, 2001.

SEC. 235. STUDIES ON PREVENTIVE INTERVENTIONS IN PRIMARY CARE FOR OLDER AMERICANS.

(a) STUDIES.—The Secretary of Health and Human Services, acting through the United States Preventive Services Task Force, shall conduct a series of studies designed to identify preventive interventions that can be delivered in the primary care setting that are most valuable to older Americans.

(b) MISSION STATEMENT.—The mission statement of the United States Preventive Services Task Force is amended to include the evaluation of services that are of particular relevance to older Americans.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary of Health and Human Services shall submit a report to Congress on the conclusions of the studies conducted under subsection (a), together with recommendations for such legislation and administrative actions as the Secretary considers appropriate.

SEC. 236. INSTITUTE OF MEDICINE 5-YEAR MEDICARE PREVENTION BENEFIT STUDY AND REPORT.

(a) STUDY.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall contract with the Institute of Medicine of the National Academy of Sciences to conduct a comprehensive study of current literature and best practices in the field of health promotion and disease prevention among medicare beneficiaries including the issues described in paragraph (2) and to submit the report described in subsection (b).

(2) ISSUES STUDIED.—The study required under paragraph (1) shall include an assessment of—

(A) whether each covered benefit is—

(i) medically effective; and

(ii) a cost-effective benefit or a cost-saving benefit;

(B) utilization of covered benefits (including any barriers to or incentives to increase utilization); and

(C) quality of life issues associated with both health promotion and disease prevention benefits covered under the medicare program and those that are not covered under such program that would affect all medicare beneficiaries.

(b) REPORT.—

(1) IN GENERAL.—Not later than 5 years after the date of enactment of this section, and every fifth year thereafter, the Institute of Medicine of the National Academy of Sciences shall submit to the President a report that contains a detailed statement of the findings and conclusions of the study conducted under subsection (a) and the recommendations for legislation described in paragraph (2).

(2) RECOMMENDATIONS FOR LEGISLATION.—The Institute of Medicine of the National Academy of Sciences, in consultation with the Partnership for Prevention, shall develop recommendations in legislative form that—

(A) prioritize the preventive benefits under the medicare program; and

(B) modify preventive benefits offered under the medicare program based on the study conducted under subsection (a).

(c) TRANSMISSION TO CONGRESS.—

(1) IN GENERAL.—On the day on which the report described in subsection (b) is submitted to the President, the President shall transmit the report and recommendations in legislative form described in subsection (b)(2) to Congress.

(2) DELIVERY.—Copies of the report and recommendations in legislative form required to be transmitted to Congress under paragraph (1) shall be delivered—

(A) to both Houses of Congress on the same day;

(B) to the Clerk of the House of Representatives if the House is not in session; and

(C) to the Secretary of the Senate if the Senate is not in session.

(d) DEFINITIONS.—In this section:

(1) COST-EFFECTIVE BENEFIT.—The term ''cost-effective benefit'' means a benefit or technique that has—

(A) been subject to peer review;

(B) been described in scientific journals; and

(C) demonstrated value as measured by unit costs relative to health outcomes achieved.

(2) COST-SAVING BENEFIT.—The term ''cost-saving benefit'' means a benefit or technique that has—

(A) been subject to peer review;

(B) been described in scientific journals; and

(C) caused a net reduction in health care costs for medicare beneficiaries.

(3) MEDICALLY EFFECTIVE.—The term ''medically effective'' means, with respect to a benefit or technique, that the benefit or technique has been—

(A) subject to peer review;

(B) described in scientific journals; and

(C) determined to achieve an intended goal under normal programmatic conditions.

(4) MEDICARE BENEFICIARY.—The term ''medicare beneficiary'' means any individual who is entitled to benefits under part A or enrolled under part B of the medicare program, including any individual enrolled in a Medicare+Choice plan offered by a Medicare+Choice organization under part C of such program.

(5) MEDICARE PROGRAM.—The term ''medicare program'' means the health benefits program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

SEC. 237. FAST-TRACK CONSIDERATION OF PREVENTION BENEFIT LEGISLATION.

(a) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and is deemed a part of the rules of each House of Congress, but—

(A) is applicable only with respect to the procedure to be followed in that House of Congress in the case of an implementing bill (as defined in subsection (d)); and

(B) supersedes other rules only to the extent that such rules are inconsistent with this section; and

(2) with full recognition of the constitutional right of either House of Congress to change the rules (so far as relating to the procedure of that House of Congress) at any time, in the same manner and to the same

extent as in the case of any other rule of that House of Congress.

(b) INTRODUCTION AND REFERRAL.—

(1) INTRODUCTION.—

(A) IN GENERAL.—Subject to paragraph (2), on the day on which the President transmits the report pursuant to section 236(c) to the House of Representatives and the Senate, the recommendations in legislative form transmitted by the President with respect to such report shall be introduced as a bill (by request) in the following manner:

(i) HOUSE OF REPRESENTATIVES.—In the House of Representatives, by the Majority Leader, for himself and the Minority Leader, or by Members of the House of Representatives designated by the Majority Leader and Minority Leader.

(ii) SENATE.—In the Senate, by the Majority Leader, for himself and the Minority Leader, or by Members of the Senate designated by the Majority Leader and Minority Leader.

(B) SPECIAL RULE.—If either House of Congress is not in session on the day on which such recommendations in legislative form are transmitted, the recommendations in legislative form shall be introduced as a bill in that House of Congress, as provided in subparagraph (A), on the first day thereafter on which that House of Congress is in session.

(2) REFERRAL.—Such bills shall be referred by the presiding officers of the respective Houses to the appropriate committee, or, in the case of a bill containing provisions within the jurisdiction of 2 or more committees, jointly to such committees for consideration of those provisions within their respective jurisdictions.

(c) CONSIDERATION.—After the recommendations in legislative form have been introduced as a bill and referred under subsection (b), such implementing bill shall be considered in the same manner as an implementing bill is considered under subsections (d), (e), (f), and (g) of section 151 of the Trade Act of 1974 (19 U.S.C. 2191).

(d) IMPLEMENTING BILL DEFINED.—In this section, the term ''implementing bill'' means only the recommendations in legislative form of the Institute of Medicine of the National Academy of Sciences described in section 236(b)(2), transmitted by the President to the House of Representatives and the Senate under section 236(c), and introduced and referred as provided in subsection (b) as a bill of either House of Congress.

(e) COUNTING OF DAYS.—For purposes of this section, any period of days referred to in section 151 of the Trade Act of 1974 shall be computed by excluding—

(1) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of Congress sine die; and

(2) any Saturday and Sunday, not excluded under paragraph (1), when either House is not in session.

Subtitle E—Other Services

SEC. 241. REVISION OF MORATORIUM IN CAPS FOR THERAPY SERVICES.

(a) EXTENSION OF MORATORIUM.—Section 1833(g)(4) (42 U.S.C. 1395l(g)(4)) is amended by striking ''during 2000 and 2001'' and inserting ''during the period beginning on January 1, 2000, and ending on the date that is 18 months after the date the Secretary submits the report required under section 4541(d)(2) of the Balanced Budget Act of 1997 to Congress''.

(b) EXTENSION OF REPORTING DATE.—Section 4541(d)(2) of BBA (42 U.S.C. 1395l note), as amended by section 221(c) of BBRA (113 Stat. 1501A–351), is amended by striking ''January 1, 2001'' and inserting ''January 1, 2002''.

SEC. 242. REVISION OF COVERAGE OF IMMUNOSUPPRESSIVE DRUGS.

(a) REVISION.—

(1) IN GENERAL.—Section 1861(s)(2)(J) (42 U.S.C. 1395x(s)(2)(J)) is amended to read as follows:

''(J) prescription drugs used in immunosuppressive therapy furnished—

''(i) on or after the date of enactment of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 2000 and before January 1, 2004, to an individual who has received an organ transplant; and

''(ii) on or after January 1, 2004, to an individual who receives an organ transplant for which payment is made under this title, but only in the case of drugs furnished within 36 months after the date of the transplant procedure.''.

(2) CONFORMING AMENDMENTS.—

(A) EXTENDED COVERAGE.—Section 1832 (42 U.S.C. 1395k) is amended—

(i) by striking subsection (b); and

(ii) by redesignating subsection (c) as subsection (b).

(B) PASS-THROUGH; REPORT.—Subsections (c) and (d) of section 227 of BBRA (113 Stat. 1501A–355) are repealed.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to drugs furnished on or after the date of enactment of this Act.

(b) EXTENSION OF CERTAIN SECONDARY PAYER REQUIREMENTS.—Section 1862(b)(1)(C) (42 U.S.C. 1395y(b)(1)(C)) is amended by adding at the end the following: ''With regard to immunosuppressive drugs furnished on or after the date of enactment of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 2000 and before January 1, 2004, this subparagraph shall be applied without regard to any time limitation.''.

SEC. 243. STATE ACCREDITATION OF DIABETES SELF-MANAGEMENT TRAINING PROGRAMS.

Section 1861(qq)(2) of the Social Security Act (42 U.S.C. 1395xx(qq)(2)) is amended—

(1) in the matter preceding subparagraph (A), by striking ''paragraph (1)—'' and inserting ''paragraph (1):'';

(2) in subparagraph (A)—

(A) by striking ''a 'certified provider'' and inserting ''A 'certified provider'''; and

(B) by striking ''; and'' and inserting a period; and

(3) in subparagraph (B)—

(A) by striking ''a physician, or such other individual'' and inserting ''(i) A physician, or such other individual'';

(B) by inserting ''(I)'' before ''meets applicable standards'';

(C) by inserting ''(II)'' before ''is recognized'';

(D) by inserting '', or by a program described in clause (ii),'' after ''recognized by an organization that represents individuals (including individuals under this title) with diabetes''; and

(E) by adding at the end the following new clause:

''(ii) Notwithstanding any reference to 'a national accreditation body' in section 1865(b), for purposes of clause (i), a program described in this clause is a program operated by a State for the purposes of accrediting diabetes self-management training programs, if the Secretary determines that such State program has established quality standards that meet or exceed the standards established by the Secretary under clause (i) or the standards originally established by the National Diabetes Advisory Board and subsequently revised as described in clause (i).''.

SEC. 244. ELIMINATION OF REDUCTION IN PAYMENT AMOUNTS FOR DURABLE MEDICAL EQUIPMENT AND OXYGEN AND OXYGEN EQUIPMENT.

(a) UPDATE FOR COVERED ITEMS.—Section 1834(a)(14)(C) (42 U.S.C. 1395m(a)(14)(C)) is amended by striking ''through 2002'' and inserting ''through 2000''.

(b) ORTHOTICS AND PROSTHETICS.—Section 1834(h)(4)(A)(v) (42 U.S.C. 1395m(h)(4)(A)(v)) is amended by striking ''through 2002'' and inserting ''through 2000''.

(c) PARENTERAL AND ENTERAL NUTRIENTS, SUPPLIES, AND EQUIPMENT.—Section 4551(b) of BBA (42 U.S.C. 1395m note) is amended by striking ''through 2002'' and inserting ''through 2000''.

(d) OXYGEN AND OXYGEN EQUIPMENT.—Section 1834(a)(9)(B) (42 U.S.C. 1395m(a)(9)(B)) is amended—

(1) in clause (v), by striking ''and'' at the end;

(2) in clause (vi)—

(A) by striking ''each subsequent year'' and inserting ''2000''; and

(B) by striking the period at the end and inserting ''; and''; and

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

''(vii) for 2001 and each subsequent year, the amount determined under this subparagraph for the preceding year increased by the covered item update for such subsequent year.''.

(e) CONFORMING AMENDMENT.—Section 228 of BBRA (113 Stat. 1501A–356) is repealed.

SEC. 245. STANDARDS REGARDING PAYMENT FOR CERTAIN ORTHOTICS AND PROSTHETICS.

(a) STANDARDS.—

(1) IN GENERAL.—Section 1834(h)(1) (42 U.S.C. 1395m(h)(1)) is amended by adding at the end the following:

''(F) ESTABLISHMENT OF STANDARDS FOR CERTAIN ITEMS.—

''(i) IN GENERAL.—No payment shall be made for an applicable item unless such item is provided by a qualified practitioner or a qualified supplier under the system established by the Secretary under clause (iii). For purposes of the preceding sentence, if a qualified practitioner or a qualified supplier contracts with an entity to provide an applicable item, then no payment shall be made for such item unless the entity is also a qualified supplier.

''(ii) DEFINITIONS.—In this subparagraph—

''(I) APPLICABLE ITEM.—The term 'applicable item' means orthotics and prosthetics that require education, training, and experience to custom fabricate such item. Such term does not include shoes and shoe inserts.

''(II) QUALIFIED PRACTITIONER.—The term 'qualified practitioner' means a physician or health professional who meets any of the following requirements:

''(aa) The physician or health professional is specifically trained and educated to provide or manage the provision of custom-designed, fabricated, modified, and fitted orthotics and prosthetics, and is either certified by the American Board for Certification in Orthotics and Prosthetics, Inc., certified by the Board for Orthotist/Prosthetist Certification, or credentialed and approved by a program that the Secretary determines, in consultation with appropriate experts in orthotics and prosthetics, has training and education standards that are necessary to provide applicable items.

''(bb) The physician or health professional is licensed in orthotics or prosthetics by the State in which the applicable item is supplied, but only if the Secretary determines that the mechanisms used by the State to provide such licensure meet standards determined appropriate by the Secretary.

''(cc) The physician or health professional has completed at least 10 years practice in the provision of applicable items. A physician or health professional may not qualify as a qualified practitioner under the preceding sentence with respect to an applicable item if the item was provided on or after January 1, 2005.

''(III) QUALIFIED SUPPLIER.—The term 'qualified supplier' means any entity that is—

''(aa) accredited by the American Board for Certification in Orthotics and Prosthetics, Inc. or the Board for Orthotist/Prosthetist Certification; or

''(bb) accredited and approved by a program that the Secretary determines has accreditation and approval standards that are essentially equivalent to those of such Board.

''(iii) SYSTEM.—The Secretary, in consultation with appropriate experts in orthotics and prosthetics, shall establish a system under which the Secretary shall—

''(I) determine which items are applicable items and formulate a list of such items;

''(II) review the applicable items billed under the coding system established under this title; and

''(III) limit payment for applicable items pursuant to clause (i).''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to items provided on or after January 1, 2003.

(b) REVISION OF DEFINITION OF ORTHOTICS.—

(1) IN GENERAL.—Section 1861(s)(9) (42 U.S.C. 1395x(s)(9)) is amended by inserting ''(including such braces that are used in conjunction with, or as components of, other medical or non-medical equipment when provided by a qualified practitioner (as defined in subclause (II) of section 1834(h)(1)(F))) or a qualified supplier (as defined in subclause (III) of such section)'' after ''braces''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to items provided on or after January 1, 2003.

SEC. 246. NATIONAL LIMITATION AMOUNT EQUAL TO 100 PERCENT OF NATIONAL MEDIAN FOR NEW PAP SMEAR TECHNOLOGIES AND OTHER NEW CLINICAL LABORATORY TEST TECHNOLOGIES.

Section 1833(h)(4)(B)(viii) (42 U.S.C. 1395l(h)(4)(B)(viii)) is amended by inserting before the period at the end the following: ''(or 100 percent of such median in the case of a clinical diagnostic laboratory test performed on or after January 1, 2001, that the Secretary determines is a new test for which no limitation amount has previously been established under this subparagraph)''.

SEC. 247. INCREASED MEDICARE PAYMENTS FOR CERTIFIED NURSE-MIDWIFE SERVICES.

(a) AMOUNT OF PAYMENT.—Section 1833(a)(1)(K) (42 U.S.C. 1395l(a)(1)(K)) is amended by striking ''65 percent of the prevailing charge that would be allowed for the same service performed by a physician, or, for services furnished on or after January 1, 1992, 65 percent'' and inserting ''85 percent''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to services furnished on or after January 1, 2001.

SEC. 248. PAYMENT FOR ADMINISTRATION OF DRUGS.

(a) REVIEW OF CHEMOTHERAPY ADMINISTRATION PRACTICE EXPENSES RVUS.—The Secretary of Health and Human Services shall review the resource-based practice expense component of relative value units under the physician fee schedule under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for chemotherapy administration services to determine if such units should be increased.

(b) MORE ACCURATE CHEMOTHERAPY DRUG PAYMENTS TIED TO INCREASES IN CHEMOTHERAPY ADMINISTRATION PAYMENTS.—If the Secretary of Health and Human Services determines, as a result of the review under subsection (a), that the resource-based practice expense relative value units for chemotherapy administration services should be increased, the Secretary—

(1) may implement such increases for such services, but only if the Secretary simultaneously implements more accurate average wholesale prices for chemotherapy drugs (but in no case shall such simultaneous implementation occur prior to January 1, 2002); and

(2) if the Secretary implements such increases for such services, shall do so without taking into account the requirement under the physician fee schedule under section 1848(c)(2)(B)(ii)(II) of the Social Security Act (42 U.S.C. 1395w–4(c)(2)(B)(ii)(II)).

(c) BLOOD CLOTTING DRUG-RELATED ACTIVITIES.—

(1) COVERAGE.—Section 1861(s)(2)(I) (42 U.S.C. 1395x(s)(2)(I)) is amended—

(A) by striking ''and'' after ''supervision,''; and

(B) by inserting the following before the semicolon: '', and the costs (pursuant to section 1834(n)) incurred by suppliers of such factors''.

(2) PAYMENTS.—Section 1834 (42 U.S.C. 1395m), as amended by section 233(b), is amended by adding at the end the following new subsection:

''(n) PAYMENT FOR BLOOD CLOTTING DRUG-RELATED ACTIVITIES.—

''(1) IN GENERAL.—The Secretary shall make payments in accordance with paragraph (2) to suppliers of blood clotting factors (as described in section 1861(s)(2)(I)) to cover the costs (such as shipping, storage, inventory control, or other costs specified by the Secretary) incurred by such suppliers in furnishing such factors to individuals enrolled under this part.

''(2) PAYMENT AMOUNT.—The amount of payment for furnishing such blood clotting factors (as so described) shall be an amount equal to 80 percent of the lesser of—

''(A) the actual charge for the furnishing of such factors; or

''(B) an amount equal to 10 cents (or such other amount determined appropriate by the Secretary) per unit of such factor furnished.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to blood clotting factors (as described in section 1861(s)(2)(I) of the Social Security Act (42 U.S.C. 1395x(s)(2)(I))) furnished on or after the date that the Secretary of Health and Human Services implements more accurate average wholesale prices for such factors.

SEC. 249. MEDPAC STUDY ON IN-HOME INFUSION THERAPY NURSING SERVICES.

(a) STUDY.—The Medicare Payment Advisory Commission established under section 1805 of the Social Security Act (42 U.S.C. 1395b–6) (in this section referred to as ''MedPAC'') shall conduct a study on the provision of in-home infusion therapy nursing services, including a review of any documentation of clinical efficacy for those services and any costs associated with providing those services.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, MedPAC shall submit a report to the Secretary of Health and Human Services and Congress on the study and review conducted under subsection (a) together with recommendations regarding the establishment of a payment methodology for in-home infusion therapy nursing services that ensures the continuing access of beneficiaries under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) to those services.

TITLE III—PROVISIONS RELATING TO PARTS A AND B

Subtitle A—Home Health Services

SEC. 301. ELIMINATION OF 15 PERCENT REDUCTION IN PAYMENT RATES UNDER THE PROSPECTIVE PAYMENT SYSTEM FOR HOME HEALTH SERVICES.

(a) IN GENERAL.—Section 1895(b)(3)(A) (42 U.S.C. 1395fff(b)(3)(A)) is amended to read as follows:

''(A) INITIAL BASIS.—Under such system the Secretary shall provide for computation of a standard prospective payment amount (or amounts). Such amount (or amounts) shall initially be based on the most current audited cost report data available to the Secretary and shall be computed in a manner so that the total amounts payable under the system for the 12-month period beginning on the date the Secretary implements the system shall be equal to the total amount that would have been made if the system had not been in effect and if section 1861(v)(1)(L)(ix) had not been enacted. Each such amount shall be standardized in a manner that eliminates the effect of variations in relative case mix and area wage adjustments among different home health agencies in a budget neutral manner consistent with the case mix and wage level adjustments provided under paragraph (4)(A). Under the system, the Secretary may recognize regional differences or differences based upon whether or not the services or agency are in an urbanized area.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of BBRA.

SEC. 302. EXCLUSION OF CERTAIN NONROUTINE MEDICAL SUPPLIES UNDER THE PPS FOR HOME HEALTH SERVICES.

(a) EXCLUSION.—

(1) IN GENERAL.—Section 1895 (42 U.S.C. 1395fff) is amended by adding at the end the following new subsection:

''(e) EXCLUSION OF NONROUTINE MEDICAL SUPPLIES.—

''(1) IN GENERAL.—Notwithstanding the preceding provisions of this section, in the case of all nonroutine medical supplies (as defined by the Secretary) furnished by a home health agency during a year (beginning with 2001) for which payment is otherwise made on the basis of the prospective payment amount under this section, payment under this section shall be based instead on the lesser of—

''(A) the actual charge for the nonroutine medical supply; or

''(B) the amount determined under the fee schedule established by the Secretary for purposes of making payment for such items under part B for nonroutine medical supplies furnished during that year.

''(2) BUDGET NEUTRALITY ADJUSTMENT.—The Secretary shall provide for an appropriate proportional reduction in payments under this section so that beginning with fiscal year 2001, the aggregate amount of such reductions is equal to the aggregate increase in payments attributable to the exclusion effected under paragraph (1).''.

(2) CONFORMING AMENDMENT.—Section 1895(b)(1) of the Social Security Act (42 U.S.C. 1395fff(b)(1)) is amended by striking ''The Secretary'' and inserting ''Subject to subsection (e), the Secretary''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to supplies furnished on or after January 1, 2001.

(b) EXCLUSION FROM CONSOLIDATED BILLING.—

(1) IN GENERAL.—For items provided during the applicable period, the Secretary of Health and Human Services shall administer the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) as if—

(A) section 1842(b)(6)(F) of such Act (42 U.S.C. 1395u(b)(6)(F)) was amended by striking ''(including medical supplies described in section 1861(m)(5), but excluding durable medical equipment to the extent provided for in such section)'' and inserting ''(excluding medical supplies and durable medical equipment described in section 1861(m)(5))''; and

(B) section 1862(a)(21) of such Act (42 U.S.C. 1395y(a)(21)) was amended by striking ''(including medical supplies described in section 1861(m)(5), but excluding durable medical equipment to the extent provided for in such section)'' and inserting ''(excluding medical supplies and durable medical equipment described in section 1861(m)(5))''.

(2) APPLICABLE PERIOD DEFINED.—For purposes of paragraph (1), the term ''applicable period'' means the period beginning on January 1, 2001, and ending on the later of—

(A) the date that is 18 months after the date of enactment of this Act; or

(B) the date determined appropriate by the Secretary of Health and Human Services.

(c) STUDY ON EXCLUSION OF CERTAIN NONROUTINE MEDICAL SUPPLIES UNDER THE PPS FOR HOME HEALTH SERVICES.—

(1) STUDY.—The Secretary of Health and Human Services (in this subsection referred to as the ''Secretary'') shall conduct a study to identify any nonroutine medical supply that may be appropriately and cost-effectively excluded from the prospective payment system for home health services under section 1895 of the Social Security Act (42 U.S.C. 1395fff). Specifically, the Secretary shall consider whether wound care and ostomy supplies should be excluded from such prospective payment system.

(2) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to the committees of jurisdiction of the House of Representatives and the Senate a report on the study conducted under paragraph (1), including a list of any nonroutine medical supplies that should be excluded from the prospective payment system for home health services under section 1895 of the Social Security Act (42 U.S.C. 1395fff).

(d) EXCLUSION OF OTHER NONROUTINE MEDICAL SUPPLIES.—Upon submission of the report under subsection (c)(2), the Secretary shall (if necessary) revise the definition of nonroutine medical supply, as defined for purposes of section 1895(e) (as added by subsection (a)), based on the list of nonroutine medical supplies included in such report.

SEC. 303. PERMITTING HOME HEALTH PATIENTS WITH ALZHEIMER'S DISEASE OR A RELATED DEMENTIA TO ATTEND ADULT DAY-CARE.

(a) IN GENERAL.—Sections 1814(a) and 1835(a) of the Social Security Act (42 U.S.C. 1395f(a); 1395n(a)) are each amended in the last sentence by inserting ''(including regularly participating, for the purpose of therapeutic treatment for Alzheimer's disease or a related dementia, in an adult day-care program that is licensed, certified, or accredited by a State to furnish adult day-care services in the State)'' before the period.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to items and services provided on or after October 1, 2001.

SEC. 304. STANDARDS FOR HOME HEALTH BRANCH OFFICES.

(a) IN GENERAL.—Section 1861(o) (42 U.S.C. 1395x(o)) is amended by adding at the end the following new sentences: ''For purposes of this subsection, a home health agency may provide services through a single site or through a branch office. For purposes of the preceding sentence, the term 'branch office' means a service site for home health services that is controlled and supervised by a home health agency.''.

(b) ESTABLISHMENT OF STANDARDS.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this subsection referred to as the ''Secretary'') shall establish, using a negotiated rulemaking process under subchapter III of chapter 5 of title 5, United States Code, standards for the operation of a branch office (as defined in the last sentence of section 1861(o) of the Social Security Act (42 U.S.C. 1395x(o)), as added by subsection (a)).

(2) REQUIREMENTS.—In establishing standards under paragraph (1), the Secretary shall—

(A) provide for the special treatment of any home health agency or branch office—

(i) that is located in a frontier area; or

(ii) with any other special circumstance that the Secretary determines is appropriate; and

(B) allow the use of technology used by the home health agency to supervise the branch office.

(3) CONSULTATION.—The Secretary shall establish the regulations under this subsection in consultation with representatives of the home health industry.

SEC. 305. TREATMENT OF HOME HEALTH SERVICES PROVIDED IN CERTAIN COUNTIES.

(a) IN GENERAL.—Notwithstanding any other provision of law, effective for home health services provided under the prospective payment system under section 1895 of the Social Security Act (42 U.S.C. 1395fff) during fiscal year 2001 in an applicable county, the geographic adjustment factors applicable in such year to hospitals physically located in such county under section 1886(d) of such Act (42 U.S.C. 1395ww(d)) (including the factors applicable to such hospitals by reason of any reclassification or deemed reclassification) shall be deemed to apply to such services instead of the area wage adjustment factors that would otherwise be applicable to such services under section 1895(b)(4)(C) of such Act (42 U.S.C. 1395fff(b)(4)(C)).

(b) APPLICABLE COUNTY DEFINED.—For purposes of subsection (a), the term ''applicable county'' means any of the following counties:

(1) Duchess County, New York.
(2) Orange County, New York.
(3) Clinton County, New York.
(4) Ulster County, New York.
(5) Otsego County, New York.
(6) Cayuga County, New York.
(7) St. Jefferson County, New York.

Subtitle B—Direct Graduate Medical Education

SEC. 311. NOT COUNTING CERTAIN GERIATRIC RESIDENTS AGAINST GRADUATE MEDICAL EDUCATION LIMITATIONS.

For cost reporting periods beginning on or after October 1, 2000, and before October 1, 2005, in applying the limitations regarding the total number of full-time equivalent interns and residents in the field of allopathic or osteopathic medicine under subsections (d)(5)(B)(v) and (h)(4)(F) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) for a hospital, the Secretary of Health and Human Services shall not take into account a maximum of 3 interns or residents in the field of geriatric medicine to the extent the hospital increases the number of geriatric interns or residents above the number of such interns or residents for the hospital's most recent cost reporting period ending before October 1, 2000.

SEC. 312. PROGRAM OF PAYMENTS TO CHILDREN'S HOSPITALS THAT OPERATE GRADUATE MEDICAL EDUCATION PROGRAMS.

Part A of title XI (42 U.S.C. 1301 et seq.) is amended by adding after section 1150 the following new section:

''PROGRAM OF PAYMENTS TO CHILDREN'S HOSPITALS THAT OPERATE GRADUATE MEDICAL EDUCATION PROGRAMS

''SEC. 1150A. (a) PAYMENTS.—The Secretary shall make 2 payments under this section to each children's hospital for each of fiscal years 2002 through 2005, 1 for the direct expenses and the other for the indirect expenses associated with operating approved graduate medical residency training programs.

''(b) AMOUNT OF PAYMENTS.—

''(1) IN GENERAL.—Subject to paragraph (2), the amounts payable under this section to a children's hospital for an approved graduate medical residency training program for a fiscal year are each of the following amounts:

''(A) DIRECT EXPENSE AMOUNT.—The amount determined under subsection (c) for direct expenses associated with operating approved graduate medical residency training programs.

''(B) INDIRECT EXPENSE AMOUNT.—The amount determined under subsection (d) for indirect expenses associated with the treatment of more severely ill patients and the additional costs relating to teaching residents in such programs.

''(2) CAPPED AMOUNT.—

''(A) IN GENERAL.—The total of the payments made to children's hospitals under subparagraph (A) or (B) of paragraph (1) in a fiscal year shall not exceed the funds appropriated under paragraph (1) or (2), respectively, of subsection (f) for such payments for that fiscal year.

''(B) PRO RATA REDUCTIONS OF PAYMENTS FOR DIRECT EXPENSES.—If the Secretary determines that the amount of funds appropriated under subsection (f)(1) for a fiscal year is insufficient to provide the total amount of payments otherwise due for such periods under paragraph (1)(A), the Secretary shall reduce the amounts so payable on a pro rata basis to reflect such shortfall.

''(c) AMOUNT OF PAYMENT FOR DIRECT GRADUATE MEDICAL EDUCATION.—

''(1) IN GENERAL.—The amount determined under this subsection for payments to a children's hospital for direct graduate expenses relating to approved graduate medical residency training programs for a fiscal year is equal to the product of—

''(A) the updated per resident amount for direct graduate medical education, as determined under paragraph (2); and

''(B) the average number of full-time equivalent residents in the hospital's graduate approved medical residency training programs (as determined under section 1886(h)(4)) during the fiscal year.

''(2) UPDATED PER RESIDENT AMOUNT FOR DIRECT GRADUATE MEDICAL EDUCATION.—The updated per resident amount for direct graduate medical education for a hospital for a fiscal year is an amount determined as follows:

''(A) DETERMINATION OF HOSPITAL SINGLE PER RESIDENT AMOUNT.—The Secretary shall compute for each hospital operating an approved graduate medical education program (regardless of whether or not it is a children's hospital) a single per resident amount equal to the average (weighted by number of full-time equivalent residents) of the primary care per resident amount and the nonprimary care per resident amount computed under section 1886(h)(2) for cost reporting periods ending during fiscal year 1997.

''(B) DETERMINATION OF WAGE AND NONWAGE-RELATED PROPORTION OF THE SINGLE PER RESIDENT AMOUNT.—The Secretary shall estimate the average proportion of the single per resident amounts computed under subparagraph (A) that is attributable to wages and wage-related costs.

''(C) STANDARDIZING PER RESIDENT AMOUNTS.—The Secretary shall establish a

standardized per resident amount for each such hospital—

''(i) by dividing the single per resident amount computed under subparagraph (A) into a wage-related portion and a non-wage-related portion by applying the proportion determined under subparagraph (B);

''(ii) by dividing the wage-related portion by the factor applied under section 1886(d)(3)(E) for discharges occurring during fiscal year 1999 for the hospital's area; and

''(iii) by adding the non-wage-related portion to the amount computed under clause (ii).

''(D) DETERMINATION OF NATIONAL AVERAGE.—The Secretary shall compute a national average per resident amount equal to the average of the standardized per resident amounts computed under subparagraph (C) for such hospitals, with the amount for each hospital weighted by the average number of full-time equivalent residents at such hospital.

''(E) APPLICATION TO INDIVIDUAL HOSPITALS.—The Secretary shall compute for each such hospital that is a children's hospital a per resident amount—

''(i) by dividing the national average per resident amount computed under subparagraph (D) into a wage-related portion and a non-wage-related portion by applying the proportion determined under subparagraph (B);

''(ii) by multiplying the wage-related portion by the factor described in subparagraph (C)(ii) for the hospital's area; and

''(iii) by adding the non-wage-related portion to the amount computed under clause (ii).

''(F) UPDATING RATE.—The Secretary shall update such per resident amount for each such children's hospital by the estimated percentage increase in the Consumer Price Index for all urban consumers (U.S. city average) during the period beginning October 1997, and ending with the midpoint of the Federal fiscal year for which payments are made.

''(d) AMOUNT OF PAYMENT FOR INDIRECT MEDICAL EDUCATION.—

''(1) IN GENERAL.—The amount determined under this subsection for payments to a children's hospital for indirect expenses associated with the treatment of more severely ill patients and the additional costs related to the teaching of residents for a fiscal year is equal to an amount determined appropriate by the Secretary.

''(2) FACTORS.—In determining the amount under paragraph (1), the Secretary shall—

''(A) take into account variations in case mix and regional wage levels among children's hospitals and the number of full-time equivalent residents in the hospitals' approved graduate medical residency training programs; and

''(B) assure that the aggregate of the payments for indirect expenses associated with the treatment of more severely ill patients and the additional costs related to the teaching of residents under this section in a fiscal year are equal to the amount appropriated for such expenses for the fiscal year involved under subsection (f)(2).

''(e) MAKING OF PAYMENTS.—

''(1) INTERIM PAYMENTS.—The Secretary shall determine, before the beginning of each fiscal year involved for which payments may be made for a hospital under this section, the amounts of the payments for direct graduate medical education and indirect medical education for such fiscal year and shall (subject to paragraph (2)) make the payments of such amounts in 26 equal interim installments during such period. Such interim payments to each individual hospital shall be based on the number of residents reported in the hospital's most recently filed medicare cost report prior to the application date for the Federal fiscal year for which the interim payment amounts are established.

''(2) WITHHOLDING.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall withhold 25 percent from each interim installment for direct and indirect graduate medical education paid under paragraph (1).

''(B) REDUCTION OF WITHHOLDING.—The Secretary shall reduce the percent withheld from each installment pursuant to subparagraph (A) if the Secretary determines that such reduced percent will provide the Secretary with a reasonable level of assurance that most hospitals will not be overpaid on an interim basis.

''(3) RECONCILIATION.—Prior to the end of each fiscal year, the Secretary shall determine any changes to the number of residents reported by a hospital and shall use that number of residents to determine the final amount payable to the hospital for the current fiscal year for both direct expense and indirect expense amounts. Based on such determination, the Secretary shall recoup any overpayments made or pay any balance due to the extent possible. In the event that a hospital's interim payments were greater than the final amount to which it is entitled, the Secretary shall have the option of recouping that excess amount in determining the amount to be paid in the subsequent year to that hospital. The final amount so determined shall be considered a final intermediary determination for purposes of applying section 1878 and shall be subject to review under that section in the same manner as the amount of payment under section 1886(d) is subject to review under such section.

''(f) AUTHORIZATION OF APPROPRIATIONS.—

''(1) DIRECT GRADUATE MEDICAL EDUCATION.—

''(A) IN GENERAL.—There are appropriated, out of any money in the Treasury not otherwise appropriated, for payments under subsection (b)(1)(A) for each of fiscal years 2002 through 2005, $95,000,000.

''(B) CARRYOVER OF EXCESS.—The amounts appropriated under subparagraph (A) for each fiscal year shall remain available for obligation through the end of the subsequent fiscal year.

''(2) INDIRECT MEDICAL EDUCATION.—There are appropriated, out of any money in the Treasury not otherwise appropriated, for payments under subsection (b)(1)(A) for each of fiscal years 2002 through 2005, $190,000,000.

''(g) DEFINITIONS.—In this section:

''(1) APPROVED GRADUATE MEDICAL RESIDENCY TRAINING PROGRAM.—The term 'approved graduate medical residency training program' has the meaning given the term 'approved medical residency training program' in section 1886(h)(5)(A).

''(2) CHILDREN'S HOSPITAL.—The term 'children's hospital' means a hospital with a medicare payment agreement and which is excluded from the medicare inpatient prospective payment system pursuant to section 1886(d)(1)(B)(iii) and its accompanying regulations.

''(3) DIRECT GRADUATE MEDICAL EDUCATION COSTS.—The term 'direct graduate medical education costs' has the meaning given such term in section 1886(h)(5)(C).''.

SEC. 313. AUTHORITY TO INCLUDE COSTS OF TRAINING OF CLINICAL PSYCHOLOGISTS IN PAYMENTS TO HOSPITALS.

Effective for cost reporting periods beginning on or after October 1, 1999, for purposes of payments to hospitals under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for costs of approved educational activities (as defined in section 413.85 of title 42 of the Code of Federal Regulations), such approved educational activities shall include the clinical portion of professional educational training programs, recognized by the Secretary, for clinical psychologists.

SEC. 314. TREATMENT OF CERTAIN NEWLY ESTABLISHED RESIDENCY PROGRAMS IN COMPUTING MEDICARE PAYMENTS FOR THE COSTS OF MEDICAL EDUCATION.

(a) IN GENERAL.—Section 1886(h)(4)(H) (42 U.S.C. 1395ww(h)(4)(H)) is amended by adding at the end the following new clause:

''(v) TREATMENT OF CERTAIN NEWLY ESTABLISHED PROGRAMS.—Any hospital that has received payments under this subsection for a cost reporting period ending before January 1, 1995, and that operates an approved medical residency training program established on or after August 5, 1997, shall be treated as meeting the requirements for an adjustment under the rules prescribed pursuant to clause (i) with respect to such program if—

''(I) such program received accreditation from the American Council of Graduate Medical Education not later than August 5, 1998;

''(II) such program was in operation (with 1 or more residents in training) as of January 1, 2000;

''(III) such hospital is located in an area that is contiguous to a rural area and serves individuals from such rural area; and

''(IV) such hospital serves a medical service area with a population that is less than 500,000.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 4623 of BBA (111 Stat. 477).

Subtitle C—Miscellaneous Provisions

SEC. 321. WAIVER OF 24-MONTH WAITING PERIOD FOR MEDICARE COVERAGE OF INDIVIDUALS DISABLED WITH AMYOTROPHIC LATERAL SCLEROSIS (ALS).

(a) IN GENERAL.—Section 226 (42 U.S.C. 426) is amended—

(1) by redesignating subsection (h) as subsection (j) and by moving such subsection to the end of the section; and

(2) by inserting after subsection (g) the following new subsection:

''(h) For purposes of applying this section in the case of an individual medically determined to have amyotrophic lateral sclerosis (ALS), the following special rules apply:

''(1) Subsection (b) shall be applied as if there were no requirement for any entitlement to benefits, or status, for a period longer than 1 month.

''(2) The entitlement under such subsection shall begin with the first month (rather than twenty-fifth month) of entitlement or status.

''(3) Subsection (f) shall not be applied.''.

(b) CONFORMING AMENDMENT.—Section 1837 (42 U.S.C. 1395p) is amended by adding at the end the following new subsection:

''(j) In applying this section in the case of an individual who is entitled to benefits under part A pursuant to the operation of section 226(h), the following special rules apply:

''(1) The initial enrollment period under subsection (d) shall begin on the first day of the first month in which the individual satisfies the requirement of section 1836(1).

''(2) In applying subsection (g)(1), the initial enrollment period shall begin on the first day of the first month of entitlement to disability insurance benefits referred to in such subsection.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for months beginning after the date of enactment of this Act.

TITLE IV—RURAL PROVIDER PROVISIONS

Subtitle A—Critical Access Hospitals

SEC. 401. PAYMENTS TO CRITICAL ACCESS HOSPITALS FOR CLINICAL DIAGNOSTIC LABORATORY TESTS.

(a) PAYMENT ON COST BASIS WITHOUT BENEFICIARY COST-SHARING.—

(1) IN GENERAL.—Section 1833(a)(6) (42 U.S.C. 1395l(a)(6)) is amended by inserting ''(including clinical diagnostic laboratory services furnished by a critical access hospital)'' after ''outpatient critical access hospital services''.

(2) NO BENEFICIARY COST-SHARING.—

(A) IN GENERAL.—Section 1834(g) (42 U.S.C. 1395m(g)) is amended by inserting ''(except that in the case of clinical diagnostic laboratory services furnished by a critical access hospital the amount of payment shall be equal to 100 percent of the reasonable costs of the critical access hospital in providing such services)'' before the period at the end.

(B) BBRA AMENDMENT.—Section 1834(g) (42 U.S.C. 1395m(g)), as amended by section 403(d) of BBRA (113 Stat. 1501A–371), is amended—

(i) in paragraph (1), by inserting ''(except that in the case of clinical diagnostic laboratory services furnished by a critical access hospital the amount of payment shall be equal to 100 percent of the reasonable costs of the critical access hospital in providing such services)'' after ''such services''; and

(ii) in paragraph (2)(A), by inserting ''(except that in the case of clinical diagnostic laboratory services furnished by a critical access hospital the amount of payment shall be equal to 100 percent of the reasonable costs of the critical access hospital in providing such services)'' before the period at the end.

(b) CONFORMING AMENDMENTS.—Paragraphs (1)(D)(i) and (2)(D)(i) of section 1833(a) (42 U.S.C. 1395l(a)(1)(D)(i); 1395l(a)(2)(D)(i)) are each amended by striking ''or which are furnished on an outpatient basis by a critical access hospital''.

(c) TECHNICAL AMENDMENT.—Section 403(d)(2) of BBRA (113 Stat. 1501A–371) is amended by striking ''subsection (a)'' and inserting ''paragraph (1)''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to services furnished on or after November 29, 1999.

(2) BBRA AND TECHNICAL AMENDMENTS.—The amendments made by subsections (a)(2)(B) and (c) shall take effect as if included in the enactment of section 403(d) of BBRA (113 Stat. 1501A–371).

SEC. 402. REVISION OF PAYMENT FOR PROFESSIONAL SERVICES PROVIDED BY A CRITICAL ACCESS HOSPITAL.

(a) IN GENERAL.—Section 1834(g)(2)(B) (42 U.S.C. 1395m(g)(2)(B)), as amended by section 403(d) of BBRA (113 Stat. 1501A–371), is amended by inserting ''120 percent of'' after ''hospital services,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 403(d) of BBRA (113 Stat. 1501A–371).

SEC. 403. PERMITTING CRITICAL ACCESS HOSPITALS TO OPERATE PPS EXEMPT DISTINCT PART PSYCHIATRIC AND REHABILITATION UNITS.

(a) CRITERIA FOR DESIGNATION AS A CRITICAL ACCESS HOSPITAL.—Section 1820(c)(2)(B)(iii) (42 U.S.C. 1395i–4(c)(2)(B)(iii)) is amended by inserting ''excluding any psychiatric or rehabilitation unit of the facility which is a distinct part of the facility,'' before ''provides not''.

(b) DEFINITION OF PPS EXEMPT DISTINCT PART PSYCHIATRIC AND REHABILITATION UNITS.—Section 1886(d)(1)(B) (42 U.S.C. 1395ww(d)(1)(B)) is amended by inserting before the last sentence the following new sentence: ''In establishing such definition, the Secretary may not exclude from such definition a psychiatric or rehabilitation unit of a critical access hospital which is a distinct part of such hospital solely because such hospital is exempt from the prospective payment system under this section.''.

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

Subtitle B—Medicare Dependent, Small Rural Hospital Program

SEC. 411. MAKING THE MEDICARE DEPENDENT, SMALL RURAL HOSPITAL PROGRAM PERMANENT.

(a) PAYMENT METHODOLOGY.—Section 1886(d)(5)(G) (42 U.S.C. 1395ww(d)(5)(G)) is amended—

(1) in clause (i), by striking ''and before October 1, 2006,''; and

(2) in clause (ii)(II), by striking ''and before October 1, 2006,''.

(b) CONFORMING AMENDMENTS.—

(1) TARGET AMOUNT.—Section 1886(b)(3)(D) (42 U.S.C. 1395ww(b)(3)(D)) is amended—

(A) in the matter preceding clause (i), by striking ''and before October 1, 2006,''; and

(B) in clause (iv), by striking ''through fiscal year 2005,'' and inserting ''or any subsequent fiscal year,''.

(2) PERMITTING HOSPITALS TO DECLINE RECLASSIFICATION.—Section 13501(e)(2) of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 1395ww note), as amended by section 404(b)(2) of BBRA (113 Stat. 1501A–372), is amended by striking ''or fiscal year 2000 through fiscal year 2005'' and inserting ''fiscal year 2000, or any subsequent fiscal year,''.

SEC. 412. OPTION TO BASE ELIGIBILITY FOR MEDICARE DEPENDENT, SMALL RURAL HOSPITAL PROGRAM ON DISCHARGES DURING ANY OF THE 3 MOST RECENT AUDITED COST REPORTING PERIODS.

(a) IN GENERAL.—Section 1886(d)(5)(G)(iv)(IV) (42 U.S.C. 1395ww(d)(5)(G)(iv)(IV)) is amended by inserting '', or any of the 3 most recent audited cost reporting periods,'' after ''1987''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to cost reporting periods beginning on or after the date of enactment of this Act.

Subtitle C—Sole Community Hospitals

SEC. 421. EXTENSION OF OPTION TO USE REBASED TARGET AMOUNTS TO ALL SOLE COMMUNITY HOSPITALS.

(a) IN GENERAL.—Section 1886(b)(3)(I)(i) (42 U.S.C. 1395ww(b)(3)(I)(i)) is amended—

(1) in the matter preceding subclause (I)—

(A) by striking ''that for its cost reporting period beginning during 1999 is paid on the basis of the target amount applicable to the hospital under subparagraph (C) and that elects (in a form and manner determined by the Secretary) this subparagraph to apply to the hospital''; and

(B) by striking ''substituted for such target amount'' and inserting ''substituted, if such substitution results in a greater payment under this section for such hospital, for the amount otherwise determined under subsection (d)(5)(D)(i)'';

(2) in subclause (I), by striking ''target amount otherwise applicable'' and all that follows through ''target amount')'' and inserting ''the amount otherwise applicable to the hospital under subsection (d)(5)(D)(i) (referred to in this clause as the 'subsection (d)(5)(D)(i) amount')''; and

(3) in each of subclauses (II) and (III), by striking ''subparagraph (C) target amount'' and inserting ''subsection (d)(5)(D)(i) amount''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of section 405 of BBRA (113 Stat. 1501A–372).

SEC. 422. DEEMING A CERTAIN HOSPITAL AS A SOLE COMMUNITY HOSPITAL.

Notwithstanding any other provision of law, for purposes of discharges occurring on or after October 1, 2000, the Greensville Memorial Hospital located in Emporia, Virginia shall be deemed to have satisfied the travel and time criteria under section 1886(d)(5)(D)(iii)(II) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(D)(iii)(II)) for classification as a sole community hospital.

Subtitle D—Other Rural Hospital Provisions

SEC. 431. EXEMPTION OF HOSPITAL SWING-BED PROGRAM FROM THE PPS FOR SKILLED NURSING FACILITIES.

(a) EXEMPTION FOR MEDICARE SWING-BED HOSPITALS.—

(1) IN GENERAL.—Section 1888(e)(7) (42 U.S.C. 1395yy(e)(7)(A)) is amended—

(A) in the heading, by striking ''TRANSITION'' and inserting ''EXEMPTION'';

(B) by striking subparagraph (A) and inserting the following new subparagraph:

''(A) IN GENERAL.—The prospective payment system under this subsection shall not apply to items and services provided by a facility described in subparagraph (B).''; and

(C) in subparagraph (B), by striking '', for which payment'' and all that follows before the period.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect as if included in the enactment of section 4432 of BBA (111 Stat. 414).

(b) CHANGE IN EFFECTIVE DATE OF BBRA AMENDMENTS.—

(1) IN GENERAL.—Section 408(c) of BBRA (113 Stat. 1501A–375) is amended by striking ''the date that is'' and all that follows and inserting ''January 1, 2001.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect as if included in the enactment of section 408 of BBRA (113 Stat. 1501A–375).

SEC. 432. PERMANENT GUARANTEE OF PRE-BBA PAYMENT LEVELS FOR OUTPATIENT SERVICES FURNISHED BY RURAL HOSPITALS.

(a) IN GENERAL.—Section 1833(t)(7)(D), as amended by section 203, is amended to read as follows:

''(D) HOLD HARMLESS PROVISIONS FOR SMALL RURAL AND CANCER HOSPITALS.—In the case of a hospital located in a rural area and that has not more than 100 beds or a hospital described in section 1886(d)(1)(B)(v), for covered OPD services for which the PPS amount is less than the pre-BBA amount, the amount of payment under this subsection shall be increased by the amount of such difference.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 202 of BBRA (111 Stat. 1501A–342).

SEC. 433. TREATMENT OF CERTAIN PHYSICIAN PATHOLOGY SERVICES.

(a) IN GENERAL.—Section 1848(i) (42 U.S.C. 1395w–4(i)) is amended by adding at the end the following new paragraph:

''(4) TREATMENT OF CERTAIN PHYSICIAN PATHOLOGY SERVICES.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, when an independent laboratory furnishes the technical component of a physician pathology service with respect to a fee-for-service medicare beneficiary who is a patient of a grandfathered hospital, such component shall be treated as a service for which payment shall be made to the laboratory under this section and not as—

''(i) an inpatient hospital service for which payment is made to the hospital under section 1886(d); or

''(ii) a hospital outpatient service for which payment is made to the hospital under the prospective payment system under section 1834(t).

''(B) DEFINITIONS.—In this paragraph:

''(i) GRANDFATHERED HOSPITAL.—The term 'grandfathered hospital' means a hospital that had an arrangement with an independent laboratory—

''(I) that was in effect as of July 22, 1999; and

''(II) under which the laboratory furnished the technical component of physician pathology services with respect to patients of the hospital and submitted a claim for payment for such component to a carrier with a contract under section 1842 (and not to the hospital).

''(ii) FEE-FOR-SERVICE MEDICARE BENEFICIARY.—The term 'fee-for-service medicare beneficiary' means an individual who is not enrolled—

''(I) in a Medicare+Choice plan under part C;

''(II) in a plan offered by an eligible organization under section 1876;

''(III) with a PACE provider under section 1894;

''(IV) in a medicare managed care demonstration project; or

''(V) in the case of a service furnished to an individual on an outpatient basis, in a health care prepayment plan under section 1833(a)(1)(A).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to services furnished on or after January 1, 2001.

Subtitle E—Other Rural Provisions

SEC. 441. REVISION OF BONUS PAYMENTS FOR SERVICES FURNISHED IN HEALTH PROFESSIONAL SHORTAGE AREAS.

(a) EXPANSION OF BONUS PAYMENTS TO INCLUDE PHYSICIAN ASSISTANT AND NURSE PRACTITIONER SERVICES.—Section 1833(m) (42 U.S.C. 1395l(m)) is amended—

(1) by inserting ''(or services furnished by a physician assistant or nurse practitioner that would be physicians' services if furnished by a physician)'' after ''physicians' services'';

(2) by inserting '', physician assistant (in the case of a physician assistant described in subparagraph (C)(ii) of section 1842(b)(6)), or nurse practitioner'' after ''physician''; and

(3) by striking ''clause (A) of section 1842(b)(6)'' and inserting ''subparagraphs (A) and (C)(i) of such section''.

(b) ELIMINATION OF REQUIREMENT TO MAKE BONUS PAYMENTS ON MONTHLY OR QUARTERLY BASIS.—Section 1833(m) (42 U.S.C. 1395l(m)) is amended by striking ''(on a monthly or quarterly basis)''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to services furnished on or after July 1, 2001.

(2) MONTHLY OR QUARTERLY PAYMENTS.—The amendment made by subsection (b) shall apply to services furnished on or after the first day of the first calendar quarter beginning at least 240 days after the date of enactment of this Act.

SEC. 442. PROVIDER-BASED RURAL HEALTH CLINIC CAP EXEMPTION.

(a) IN GENERAL.—The matter in section 1833(f) (42 U.S.C. 1395l(f)) preceding paragraph (1) is amended by striking ''with less than 50 beds'' and inserting ''with an average daily patient census that does not exceed 50''.

(b) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply to services furnished on or after January 1, 2001.

SEC. 443. PAYMENT FOR CERTAIN PHYSICIAN ASSISTANT SERVICES.

(a) PAYMENT FOR CERTAIN PHYSICIAN ASSISTANT SERVICES.—Section 1842(b)(6)(C) (42 U.S.C. 1395u(b)(6)(C)) is amended by striking ''for such services provided before January 1, 2003,''.

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

SEC. 444. BONUS PAYMENTS FOR RURAL HOME HEALTH AGENCIES IN 2001 AND 2002.

(a) INCREASE IN PAYMENT RATES FOR RURAL AGENCIES IN 2001 AND 2002.—Section 1895(b) (42 U.S.C. 1395fff(b)) is amended by adding at the end the following new paragraph:

''(7) ADDITIONAL PAYMENT AMOUNT FOR SERVICES FURNISHED IN RURAL AREAS IN 2001 AND 2002.—In the case of home health services furnished in a rural area (as defined in section 1886(d)(2)(D)) during 2001 or 2002, the Secretary shall provide for an addition or adjustment to the payment amount otherwise made under this section for services furnished in a rural area in an amount equal to 10 percent of the amount otherwise determined under this subsection.''.

(b) WAIVING BUDGET NEUTRALITY.—Section 1895(b)(3) (42 U.S.C. 1395fff(b)(3)) is amended by adding at the end the following new subparagraph:

''(D) NO ADJUSTMENT FOR ADDITIONAL PAYMENTS FOR RURAL SERVICES.—The Secretary shall not reduce the standard prospective payment amount (or amounts) under this paragraph applicable to home health services furnished during a period to offset the increase in payments resulting from the application of paragraph (7) (relating to services furnished in rural areas).''.

SEC. 445. EXCLUSION OF CLINICAL SOCIAL WORKER SERVICES AND SERVICES PERFORMED UNDER A CONTRACT WITH A RURAL HEALTH CLINIC OR FEDERALLY QUALIFIED HEALTH CENTER FROM THE PPS FOR SNFs.

(a) IN GENERAL.—Section 1888(e)(2)(A)(ii) (42 U.S.C. 1395yy(e)(2)(A)(ii)) is amended—

(1) in the first sentence, by inserting ''clinical social worker services,'' after ''qualified psychologist services,''; and

(2) by inserting after the first sentence the following: ''Services described in this clause also include services that are provided by a physician, a physician assistant, a nurse practitioner, a certified nurse midwife, a qualified psychologist, or a clinical social worker who is employed, or otherwise under contract, with a rural health clinic or a Federally qualified health center.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to services provided on or after the date which is 60 days after the date of enactment of this Act.

SEC. 446. COVERAGE OF MARRIAGE AND FAMILY THERAPIST SERVICES PROVIDED IN RURAL HEALTH CLINICS.

(a) COVERAGE OF MARRIAGE AND FAMILY THERAPIST SERVICES.—

(1) PROVISION OF SERVICES IN RURAL HEALTH CLINICS.—Section 1861(aa)(1)(B) (42 U.S.C. 1395x(aa)(1)(B)) is amended by striking ''Secretary)'' and inserting ''Secretary), by a marriage and family therapist (as defined in subsection (xx)(2)),''.

(2) MARRIAGE AND FAMILY THERAPIST SERVICES DEFINED.—Section 1861 (42 U.S.C. 1395x), as amended by section 234(b), is amended by adding at the end the following new subsection:

''Marriage and Family Therapist Services

''(xx)(1) The term 'marriage and family therapist services' means services performed by a marriage and family therapist (as defined in paragraph (2)) for the diagnosis and treatment of mental illnesses, which the marriage and family therapist is legally authorized to perform under State law (or the State regulatory mechanism provided by State law) of the State in which such services are performed, as would otherwise be covered if furnished by a physician or as an incident to a physician's professional service, but only if no facility or other provider charges or is paid any amounts with respect to the furnishing of such services.

''(2) The term 'marriage and family therapist' means an individual who—

''(A) possesses a master's or doctoral degree which qualifies for licensure or certification as a marriage and family therapist pursuant to State law;

''(B) after obtaining such degree has performed at least 2 years of clinical supervised experience in marriage and family therapy; and

''(C)(i) is licensed or certified as a marriage and family therapist in the State in which marriage and family therapist services are performed; or

''(ii) in the case of a State that does not provide for such licensure or certification, meets such other criteria as the Secretary establishes.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to services furnished on or after January 1, 2002.

SEC. 447. CAPITAL INFRASTRUCTURE REVOLVING LOAN PROGRAM.

(a) IN GENERAL.—Part A of title XVI of the Public Health Service Act (42 U.S.C. 300q et seq.) is amended by adding at the end the following new section:

''CAPITAL INFRASTRUCTURE REVOLVING LOAN PROGRAM

''SEC. 1603. (a) AUTHORITY TO MAKE AND GUARANTEE LOANS.—

''(1) AUTHORITY TO MAKE LOANS.—The Secretary may make loans from the fund established under section 1602(d) to any rural entity for projects for capital improvements, including—

''(A) the acquisition of land necessary for the capital improvements;

''(B) the renovation or modernization of any building;

''(C) the acquisition or repair of fixed or major movable equipment; and

''(D) such other project expenses as the Secretary determines appropriate.

''(2) AUTHORITY TO GUARANTEE LOANS.—

''(A) IN GENERAL.—The Secretary may guarantee the payment of principal and interest for loans to rural entities for projects for capital improvements described in paragraph (1) to non-Federal lenders.

''(B) INTEREST SUBSIDIES.—In the case of a guarantee of any loan to a rural entity under subparagraph (A)(i), the Secretary may pay to the holder of such loan and for and on behalf of the project for which the loan was made, amounts sufficient to reduce by not more than 3 percentage points of the net effective interest rate otherwise payable on such loan.

''(b) AMOUNT OF LOAN.—The principal amount of a loan directly made or guaranteed under subsection (a) for a project for capital improvement may not exceed $5,000,000.

''(c) FUNDING LIMITATIONS.—

''(1) GOVERNMENT CREDIT SUBSIDY EXPOSURE.—The total of the Government credit subsidy exposure under the Credit Reform Act of 1990 scoring protocol with respect to the loans outstanding at any time with respect to which guarantees have been issued, or which have been directly made, under subsection (a) may not exceed $50,000,000 per year.

''(2) TOTAL AMOUNTS.—Subject to paragraph (1), the total of the principal amount of all loans directly made or guaranteed under subsection (a) may not exceed $250,000,000 per year.

''(d) ADDITIONAL ASSISTANCE.—

''(1) NONREPAYABLE GRANTS.—Subject to paragraph (2), the Secretary may make a

grant to a rural entity, in an amount not to exceed $50,000, for purposes of capital assessment and business planning.

''(2) LIMITATION.—The cumulative total of grants awarded under this subsection may not exceed $2,500,000 per year.

''(e) TERMINATION OF AUTHORITY.—The Secretary may not directly make or guarantee any loan under subsection (a) or make a grant under subsection (d) after September 30, 2005.''.

(b) RURAL ENTITY DEFINED.—Section 1624 of the Public Health Service Act (42 U.S.C. 300s–3) is amended by adding at the end the following new paragraph:

''(15)(A) The term 'rural entity' includes—

''(i) a rural health clinic, as defined in section 1861(aa)(2) of the Social Security Act;

''(ii) any medical facility with at least 1, but less than 50, beds that is located in—

''(I) a county that is not part of a metropolitan statistical area; or

''(II) a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725));

''(iii) a hospital that is classified as a rural, regional, or national referral center under section 1886(d)(5)(C) of the Social Security Act; and

''(iv) a hospital that is a sole community hospital (as defined in section 1886(d)(5)(D)(iii) of the Social Security Act).

''(B) For purposes of subparagraph (A), the fact that a clinic, facility, or hospital has been geographically reclassified under the medicare program under title XVIII of the Social Security Act shall not preclude a hospital from being considered a rural entity under clause (i) or (ii) of subparagraph (A).''.

(c) CONFORMING AMENDMENTS.—Section 1602 of the Public Health Service Act (42 U.S.C. 300q–2) is amended—

(1) in subsection (b)(2)(D), by inserting ''or 1603(a)(2)(B)'' after ''1601(a)(2)(B)''; and

(2) in subsection (d)—

(A) in paragraph (1)(C), by striking ''section 1601(a)(2)(B)'' and inserting ''sections 1601(a)(2)(B) and 1603(a)(2)(B)''; and

(B) in paragraph (2)(A), by inserting ''or 1603(a)(2)(B)'' after ''1601(a)(2)(B)''.

SEC. 448. GRANTS FOR UPGRADING DATA SYSTEMS.

(a) IN GENERAL.—Part B of title XVI of the Public Health Service Act (42 U.S.C. 300r et seq.) is amended by adding at the end the following new section:

''GRANTS FOR UPGRADING DATA SYSTEMS

''SEC. 1611. (a) GRANTS TO HOSPITALS.—

''(1) IN GENERAL.—The Secretary shall establish a program to make grants to hospitals that have submitted applications in accordance with subsection (c) to assist eligible small rural hospitals in offsetting the costs of establishing data systems—

''(A) required to—

''(i) implement prospective payment systems under title XVIII of the Social Security Act; and

''(ii) comply with the administrative simplification requirements under part C of title XI of such Act; or

''(B) to reduce medication errors.

''(2) COSTS.—For purposes of paragraph (1), the term 'costs' shall include costs associated with—

''(A) purchasing computer software and hardware; and

''(B) providing education and training to hospital staff on computer information systems.

''(3) LIMITATION.—A hospital that has received a grant under section 142 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 2000 is not eligible to receive a grant under this section.

''(b) ELIGIBLE SMALL RURAL HOSPITAL DEFINED.—For purposes of this section, the term 'eligible small rural hospital' means a non-Federal, short-term general acute care hospital that—

''(1) is located in a rural area, as defined for purposes of section 1886(d) of the Social Security Act; and

''(2) has less than 50 beds.

''(c) APPLICATION.—A hospital seeking a grant under this section shall submit an application to the Secretary at such time and in such form and manner as the Secretary specifies.

''(d) AMOUNT OF GRANT.—A grant to a hospital under this section may not exceed $100,000.

''(e) REPORTS.—

''(1) INFORMATION.—A hospital receiving a grant under this section shall furnish the Secretary with such information as the Secretary may require to—

''(A) evaluate the project for which the grant is made; and

''(B) ensure that the grant is expended for the purposes for which it is made.

''(2) TIMING OF SUBMISSION.—

''(A) INTERIM REPORTS.—The Secretary shall report to the Committee on Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate at least annually on the grant program established under this section, including in such report information on the number of grants made, the nature of the projects involved, the geographic distribution of grant recipients, and such other matters as the Secretary deems appropriate.

''(B) FINAL REPORT.—The Secretary shall submit a final report to such committees not later than 180 days after the completion of all of the projects for which a grant is made under this section.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for grants under this section.''.

(b) CONFORMING AMENDMENT.—Section 1820(g)(3) (42 U.S.C. 1395i–4(g)(3)) is repealed.

SEC. 449. RELIEF FOR FINANCIALLY DISTRESSED RURAL HOSPITALS.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by inserting after section 330D the following new section:

''SEC. 330E. RELIEF FOR FINANCIALLY DISTRESSED RURAL HOSPITALS.

''(a) GRANTS TO SMALL RURAL HOSPITALS.—The Secretary, acting through the Health Resources and Services Administration, may award grants to eligible small rural hospitals that have submitted applications in accordance with subsection (c) to provide relief for financial distress that has a negative impact on access to care for beneficiaries under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) that reside in a rural area.

''(b) ELIGIBLE SMALL RURAL HOSPITAL DEFINED.—For purposes of this paragraph, the term 'eligible small rural hospital' means a non-Federal, short-term general acute care hospital that—

''(1) is located in a rural area (as defined for purposes of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d))); and

''(2) has less than 50 beds.

''(c) APPLICATION AND APPROVAL.—

''(1) APPLICATION.—Each eligible small rural hospital that desires to receive a grant under this paragraph shall submit an application to the Secretary, at such time, in such form and manner, and accompanied by such additional information as the Secretary may reasonably require.

''(2) APPROVAL.—The Secretary shall approve applications submitted under paragraph (1) based on a methodology developed by the Secretary in consultation with the Office of Rural Health Policy.

''(d) AMOUNT OF GRANT.—A grant to an eligible small rural hospital under this paragraph may not exceed $250,000.

''(e) USE OF FUNDS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), an eligible small rural hospital may use amounts received under a grant under this section to temporarily offset financial operating losses, with emphasis on those losses attributable to reimbursement formula changes that resulted from the Balanced Budget Act of 1997, in order to ensure continued operation and short-term sustainability or to address emergency physical capital needs that might otherwise result in closure.

''(2) PROHIBITED USES.—A hospital may not use funds received under a grant under this section for new construction, the purchase of medical equipment, or for computer software or hardware.

''(f) REPORT.—

''(1) INFORMATION.—A hospital receiving a grant under this section shall furnish the Secretary with such information as the Secretary may require to evaluate the project for which the grant is made and to ensure that the grant is expended for the purposes for which it is made.

''(2) REPORTING.—

''(A) ANNUAL REPORTS.—

''(i) IN GENERAL.—Not later than December 31 of each year (beginning with 2001), the Secretary shall submit a report to the committees of jurisdiction of the House of Representatives and the Senate on the grant program established under this section.

''(ii) INFORMATION INCLUDED.—The report submitted under clause (i) shall include information on the number of grants made, the nature of the projects involved, the geographic distribution of grant recipients, and such other information as the Secretary determines is appropriate.

''(B) FINAL REPORT.—Not later than 180 days after the completion of all of the projects for which a grant is made under this section, the Secretary shall submit a final report on the grant program established under this section to the committees described in subparagraph (A).

''(g) APPROPRIATIONS.—There are appropriated, out of any money in the Treasury not otherwise appropriated, for making grants under this section $25,000,000 for each of the fiscal years 2001 through 2005.''.

SEC. 450. REFINEMENT OF MEDICARE REIMBURSEMENT FOR TELEHEALTH SERVICES.

(a) REVISION OF TELEHEALTH PAYMENT METHODOLOGY AND ELIMINATION OF FEE-SHARING REQUIREMENT.—Section 4206(b) of the Balanced Budget Act of 1997 (42 U.S.C. 1395l note) is amended to read as follows:

''(b) METHODOLOGY FOR DETERMINING AMOUNT OF PAYMENTS.—

''(1) IN GENERAL.—The Secretary shall pay to—

''(A) the physician or practitioner at a distant site that provides an item or service under subsection (a) an amount equal to the amount that such physician or provider would have been paid had the item or service been provided without the use of a telecommunications system; and

''(B) the originating site a facility fee for facility services furnished in connection with such item or service.

''(2) APPLICATION OF PART B COINSURANCE AND DEDUCTIBLE.—Any payment made under this section shall be subject to the coinsurance and deductible requirements under subsections (a)(1) and (b) of section 1833 of the Social Security Act (42 U.S.C. 1395l).

''(3) DEFINITIONS.—In this subsection:

''(A) DISTANT SITE.—The term 'distant site' means the site at which the physician or

practitioner is located at the time the item or service is provided via a telecommunications system.

''(B) FACILITY FEE.—The term 'facility fee' means an amount equal to—

''(i) for 2000 and 2001, $20; and

''(ii) for a subsequent year, the facility fee under this subsection for the previous year increased by the percentage increase in the MEI (as defined in section 1842(i)(3)) for such subsequent year.

''(C) ORIGINATING SITE.—

''(i) IN GENERAL.—The term 'originating site' means the site described in clause (ii) at which the eligible telehealth beneficiary under the medicare program is located at the time the item or service is provided via a telecommunications system.

''(ii) SITES DESCRIBED.—The sites described in this paragraph are as follows:

''(I) On or before January 1, 2002, the office of a physician or a practitioner, a critical access hospital, a rural health clinic, and a Federally qualified health center.

''(II) On or before January 1, 2003, a hospital, a skilled nursing facility, a comprehensive outpatient rehabilitation facility, a renal dialysis facility, an ambulatory surgical center, an Indian Health Service facility, and a community mental health center.''.

(b) ELIMINATION OF REQUIREMENT FOR TELEPRESENTER.—Section 4206 of the Balanced Budget Act of 1997 (42 U.S.C. 1395l note) is amended—

(1) in subsection (a), by striking '', notwithstanding that the individual physician'' and all that follows before the period at the end; and

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

''(e) TELEPRESENTER NOT REQUIRED.—Nothing in this section shall be construed as requiring an eligible telehealth beneficiary to be presented by a physician or practitioner for the provision of an item or service via a telecommunications system.''.

(c) REIMBURSEMENT FOR MEDICARE BENEFICIARIES WHO DO NOT RESIDE IN A HPSA.—Section 4206(a) of the Balanced Budget Act of 1997 (42 U.S.C. 1395l note), as amended by subsection (b), is amended—

(1) by striking ''IN GENERAL.—Not later than'' and inserting the following: ''TELEHEALTH SERVICES REIMBURSED.—

''(1) IN GENERAL.—Not later than'';

(2) by striking ''furnishing a service for which payment'' and all that follows before the period and inserting ''to an eligible telehealth beneficiary''; and

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

''(2) ELIGIBLE TELEHEALTH BENEFICIARY DEFINED.—In this section, the term 'eligible telehealth beneficiary' means a beneficiary under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) that resides in—

''(A) an area that is designated as a health professional shortage area under section 332(a)(1)(A) of the Public Health Service Act (42 U.S.C. 254e(a)(1)(A));

''(B) a county that is not included in a Metropolitan Statistical Area; or

''(C) an inner-city area that is medically underserved (as defined in section 330(b)(3) of the Public Health Service Act (42 U.S.C. 254b(b)(3))).''.

(d) TELEHEALTH COVERAGE FOR DIRECT PATIENT CARE.—

(1) IN GENERAL.—Section 4206 of the Balanced Budget Act of 1997 (42 U.S.C. 1395l note), as amended by subsection (c), is amended—

(A) in subsection (a)(1), by striking ''professional consultation via telecommunications systems with a physician'' and inserting ''items and services for which payment may be made under such part that are furnished via a telecommunications system by a physician''; and

(B) by adding at the end the following new subsection:

''(f) COVERAGE OF ITEMS AND SERVICES.—Payment for items and services provided pursuant to subsection (a) shall include payment for professional consultations, office visits, office psychiatry services, including any service identified as of July 1, 2000, by HCPCS codes 99241–99275, 99201–99215, 90804–90815, and 90862.''.

(2) STUDY AND REPORT REGARDING ADDITIONAL ITEMS AND SERVICES.—

(A) STUDY.—The Secretary of Health and Human Services shall conduct a study to identify items and services in addition to those described in section 4206(f) of the Balanced Budget Act of 1997 (as added by paragraph (1)) that would be appropriate to provide payment under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(B) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit a report to Congress on the study conducted under subparagraph (A) together with such recommendations for legislation that the Secretary determines are appropriate.

(e) ALL PHYSICIANS AND PRACTITIONERS ELIGIBLE FOR TELEHEALTH REIMBURSEMENT.—Section 4206(a) of the Balanced Budget Act of 1997 (42 U.S.C. 1395l note), as amended by subsection (d), is amended—

(1) in paragraph (1), by striking ''(described in section 1842(b)(18)(C) of such Act (42 U.S.C. 1395u(b)(18)(C))''; and

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

''(3) PRACTITIONER DEFINED.—For purposes of paragraph (1), the term 'practitioner' includes—

''(A) a practitioner described in section 1842(b)(18)(C) of the Social Security Act (42 U.S.C. 1395u(b)(18)(C)); and

''(B) a physical, occupational, or speech therapist.''.

(f) TELEHEALTH SERVICES PROVIDED USING STORE-AND-FORWARD TECHNOLOGIES.—Section 4206(a)(1) of the Balanced Budget Act of 1997 (42 U.S.C. 1395l note), as amended by subsection (e), is amended by adding at the end the following new paragraph:

''(4) USE OF STORE-AND-FORWARD TECHNOLOGIES.—For purposes of paragraph (1), in the case of any Federal telemedicine demonstration program in Alaska or Hawaii, the term 'telecommunications system' includes store-and-forward technologies that provide for the asynchronous transmission of health care information in single or multimedia formats.''.

(g) CONSTRUCTION RELATING TO HOME HEALTH SERVICES.—Section 4206(a) of the Balanced Budget Act of 1997 (42 U.S.C. 1395l note), as amended by subsection (f), is amended by adding at the end the following new paragraph:

''(5) CONSTRUCTION RELATING TO HOME HEALTH SERVICES.—

''(A) IN GENERAL.—Nothing in this section or in section 1895 of the Social Security Act (42 U.S.C. 1395fff) shall be construed as preventing a home health agency that is receiving payment under the prospective payment system described in such section from furnishing a home health service via a telecommunications system.

''(B) LIMITATION.—The Secretary shall not consider a home health service provided in the manner described in subparagraph (A) to be a home health visit for purposes of—

''(i) determining the amount of payment to be made under the prospective payment system established under section 1895 of the Social Security Act (42 U.S.C. 1395fff); or

''(ii) any requirement relating to the certification of a physician required under section 1814(a)(2)(C) of such Act (42 U.S.C. 1395f(a)(2)(C)).''.

(h) FIVE-YEAR APPLICATION.—The amendments made by this section shall apply to items and services provided on or after April 1, 2001, and before April 1, 2006.

SEC. 451. MEDPAC STUDY ON LOW-VOLUME, ISOLATED RURAL HEALTH CARE PROVIDERS.

(a) STUDY.—The Medicare Payment Advisory Commission established under section 1805 of the Social Security Act (42 U.S.C. 1395b–6) (in this section referred to as ''MedPAC'') shall conduct a study on the effect of low patient and procedure volume on the financial status of low-volume, isolated rural health care providers participating in the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, MedPAC shall submit a report to the Secretary of Health and Human Services and Congress on the study conducted under subsection (a) indicating—

(1) whether low-volume, isolated rural health care providers are having, or may have, significantly decreased medicare margins or other financial difficulties resulting from any of the payment methodologies described in subsection (c);

(2) whether the status as a low-volume, isolated rural health care provider should be designated under the medicare program and any criteria that should be used to qualify for such a status; and

(3) any changes in the payment methodologies described in subsection (c) that are necessary to provide appropriate reimbursement under the medicare program to low-volume, isolated rural health care providers (as designated pursuant to paragraph (2)).

(c) PAYMENT METHODOLOGIES DESCRIBED.—The payment methodologies described in this subsection are the following:

(1) The prospective payment system for hospital outpatient department services under section 1833(t) of the Social Security Act (42 U.S.C. 1395l).

(2) The fee schedule for ambulance services under section 1834(l) of such Act (42 U.S.C. 1395m(l)).

(3) The prospective payment system for inpatient hospital services under section 1886 of such Act (42 U.S.C. 1395ww).

(4) The prospective payment system for routine service costs of skilled nursing facilities under section 1888(e) of such Act (42 U.S.C. 1395yy(e)).

(5) The prospective payment system for home health services under section 1895 of such Act (42 U.S.C. 1395fff).

TITLE V—PROVISIONS RELATING TO PART C (MEDICARE+CHOICE PROGRAM) AND OTHER MEDICARE MANAGED CARE PROVISIONS

SEC. 501. RESTORING EFFECTIVE DATE OF ELECTIONS AND CHANGES OF ELECTIONS OF MEDICARE+CHOICE PLANS.

(a) OPEN ENROLLMENT.—Section 1851(f)(2) (42 U.S.C. 1395w–21(f)(2)) is amended by striking '', except that if such election or change is made after the 10th day of any calendar month, then the election or change shall not take effect until the first day of the second calendar month following the date on which the election or change is made''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to elections and changes of coverage made on or after January 1, 2001.

SEC. 502. SPECIAL MEDIGAP ENROLLMENT ANTI-DISCRIMINATION PROVISION FOR CERTAIN BENEFICIARIES.

(a) DISENROLLMENT WINDOW IN ACCORDANCE WITH BENEFICIARY'S CIRCUMSTANCE.—Section 1882(s)(3) (42 U.S.C. 1395ss(s)(3)) is amended—

(1) in subparagraph (A), in the matter following clause (iii), by striking '', subject to subparagraph (E), seeks to enroll under the policy not later than 63 days after the date of termination of enrollment described in such subparagraph'' and inserting ''seeks to enroll under the policy during the period specified in subparagraph (E)''; and

(2) by striking subparagraph (E) and inserting the following new subparagraph:

''(E) For purposes of subparagraph (A), the time period specified in this subparagraph is—

''(i) in the case of an individual described in subparagraph (B)(i), the period beginning on the date the individual receives a notice of termination or cessation of all supplemental health benefits (or, if no such notice is received, notice that a claim has been denied because of such a termination or cessation) and ending on the date that is 63 days after the applicable notice;

''(ii) in the case of an individual described in clause (ii), (iii), (v), or (vi) of subparagraph (B) whose enrollment is terminated involuntarily, the period beginning on the date that the individual receives a notice of termination and ending on the date that is 63 days after the date the applicable coverage is terminated;

''(iii) in the case of an individual described in subparagraph (B)(iv)(I), the period beginning on the earlier of (I) the date that the individual receives a notice of termination, a notice of the issuer's bankruptcy or insolvency, or other such similar notice, if any, and (II) the date that the applicable coverage is terminated, and ending on the date that is 63 days after the date the coverage is terminated;

''(iv) in the case of an individual described in clause (ii), (iii), (iv)(II), (iv)(III), (v), or (vi) of subparagraph (B) who disenrolls voluntarily, the period beginning on the date that is 60 days before the effective date of the disenrollment and ending on the date that is 63 days after such effective date; and

''(v) in the case of an individual described in subparagraph (B) but not described in the preceding provisions of this subparagraph, the period beginning on the effective date of the disenrollment and ending on the date that is 63 days after such effective date.''.

(b) EXTENDED MEDIGAP ACCESS FOR INTERRUPTED TRIAL PERIODS.—Section 1882(s)(3) (42 U.S.C. 1395ss(s)(3)), as amended by subsection (a), is amended by adding at the end the following new subparagraph:

''(F) For purposes of this paragraph—

''(i) in the case of an individual described in subparagraph (B)(v) (or deemed to be so described, pursuant to this subparagraph) whose enrollment with an organization or provider described in subclause (II) of such subparagraph is involuntarily terminated within the first 12 months of such enrollment, and who, without an intervening enrollment, enrolls with another such organization or provider, such subsequent enrollment shall be deemed to be an initial enrollment described in such subparagraph; and

''(ii) in the case of an individual described in clause (vi) of subparagraph (B) (or deemed to be so described, pursuant to this subparagraph) whose enrollment with a plan or in a program described in clause (v)(II) of such subparagraph is involuntarily terminated within the first 12 months of such enrollment, and who, without an intervening enrollment, enrolls in another such plan or program, such subsequent enrollment shall be deemed to be an initial enrollment described in clause (vi) of such subparagraph.''.

SEC. 503. INCREASE IN NATIONAL PER CAPITA MEDICARE+CHOICE GROWTH PERCENTAGE IN 2001 AND 2002.

Section 1853(c)(6)(B) of the Social Security Act (42 U.S.C. 1395w–23(c)(6)(B)) is amended—

(1) in clause (iv), by striking ''for 2001, 0.5 percentage points'' and inserting ''for 2001, 0 percentage points''; and

(2) in clause (v), by striking ''for 2002, 0.3 percentage points'' and inserting ''for 2002, 0 percentage points''.

SEC. 504. ALLOWING MOVEMENT TO 50:50 PERCENT BLEND IN 2002.

Section 1853(c)(2) of the Social Security Act (42 U.S.C. 1395w–23(c)(2)) is amended—

(1) by striking the period at the end of subparagraph (F) and inserting a semicolon; and

(2) by adding after and below subparagraph (F) the following:

''except that a Medicare+Choice organization may elect to apply subparagraph (F) (rather than subparagraph (E)) for 2002.''.

SEC. 505. DELAY FROM JULY TO NOVEMBER 2000, IN DEADLINE FOR OFFERING AND WITHDRAWING MEDICARE+CHOICE PLANS FOR 2001.

Notwithstanding any other provision of law, the deadline for a Medicare+Choice organization to withdraw the offering of a Medicare+Choice plan under part C of title XVIII of the Social Security Act (or otherwise to submit information required for the offering of such a plan) for 2001 is delayed from July 1, 2000, to November 1, 2000, and any such organization that provided notice of withdrawal of such a plan during 2000 before the date of enactment of this Act may rescind such withdrawal at any time before November 1, 2000.

SEC. 506. AMOUNTS IN MEDICARE TRUST FUNDS AVAILABLE FOR SECRETARY'S SHARE OF MEDICARE+CHOICE EDUCATION AND ENROLLMENT-RELATED COSTS.

(a) RELOCATION OF PROVISIONS.—Section 1857(e)(2) (42 U.S.C. 1395w–27(e)(2)) is amended to read as follows:

''(2) COST-SHARING IN ENROLLMENT-RELATED COSTS.—A Medicare+Choice organization shall pay the fee established by the Secretary under section 1851(j)(3)(A).''.

(b) FUNDING FOR EDUCATION AND ENROLLMENT ACTIVITIES.—Section 1851 (42 U.S.C. 1395w–21) is amended by adding at the end the following new subsection:

''(j) FUNDING FOR BENEFICIARY EDUCATION AND ENROLLMENT ACTIVITIES.—

''(1) SECRETARY'S ESTIMATE OF TOTAL COSTS.—The Secretary shall annually estimate the total cost for a fiscal year of carrying out this section, section 4360 of the Omnibus Budget Reconciliation Act of 1990 (relating to the health insurance counseling and assistance program), and related activities.

''(2) TOTAL AMOUNT AVAILABLE.—The total amount available to the Secretary for a fiscal year for the costs of the activities described in paragraph (1) shall be equal to the lesser of—

''(A) the amount estimated for such fiscal year under paragraph (1); or

''(B) for—

''(i) fiscal year 2001, $130,000,000; and

''(ii) fiscal year 2002 and each subsequent fiscal year, the amount for the previous fiscal year, adjusted to account for inflation, any change in the number of beneficiaries under this title, and any other relevant factors.

''(3) COST-SHARING IN ENROLLMENT-RELATED COSTS.—

''(A) AMOUNTS FROM MEDICARE+CHOICE ORGANIZATIONS.—

''(i) IN GENERAL.—The Secretary is authorized to charge a fee to each Medicare+Choice organization with a contract under this part that is equal to the organization's pro rata share (as determined by the Secretary) of the Medicare+Choice portion (as defined in clause (ii)) of the total amount available under paragraph (2) for a fiscal year. Any amounts collected shall be available without further appropriation to the Secretary for the costs of the activities described in paragraph (1).

''(ii) MEDICARE+CHOICE PORTION DEFINED.—For purposes of clause (i), the term 'Medicare+Choice portion' means, for a fiscal year, the ratio, as estimated by the Secretary, of—

''(I) the average number of individuals enrolled in Medicare+Choice plans during the fiscal year; to

''(II) the average number of individuals entitled to benefits under parts A, and enrolled under part B, during the fiscal year.

''(B) SECRETARY'S SHARE.—

''(i) AMOUNTS AVAILABLE FROM TRUST FUNDS.—The Secretary's share of expenses shall be payable from funds in the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, in such proportion as the Secretary shall deem to be fair and equitable after taking into consideration the expenses attributable to the administration of this part with respect to part A and B. The Secretary shall make such transfers of moneys between such Trust Funds as may be appropriate to settle accounts between the Trust Funds in cases where expenses properly payable from one such Trust Fund have been paid from the other such Trust Fund.

''(ii) SECRETARY'S SHARE OF EXPENSES DEFINED.—For purposes of clause (i), the term 'Secretary's share of expenses' means, for a fiscal year, an amount equal to—

''(I) the total amount available to the Secretary under paragraph (2) for the fiscal year; less

''(II) the amount collected under subparagraph (A) for the fiscal year.''.

SEC. 507. REVISED TERMS AND CONDITIONS FOR EXTENSION OF MEDICARE COMMUNITY NURSING ORGANIZATION (CNO) DEMONSTRATION PROJECT.

(a) IN GENERAL.—Section 532 of BBRA (42 U.S.C. 1395mm note) is amended—

(1) in subsection (a), by striking the second sentence; and

(2) by striking subsection (b) and inserting the following new subsections:

''(b) TERMS AND CONDITIONS.—

''(1) JANUARY THROUGH SEPTEMBER 2000.—For the 9-month period beginning with January 2000, any such demonstration project shall be conducted under the same terms and conditions as applied to such demonstration during 1999.

''(2) OCTOBER 2000 THROUGH DECEMBER 2001.—For the 15-month period beginning with October 2000, any such demonstration project shall be conducted under the same terms and conditions as applied to such demonstration during 1999, except that the following modifications shall apply:

''(A) BASIC CAPITATION RATE.—The basic capitation rate paid for services covered under the project (other than case management services) per enrollee per month shall be basic capitation rate paid for such services for 1999, reduced by 10 percent in the case of the demonstration sites located in Arizona, Minnesota, and Illinois, and 15 percent for the demonstration site located in New York.

''(B) TARGETED CASE MANAGEMENT FEE.—A case management fee shall be paid only for enrollees who are classified as 'moderate' or 'at risk' through a baseline health assessment (as required for Medicare+Choice plans under section 1852(e) of the Social Security Act (42 U.S.C. 1395ww–22(e)).

''(C) GREATER UNIFORMITY IN CLINICAL FEATURES AMONG SITES.—Each project shall implement for each site—

''(i) protocols for periodic telephonic contact with enrollees based on—

''(I) the results of such standardized written health assessment; and

''(II) the application of appropriate care planning approaches;

''(ii) disease management programs for targeted diseases (such as congestive heart failure, arthritis, diabetes, and hypertension) that are highly prevalent in the enrolled populations;

''(iii) systems and protocols to track enrollees through hospitalizations, including pre-admission planning, concurrent management during inpatient hospital stays, and post-discharge assessment, planning, and follow-up; and

''(iv) standardized patient educational materials for specified diseases and health conditions.

''(D) QUALITY IMPROVEMENT.—Each project shall implement at each site once during the 15-month period—

''(i) enrollee satisfaction surveys; and

''(ii) reporting on specified quality indicators for the enrolled population.

''(c) EVALUATION.—

''(1) PRELIMINARY REPORT.—Not later than July 1, 2001, the Secretary of Health and Human Services shall submit to the Committees on Ways and Means and Commerce of the House of Representatives and the Committee on Finance of the Senate a preliminary report that—

''(A) evaluates such demonstration projects for the period beginning July 1, 1997, and ending December 31, 1999, on a site-specific basis with respect to the impact on per beneficiary spending, specific health utilization measures, and enrollee satisfaction; and

''(B) includes a similar evaluation of such projects for the portion of the extension period that occurs after September 30, 2000.

''(2) FINAL REPORT.—Not later than July 1, 2002, the Secretary shall submit a final report to such Committees on such demonstration projects. Such report shall include the same elements as the preliminary report required by paragraph (1), but for the period after December 31, 1999.

''(3) METHODOLOGY FOR SPENDING COMPARISONS.—Any evaluation of the impact of the demonstration projects on per beneficiary spending included in such reports shall be based on a comparison of—

''(A) data for all individuals who—

''(i) were enrolled in such demonstration projects as of the first day of the period under evaluation; and

''(ii) were enrolled for a minimum of 6 months thereafter; with

''(B) data for a matched sample of individuals who are enrolled under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.) and who are not enrolled in such a project, in a Medicare+Choice plan under part C of such title (42 U.S.C. 1395w–21 et seq.), a plan offered by an eligible organization under section 1876 of such Act (42 U.S.C. 1395mm), or a health care prepayment plan under section 1833(a)(1)(A) of such Act (42 U.S.C. 1395l(a)(1)(A)).''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective as if included in the enactment of section 532 of BBRA (42 U.S.C. 1395mm note).

SEC. 508. MODIFICATION OF PAYMENT RULES FOR CERTAIN FRAIL ELDERLY MEDICARE BENEFICIARIES.

(a) MODIFICATION OF PAYMENT RULES.—Section 1853 (42 U.S.C. 1395w–23) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(A), by striking ''subsections (e), (g), and (i)'' and inserting ''subsections (e), (g), (i), and (j)'';

(B) in paragraph (3)(D), by inserting ''paragraph (4) and'' after ''Subject to''; and

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

''(4) EXEMPTION FROM RISK-ADJUSTMENT SYSTEM FOR FRAIL ELDERLY BENEFICIARIES ENROLLED IN SPECIALIZED PROGRAMS.—

''(A) IN GENERAL.—In applying the risk-adjustment factors established under paragraph (3) during the period described in subparagraph (B), the limitation under paragraph (3)(C)(ii)(I) shall apply to a frail elderly Medicare+Choice beneficiary (as defined in subsection (j)(3)) who is enrolled in a Medicare+Choice plan under a specialized program for the frail elderly (as defined in subsection (j)(2)) during the entire period.

''(B) PERIOD OF APPLICATION.—The period described in this subparagraph begins with January 2001, and ends with the first month for which the Secretary certifies to Congress that a comprehensive risk adjustment methodology under paragraph (3)(C) that takes into account the factors described in subsection (j)(1)(B) is being fully implemented.''; and

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

''(j) SPECIAL RULES FOR FRAIL ELDERLY ENROLLED IN SPECIALIZED PROGRAMS FOR THE FRAIL ELDERLY.—

''(1) DEVELOPMENT AND IMPLEMENTATION OF NEW PAYMENT SYSTEM.—

''(A) IN GENERAL.—The Secretary shall develop and implement (as soon as possible after the date of enactment of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 2000), during the period described in subsection (a)(4)(B), a payment methodology for frail elderly Medicare+Choice beneficiaries enrolled in a Medicare+Choice plan under a specialized program for the frail elderly (as defined in paragraph (2)(A)).

''(B) FACTORS DESCRIBED.—The methodology developed and implemented under subparagraph (A) shall take into account the prevalence, mix, and severity of chronic conditions among frail elderly Medicare+Choice beneficiaries and shall include—

''(i) medical diagnostic factors from all provider settings (including hospital and nursing facility settings);

''(ii) functional indicators of health status; and

''(iii) such other factors as may be necessary to achieve appropriate payments for plans serving such beneficiaries.

''(2) SPECIALIZED PROGRAM FOR THE FRAIL ELDERLY DEFINED.—

''(A) IN GENERAL.—In this part, the term 'specialized program for the frail elderly' means a program that the Secretary determines—

''(i) is offered under this part as a distinct part of a Medicare+Choice plan;

''(ii) primarily enrolls frail elderly Medicare+Choice beneficiaries; and

''(iii) has a clinical delivery system that is specifically designed to serve the special needs of such beneficiaries and to coordinate short-term and long-term care for such beneficiaries through the use of a team described in subparagraph (B) and through the provision of primary care services to such beneficiaries by means of such a team at the nursing facility involved.

''(B) SPECIALIZED TEAM DESCRIBED.—A team described in this subparagraph—

''(i) includes—

''(I) a physician; and

''(II) a nurse practitioner or geriatric care manager; and

''(ii) has as members individuals who—

''(I) have special training in the care and management of the frail elderly beneficiaries; and

''(II) specialize in the care and management of such beneficiaries.

''(3) FRAIL ELDERLY MEDICARE+CHOICE BENEFICIARY DEFINED.—In this part, the term 'frail elderly Medicare+Choice beneficiary' means a Medicare+Choice eligible individual who—

''(A) is residing in a skilled nursing facility (as defined in section 1819(a)) or a nursing facility (as defined in section 1919(a)) for an indefinite period and without any intention of residing outside the facility; and

''(B) has a severity of condition that makes the individual frail (as determined under guidelines approved by the Secretary).''.

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

TITLE VI—PROVISIONS RELATING TO INDIVIDUALS WITH END-STAGE RENAL DISEASE

SEC. 601. UPDATE IN RENAL DIALYSIS COMPOSITE RATE.

(a) IN GENERAL.—The last sentence of section 1881(b)(7) (42 U.S.C. 1395rr(b)(7)) is amended by striking '', and for such services'' and all that follows before the period at the end and inserting the following: '', for such services furnished during 2001, by 2.4 percent above such composite rate payment amounts for such services furnished on December 31, 2000, for such services furnished during 2002 and 2003, by the percentage increase in the Consumer Price Index for all urban consumers (U.S. city average) for the 12-month period ending with June of the previous year above such composite rate payment amounts for such services furnished on December 31 of the previous year, and for such services furnished during a subsequent year, by the ESRD market basket percentage increase above such composite rate payment amounts for such services furnished on December 31 of the previous year''.

(b) ESRD MARKET BASKET PERCENTAGE INCREASE DEFINED.—Section 1881(b) (42 U.S.C. 1395rr(b)) is amended by adding at the end the following new paragraph:

''(12)(A) For purposes of this title, the term 'ESRD market basket percentage increase' means, with respect to a calendar year, the percentage (estimated by the Secretary before the beginning of such year) by which—

''(i) the cost of the mix of goods and services included in the provision of dialysis services (which may include the costs described in subparagraph (D) as determined appropriate by the Secretary) that is determined based on an index of appropriately weighted indicators of changes in wages and prices which are representative of the mix of goods and services included in such dialysis services for the calendar year; exceeds

''(ii) the cost of such mix of goods and services for the preceding calendar year.

''(B) In determining the percentage under subparagraph (A), the Secretary may take into account any increase in the costs of furnishing the mix of goods and services described in such subparagraph resulting from—

''(i) the adoption of scientific and technological innovations used to provide dialysis services; and

''(ii) changes in the manner or method of delivering dialysis services.

''(C) The Secretary shall periodically review and update (as necessary) the items and services included in the mix of goods and services used to determine the percentage under subparagraph (A).

''(D) The costs described in this subparagraph include—

''(i) labor, including direct patient care costs and administrative labor costs, vacation and holiday pay, payroll taxes, and employee benefits;

''(ii) other direct costs, including drugs, supplies, and laboratory fees;

''(iii) overhead, including medical director fees, temporary services, general and administrative costs, interest expenses, and bad debt;

''(iv) capital, including rent, real estate taxes, depreciation, utilities, repairs, and maintenance; and

''(v) such other allowable costs as the Secretary may specify.''.

SEC. 602. REVISION OF PAYMENT RATES FOR ESRD PATIENTS ENROLLED IN MEDICARE+CHOICE PLANS.

(a) IN GENERAL.—Section 1853(a)(1)(B) (42 U.S.C. 1395w–23(a)(1)(B)) is amended by adding at the end the following: ''In establishing such rates the Secretary shall provide for appropriate adjustments to increase each rate to reflect the demonstration rate (including any risk-adjustment associated with such rate) of the social health maintenance organization end-stage renal disease demonstrations established by section 2355 of the Deficit Reduction Act of 1984 (Public Law 98–369; 98 Stat. 1103), as amended by section 13567(b) of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 107 Stat. 608), and shall compute such rates by not taking into account individuals with kidney transplants and individuals in which the program under this title is a secondary payer to another payer (or payers) pursuant to section 1862(b).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to payments for months beginning with January 2002.

(c) PUBLICATION.—The Secretary of Health and Human Services, not later than 6 months after the date of enactment of this Act, shall publish for public comment a description of the appropriate adjustments described in the last sentence of section 1853(a)(1)(B) of the Social Security Act (42 U.S.C. 1395w–23(a)(1)(B)), as added by subsection (a). The Secretary shall publish in final form such adjustments by not later than July 1, 2001, so that the amendment made by subsection (a) is implemented on a timely basis consistent with subsection (b).

SEC. 603. PERMITTING ESRD BENEFICIARIES TO ENROLL IN ANOTHER MEDICARE+CHOICE PLAN IF THE PLAN IN WHICH THEY ARE ENROLLED IS TERMINATED.

(a) IN GENERAL.—Section 1851(a)(3)(B) (42 U.S.C. 1395w–21(a)(3)(B)) is amended by striking ''except that'' and all that follows and inserting the following: ''except that—

''(i) an individual who develops end-stage renal disease while enrolled in a Medicare+Choice plan may continue to be enrolled in that plan; and

''(ii) in the case of such an individual who is enrolled in a Medicare+Choice plan under clause (i) (or subsequently under this clause), if the enrollment is discontinued under circumstances described in section 1851(e)(4)(A) then the individual will be treated as a 'Medicare+Choice eligible individual' for purposes of electing to continue enrollment in another Medicare+Choice plan.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to terminations and discontinuations occurring on or after the date of enactment of this Act.

(2) APPLICATION TO PRIOR PLAN TERMINATIONS.—Clause (ii) of section 1851(a)(3)(B) of the Social Security Act (as inserted by subsection (a)) also shall apply to individuals whose enrollment in a Medicare+Choice plan was terminated or discontinued after December 31, 1997, and before the date of enactment of this Act. In applying this paragraph, such an individual shall be treated, for purposes of part C of title XVIII of the Social Security Act, as having discontinued enrollment in such a plan as of the date of enactment of this Act.

SEC. 604. COVERAGE OF CERTAIN VASCULAR ACCESS SERVICES FOR ESRD BENEFICIARIES PROVIDED BY AMBULATORY SURGICAL CENTERS.

(a) IN GENERAL.—The matter following subparagraph (B) of section 1833(i)(1) (42 U.S.C. 1395l(i)(1)) is amended by adding at the end the following new sentence: ''Such lists shall include the procedures identified as of July 30, 1999, by vascular access codes 34101, 34111, 34490, 35190, 35458, 35460, 35475, 35476, 35903, 36005, 36010, 36011, 36120, 36140, 36145, 36215–36218, 36831–36834, 37201, 37204–37208, 37250, 37251, and 49423.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to vascular access services furnished on or after January 1, 2000.

SEC. 605. COLLECTION AND ANALYSIS OF INFORMATION ON THE SATISFACTION OF ESRD BENEFICIARIES WITH THE QUALITY OF AND ACCESS TO HEALTH CARE UNDER THE MEDICARE PROGRAM.

(a) COLLECTION OF INFORMATION.—The Secretary shall collect information on the satisfaction of each ESRD medicare beneficiary with the quality of health care under the original fee-for-service medicare program and the Medicare+Choice program, and the access of each beneficiary to that care.

(b) ANALYSIS OF COLLECTED INFORMATION.—

(1) IN GENERAL.—The Secretary shall conduct an analysis of the information collected under subsection (a) to determine—

(A) the kinds of health care that each non-dialysis health care provider provides to each ESRD medicare beneficiary for the treatment of end-stage renal disease and each comorbidity;

(B) the effect of the availability of supplemental insurance on the use by beneficiary of health care;

(C) the perceptions of each beneficiary regarding the access of that beneficiary to health care; and

(D) the quality of health care provided to each ESRD medicare beneficiary enrolled under the Medicare+Choice program compared to each beneficiary enrolled under the original fee-for-service medicare program.

(2) CONSIDERATIONS.—In conducting the analysis under paragraph (1), the Secretary shall consider—

(A) the feasibility of routinely collecting information on the satisfaction of each ESRD medicare beneficiary with dialysis and non-dialysis health care;

(B) whether to collect information using disease specific questions or generic questions (similar to those used in conducting the Medicare Current Beneficiary Survey);

(C) how well collected information detects access problems within each specific group of ESRD medicare beneficiaries, including beneficiaries without supplemental insurance and beneficiaries that reside in a rural area; and

(D) each obstacle that a health care provider may face in offering each type of dialysis service.

(c) AVAILABILITY OF INFORMATION AND ANALYSIS.—Not later than January 1 of each year (beginning in 2002) the Secretary shall make the information collected under subsection (a) and the analysis conducted under subsection (b) available to the public.

(d) DEFINITIONS.—In this section:

(1) ESRD MEDICARE BENEFICIARY.—The term ''ESRD medicare beneficiary'' means an individual eligible for benefits under the medicare program that has end-stage renal disease (including an individual enrolled in a Medicare+Choice plan offered by a Medicare+Choice organization under the Medicare+Choice program).

(2) MEDICARE+CHOICE PROGRAM.—The term ''Medicare+Choice program'' means the program established under part C of title XVIII of the Social Security Act (42 U.S.C. 1395w–21 et seq.).

(3) ORIGINAL FEE-FOR-SERVICE MEDICARE PROGRAM.—The term ''original fee-for-service medicare program'' means the health benefits program under parts A and B title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services, acting through the Administrator of the Health Care Financing Administration.

TITLE VII—ACCESS TO CARE IMPROVEMENTS THROUGH MEDICAID AND SCHIP

SEC. 701. NEW PROSPECTIVE PAYMENT SYSTEM FOR FEDERALLY-QUALIFIED HEALTH CENTERS AND RURAL HEALTH CLINICS.

(a) IN GENERAL.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) in paragraph (13)—

(A) in subparagraph (A), by adding ''and'' at the end;

(B) in subparagraph (B), by striking ''and'' at the end; and

(C) by striking subparagraph (C); and

(2) by inserting after paragraph (14) the following new paragraph:

''(15) for payment for services described in subparagraph (B) or (C) of section 1905(a)(2) under the plan in accordance with subsection (aa);''.

(b) NEW PROSPECTIVE PAYMENT SYSTEM.—Section 1902 (42 U.S.C. 1396a) is amended by adding at the end the following:

''(aa) PAYMENT FOR SERVICES PROVIDED BY FEDERALLY-QUALIFIED HEALTH CENTERS AND RURAL HEALTH CLINICS.—

''(1) IN GENERAL.—Beginning with fiscal year 2001 and each succeeding fiscal year, the State plan shall provide for payment for services described in section 1905(a)(2)(C) furnished by a Federally-qualified health center and services described in section 1905(a)(2)(B) furnished by a rural health clinic in accordance with the provisions of this subsection.

''(2) FISCAL YEAR 2001.—Subject to paragraph (4), for services furnished during fiscal year 2001, the State plan shall provide for payment for such services in an amount (calculated on a per visit basis) that is equal to 100 percent of the costs of the center or clinic of furnishing such services during fiscal year 2000 which are reasonable and related to the cost of furnishing such services, or based on such other tests of reasonableness as the Secretary prescribes in regulations under section 1833(a)(3), or, in the case of services to which such regulations do not apply, the same methodology used under section 1833(a)(3), adjusted to take into account any increase in the scope of such services furnished by the center or clinic during fiscal year 2001.

''(3) FISCAL YEAR 2002 AND SUCCEEDING FISCAL YEARS.—Subject to paragraph (4), for services furnished during fiscal year 2002 or a succeeding fiscal year, the State plan shall provide for payment for such services in an amount (calculated on a per visit basis) that is equal to the amount calculated for such services under this subsection for the preceding fiscal year—

''(A) increased by the percentage increase in the MEI (as defined in section 1842(i)(3)) applicable to primary care services (as defined in section 1842(i)(4)) for that fiscal year; and

''(B) adjusted to take into account any increase in the scope of such services furnished by the center or clinic during that fiscal year.

''(4) ESTABLISHMENT OF INITIAL YEAR PAYMENT AMOUNT FOR NEW CENTERS OR CLINICS.—

In any case in which an entity first qualifies as a Federally-qualified health center or rural health clinic after fiscal year 2000, the State plan shall provide for payment for services described in section 1905(a)(2)(C) furnished by the center or services described in section 1905(a)(2)(B) furnished by the clinic in the first fiscal year in which the center or clinic so qualifies in an amount (calculated on a per visit basis) that is equal to 100 percent of the costs of furnishing such services during such fiscal year in accordance with the regulations and methodology referred to in paragraph (2). For each fiscal year following the fiscal year in which the entity first qualifies as a Federally-qualified health center or rural health clinic, the State plan shall provide for the payment amount to be calculated in accordance with paragraph (3).

''(5) ADMINISTRATION IN THE CASE OF MANAGED CARE.—In the case of services furnished by a Federally-qualified health center or rural health clinic pursuant to a contract between the center or clinic and a managed care entity (as defined in section 1932(a)(1)(B)), the State plan shall provide for payment to the center or clinic (at least quarterly) by the State of a supplemental payment equal to the amount (if any) by which the amount determined under paragraphs (2), (3), and (4) of this subsection exceeds the amount of the payments provided under the contract.

''(6) ALTERNATIVE PAYMENT METHODOLOGIES.—Notwithstanding any other provision of this section, the State plan may provide for payment in any fiscal year to a Federally-qualified health center for services described in section 1905(a)(2)(C) or to a rural health clinic for services described in section 1905(a)(2)(B) in an amount which is determined under an alternative payment methodology that—

''(A) is agreed to by the State and the center or clinic; and

''(B) results in payment to the center or clinic of an amount which is at least equal to the amount otherwise required to be paid to the center or clinic under this section.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 4712 of BBA (111 Stat. 508) is amended by striking subsection (c).

(2) Section 1915(b) (42 U.S.C. 1396n(b)) is amended by striking ''1902(a)(13)(E)'' and inserting ''1902(a)(15), 1902(aa),''.

(d) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000, and apply to services furnished on or after such date.

SEC. 702. TRANSITIONAL MEDICAL ASSISTANCE.

(a) MAKING PROVISION PERMANENT.—

(1) IN GENERAL.—Subsection (f) of section 1925 (42 U.S.C. 1396r–6) is repealed.

(2) CONFORMING AMENDMENT.—Section 1902(e)(1) (42 U.S.C. 1396a(e)(1)) is repealed.

(b) STATE OPTION OF INITIAL 12-MONTH ELIGIBILITY.—Section 1925 (42 U.S.C. 1396r–6) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

''(5) OPTION OF 12-MONTH INITIAL ELIGIBILITY PERIOD.—A State may elect to treat any reference in this subsection to a 6-month period (or 6 months) as a reference to a 12-month period (or 12 months). In the case of such an election, subsection (b) shall not apply.''; and

(2) in subsection (b)(1), by inserting ''and subsection (a)(5)'' after ''paragraph (3)''.

(c) SIMPLIFICATION OPTIONS.—

(1) REMOVAL OF ADMINISTRATIVE REPORTING REQUIREMENTS FOR ADDITIONAL 6-MONTH EXTENSION.—Section 1925(b) (42 U.S.C. 1396r–6(b)) is amended—

(A) in paragraph (2)—

(i) in the heading, by striking ''AND REPORTING'';

(ii) by striking subparagraph (B);

(iii) in subparagraph (A)(i)—

(I) by striking ''(I)'' and all that follows through ''(II)'' and inserting ''(i)'';

(II) by striking '', and (III)'' and inserting ''and (ii)''; and

(III) by redesignating such subparagraph as subparagraph (A) (with appropriate indentation); and

(iv) in subparagraph (A)(ii)—

(I) by striking ''notify the family of the reporting requirement under subparagraph (B)(ii) and a statement of'' and inserting ''provide the family with notification of''; and

(II) by redesignating such subparagraph as subparagraph (B) (with appropriate indentation);

(B) in paragraph (3)(A)—

(i) in clause (iii)—

(I) in the heading, by striking ''REPORTING AND TEST'';

(II) by striking subclause (I); and

(III) by redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively; and

(ii) by striking the last 3 sentences; and

(C) in paragraph (3)(B), by striking ''subparagraph (A)(iii)(II)'' and inserting ''subparagraph (A)(iii)(I)''.

(2) EXEMPTION FOR STATES COVERING NEEDY FAMILIES UP TO 185 PERCENT OF POVERTY.—Section 1925 (42 U.S.C. 1396r–6), as amended by subsection (a), is amended—

(A) in each of subsections (a)(1) and (b)(1), by inserting ''but subject to subsection (f),'' after ''Notwithstanding any other provision of this title,''; and

(B) by adding at the end the following new subsection:

''(f) EXEMPTION FOR STATE COVERING NEEDY FAMILIES UP TO 185 PERCENT OF POVERTY.—At State option, the provisions of this section shall not apply to a State that uses the authority under section 1931(b)(2)(C) to make medical assistance available under the State plan under this title, at a minimum, to all individuals described in section 1931(b)(1) in families with gross incomes (determined without regard to work-related child care expenses of such individuals) at or below 185 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.''.

(3) STATE OPTION TO ELECT SHORTER PERIOD FOR REQUIREMENT FOR RECEIPT OF MEDICAL ASSISTANCE AS A CONDITION OF ELIGIBILITY FOR TRANSITIONAL MEDICAL ASSISTANCE.—Section 1925(a)(1) (42 U.S.C. 1396r–6(a)(1)) is amended by inserting ''(or such shorter period as the State may elect)'' after ''3''.

(d) APPLICATION OF NOTICE OF ELIGIBILITY TO ALL FAMILIES LEAVING WELFARE.—Section 1925(a) (42 U.S.C. 1396r–6(a)), as amended by subsection (b)(1), is amended by adding at the end the following new paragraph:

''(6) NOTICE OF ELIGIBILITY FOR MEDICAL ASSISTANCE TO ALL FAMILIES LEAVING TANF.—Each State shall notify each family which was receiving assistance under the State program funded under part A of title IV and which is no longer eligible for such assistance, of the potential eligibility of the family and any individual members of such family for medical assistance under this title or child health assistance under title XXI. Such notice shall include a statement that the family does not have to be receiving assistance under the State program funded under part A of title IV in order to be eligible for such medical assistance or child health assistance.''.

(e) ENROLLMENT DATA.—Section 1925 (42 U.S.C. 1396r–6), as amended by subsection (c)(2)(B), is amended by adding at the end the following new subsection:

''(g) ENROLLMENT DATA.—The Secretary annually shall obtain from each State with a State plan approved under this title enrollment data regarding—

''(1) the number of adults and children who—

''(A) receive medical assistance under this title based on eligibility under section 1931;

''(B) at the time they were first determined to be eligible for such medical assistance, also received cash assistance under the State program funded under part A of title IV; and

''(C) subsequently ceased to receive assistance under such State program due to increased earnings or increased child support income;

''(2) the percentage of the adults and children described in paragraph (1) who receive transitional medical assistance under this section or otherwise remain enrolled in the program under this title; and

''(3) the percentage of such adults and children that receive such transitional medical assistance for more than 6 months or that remain enrolled in the program under this title for more than 6 months after such adults or children ceased to receive assistance under the State program funded under part A of title IV.''.

(f) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000.

SEC. 703. APPLICATION OF SIMPLIFIED SCHIP PROCEDURES UNDER THE MEDICAID PROGRAM.

(a) COORDINATION WITH MEDICAID.—

(1) IN GENERAL.—Section 1902(l) (42 U.S.C. 1396a(l)) is amended—

(A) in paragraph (3), by inserting ''subject to paragraph (5)'', after ''Notwithstanding subsection (a)(17),''; and

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

''(5) With respect to determining the eligibility of individuals under 19 years of age for medical assistance under subsection (a)(10)(A)(i)(IV), (a)(10)(A)(i)(VI), (a)(10)(A)(i)(VII), (a)(10)(A)(ii)(IX), or (a)(10)(A)(ii)(XIV), notwithstanding any other provision of this title, if the State has established a State child health plan under title XXI, or expanded coverage beyond the income eligibility standards required for such individuals under this title under a waiver granted under section 1115—

''(A) the State may not apply a resource standard if the State does not apply such a standard under such child health plan or section 1115 waiver with respect to such individuals;

''(B) the State shall use the same simplified eligibility form (including, if applicable, permitting application other than in person) as the State uses under such State child health plan or section 1115 waiver with respect to such individuals;

''(C) the State shall provide for initial eligibility determinations and redeterminations of eligibility using the same verification policies, forms, and frequency as the State uses for such purposes under such State child health plan or section 1115 waiver with respect to such individuals; and

''(D) the State shall not require a face-to-face interview for purposes of initial eligibility determinations and redeterminations unless the State required such an interview for such purposes under such child health plan or section 1115 waiver with respect to such individuals.''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) take effect on October 1, 2000, and apply to eligibility determinations and redeterminations made on or after such date.

(b) AUTOMATIC REASSESSMENT OF ELIGIBILITY FOR TITLE XXI AND MEDICAID BENEFITS FOR CHILDREN LOSING MEDICAID OR TITLE XXI ELIGIBILITY.—

(1) LOSS OF MEDICAID ELIGIBILITY.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(A) by striking the period at the end of paragraph (65) and inserting ''; and'', and

(B) by inserting after paragraph (65) the following new paragraph:

''(66) provide, by not later than the first day of the first month that begins more than 1 year after the date of the enactment of this paragraph and in the case of a State with a State child health plan under title XXI, that before medical assistance to a child (or a parent of a child) is discontinued under this title, a determination of whether the child (or parent) is eligible for benefits under title XXI shall be made and, if determined to be so eligible, the child (or parent) shall be automatically enrolled in the program under such title without the need for a new application and without being asked to provide any information that is already available to the State.''.

(2) LOSS OF TITLE XXI ELIGIBILITY.—Section 2102(b)(3) (42 U.S.C. 1397bb(b)(3)) is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

''(D) that before health assistance to a child (or a parent of a child) is discontinued under this title, a determination of whether the child (or parent) is eligible for benefits under title XIX is made and, if determined to be so eligible, the child (or parent) is automatically enrolled in the program under such title without the need for a new application and without being asked to provide any information that is already available to the State;''.

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) apply to individuals who lose eligibility under the medicaid program under title XIX, or under a State child health insurance plan under title XXI, respectively, of the Social Security Act (42 U.S.C. 1396 et seq.; 1397aa et seq.) on or after the date that is 60 days after the date of the enactment of this Act.

SEC. 704. PRESUMPTIVE ELIGIBILITY.

(a) ADDITIONAL ENTITIES QUALIFIED TO DETERMINE PRESUMPTIVE ELIGIBILITY FOR LOW-INCOME CHILDREN.—

(1) MEDICAID.—Section 1920A(b)(3)(A)(i) (42 U.S.C. 1396r–1a(b)(3)(A)(i)) is amended—

(A) by striking ''or (II)'' and inserting '', (II)''; and

(B) by inserting ''eligibility of a child for medical assistance under the State plan under this title, or eligibility of a child for child health assistance under the program funded under title XXI, (III) is an elementary school or secondary school, as such terms are defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801), an elementary or secondary school operated or supported by the Bureau of Indian Affairs, a State child support enforcement agency, a child care resource and referral agency, an organization that is providing emergency food and shelter under a grant under the Stewart B. McKinney Homeless Assistance Act, or a State office or entity involved in enrollment in the program under this title, under part A of title IV, under title XXI, or that determines eligibility for any assistance or benefits provided under any program of public or assisted housing that receives Federal funds, including the program under section 8 or any other section of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), or (IV) any other entity the State so deems, as approved by the Secretary'' before the semicolon.

(2) APPLICATION UNDER SCHIP.—

(A) IN GENERAL.—Section 2107(e)(1) (42 U.S.C. 1397gg(e)(1)) is amended by adding at the end the following new subparagraph:

''(D) Section 1920A (relating to presumptive eligibility).''.

(B) EXCEPTION FROM LIMITATION ON ADMINISTRATIVE EXPENSES.—Section 2105(c)(2) (42 U.S.C. 1397ee(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) EXCEPTION FOR PRESUMPTIVE ELIGIBILITY EXPENDITURES.—The limitation under subparagraph (A) on expenditures shall not apply to expenditures attributable to the application of section 1920A (pursuant to section 2107(e)(1)(D)), regardless of whether the child is determined to be ineligible for the program under this title or title XIX.''.

(3) TECHNICAL AMENDMENTS.—Section 1920A (42 U.S.C. 1396r–1a) is amended—

(A) in subsection (b)(3)(A)(ii), by striking ''paragraph (1)(A)'' and inserting ''paragraph (2)(A)''; and

(B) in subsection (c)(2), in the matter preceding subparagraph (A), by striking ''subsection (b)(1)(A)'' and inserting ''subsection (b)(2)(A)''.

(b) ELIMINATION OF SCHIP FUNDING OFFSET FOR EXERCISE OF PRESUMPTIVE ELIGIBILITY OPTION.—

(1) IN GENERAL.—Section 2104(d) (42 U.S.C. 1397dd(d)) is amended by striking ''the sum of—'' and all that follows through ''(2)'' and conforming the margins of all that remains accordingly.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect October 1, 2000, and applies to allotments under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) for fiscal year 2001 and each succeeding fiscal year thereafter.

SEC. 705. IMPROVEMENTS TO THE MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT.

(a) INCREASE IN AUTHORIZATION OF APPROPRIATIONS.—Section 501(a) (42 U.S.C. 701(a)) is amended in the matter preceding paragraph (1) by striking ''$705,000,000 for fiscal year 1994'' and inserting ''$1,000,000,000 for fiscal year 2001''.

(b) COORDINATION WITH MEDICAID AND SCHIP.—

(1) SCHIP.—Section 505(a)(5)(F) (42 U.S.C. 705(a)(5)(F)) is amended—

(A) in clause (ii), by inserting ''and in the coordination of the administration of the State program under title XXI with the care and services available under this title, as required under subsections (b)(3)(G) and (c)(2) of section 2102'' before the comma; and

(B) in clause (iv), by striking ''and infants who are eligible for medical assistance under subparagraph (A) or (B) of section 1902(l)(1)'' and inserting '', infants, and children who are eligible for medical assistance under section 1902(l)(1), and children who are eligible for child health assistance under the State program under title XXI''.

(2) CONFORMING AMENDMENTS TO SCHIP.—Section 2102(b)(3) (42 U.S.C. 1397bb(b)(3)), as amended by section 703(b)(2), is amended—

(A) by striking ''and'' at the end of subparagraph (E);

(B) by striking the period at the end of subparagraph (F) and inserting ''; and''; and

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

''(G) that operations and activities under this title are developed and implemented in consultation and coordination with the program operated by the State under title V with respect to outreach and enrollment, benefits and services, service delivery standards, public health and social service agency relationships, and quality assurance and data reporting.''.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000.

SEC. 706. IMPROVING ACCESS TO MEDICARE COST-SHARING ASSISTANCE FOR LOW-INCOME BENEFICIARIES.

(a) INCREASE IN SLMB ELIGIBILITY.—

(1) IN GENERAL.—Section 1902(a)(10)(E) (42 U.S.C. 1396a(a)(10)(E)) is amended—

(A) in clause (iii), by striking ''and 120 percent in 1995'' and inserting '', 120 percent in 1995 through 2000, and 135 percent in 2001''; and

(B) in clause (iv), by striking ''2002)—'' and all that follows through ''(II) for'' and inserting ''2002) for''.

(2) CONFORMING AMENDMENT.—Section 1933(c)(2)(A) (42 U.S.C. 1396u–3(c)(2)(A)) is amended by striking ''sum of—'' and all that follows through ''(ii) the''''.

(3) EFFECTIVE DATE.—The amendments made by this subsection take effect on January 1, 2001, and with respect to the amendment made by paragraph (2), applies to allocations determined under section 1933(c) of the Social Security Act (42 U.S.C. 1396u–3(c)) for the last 3 quarters of fiscal year 2001 and all of fiscal year 2002.

(b) INDEX OF ASSETS TEST TO INFLATION.—Section 1905(p)(1)(C) (42 U.S.C. 1396d(p)(1)(C)) is amended by inserting '', increased (beginning with 2001 and each year thereafter) by the percentage increase (if any) in the Consumer Price Index for All Urban Consumers (United States city average)'' before the period.

(c) INCREASED EFFORT TO PROVIDE MEDICARE BENEFICIARIES WITH MEDICARE COST-SHARING UNDER THE MEDICAID PROGRAM.—

(1) IN GENERAL.—Section 1902(a) (42 U.S.C. 1396a(a)), as amended by section 703(b)(1)(A), is amended—

(A) in paragraph (65), by striking ''and'' at the end;

(B) in paragraph (66), by striking the period and inserting ''; and''; and

(C) by inserting after paragraph (66) the following new paragraph:

''(67) provide for the determination of eligibility for medicare cost-sharing (as defined in section 1905(p)(3)) for individuals described in paragraph (10)(E) and, if eligible for such medicare cost-sharing, for the enrollment of such individuals at any hospital, clinic, or similar entity at which State or local agency personnel are stationed for the purpose of determining the eligibility of individuals for medical assistance under the State plan or providing outreach services to eligible or potentially eligible individuals.''.

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

(d) PRESUMPTIVE ELIGIBILITY OF CERTAIN LOW-INCOME INDIVIDUALS FOR MEDICARE COST-SHARING UNDER THE QMB OR SLMB PROGRAM.—Title XIX (42 U.S.C. 1396 et seq.) is amended by inserting after section 1920A the following new section:

''PRESUMPTIVE ELIGIBILITY OF CERTAIN LOW-INCOME INDIVIDUALS

''SEC. 1920B. (a) A State plan approved under section 1902 shall provide for making medical assistance with respect to medicare cost-sharing covered under the State plan available to a low-income individual on the date the low-income individual becomes entitled to benefits under part A of title XVIII during a presumptive eligibility period.

''(b) For purposes of this section:

''(1) The term 'low-income individual' means an individual who at the age of 65 years is described—

''(A) in section 1902(a)(10)(E)(i), or

''(B) in section 1902(a)(10)(E)(iii).

''(2) The term 'medicare cost-sharing'—

''(A) with respect to an individual described in paragraph (1)(A), has the meaning given such term in section 1905(p)(3); and

''(B) with respect to an individual described in paragraph (1)(B), has the meaning given such term in section 1905(p)(3)(A).

''(3) The term 'presumptive eligibility period' means, with respect to a low-income individual, the period that—

''(A) begins with the date on which a qualified entity determines, on the basis of preliminary information, that the income and resources of the individual do not exceed the applicable income and resource level of eligibility under the State plan, and

''(B) ends with (and includes) the earlier of—

''(i) the day on which a determination is made with respect to the eligibility of the low-income individual for medical assistance for medical cost-sharing under the State plan, or

''(ii) in the case of a low-income individual on whose behalf an application is not filed by the last day of the month following the month during which the entity makes the determination referred to in subparagraph (A), such last day.

''(4)(A) Subject to subparagraph (B), the term 'qualified entity' means any of the following:

''(i) Qualified individuals within the Social Security Administration.

''(ii) An entity determined by the State agency to be capable of making determinations of the type described in paragraph (3).

''(B) The Secretary may issue regulations further limiting those entities that may become qualified entities in order to prevent fraud and abuse and for other reasons.

''(c)(1) The State agency, after consultation with the Secretary, shall provide qualified entities with—

''(A) such forms as are necessary for an application to be made on behalf of a low-income individual for medical assistance for medical cost-sharing under the State plan, and

''(B) information on how to assist low-income individuals and other persons in completing and filing such forms.

''(2) A qualified entity that determines under subsection (b)(2)(A) that a low-income individual is presumptively eligible for medical assistance for medical cost-sharing under a State plan shall—

''(A) notify the State agency of the determination within 5 working days after the date on which the determination is made, and

''(B) inform the low-income individual at the time the determination is made that an application for medical assistance for medical cost-sharing under the State plan is required to be made by not later than the last day of the month following the month during which the determination is made.

''(3) In the case of a low-income individual who is determined by a qualified entity to be presumptively eligible for medical assistance for medical cost-sharing under a State plan, the low-income individual shall make application for medical assistance for medical cost-sharing under such plan by not later than the last day of the month following the month during which the determination is made.

''(d) Notwithstanding any other provision of this title, medical assistance for medicare cost-sharing that—

''(1) is furnished to a low-income individual during a presumptive eligibility period under the State plan; and

''(2) is included in the services covered by a State plan;

shall be treated as medical assistance provided by such plan for purposes of section 1903.''.

SEC. 707. BREAST AND CERVICAL CANCER PREVENTION AND TREATMENT.

(a) COVERAGE AS OPTIONAL CATEGORICALLY NEEDY GROUP.—

(1) IN GENERAL.—Section 1902(a)(10)(A)(ii) (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(A) in subclause (XVI), by striking ''or'' at the end;

(B) in subclause (XVII), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(XVIII) who are described in subsection (aa) (relating to certain breast or cervical cancer patients);''.

(2) GROUP DESCRIBED.—Section 1902 (42 U.S.C. 1396a) is amended by adding at the end the following:

''(aa) Individuals described in this subsection are individuals who—

''(1) are not described in subsection (a)(10)(A)(i);

''(2) have not attained age 65;

''(3) have been screened for breast and cervical cancer under the Centers for Disease Control and Prevention breast and cervical cancer early detection program established under title XV of the Public Health Service Act (42 U.S.C. 300k et seq.) in accordance with the requirements of section 1504 of that Act (42 U.S.C. 300n) and need treatment for breast or cervical cancer; and

''(4) are not otherwise covered under creditable coverage, as defined in section 2701(c) of the Public Health Service Act (42 U.S.C. 300gg(c)).''.

(3) LIMITATION ON BENEFITS.—Section 1902(a)(10) (42 U.S.C. 1396a(a)(10)) is amended in the matter following subparagraph (G)—

(A) by striking ''and (XIII)'' and inserting ''(XIII)''; and

(B) by inserting '', and (XIV) the medical assistance made available to an individual described in subsection (aa) who is eligible for medical assistance only because of subparagraph (A)(10)(ii)(XVIII) shall be limited to medical assistance provided during the period in which such an individual requires treatment for breast or cervical cancer'' before the semicolon.

(4) CONFORMING AMENDMENTS.—Section 1905(a) (42 U.S.C. 1396d(a)) is amended in the matter preceding paragraph (1)—

(A) in clause (xi), by striking ''or'' at the end;

(B) in clause (xii), by adding ''or'' at the end; and

(C) by inserting after clause (xii) the following:

''(xiii) individuals described in section 1902(aa),''.

(b) PRESUMPTIVE ELIGIBILITY.—

(1) IN GENERAL.—Title XIX (42 U.S.C. 1396 et seq.) is amended by inserting after section 1920A the following:

''PRESUMPTIVE ELIGIBILITY FOR CERTAIN BREAST OR CERVICAL CANCER PATIENTS

''SEC. 1920B. (a) STATE OPTION.—A State plan approved under section 1902 may provide for making medical assistance available to an individual described in section 1902(aa) (relating to certain breast or cervical cancer patients) during a presumptive eligibility period.

''(b) DEFINITIONS.—For purposes of this section:

''(1) PRESUMPTIVE ELIGIBILITY PERIOD.—The term 'presumptive eligibility period' means, with respect to an individual described in subsection (a), the period that—

''(A) begins with the date on which a qualified entity determines, on the basis of preliminary information, that the individual is described in section 1902(aa); and

''(B) ends with (and includes) the earlier of—

''(i) the day on which a determination is made with respect to the eligibility of such individual for services under the State plan; or

''(ii) in the case of such an individual who does not file an application by the last day of the month following the month during which the entity makes the determination referred to in subparagraph (A), such last day.

''(2) QUALIFIED ENTITY.—

''(A) IN GENERAL.—Subject to subparagraph (B), the term 'qualified entity' means any entity that—

''(i) is eligible for payments under a State plan approved under this title; and

''(ii) is determined by the State agency to be capable of making determinations of the type described in paragraph (1)(A).

''(B) REGULATIONS.—The Secretary may issue regulations further limiting those entities that may become qualified entities in order to prevent fraud and abuse and for other reasons.

''(C) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed as preventing a State from limiting the classes of entities that may become qualified entities, consistent with any limitations imposed under subparagraph (B).

''(c) ADMINISTRATION.—

''(1) IN GENERAL.—The State agency shall provide qualified entities with—

''(A) such forms as are necessary for an application to be made by an individual described in subsection (a) for medical assistance under the State plan; and

''(B) information on how to assist such individuals in completing and filing such forms.

''(2) NOTIFICATION REQUIREMENTS.—A qualified entity that determines under subsection (b)(1)(A) that an individual described in subsection (a) is presumptively eligible for medical assistance under a State plan shall—

''(A) notify the State agency of the determination within 5 working days after the date on which the determination is made; and

''(B) inform such individual at the time the determination is made that an application for medical assistance under the State plan is required to be made by not later than the last day of the month following the month during which the determination is made.

''(3) APPLICATION FOR MEDICAL ASSISTANCE.—In the case of an individual described in subsection (a) who is determined by a qualified entity to be presumptively eligible for medical assistance under a State plan, the individual shall apply for medical assistance under such plan by not later than the last day of the month following the month during which the determination is made.

''(d) PAYMENT.—Notwithstanding any other provision of this title, medical assistance that—

''(1) is furnished to an individual described in subsection (a)—

''(A) during a presumptive eligibility period; and

''(B) by a entity that is eligible for payments under the State plan; and

''(2) is included in the care and services covered by the State plan,

shall be treated as medical assistance provided by such plan for purposes of clause (4) of the first sentence of section 1905(b).''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1902(a)(47) (42 U.S.C. 1396a(a)(47)) is amended by inserting before the semicolon at the end the following: ''and provide for making medical assistance available to individuals described in subsection (a) of section 1920B during a presumptive eligibility period in accordance with such section''.

(B) Section 1903(u)(1)(D)(v) (42 U.S.C. 1396b(u)(1)(D)(v)) is amended—

(i) by striking ''or for'' and inserting '', for''; and

(ii) by inserting before the period the following: '', or for medical assistance provided to an individual described in subsection (a) of section 1920B during a presumptive eligibility period under such section''.

(c) ENHANCED MATCH.—The first sentence of section 1905(b) (42 U.S.C. 1396d(b)) is amended—

(1) by striking ''and'' before ''(3)''; and

(2) by inserting before the period at the end the following: '', and (4) the Federal medical assistance percentage shall be equal to the enhanced FMAP described in section 2105(b) with respect to medical assistance provided to individuals who are eligible for such assistance only on the basis of section 1902(a)(10)(A)(ii)(XVIII)''.

(d) EFFECTIVE DATE.—The amendments made by this section apply to medical assistance for items and services furnished on or after October 1, 2000, without regard to whether final regulations to carry out such amendments have been promulgated by such date.

TITLE VIII—OTHER PROVISIONS

SEC. 801. APPROPRIATIONS FOR RICKY RAY HEMOPHILIA RELIEF FUND.

Section 101(e) of the Ricky Ray Hemophilia Relief Fund Act of 1998 (42 U.S.C. 300c–22 note) is amended by adding at the end the following: ''There is appropriated to the Fund $475,000,000 for fiscal year 2001, to remain available until expended.''.

SEC. 802. INCREASE IN APPROPRIATIONS FOR SPECIAL DIABETES PROGRAMS FOR CHILDREN WITH TYPE I DIABETES AND INDIANS.

(a) SPECIAL DIABETES PROGRAMS FOR CHILDREN WITH TYPE I DIABETES.—Section 330B(b) of the Public Health Service Act (42 U.S.C. 254c–2(b)) is amended—

(1) by striking ''Notwithstanding'' and inserting the following:

''(1) TRANSFERRED FUNDS.—Notwithstanding''; and

(2) by adding at the end the following:

''(2) APPROPRIATIONS.—For the purpose of making grants under this section, there are appropriated, out of any money in the Treasury not otherwise appropriated—

''(A) $70,000,000 for each of fiscal years 2001 and 2002 (which shall be combined with amounts transferred under paragraph (1) for each such fiscal years); and

''(B) $100,000,000 for each of fiscal years 2003 through 2005.''.

(b) SPECIAL DIABETES PROGRAMS FOR INDIANS.—Section 330C(c) of the Public Health Service Act (42 U.S.C. 254c–3(c)) is amended—

(1) by striking ''Notwithstanding'' and inserting the following:

''(1) TRANSFERRED FUNDS.—Notwithstanding'';

(2) by adding at the end the following:

''(2) APPROPRIATIONS.—For the purpose of making grants under this section, there are appropriated, out of any money in the Treasury not otherwise appropriated—

''(A) $70,000,000 for each of fiscal years 2001 and 2002 (which shall be combined with amounts transferred under paragraph (1) for each such fiscal years); and

''(B) $100,000,000 for each of fiscal years 2003 through 2005.''.

SEC. 803. DEMONSTRATION GRANTS TO IMPROVE OUTREACH, ENROLLMENT, AND COORDINATION OF PROGRAMS AND SERVICES TO HOMELESS INDIVIDUALS AND FAMILIES.

(a) AUTHORITY.—The Secretary of Health and Human Services may award demonstration grants to not more than 7 States (or other qualified entities) to conduct innovative programs that are designed to improve outreach to homeless individuals and families under the programs described in subsection (b) with respect to enrollment of such individuals and families under such programs and the provision of services (and coordinating the provision of such services) under such programs.

(b) PROGRAMS FOR HOMELESS DESCRIBED.—The programs described in this subsection are as follows:

(1) MEDICAID.—The program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(2) SCHIP.—The program under title XXI of such Act (42 U.S.C. 1397aa et seq.).

(3) TANF.—The program under part A of title IV of such Act (42 U.S.C. 601 et seq.).

(4) MATERNAL AND CHILD HEALTH BLOCK GRANTS.—The program under title V of the Social Security Act (42 U.S.C. 701 et seq.).

(5) MENTAL HEALTH AND SUBSTANCE ABUSE BLOCK GRANTS.—The program under part B of title XIX of the Public Health Service Act (42 U.S.C. 300x–1 et seq.).

(6) HIV/AIDS CARE GRANTS.—The program under part B of title XXVI of the Public Health Service Act (42 U.S.C. 300ff–21 et seq.).

(7) FOOD STAMP PROGRAM.—The program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

(8) WORKFORCE INVESTMENT ACT.—The program under the Workforce Investment Act of 1999 (29 U.S.C. 2801 et seq.).

(9) WELFARE-TO-WORK.—The welfare-to-work program under section 403(a)(5) of the Social Security Act (42 U.S.C. 603(a)(5)).

(10) OTHER PROGRAMS.—Other public and private benefit programs that serve low-income individuals.

(c) APPROPRIATIONS.—For the purposes of carrying out this section, there are appropriated, out of any funds in the Treasury not otherwise appropriated, $10,000,000, to remain available until expended.

SEC. 804. PROTECTION OF AN HMO ENROLLEE TO RECEIVE CONTINUING CARE AT A FACILITY SELECTED BY THE ENROLLEE.

(a) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended by adding at the end the following new section:

"SEC. 714. ENSURING CHOICE FOR CONTINUING CARE.

''(a) IN GENERAL.—With respect to health insurance coverage provided to participants or beneficiaries through a managed care organization under a group health plan, or through a health insurance issuer providing health insurance coverage in connection with a group health plan, such plan or issuer may not deny coverage for services provided to such participant or beneficiary by a continuing care retirement community, skilled nursing facility, or other qualified facility in which the participant or beneficiary resided prior to a hospitalization, regardless of whether such organization is under contract with such community or facility if the requirements described in subsection (b) are met.

''(b) REQUIREMENTS.—The requirements of this subsection are that—

''(1) the service involved is a service for which the managed care organization involved would be required to provide or pay for under its contract with the participant or beneficiary if the continuing care retirement community, skilled nursing facility, or other qualified facility were under contract with the organization;

''(2) the participant or beneficiary involved—

''(A) resided in the continuing care retirement community, skilled nursing facility, or other qualified facility prior to being hospitalized;

''(B) had a contractual or other right to return to the facility after hospitalization; and

''(C) elects to return to the facility after hospitalization, whether or not the residence of the participant or beneficiary after returning from the hospital is the same part of the facility in which the beneficiary resided prior to hospitalization;

''(3) the continuing care retirement community, skilled nursing facility, or other qualified facility has the capacity to provide the services the participant or beneficiary needs; and

''(4) the continuing care retirement community, skilled nursing facility, or other qualified facility is willing to accept substantially similar payment under the same terms and conditions that apply to similarly situated health care facility providers under contract with the organization involved.

''(c) SERVICES TO PREVENT HOSPITALIZATION.—A group health plan or health insurance issuer to which this section applies may not deny payment for a skilled nursing service provided to a participant or beneficiary by a continuing care retirement community, skilled nursing facility, or other qualified facility in which the participant or beneficiary resides, without a preceding hospital stay, regardless of whether the organization is under contract with such community or facility, if—

''(1) the plan or issuer has determined that the service is necessary to prevent the hospitalization of the participant or beneficiary; and

''(2) the service to prevent hospitalization is provided as an additional benefit as described in section 417.594 of title 42, Code of Federal Regulations, and would otherwise be covered as provided for in subsection (b)(1).

''(d) RIGHTS OF SPOUSES.—A group health plan or health insurance issuer to which this section applies shall not deny payment for services provided by a skilled nursing facility for the care of a participant or beneficiary, regardless of whether the plan or issuer is under contract with such facility, if the spouse of the participant or beneficiary is already a resident of such facility and the requirements described in subsection (b) are met.

''(e) EXCEPTIONS.—Subsection (a) shall not apply—

''(1) where the attending acute care provider and the participant or beneficiary (or a designated representative of the participant or beneficiary where the participant or beneficiary is physically or mentally incapable of making an election under this paragraph) do not elect to pursue a course of treatment necessitating continuing care; or

''(2) unless the community or facility involved—

''(A) meets all applicable licensing and certification requirements of the State in which it is located; and

''(B) agrees to reimbursement for the care of the participant or beneficiary at a rate similar to the rate negotiated by the managed care organization with similar providers of care for similar services.

''(f) PROHIBITIONS.—A group health plan and a health insurance issuer providing health insurance coverage in connection with a group health plan may not—

''(1) deny to an individual eligibility, or continued eligibility, to enroll or to renew coverage with a managed care organization under the plan, solely for the purpose of avoiding the requirements of this section;

''(2) provide monetary payments or rebates to enrollees to encourage such enrollees to accept less than the minimum protections available under this section;

''(3) penalize or otherwise reduce or limit the reimbursement of an attending physician because such physician provided care to a participant or beneficiary in accordance with this section; or

''(4) provide incentives (monetary or otherwise) to an attending physician to induce such physician to provide care to a participant or beneficiary in a manner inconsistent with this section.

''(g) RULES OF CONSTRUCTION.—

''(1) HMO NOT OFFERING BENEFITS.—This section shall not apply with respect to any managed care organization under a group health plan, or through a health insurance issuer providing health insurance coverage in connection with a group health plan, that does not provide benefits for stays in a continuing care retirement community, skilled nursing facility, or other qualified facility.

''(2) COST-SHARING.—Nothing in this section shall be construed as preventing a managed care organization under a group health plan, or through a health insurance issuer providing health insurance coverage in connection with a group health plan, from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for care in a continuing care facility.

''(h) PREEMPTION; EXCEPTION FOR HEALTH INSURANCE COVERAGE IN CERTAIN STATES.—

''(1) IN GENERAL.—The requirements of this section shall not apply with respect to health insurance coverage to the extent that a State law (as defined in section 2723(d)(1) of the Public Health Service Act) applies to such coverage and is described in any of the following subparagraphs:

''(A) Such State law requires such coverage to provide for referral to a continuing care retirement community, skilled nursing facility, or other qualified facility in a manner that is more protective of participants or beneficiaries than the provisions of this section.

''(B) Such State law expands the range of services or facilities covered under this section and is otherwise more protective of the rights of participants or beneficiaries than the provisions of this section.

''(2) CONSTRUCTION.—Section 731(a)(1) shall not be construed to provide that any requirement of this section applies with respect to health insurance coverage, to the extent that a State law described in paragraph (1) applies to such coverage.

''(i) PENALTIES.—A participant or beneficiary may enforce the provisions of this section in an appropriate Federal district court. An action for injunctive relief or damages may be commenced on behalf of the participant or beneficiary by the participant's or beneficiary's legal representative. The court may award reasonable attorneys' fees to the prevailing party. If a beneficiary dies before conclusion of an action under this section, the action may be maintained by a representative of the participant's or beneficiary's estate.

''(j) DEFINITIONS.—In this section:

''(1) ATTENDING ACUTE CARE PROVIDER.—The term 'attending acute care provider' means anyone licensed or certified under State law to provide health care services who is operating within the scope of such license and who is primarily responsible for the care of the enrollee.

''(2) CONTINUING CARE RETIREMENT COMMUNITY.—The term 'continuing care retirement community' means an organization that provides or arranges for the provision of housing and health-related services to an older person under an agreement effective for the life of the person or for a specified period greater than 1 year.

''(3) MANAGED CARE ORGANIZATION.—The term 'managed care organization' means an organization that provides comprehensive health services to participants or beneficiaries, directly or under contract or other agreement, on a prepayment basis to such individuals. For purposes of this section, the following shall be considered as managed care organizations:

''(A) A Medicare+Choice plan authorized under section 1851(a) of the Social Security Act (42 U.S.C. 1395w–21(a)).

''(B) Any other entity that manages the cost, utilization, and delivery of health care through the use of predetermined periodic payments to health care providers employed by or under contract or other agreement, directly or indirectly, with the entity.

''(4) OTHER QUALIFIED FACILITY.—The term 'other qualified facility' means any facility that can provide the services required by the participant or beneficiary consistent with State and Federal law.

''(5) SKILLED NURSING FACILITY.—The term 'skilled nursing facility' means a facility that meets the requirements of section 1819 of the Social Security Act (42 U.S.C. 1395i–3).''.

(2) CLERICAL AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the items relating to subpart B of part 7 of subtitle B of title I the following new item:

''Sec. 714. Ensuring choice for continuing care.''.

(3) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning on or after January 1, 2001.

(b) AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT RELATING TO THE GROUP MARKET.—

(1) IN GENERAL.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–4 et seq.) is amended by adding at the end the following new section:

''SEC. 2707. ENSURING CHOICE FOR CONTINUING CARE.

''(a) IN GENERAL.—With respect to health insurance coverage provided to enrollees through a managed care organization under a group health plan, or through a health insurance issuer providing health insurance coverage in connection with a group health plan, such plan or issuer may not deny coverage for services provided to such enrollee by a continuing care retirement community, skilled nursing facility, or other qualified facility in which the enrollee resided prior to a hospitalization, regardless of whether such organization is under contract with such community or facility if the requirements described in subsection (b) are met.

''(b) REQUIREMENTS.—The requirements of this subsection are that—

''(1) the service involved is a service for which the managed care organization involved would be required to provide or pay for under its contract with the enrollee if the continuing care retirement community, skilled nursing facility, or other qualified facility were under contract with the organization;

''(2) the enrollee involved—

''(A) resided in the continuing care retirement community, skilled nursing facility, or other qualified facility prior to being hospitalized;

''(B) had a contractual or other right to return to the facility after hospitalization; and

''(C) elects to return to the facility after hospitalization, whether or not the residence of the enrollee after returning from the hospital is the same part of the facility in which the beneficiary resided prior to hospitalization;

''(3) the continuing care retirement community, skilled nursing facility, or other qualified facility has the capacity to provide the services the enrollee needs; and

''(4) the continuing care retirement community, skilled nursing facility, or other qualified facility is willing to accept substantially similar payment under the same terms and conditions that apply to similarly situated health care facility providers under contract with the organization involved.

''(c) SERVICES TO PREVENT HOSPITALIZATION.—A group health plan or health insurance issuer to which this section applies may not deny payment for a skilled nursing service provided to an enrollee by a continuing care retirement community, skilled nursing facility, or other qualified facility in which the enrollee resides, without a preceding hospital stay, regardless of whether the plan or issuer is under contract with such community or facility, if—

''(1) the plan or issuer has determined that the service is necessary to prevent the hospitalization of the enrollee; and

''(2) the service to prevent hospitalization is provided as an additional benefit as described in section 417.594 of title 42, Code of Federal Regulations, and would be covered as provided for in subsection (b)(1).

''(d) RIGHTS OF SPOUSES.—A group health plan or health insurance issuer to which this section applies shall not deny payment for services provided by a skilled nursing facility for the care of an enrollee, regardless of whether the plan or issuer is under contract with such facility, if the spouse of the enrollee is already a resident of such facility and the requirements described in subsection (b) are met.

''(e) EXCEPTIONS.—Subsection (a) shall not apply—

''(1) where the attending acute care provider and the enrollee (or a designated representative of the enrollee where the enrollee is physically or mentally incapable of making an election under this paragraph) do not elect to pursue a course of treatment necessitating continuing care; or

''(2) unless the community or facility involved—

''(A) meets all applicable licensing and certification requirements of the State in which it is located; and

''(B) agrees to reimbursement for the care of the enrollee at a rate similar to the rate negotiated by the managed care organization with similar providers of care for similar services.

''(f) PROHIBITIONS.—A group health plan and a health insurance issuer providing health insurance coverage in connection with a group health plan may not—

''(1) deny to an individual eligibility, or continued eligibility, to enroll or to renew coverage with a managed care organization under the plan, solely for the purpose of avoiding the requirements of this section;

''(2) provide monetary payments or rebates to enrollees to encourage such enrollees to accept less than the minimum protections available under this section;

''(3) penalize or otherwise reduce or limit the reimbursement of an attending physician because such physician provided care to an enrollee in accordance with this section; or

''(4) provide incentives (monetary or otherwise) to an attending physician to induce such physician to provide care to an enrollee in a manner inconsistent with this section.

''(g) RULES OF CONSTRUCTION.—

''(1) HMO NOT OFFERING BENEFITS.—This section shall not apply with respect to any managed care organization under a group health plan, or through a health insurance issuer providing health insurance coverage in connection with a group health plan, that does not provide benefits for stays in a continuing care retirement community, skilled nursing facility, or other qualified facility.

''(2) COST-SHARING.—Nothing in this section shall be construed as preventing a managed care organization under a group health plan, or through a health insurance issuer

providing health insurance coverage in connection with a group health plan, from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for care in a continuing care facility.

''(h) PREEMPTION; EXCEPTION FOR HEALTH INSURANCE COVERAGE IN CERTAIN STATES.—

''(1) IN GENERAL.—The requirements of this section shall not apply with respect to health insurance coverage to the extent that a State law (as defined in section 2723(d)(1)) applies to such coverage and is described in any of the following subparagraphs:

''(A) Such State law requires such coverage to provide for referral to a continuing care retirement community, skilled nursing facility, or other qualified facility in a manner that is more protective of the enrollee than the provisions of this section.

''(B) Such State law expands the range of services or facilities covered under this section and is otherwise more protective of enrollee rights than the provisions of this section.

''(2) CONSTRUCTION.—Section 2723(a)(1) shall not be construed to provide that any requirement of this section applies with respect to health insurance coverage, to the extent that a State law described in paragraph (1) applies to such coverage.

''(i) PENALTIES.—An enrollee may enforce the provisions of this section in an appropriate Federal district court. An action for injunctive relief or damages may be commenced on behalf of the enrollee by the enrollee's legal representative. The court may award reasonable attorneys' fees to the prevailing party. If a beneficiary dies before conclusion of an action under this section, the action may be maintained by a representative of the enrollee's estate.

''(j) DEFINITIONS.—In this section:

''(1) ATTENDING ACUTE CARE PROVIDER.—The term 'attending acute care provider' means anyone licensed or certified under State law to provide health care services who is operating within the scope of such license and who is primarily responsible for the care of the enrollee.

''(2) CONTINUING CARE RETIREMENT COMMUNITY.—The term 'continuing care retirement community' means an organization that provides or arranges for the provision of housing and health-related services to an older person under an agreement effective for the life of the person or for a specified period greater than 1 year.

''(3) MANAGED CARE ORGANIZATION.—The term 'managed care organization' means an organization that provides comprehensive health services to enrollees, directly or under contract or other agreement, on a prepayment basis to such individuals. For purposes of this section, the following shall be considered as managed care organizations:

''(A) A Medicare+Choice plan authorized under section 1851(a) of the Social Security Act (42 U.S.C. 1395w–21(a)).

''(B) Any other entity that manages the cost, utilization, and delivery of health care through the use of predetermined periodic payments to health care providers employed by or under contract or other agreement, directly or indirectly, with the entity.

''(4) OTHER QUALIFIED FACILITY.—The term 'other qualified facility' means any facility that can provide the services required by the enrollee consistent with State and Federal law.

''(5) SKILLED NURSING FACILITY.—The term 'skilled nursing facility' means a facility that meets the requirements of section 1819 of the Social Security Act (42 U.S.C. 1395i–3).''.

(2) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to group health plans for plan years beginning on or after January 1, 2001.

(c) AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT RELATING TO THE INDIVIDUAL MARKET.—

(1) IN GENERAL.—The first subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–51 et seq.) (relating to other requirements) is amended—

(A) by redesignating such subpart as subpart 2; and

(B) by adding at the end the following new section:

''SEC. 2753. ENSURING CHOICE FOR CONTINUING CARE.

''The provisions of section 2707 shall apply to health maintenance organization coverage offered by a health insurance issuer in the individual market in the same manner as they apply to such coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.''.

(2) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after January 1, 2001.

SEC. 805. GRANTS TO DEVELOP AND ESTABLISH REAL CHOICE SYSTEMS CHANGE INITIATIVES.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall award grants described in subsection (b) to States to support real choice systems change initiatives that establish specific action steps and specific timetables to achieve enduring system improvements and to provide consumer-responsive long-term services and supports to eligible individuals in the most integrated setting appropriate based on the unique strengths and needs of the individual, the priorities and concerns of the individual (or, as appropriate, the individual's representative), and the individual's desires with regard to participation in community life.

(2) ELIGIBILITY.—To be eligible for a grant under this section, a State shall—

(A) establish a Consumer Task Force in accordance with subsection (d); and

(B) submit an application at such time, in such manner, and containing such information as the Secretary may determine. The application shall be jointly developed and signed by the designated State official and the chairperson of such Task Force, acting on behalf of and at the direction of the Task Force.

(3) DEFINITION OF STATE.—In this section, the term ''State'' means each of the 50 States, the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(b) GRANTS FOR REAL CHOICE SYSTEMS CHANGE INITIATIVES.—

(1) IN GENERAL.—From funds appropriated under subsection (f), the Secretary shall award grants to States to—

(A) support the establishment, implementation, and operation of the State real choice systems change initiatives described in subsection (a); and

(B) conduct outreach campaigns regarding the existence of such initiatives.

(2) DETERMINATION OF AWARDS; STATE ALLOTMENTS.—The Secretary shall develop a formula for the distribution of funds to States for each fiscal year under subsection (a). Such formula shall give preference to States that have a higher need for assistance, as determined by the Secretary, based on indicators such as a relatively higher proportion of long-term services and supports furnished to individuals in an institutional setting but who have a plan described in an application submitted under subsection (a)(2).

(c) AUTHORIZED ACTIVITIES.—A State that receives a grant under this section shall use the funds made available through the grant to accomplish the purposes described in subsection (a) and, in accomplishing such purposes, may carry out any of the following systems change activities:

(1) NEEDS ASSESSMENT AND DATA GATHERING.—The State may use funds to conduct a statewide needs assessment that may be based on data in existence on the date on which the assessment is initiated and may include information about the number of individuals within the State who are receiving long-term services and supports in unnecessarily segregated settings, the nature and extent to which current programs respond to the preferences of individuals with disabilities to receive services in home and community-based settings as well as in institutional settings, and the expected change in demand for services provided in home and community settings as well as institutional settings.

(2) INSTITUTIONAL BIAS: REMEDIES AND PROMOTION OF COMMUNITY PARTICIPATION.—The State may use funds to identify, develop, and implement strategies for modifying policies, practices, and procedures that unnecessarily bias the provision of long-term services and supports toward institutional settings and away from home and community-based settings, including policies, practices, and procedures governing statewideness, comparability in amount, duration, and scope of services, financial eligibility, individualized functional assessments and screenings (including individual and family involvement), knowledge about service options, and promotion of self-direction of services and community-integrated living and service arrangements that facilitate participation in community life to the fullest extent possible and desired by the individual.

(3) OVER MEDICALIZATION OF SERVICES.—The State may use funds to identify, develop, and implement strategies for modifying policies, practices, and procedures that unnecessarily bias the provision of long-term services and supports by health care professionals to the extent that quality services and supports can be provided by other qualified individuals, including policies, practices, and procedures governing service authorization, case management, and service coordination, service delivery options, quality controls, and supervision and training.

(4) INTERAGENCY COORDINATION; SINGLE POINT OF ENTRY.—The State may support activities to identify and coordinate Federal and State policies, resources, and services, relating to the provision of long-term services and supports, including the convening of interagency work groups and the entering into of interagency agreements that provide for a single point of entry with one-stop access for long-term support services and the design and implementation of a coordinated screening and assessment system for all persons eligible for long-term services and supports.

(5) TRAINING AND TECHNICAL ASSISTANCE.—The State may carry out directly, or may provide support to a public or private entity to carry out training and technical assistance activities that are provided for individuals with disabilities, and, as appropriate, their representatives, attendants, and other personnel (including professionals, paraprofessionals, volunteers, and other members of the community).

(6) PUBLIC AWARENESS.—The State may support a public awareness program that is designed to provide information relating to the availability of choices available to individuals with disabilities for receiving long-

term services and support in the most integrated setting appropriate.

(7) TRANSITIONAL COSTS.—The State may use funds to provide transitional costs such as rent and utility deposits, first months's rent and utilities, bedding, basic kitchen supplies, and other necessities required for an individual to make the transition from an institutional facility to a community-based home setting where the individual resides.

(8) TASK FORCE.—The State may use funds to support the operation of the Consumer Task Force established under subsection (d).

(9) DEMONSTRATIONS OF NEW APPROACHES.—The State may use funds to conduct, on a time-limited basis, the demonstration of new approaches to accomplishing the purposes described in subsection (a)(1).

(10) IMPROVEMENT IN THE QUALITY OF SERVICES AND SUPPORTS.—The State may use funds to improve the quality of services and supports provided to individuals with disabilities and their families.

(11) OTHER ACTIVITIES.—The State may use funds for any systems change activities that are not described in any of the preceding paragraphs of this subsection and that are necessary for developing, implementing, or evaluating the comprehensive statewide system of community-integrated long-term services and supports.

(d) CONSUMER TASK FORCE.—

(1) ESTABLISHMENT AND DUTIES.—To be eligible to receive a grant under this section, each State shall establish a Consumer Task Force (referred to in this section as the ''Task Force'') to assist the State in the development, implementation, and evaluation of real choice systems change initiatives.

(2) APPOINTMENT.—Members of the Task Force shall be appointed by the Chief Executive Officer of the State in accordance with the requirements of paragraph (3), after the solicitation of recommendations from representatives of organizations representing a broad range of individuals with disabilities and organizations interested in individuals with disabilities.

(3) COMPOSITION.—

(A) IN GENERAL.—The Task Force shall represent a broad range of individuals with disabilities from diverse backgrounds and shall include representatives from Developmental Disabilities Councils, Mental Health Councils, State Independent Living Centers and Councils, Commissions on Aging, organizations that provide services to individuals with disabilities and consumers of long-term services and supports.

(B) INDIVIDUALS WITH DISABILITIES.—A majority of the members of the Task Force shall be individuals with disabilities or the representatives of such individuals.

(C) LIMITATION.—The Task Force shall not include employees of any State agency providing services to individuals with disabilities other than employees of agencies described in the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000 et seq.) or the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10801 et seq.).

(e) AVAILABILITY OF FUNDS.—

(1) FUNDS ALLOTTED TO STATES.—Funds allotted to a State under a grant made under this section for a fiscal year shall remain available until expended.

(2) FUNDS NOT ALLOTTED TO STATES.—Funds not allotted to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for allotment by the Secretary using the allotment formula established by the Secretary under subsection (b)(2).

(f) ANNUAL REPORT.—A State that receives a grant under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include the number and percentage increase in the number of eligible individuals in the State who receive long-term services and supports in the most integrated setting appropriate, including through community attendant services and supports and other community-based settings.

(g) FUNDING.—

(1) FISCAL YEAR 2001.—For the purpose of making grants under this section, there are appropriated, out of any funds in the Treasury not otherwise appropriated, $50,000,000 for fiscal year 2001.

(2) FISCAL YEAR 2002 AND THEREAFTER.—There is authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2002 and each fiscal year thereafter.

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

BALANCED BUDGET REFINEMENT ACT OF 2000—SUMMARY

The Balanced Budget Act (BBA) of 1997 made some important changes in Medicare payment policy and contributed to our current period of budget surpluses through significant cost savings in Medicare. CBO originally estimated the Medicare spending cuts at $112 billion over 5 years. Some of the policies enacted in the BBA, however, cut payments to providers more significantly than expected—in some cases more than double the expected amount—and threaten the survival of institutions and services vital to seniors and their communities throughout the country.

The Congress addressed some of those unintended consequences last year, by enacting the Balanced Budget Refinement Act (BBRA), which added back $16 billion over 5 years in payments to various Medicare providers.

However, Congress is continuing to hear serious concerns from health care providers and beneficiaries in our States—particularly teaching hospitals and hospitals serving people who are uninsured or underinsured, as well as concerns from skilled nursing facilities, rural health providers, home health agencies, and Medicare managed care providers.

In light of the projected $700 billion on-budget surplus over the next 5 years and the problems facing vital health care services, the Congress should enact an additional, significant package of BBA adjustments and beneficiary protections. Senate Democrats are therefore today introducing the Balanced Budget Refinement Act of 2000 (BBRA–2000), which is a package of payment adjustments and access to care provisions amounting to about $40 billion over 5 years.

Hospitals. A significant portion of the BBA spending reductions have impacted hospitals. According to the Medicare Payment Advisory Commission (MedPAC), ''Hospitals' financial status deteriorated significantly in 1998 and 1999,'' the years following enactment of BBA. BBRA–2000 would address the most pressing problems facing hospitals by:

Fully restoring, for fiscal years '01 and '02, inpatient market basket payments to keep up with increases in hospital costs, an improvement that will help all hospitals.

Preventing implementation of further reductions in (IME) payment rates for vital teaching hospitals—which are on the cutting edge of medical research and provide essential care to a large proportion of indigent patients. Support for medical training and research at independent children's hospitals is also included in the Democratic proposal.

Targeting additional relief to rural hospitals (Critical Access Hospitals, Medicare Dependent Hospitals, and Sole Community Hospitals) and making it easier for them to qualify for disproportionate share payments under Medicare.

Providing additional support for hospitals with a disproportionate share of indigent patients, including elimination of scheduled reductions in Medicare and Medicaid disproportionate share (DSH) payments, and extending Medicaid to legal immigrant children and pregnant women, as well as providing State Children's Health Insurance Program (SCHIP) coverage to these children.

Establishing a grant program to assist hospitals in their transition to a more data intensive care-delivery model.

Providing Puerto Rico hospitals with a more favorable payment rate (specifically, the inpatient operating blend rate) as MedPAC data suggests is warranted.

Home Health. The BBA hit home agencies particularly hard. Home health spending dropped 45 percent between 1997 and 1999, while the number of home health declined by more than 2000 over that period. MedPAC has cautioned against implementing next year the scheduled 15 percent reduction in payments. BBRA–2000 would:

Repeal the scheduled 15 percent cut in home health payments, delay for at least two years the inclusion of medical supplies in the home health prospective payment system (PPS), and provide a 10-percent upward adjustment in rural home health payments for two years to address the special needs of rural home health agencies in the transition to PPS. BBRA-2000 would also provide an exception for ''very rural'' home health agencies under the branch office definition.

Provide full update payments (inflation) for medical equipment, oxygen, and other suppliers.

Skilled Nursing Facilities (SNFs). The BBA was expected to reduce payments to skilled nursing facilities by about $9.5 billion. The actual reduction in payments to SNFs over the period is estimated to be significantly larger. BBRA–2000 would:

Allow nursing home payments to keep up with increases in costs through a full market basket update for SNFs for FY 2001 and FY 2002, and market basket plus two percent for additional payments.

Further delay caps on the amount of physical/speech therapy and occupational therapy a patient can receive while the Secretary completes a scheduled study on this issue.

Rural. Rural providers typically serve a larger proportion of Medicare beneficiaries and are more adversely affected by reductions in Medicare payments. In addition to the rural relief measures noted above (under ''hospitals''), BBRA–2000 addresses the unique situation faced in rural areas through a number of measures, including: a permanent ''hold-harmless'' exemption for small rural hospitals from the Medicare Outpatient PPS; assistance for rural home health agencies; a capital loan fund to improve infrastructure of small rural facilities; assistance to develop technology related to new prospective payment systems; bonus payments for providers who serve independent hospitals; ensuring rural facilities can continue to offer quality lab services to beneficiaries; and specific provisions to assist Rural Health Clinics.

Hospice. Payments to hospics have not kept up with the cost of providing care because of the cost of prescription drugs, the therapies now used in end-of-life care, as well as decreasing lengths of stay. Hospice base rates have not been increased since 1989. BBRA–220 would provide significant additional funding for hospice services to account for their increasing costs, including full market basket updates for fiscal years '01 and '02 and a 10-percent upward adjustment in the underlying hospice rates.

Medicare+Choice. This legislation would ensure that appropriate payments are made to Medicare+Choice (M+C) plans. Expenditures by Medicare for its fee-for-service providers included in BBRA–2000 indirectly benefit M+C plans to a significant extent. Moreover, the legislation includes an increase in the M+C growth percentage for fiscal years '01 and '02, permitting plans to move to the 50:50 blended payment one year earlier, and allowing plans which have decided to withdraw to reconsider by November 2000.

Physicians. Congress understands the pressures that physicians face to deliver high-quality care while still complying with payment and other regulatory obligations. BBRA–2000 provides for comprehensive studies of issues important to physicians, including: the practice expense component of the Resource-Based Relative Value Scale (RBRVS) physician payment system, post-payment audits, and regulatory burdens. BBRA–2000 would provide relief to physicians in training, whose debt can often be crushing, by lowering the threshold for loan deferment from $72,000 to $48,000.

Beneficiary Improvements. Senate Democrats continue to believe that passage of a universal, affordable, voluntary, and meaningful Medicare prescription drug benefit is the highest priority for beneficiaries. In addition, BBRA–2000 would directly assist beneficiaries in the following ways:

Coinsurance: BBRA–2000 would lower beneficiary coinsurance to achieve a true 20 percent beneficiary copayment for all hospital outpatient services within 20 years.

Preventive Benefits: The bill would provide for significant advances in preventive medicine for Medicare beneficiaries, including waiver of deductibles and cost-sharing, glaucoma screening, counseling for smoking cessation, and nutrition therapy.

Immunosuppressive Drugs: The bill would remove current restrictions on payment for immunosuppressive drugs for organ transplant patients.

ALS: The bill would waive the 24-month waiting period for Medicare disability coverage for individuals diagnosed with amyotrophic lateral sclerosis (ALS).

M+C Transition: For beneficiaries who have lost Medicare+Choice plans in their area, BBRA–2000 includes provisions that would strengthen fee-for-service Medicare and assist beneficiaries in the period immediately following loss of service.

Return-to-home: The bill would allow beneficiaries to return to the same nursing home or other appropriate site-of-care after a hospital stay.

Other Provisions. BBRA–2000 would address other high priority issues, including: improved payment for dialysis in fee-for-service and M+C to assure access to quality care for end stage renal disease (ESRD) patients; increased market basket updates for ambulance providers in fiscal years '01 and '02; an immediate opt-in to the new ambulance fee schedule for affected providers; and enhanced training opportunities for geriatricians and clinical psychologists. BBRA–2000 also includes important modifications to the Community Nursing Organization (CNO) demonstration project, and additional funding for the Ricky Ray Hemophilia program

Medicaid and SCHIP. The growing number of uninsured individuals and declining enrollment in the Medicaid program are issues which also must be addressed. To improve access to health care for the uninsured and ensure that services available through the Medicaid and SCHIP programs are reaching those eligible for assistance, BBRA–2000 includes the following provisions:

Improve eligibility and enrollment processes in SCHIP and Medicaid.

Extend and improve the Transitional Medical Assistance program for people who leave welfare for work.

Improve access to Medicare cost-sharing assistance for low-income beneficiaries.

Give states grants to develop home and community based services for beneficiaries who would otherwise be in nursing homes.

Create a new prospective payment system (PPS) for Community Health Centers to ensure they remain a strong, viable component of our health care safety net.

Extend Medicaid coverage of breast and cervical cancer treatment to women diagnosed through the federally-funded early detection program.

NATIONAL IMMIGRATION LAW CENTER,
Washington, DC, September 20, 2000.

Hon. DANIEL PATRICK MOYNIHAN,
464 Senate Russell Office Building,
Washington, DC.

DEAR SENATOR MOYNIHAN: We strongly applaud your decision to include important health care restorations for low-income immigrant children and pregnant women in the Senate Democrat's Balanced Budget Act Refinement and Access to Care proposal. The provisions would permit federal reimbursement to states that choose to cover lawfully present children and pregnant women under their Medicaid and State Children's Health Insurance Programs.

As you know, legislation passed in 1996, at a time of very tight budgets, left the safety net for legal immigrants in tatters. As a result, health dare coverage for low-income lawfully present immigrant children and pregnant women has become a state-by-state patchwork, with tragic results. In many states, there is no coverage at all for large numbers of these children and pregnant women.

The policy of denying federal health care to lawfully present immigrants is unfair and unwise. It is unfair because immigrants pay the same taxes as all others, and deserve the same access to health care that those taxes buy. In fact, immigrant taxes are more than sufficient to pay for the health care needs and all other expenses associated with immigration. The average immigrant contributes $1,800 more each year in taxes than the government pays out for her, including the costs of roads, infrastructure, and education, as well as all government services.

The policy is unwise because we are counting on these immigrant children to join with all other children in contributing to the American dream. They cannot do so if they are hindered in their early years because they could not obtain health care. And it is unwise because it shifts the responsibility for immigrant health care from the federal to the state governments, rather than maintain a shared federal-state responsibility.

The Balanced Budget Act Refinement and Access to Care proposal recognizes that some of the cuts to health care providers made in the name of balancing the budget went too far. In this time of surpluses, as Congress considers proposals to eliminate the excesses of those budget cuts on behalf of health care providers, Congress should also restore services to lawfully present immigrant children and pregnant women who sacrificed as much as anyone under the budget balancing legislation of the 1990's.

Sincerely,

Asian Pacific American Labor Alliance, Alliance for Children and Families, American College Obstetricians and Gynecologists, Center for Public Policy Priorities, Children's Defense Fund, Coalition for Humane Immigrant Rights of Los Angeles, Council of Great City Schools, Families USA, Florida Immigrant Advocacy Center, Inc., Florida Legal Services, Inc., Hebrew Immigrant Aid Society, Immigrant Legal Resource Center, Immigration and Refugee Services of America, Jewish Federation of Metro Chicago, Jewish Council for Public Affairs, March of Dimes, Migrant Legal Action Program, National Asian Pacific American Legal Consortium, National Association of Public Hospitals and Health Systems, National Council of La Raza, National Head Start Association, National Health Law Program, National Korean American Service & Education Consortium (NAKASEC), National Immigration Law Center, New Jersey Immigration Policy Network, Inc., New York Immigration Coalition, Massachusetts Immigrant and Refugee Advocacy Coalition, Southeast Asia Resource Action Center, Texas Appleseed, Texas Immigrant and Refugee Coalition, and United Jewish Communities.

NATIONAL ASSOCIATION OF PUBLIC HOSPITALS AND HEALTH SYSTEMS,
Washington DC, September 20, 2000.

DEAR SENATOR MOYNIHAN: I am writing on behalf of the National Association of Public Hospitals & Health Systems (NAPH) to express our strong support for the ''Medicare, Medicaid, and SCHIP Balanced Budget Further Refinement Act of 2000.'' NAPH represents more than 100 metropolitan area safety net hospitals and health systems. As safety net institutions, our members are essential providers of care to uninsured and vulnerable populations whose access would otherwise be severely limited. More than 65 percent of the patients served by these systems are either Medicaid recipients or Medicare beneficiaries; another 25 percent are uninsured.

NAPH is pleased that this legislation includes a number of provisions that will assist low-income Medicaid beneficiaries and the providers that serve them. In particular, we are pleased that the legislation would avert Medicaid DSH allotment reductions after fiscal year 2000 otherwise required by the BBA. Medicaid DSH is our nation's primary source of support for safety net hospitals that serve the most vulnerable Medicaid, uninsured and underinsured patients.

NAPH has long been supportive of efforts to expand access to health insurance coverage and is pleased that the legislation includes a number of these provisions. In particular, the proposed legislation would allow states the option to provide coverage under Medicaid and/or SCHIP for legal immigrants, which will reduce confusion regarding eligibility in the immigrant community, allow legal immigrants to receive more appropriate care, and improve public health in general. The legislation also includes a state option to provide Medicaid coverage for certain women diagnosed with breast or cervical cancer and provides requirements designed to simplify Medicaid eligibility. We are grateful for your efforts to expand Medicaid and SCHIP to ensure that all low-income Americans have access to appropriate health coverage.

NAPH is also pleased that the legislation addresses many of the severe payment reductions in many areas (in addition to Medicaid DSH) imposed by the BBA on providers. In particular, NAPH is pleased that the legislation eliminates further Medicare DSH reductions, freezes IME adjustments, and restores the full market basket index update to hospital PPS rates beginning April, 2001.

We thank you for your ongoing leadership in developing legislation to assure the maintenance of the health care safety net and we look forward to working with you further to develop solutions to the problems of our nation's poor and uninsured. If you have any

questions about this letter, please contact Charles Luband at (202) 624–7215.

Sincerely,

LARRY S. GAGE,
President.

FAMILIES USA, THE VOICE FOR HEALTH CARE CONSUMERS,
September 20, 2000.

Senator PATRICK MOYNIHAN,
464 Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MOYNIHAN: As you introduce the Medicare, Medicaid and SCHIP Balanced Budget Further Refinement Act of 2000, we want to support a number of provisions that will improve low-income people's access to health care coverage. In particular, we support the expansion of Medicaid to certain immigrant children and pregnant women, the improvements for Medicaid adults and children, the changes which will ease enrollment for children who may be eligible for Medicaid and the State Child Health Insurance Program and the changes which will help low-income seniors who may be eligible for the Qualified Medicare Beneficiary (QMB) Program and the Specified Low-Income Medicare Beneficiary (SLMB) Program receive assistance in getting help with Medicare premiums and cost-sharing.

As you well know, despite the concerted efforts of many people, the number of uninsured Americans has continued to grow. Recent studies have shown that uninsured Americans are less likely to have a usual source of care, are more likely to delay seeking care, and are less likely to use preventive services. In addition, uninsured Americans are four times more likely than insured patients to require both avoidable hospitalizations and emergency hospital care.

These provisions will help more people get access to public health insurance programs. Please let us know if we can be of assistance in getting these provisions enacted into law.

Sincerely,

RONALD F. POLLACK,
Executive Director.

ASSOCIATION OF MATERNAL AND CHILD HEALTH PROGRAMS,
September 20, 2000.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MOYNIHAN: The Association of Maternal and Child Health Programs (AMCHP) strongly supports your efforts to further refine the Balanced Budget Act of 1997 (BBA) and increase access to health care. In particular, we commend your leadership over the years in improving our nation's fiscal health. Through this visionary leadership, the nation now has a projected $2.2 trillion on-budget surplus over the next 10 years. It is both appropriate and fair that a portion of this surplus should help offset severe problems facing our health care services.

AMCHP strongly supports efforts included in your legislation to improve access to health care for many uninsured people including legal immigrant children and pregnant women. In addition, we applaud efforts to improve eligibility and enrollment processes in SCHIP and Medicaid. AMCHP and its members want to particularly thank you for your support of enhanced coordination and cooperation among the various health care programs aimed at improving maternal and child health and for your efforts to increase the authorization level for Title V.

The Association of Maternal and Child Health Programs is an organization dedicated to providing leadership in assuring the health and well being of all women of reproductive age, children and youth, including those with special health care needs and their families. The state directors of Title V and related programs formed the association in 1944 to share information and collaborate with each other and others concerned with the health of mothers and children.

In closing, thank you for your most recent efforts on behalf of maternal and child health through the introduction of legislation intended to further refine the BBA and improve access to health care.

Very truly yours,

DEBORAH F. DIETRICH,
Director of Legislative Affairs.

NATIONAL ASSOCIATION OF COMMUNITY HEALTH CENTERS, INC.,
September 20, 2000.

Hon. TOM DASCHLE,
Democratic Leader, U.S. Senate,
Washington, DC.

Hon. DANIEL PATRICK MOYNIHAN,
Ranking Member, Senate Finance Committee,
Washington, DC.

DEAR SENATORS DASCHLE AND MOYNIHAN: On behalf of the National Association of Community Health Centers (NACHC), the nationwide network of 3,000 health centers, and the more than 11 million patients they serve, I am writing to express our extreme gratitude for your inclusion of the text of S. 1277, the Safety Net Preservation act, in your legislation to provide relief from the Balanced Budget Act of 1997 (BBA).

As you know, the BBA eliminated a fundamental underpinning of America's health center safety net by phasing-out and eventually terminating the Medicaid cost-based reimbursement system for Federally qualified health centers. Because health centers are required by Federal law to provide access to care to anyone, regardless of ability to pay, centers cannot afford to be underpaid for services provided to Medicaid patients. In other words, without this payment system, health centers will be forced to subsidize low Medicaid payments with grant dollars intended to care for the uninsured—thereby forcing them to reduce the health care services they provide in their communities.

In an effort to protect health centers from the loss of this system, the Safety Net Preservation Act has been introduced in the House and Senate to ensure that health centers receive adequate Medicaid payments. This legislation, which has the bipartisan support of 54 members of the Senate and 243 members of the House of Representatives, has been endorsed by NACHC, the National Association of Rural Health Clinics, the National Rural Health Association, the United States Conference of Mayors, and the National Association of Counties.

Health centers believe that this legislation is essential to their continued survival and will ensure that they remain a viable part of America's health care safety net. Thank you again for your commitment to protecting health centers through your BBA relief legislation. It is our sincerest hope that the Safety Net Preservation Act will be included in any BBA relief package and signed into law by the time the 106th Congress adjourns.

Please feel free to contact me if there is anything that I can do for you.

Sincerely,

THOMAS J. VAN COVERDEN,
President and CEO.

CENTER ON BUDGET AND POLICY PRIORITIES,
September 20, 2000.

Hon. DANIEL PATRICK MOYNIHAN,
Senate Russell Building,
Washington, DC.

DEAR SENATOR MOYNIHAN: We write to applaud your efforts to help low-income families and children access much-needed health care coverage. In particular, the Center on Budget and Policy Priorities strongly supports provisions in your ''Medicare, Medicaid, and S–CHIP Balanced Budget Refinement Act of 2000'' aimed at reversing a trend of declining access to health coverage by low-income families and immigrant children. These provisions are important because families with children have been losing out on health care coverage as a result of unanticipated consequences of recent federal and state actions.

A growing body of evidence indicates that a significant number of low-income families with children have been inadvertently harmed by federal and state laws enacted in recent years to promote welfare reform. Despite the best intentions of many policymakers, disturbing numbers of families leaving welfare for work have lost out on health care coverage. Indeed, a recent Center analysis found that roughly half of parents and nearly one out of three children leaving welfare lost Medicaid and were at high risk of being uninsured even though the vast majority of them remained eligible for Medicaid or SCHIP. Similarly, studies indicate that the Medicaid participation of children in legal immigrant families has dropped in recent years. The largest group of such children consists of those who remain eligible for Medicaid because they are citizens of the United States. These children were not the intended targets of immigration-based restrictions on Medicaid coverage included in the 1996 welfare law, but they nevertheless have been adversely affected by the confusion and fear generated by the immigration-based restrictions on health care coverage included in the 1996 welfare law and modified in the Balanced Budget Act of 1997.

For these reasons, we strongly applaud the provisions in your legislation that would undue many of the unintended consequences on health care coverage for low-income families of recent state and federal actions, as well as restore health care coverage to all legal immigrant children. In particular, we strongly support the provisions designed to promote the simplification, coordination, and streamlining of states' application and re-enrollment procedures; to expand state flexibility to allow schools and other organizations that work with families to enroll children in health care coverage under the ''presumptive eligibility'' option; to give states more flexibility to provide transitional Medicaid coverage to families leaving welfare for work; and to restore state flexibility to cover legal immigrant children and pregnant women who arrived in the United States after August 22, 1996. In combination, these provisions would represent a very significant step forward.

Sincerely,

ROBERT GREENSTEIN,
Executive Director.

THE NATIONAL COUNCIL ON THE AGING,
Washington, DC, September 20, 2000.

Hon. DANIEL PATRICK MOYNIHAN,
464 Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MOYNIHAN: On behalf of the National Council on the Aging (NCOA)—the nation's first organization formed to represent older Americans and those who serve them—I write to express our sincere gratitude and support for the numerous provisions in your Medicare Balanced Budget Act (BBA) refinement bill that would directly help Medicare beneficiaries.

In particular, we strongly support provisions to: (1) clarify the Medicare home health ''homebound'' problem; (2) improve Medicare low-income protections; (3) improve Medicare coverage and utilization of preventive services; (4) remove the arbitrary

cap on immunosuppressive drug coverage; (5) provide grants to states for home and community-based care; and (6) accelerate the phase-in period for reducing hospital outpatient coinsurance.

First, under current law, in order for Medicare beneficiaries to receive coverage for home health services they must be ''confined to home.'' Current irrational and inconsistent interpretations of this homebound requirement are causing substantial harm to Medicare beneficiaries by effectively forcing home health users to be imprisoned within their own homes. We deeply appreciate the provision to permit beneficiaries with Alzheimer's disease or related dementia to receive therapeutic treatment in adult day centers without losing home health coverage. We urge that you consider going further by including Senator JEFFORDS' S. 2298, which is endorsed by 46 national organizations and would provide relief for all beneficiaries suffering under the homebound problem.

Second, our current methods for protecting low-income Medicare beneficiaries against increasing out-of-pocket costs are simply abysmal. A shocking number of those eligible for protection simply do not receive it. Current Medicare low-income protections are a national embarrassment. NCOA strongly supports provisions in your bill to: provide for presumptive eligibility for low-income protections; significantly improve the QI–1 program for beneficiaries with incomes between 120% and 135% of poverty; index the asset test to inflation, which is long overdue; and improve outreach for Qualified Medicare Beneficiaries.

Third, NCOA strongly supports the provisions to improve preventive care for Medicare beneficiaries. It is often easier and less expensive to prevent disease than to cure it. Disease prevention must be an essential component of Medicare beneficiaries' continuum of care. Medicare, however, still fails to cover a number of important preventive services, and those that are covered are underutilized. We support provisions to extend Medicare coverage to tobacco cessation counseling, glaucoma screening and medical nutrition therapy. The addition of these new benefits will accelerate the critical shift in Medicare from a sickness program to a wellness program. We also support the provision to eliminate all coinsurance and deductibles for preventive services. Utilization of these critical services has been surprisingly low. By encouraging greater utilization of these services, beneficiaries' quality of life will be greatly enhanced and Medicare expenditures will decline over the long run.

Fourth, NCOA supports the provision to eliminate the arbitrary and costly cap on benefits for immunosuppressive drug coverage under Medicare. The Institute of Medicine recently recommended eliminating the time limitation, noting the positive economic, clinical and social implications. It makes no sense for Medicare to pay for the more expensive consequences of organ rejection, such as dialysis or a second transplant, but refuse to pay for the drugs to prevent the rejection of the initial transplanted organ beyond 44 months. This coverage can mean the difference between life and death for some and, for others, the difference between a transplant recipient having to experience the pain of an organ rejection, a return to dialysis—for kidney recipients—and the return to a long waiting list for another organ.

Fifth, we strongly support providing grants to states for home and community-based care and to assist in implementing the Supreme Court's Olmstead decision. These services are grossly underfunded, resulting in unreasonable and costly burdens on caregivers and premature placement in institutions. Funding for home and community-based care promotes dignity and independence and helps keep families together. America's long-term care crisis will only grow worse as our population ages. The proposed grants are a good start in addressing the serious institutional bias that exists for persons with disabilities needing long-term services and supports.

Sixth, we support accelerating the phase-in period for reducing hospital outpatient coinsurance. Coinsurance for these services now averages almost 50 percent of costs. Although current law provides that coinsurance amounts will remain fixed at their current dollar level until they are reduced to 20 percent of Medicare-approved payment amounts, the process will take up to 40 years for some services. By comparison, the most gradual phase-in Medicare has used to date for any payment system change is 10 years. The current phase-in schedule is simply far too long.

NCOA commends and thanks you for your strong leadership on these important issues for America's seniors. Please let us know if there is anything we can do to assist you in enacting these provisions into law this year.

Sincerely,

HOWARD BEDLIN,
Vice President, Public Policy and Advocacy.

GREATER NEW YORK
HOSPITAL ASSOCIATION,
New York, NY, September 20, 2000.

Hon. DANIEL PATRICK MOYNIHAN,
464 Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MOYNIHAN, The Greater New York Hospital Association (GNYHA) is extremely pleased to express its strong and unqualified support for your bill, ''The Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 2000,'' co-sponsored by your colleagues, Senator Charles E. Schumer and Senator Tom Daschle. This bill, if enacted, would greatly improve the Medicare program for all of its beneficiaries as well as provide critical, permanent relief for America's hospitals, skilled nursing facilities, and home health agencies from Medicare reductions contained in the Balanced Budget Act of 1997 (BBA).

For beneficiaries, your legislation makes a number of important improvements in the Medicare program including new coverage for many critical preventive health care benefits. In addition, you provide an option for states to provide Medicaid and SCHIP coverage for pregnant women and children who, because they are immigrants, have been denied health care coverage due to the restrictions contained in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The bill also simplifies the SCHIP enrollment process and improves SCHIP and Medicaid in a variety of other ways. GNYHA strongly supports these provisions.

Your bill also recognizes that Medicare and Medicaid beneficiaries cannot receive quality health care services unless the health care providers they rely upon have the resources to provide the best care possible. To that end, GNYHA strongly supports the following provisions.

The bill halts further Medicare reductions to teaching hospitals by maintaining the indirect medical education (IME) payment adjustment at 6.5 percent permanently, incorporating the provisions of your Teaching Hospital Preservation Act (S. 2394). As you know, the BBA called for a 29 percent reduction in Medicare payments to teaching hospitals for the indirect costs of medical education. The BBRA postponed the cuts by one year; however, under current law, the IME adjustment would be reduced to 6.25 percent in FY 2001 and 5.5 percent in FY 2002 and years thereafter. The Further Refinement Act freezes IME adjustments at 6.5 percent, saving America's teaching hospitals from over $2 billion in additional Medicare cuts. The bill also provides greater flexibility to allow hospitals to increase the number of residents training in geriatrics and allows hospitals to be reimbursed by Medicare for the costs of training clinical psychologists.

The bill provides a full market basket update for prospective payment system hospitals, nursing homes, and home health agencies for the next two years. Under the BBA, hospitals would have received market basket minus 1.1 percent in FY 2001 and FY 2002, and nursing homes and home health agencies would have received market basket minus 1 percent. The BBA reduced inflation updates so substantially that the market basket update reductions constituted the largest single cuts suffered by hospitals and continuing care providers under the BBA. This bill ensures Medicare payments will keep pace with the increased costs of caring for Medicare beneficiaries by providing full market basket updates.

This bill restores Medicare funding for disproportionate share hospitals (DSH) by eliminating cuts in DSH payments, thus strengthening the safety net DSH hospitals provide for low-income patients.

The bill eliminates further reductions in Medicare DSH payments to states, thus enabling states to provide critical support for hospitals that serve a disproportionate share of low-income and uninsured patients.

The bill creates a grant program to help hospitals obtain advanced information systems to improve quality and efficiency.

The bill eliminates the 15 percent reduction for home health reimbursement rates, which under current law would take affect in 2002.

The bill extends the ''prudent layperson'' standard to ambulance services, so that ambulance providers are not unfairly denied payment by HMOs for services legitimately provided to Medicare beneficiaries.

The Medicare, Medicaid, and SCHIP Balanced Budget Further Refinement Act of 2000 recognizes the need to improve the Medicare program by providing much-needed coverage for Medicare beneficiaries, the need to improve the Medicaid and SCHIP programs for low-income Americans, and the need to repair the damage to hospitals and continuing care providers as a result of the BBA. Without your efforts, hospitals and continuing care providers will continue to struggle to provide quality care and will be forced to close down services essential to the health care needs of their communities.

GNYHA will work diligently with members of Congress to ensure passage of this very important legislation. GNYHA would like to thank you for once again providing the strong leadership necessary to improve the health care of all New Yorkers.

My best.

Sincerely,

KENNETH E. RASKE,
President.

Mr. DASCHLE. Mr. President, I join today with Senator MOYNIHAN and many of our colleagues in introducing the Balanced Budget Refinement Act of 2000 (BBRA–2000).

The Balanced Budget Act of 1997 (BBA) made some justified changes in Medicare payment policy and contributed to our current budget surpluses. It also included important provisions to improve seniors' access to preventive benefits, and it created the Children's

Health Insurance Program. These are important accomplishments.

But some of the policies enacted in the BBA cut providers significantly more than expected. This has created severe problems for health care providers all over the country. Last year, we took steps to correct these problems. But we did not go far enough.

When I met with hospital administrators in South Dakota earlier this summer, one told me that since the cuts from the BBA were implemented, his hospital has been just barely breaking even. Usually, that alone would be cause for concern. But then other hospital administrators told me they were jealous, because they are far from breaking even. In my state, the operating margins for hospitals with 50 or fewer beds were a relatively healthy 2 percent before the BBA. Last year, these small hospitals—which are so vital to their communities—had negative margins of 6 percent.

Hospitals are not the only health care providers facing this problem. Home health agencies, nursing homes, hospices, and many other providers are all struggling to make ends meet in the face of deeper-than-expected cuts.

The package of payment adjustments that Senate Democrats are introducing today will provide a much-needed boost to these providers—totaling $80 billion over 10 years. This will ensure that Medicare beneficiaries continue to have access to the care that we have promised them.

The bill has many provisions, but I would like to highlight a few.

For hospitals, BBRA–2000 would restore the full inflation update. It would also improve payments for Disproportionate Share Hospitals (DSH) and teaching hospitals, who provide essential care for some of the neediest patients.

Our bill repeals the 15 percent cut in home health, and delays adding medical supplies to the home health prospective payment system (PPS). These fixes are essential to an industry that has seen an unprecedented drop in spending.

For skilled nursing facilities we would restore the full inflation update, with an additional two percent increase in fiscal years 2001 and 2002. We would also delay therapy caps for two additional years so that beneficiaries do not face an arbitrary limit on the amount of care they can receive.

Although the cost of providing care at the end of life has risen dramatically, the base for hospice payments has not been changed since 1989. The bill restores the full inflation update for hospice providers, and provides a ten percent upward adjustment in hospice base rates.

We are committed to ensuring that appropriate payments are made to Medicare+Choice plans. BBRA–2000 increases the growth rate in payments to these plans and allows plans to move to a 50–50 national blend one year earlier.

The bill also improves payment for ambulance providers, medical equipment suppliers, and dialysis facilities, who all provide important services to Medicare beneficiaries.

We recognize the special circumstances of rural health care providers in our bill. The rural health provisions include increasing payments for small rural hospitals, rural home health agencies, and rural ambulance providers.

There are other steps we need to take to improve beneficiaries' access to care. The bill we are introducing today includes a package of refinements to Medicare that directly help beneficiaries. For example, the bill will build on provisions in the BBA to lower beneficiary copayments and expand preventive benefits in Medicare.

We also provide for increased access to health care through improvements to Medicaid and the Children's Health Insurance Program. These include changes to the BBA, such as improving state processes for enrolling people who are eligible for Medicaid and CHIP. We also make changes to the health-related provisions of immigration and welfare reform legislation that passed in 1996. For example, the bill would extend assistance to people who leave welfare for work.

Senate Democrats continue to believe that passage of an affordable, voluntary, meaningful Medicare prescription drug benefit is of highest priority. This bill, the Balanced Budget Refinement Act of 2000, is the next step in ensuring that beneficiaries have access to the care they need.

I want to thank Senator MOYNIHAN and his staff for their hard work putting this bill together. They have spent the last two months listening to health care providers, beneficiaries, community leaders, and members of our caucus. Through that listening process they have drafted a bill that addresses the needs of the many communities that are struggling to deal with the impact of the Balanced Budget Act.

We know the problems providers are facing in health care. And we know how to fix many of them. The bill we are introducing today is a comprehensive plan to ensure the stability that health care providers need and that beneficiaries depend on. We must take this opportunity to act, before it is too late to save some of the providers who are so close to closing their doors.

Mr. KENNEDY. Mr. President, it is a privilege to join Senator DASCHLE, Senator MOYNIHAN, and other colleagues in introducing the Balanced Budget Refinement Act of 2000. This bill takes the next step in our continued effort to restore the excessive Medicare cuts in the Balanced Budget Act of 1997. This legislation also includes several proposals to ease the financial burden and improve care for all beneficiaries. It also includes important proposals to increase the effectiveness of Medicaid and the children's Health Insurance Program, and to improve access to care for vulnerable populations, including legal immigrant children and pregnant women. Our goal is to pass this legislation before the end of the year.

The cost-saving measures enacted by Congress as part of the Balanced Budget Act of 1997 have turned out to be far deeper than the estimates at that time, and these excessive cuts have put countless outstanding health care institutions across the country at risk.

In Massachusetts, 25 percent of home health agencies no longer serve Medicare patients. Forty-three nursing homes have closed in the state since 1998, and another 20 percent are in bankruptcy. Two out of every three hospitals in Massachusetts are losing money on patient care.

The record surpluses we currently enjoy and anticipate in the years ahead are partly due to the savings achieved by cutting Medicare in the BBA. Most of these savings came from policy and payment reforms, including actual cuts in payments for various services. While some changes were clearly justified, the overall cuts were much deeper than intended and are too severe to sustain.

Last year, in passing the Balanced Budget Refinement Act of 1999, we made a good start. It gave needed relief to Medicare providers. But when we enacted that bill last year, we also knew that it was only a down-payment, and that additional relief would be needed.

The bill we are introducing today follows through on that commitment. It would invest $80 billion over 10 years to restore payments to Medicare and Medicaid providers, improve benefits, and increase access to health care under Medicaid and CHIP. It provides the funding needed to allow these essential health professionals and institutions to do what they do best—provide the best health care possible for elderly and disabled Americans on Medicare. It will ensure that the nation's health care system is able to care responsibly for today's senior citizens, and is adequately prepared to take care of those who will be retiring in the future.

No senior citizen should be forced to enter a hospital or a nursing home because Medicare can't afford to pay for the services that will keep her in her own home and in her own community.

No person with a disability should be told that occupational therapy services are no longer available. Because legislation to balance the budget reduced the rehabilitation services they need.

No community should be told that their number one employer and provider of health care will be closing its doors or engaging in massive layoffs, because Medicare can no longer pay its fair share of health costs.

No freestanding children's hospital should wonder whether it can continue to train providers to care for children, because of uncertain federal support for its teaching activities.

Yet these scenes and many others are playing out in towns and cities across the country today, in large part due to the excessive cuts required by the Balanced Budget Act three years ago.

With the retirement of the baby boom generation, the last thing we

should do is jeopardize the viability and commitment of the essential institutions that care for Medicare beneficiaries. Yet that is now happening in cities and towns across the nation. In the vast majority of cases, the providers who care for Medicare patients are the same providers who care for working families and everyone else in their community. When hospitals who serve Medicare beneficiaries are threatened, health care for the entire community is threatened too.

This legislation is an important step to maintain excellence throughout our health care system. I commend Senator DASCHLE and Senator MOYNIHAN for their leadership on this vital issue. It deserves prompt consideration by the Finance Committee and the entire Senate, and it should be enacted into law before we adjourn.

Mr. DORGAN. Mr. President, I am joining with my colleagues Senator MOYNIHAN, Senator DASCHLE, and others today to introduce the Balanced Budget Refinement Act of 2000. This legislation seeks to address some of the unintended consequences the Balanced Budget Act, BBA, of 1997 is having on access to Medicare services vital to older Americans. The BBA has had a particularly serious impact on rural health care providers, and I am pleased that the legislation we are introducing today acknowledges the special needs of rural America.

Like many of my colleagues, I supported the Balanced Budget Act when it was enacted by Congress in 1997 with strong bipartisan support. Prior to the passage of this law, Medicare was projected to be insolvent within two years (by 2001), so it was imperative that we took action to extend Medicare's financial health and to constrain its rate of growth to a more sustainable level. Thanks in part to this law, we have a flourishing economy in most parts of the country and the Medicare trust fund is projected to be solvent until 2025.

But in some respects, the Balanced Budget Act was successful beyond our wildest expectations in reducing Medicare program costs. The Congressional Budget Office originally estimated that Medicare spending would be reduced by $112 billion over five years, but instead, the reduction in spending growth has been nearly double that amount. This unexpected result is having real consequences for Medicare beneficiaries and health care providers, and Congress simply must take action to address these problems before adjourning this year.

Congress took a step in the right direction towards addressing the problems facing Medicare providers by enacting the Balanced Budget Refinement Act, BBRA, of 1999. Unfortunately, however, there is growing evidence that the negative changes resulting from the BBA have not been adequately addressed by the BBRA. Moreover, the impacts continue to disproportionately affect rural health care providers and the quality of care rural Medicare beneficiaries receive.

Part of the problem facing rural providers is simply demographics: My home state of North Dakota is the second oldest in the nation, and our overall population is shrinking. In fact, in six of North Dakota's ''frontier'' counties, there were 20 or fewer births for the entire county for the entire year of 1997. Admissions to rural hospitals have dropped by a drastic 60 percent in the last two decades, and those patients who do remain tend to be older and sicker. This means that rural hospitals tend to be disproportionately dependent upon Medicare reimbursement, to the extent that Medicare accounts for 85 percent of their revenue. Obviously, given this reality, changes in Medicare reimbursement have a tremendous impact on the financial health of rural hospitals.

Another part of the problem is that Medicare has historically reimbursed urban health care providers at a higher rate than their rural counterparts. Of course, some of this difference can be explained by regional differences in the cost of health care and variations in the health status of older Americans. But this isn't the whole explanation. Even after adjusting for these factors, a report by health care economists found that, for example, Medicare's per beneficiary spending was about $8,000 in Miami, but only $3,500 in Minneapolis. When average Medicare payments for the same procedure are compared, the disparities in payment in different areas of the country are dramatic. For example, Medicare pays $6,588 for the treatment of simple pneumonia in the District of Columbia, but only $3,383 in North Dakota. In my opinion, this difference is largely explained by a Medicare reimbursement system that is skewed in favor of urban areas. For the most part, the BBA further perpetuates this inequity, despite efforts by some of us to address this concern.

There are a few areas of the Balanced Budget Act and BBRA that I think warrant further scrutiny and action, and these areas are addressed in the legislation being introduced today. The first is hospital payments, particularly for outpatient services. A recent analysis by a health policy research firm estimates that the BBA would reduce Medicare payments to North Dakota hospitals by $163.8 million between FY 1998 and FY2002. The BBRA passed last year restores only $16 million of those reductions. So even with BBRA refinements, North Dakota hospitals face a loss of $147.8 million in revenues. Outpatient services are a particularly critical component of care in many North Dakota hospitals: 40 percent of the hospitals in my state get more than half of their revenues from outpatient services. Senator DASCHLE and MOYNIHAN's legislation will address the problems faced by rural hospitals by, among other things, providing a full inflation increase in Medicare payments to all hospitals in 2001 and 2002 and holding rural hospitals permanently harmless from the outpatient prospective payment system.

This legislation also addresses the issue of home health reimbursement. Nearly 70 percent of the home health agencies in my home state are hospital-based, so the changes in home-health reimbursement are having a domino effect on North Dakota's hospitals. I am concerned that the Health Care Financing Administration's, HCFA, proposed rule for the new home health Prospective Payment System, PPS, does not take account of the smaller size of rural home health agencies and the higher fixed costs per visit. And, HCFA did not take sufficient account of the greater travel cost per visit in rural areas, and the higher incidence of chronic illness in rural communities. Today's legislation would address this concern by providing a 10 percent increase in rural home health payments for the next two years and repealing the 15 percent cut in home health reimbursement scheduled to take place on October 1, 2001.

This legislation also proposes other changes I think are worth further mention, including a further delay in the arbitrary caps on the amount of physical, speech, and occupational therapy Medicare beneficiaries can receive, and a 10 percent increase in the base payment rate for hospice care, which hasn't been increased in over a decade.

Finally, while all of the provisions of this bill will together help to ensure that Medicare beneficiaries can continue to rely on the quality care they need and expect, this legislation includes a number of changes that will also make Medicare an even better deal. In particular, this bill will expand Medicare's emphasis on preventive medicine by adding such benefits as coverage for glaucoma screening, counseling for smoking cessation, and nutrition therapy. The bill will also eliminate the current three-year time limit on Medicare's coverage of immunosuppressive drugs, the expensive medicines that transplant recipients need to keep their bodies from rejecting their new organs or tissue.

In short, the Balanced Budget Refinement Act of 2000 addresses many of the needs and concerns of Medicare beneficiaries and health care providers. I hope this legislation will help lay the framework for the enactment of bipartisan legislation to address these issues before the 106th Congress goes home.

Mr. JOHNSON. Mr. President, I am pleased to cosponsor the Balanced Budget Refinement Act introduced today that works to correct the inequities of Medicare reforms included in the Balanced Budget Act (BBA) of 1997.

I would like to commend Senator DASCHLE for his tremendous efforts on this issue and for his leadership with the introduction of this bill. As well, I

congratulate a number of my other colleagues who have contributed immensely to the crafting of this critically important piece of legislation, including Senators MOYNIHAN, ROCKEFELLER, CONRAD, GRAHAM, KERREY, ROBB, BAUCUS, BREAUX and others.

By way of background, as part of the effort to balance the federal budget, the BBA of 1997 provided for major reforms in the way Medicare pays for medical services. The BBA made some important changes in Medicare payment policy and contributed to our current period of budget surpluses through significant cost savings in Medicare. These changes were originally expected to cut Medicare spending by about $112 billion over five years, according to the Congressional Budget Office (CBO).

However, projections showed spending falling nearly twice that much, and as a result, unintended payment cuts to providers had deepened more significantly than expected. In the face of these profound cuts, health care providers began to struggle, and beneficiary access to care became threatened, due to forced reductions in services especially in rural parts of the country such as South Dakota. As a result, Congress addressed some of these unintended consequences of the BBA by enacting the Balanced Budget Refinement Act (BBRA) last year which provided $16 billion over 5 years in payments to various Medicare providers, including; Hospital Outpatient Departments; Skilled Nursing Facilities; Rural Health Providers; Home Health Agencies; Medicare HMOs; and Teaching Hospitals. The impact in South Dakota indicated that approximately 9% of Medicare funding reductions imposed by the BBA of 1997 were returned as a result of the BBRA passed last year, resulting in approximately $15.3 million being restored to South Dakota Medicare providers.

While this was certainly a step in the right direction, the BBRA of 1999 did not do enough as concerns from hospital and nursing home administrators, home health facilities, rural health providers, ambulance services and Medicare beneficiaries continued to be heard across the country.

Not surprising, I continue to hear from many South Dakota safety net providers about the devastating effects such reductions in Medicare reimbursements are having throughout the health care industry in my home state. Consumers are also feeling the pain, as many individuals are being turned away from hospitals and nursing homes who cannot afford to accept new patients because of the lower reimbursement rates included in BBA of 1997. The undesirable and unintended cuts are devastating and feared to have severe implications on the quality and access of health care throughout our nation, including South Dakota, unless Congress acts immediately to further correct these problems. In South Dakota, and other rural parts of the country, hospitals and other health care providers have an extremely high percentage of Medicare beneficiaries making these cuts in reimbursement even more devastating. If Congress does not act in a timely fashion many of these providers may be forced to close their doors.

Nowhere can we see the impact of closures more evident than within the nursing home industry. Nursing homes are experiencing closures at record rates across the country. In South Dakota, just last month we endured our first nursing home closure in Parker, South Dakota. Not only was this devastating for residents and workers, but the domino economic impact that goes hand in hand with such a facility closure is enormous for small communities to absorb.

As well, one does not have to look far in my home state of South Dakota to see the impact many other health care providers and facilities are experiencing. Furthermore, the consequences are being felt across the board, from larger health systems in South Dakota communities such as Sioux Falls, Rapid City and Aberdeen, to medium centers in Brookings, Watertown, Pierre and Yankton, to the smaller rural facilities in places like Martin, Edgemont, Gregory, Miller, Hot Springs and Redfield, just to name a few. The situation is arduous for many of these facilities, who often carry the immense task of being the sole health care provider in the entire county. By way of example, Gregory Healthcare Center is a 26 bed rural hospital serving approximately 9,000 people. Not surprising, Gregory is the only local provider to offer a range of services including surgery, obstetrics, and various therapies, and also operates the only home health agency in the area. The facility in Gregory was forced to cut back its' home health services as a result of the BBA Medicare reductions. Many individuals once benefiting from specialized medication oversight and condition management services through Gregory's home health agency were now at home performing these services on their own, resulting in some cases to unnecessary hospitalizations. The situation in Gregory is by far not an isolated situation and facilities nationwide are being forced to cut services just to survive. Whether it be Gregory, South Dakota, or one of far too many other facilities in this country with similar issues, these are direct examples of the intense real life situations that facilities, providers and beneficiaries are experiencing every day as a result of inadequate BBA adjustments, payment updates and beneficiary protections.

Therefore, I stand in strong support of the BBRA legislation being introduced today which will address problems facing vital health care services. I look forward to working with my colleagues on passage of the BBRA of 2000 which develops a creative, cost-effective approach to address the unintended, long-term consequences of the BBA. The proposed budget surplus provides Congress the unique opportunity to address many of the deficiencies in our nation's health care system. We need to address the valid concerns of teaching hospitals, skilled nursing facilities, home health providers, rural and community hospitals, and other health care providers who require relief from the consequences of the BBA.

Mr. DOMENICI:

S. 3078. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Santa Fe Regional Water Management and River Restoration Project; to the Committee on Energy and Natural Resources.

RECLAMATION WASTEWATER AND GROUNDWATER STUDY AND FACILITIES ACT

Mr. DOMENICI. Mr. President, I am pleased today to be introducing a bill authorizing the next logical step in the City of Santa Fe's Regional Water Management and River Restoration Strategy. This bill allows the Secretary of Interior to participate in the design, planning and construction of the Santa Fe, New Mexico, regional water management and river restoration project, consisting of the diversion and reuse of water, the conversion of irrigation uses from potable water to reclaimed water, and the use of reclaimed water to restore Santa Fe River flows.

Limited water resources in the Santa Fe region and increased demands threaten the sustainability of surface and groundwater supplies. The Regional Water Management and River Restoration Strategy is a comprehensive, collaborative plan to responsibly and sustainability address the region's water supply needs. The full program goals are to return flow to the river, protect riparian habitat and the traditional, cultural and religious uses of the water.

The Santa Fe area has been working overtime to determine how best to improve its water supply. I have been proud to help fund its efforts. The FY99 Energy and Water Appropriations Act provided $450,000 and the FY 2000 Energy and Water Appropriations Act included $750,000 to support the Santa Fe Regional Water Management and River Restoration initiative to address long-term water supplies in the greater Santa Fe area. That funding allowed the Bureau of Reclamation to continue and complete environmental studies required under the National Environmental Policy Act for the comprehensive plan to improve Santa Fe's regional water supplies through a reuse program and restoration of the Santa Fe River watershed.

I was also pleased to gain approval for $750,000 to support the project in the Senate FY01 VA/HUD bill to assist in the planning, coordination and development of restoration projects for the Santa Fe River under a comprehensive, watershed-based implementation

program. The funding, provided through EPA's Environmental Programs and Management program, would help the WMRRS reuse treated effluent to augment streamflow, recharge the regional aquifer, and enhance the riparian habitat and recreational uses within the Santa Fe River corridor.

The Santa Fe Water Management and River Restoration Strategy is a cooperative partnership among Santa Fe County, the city of Santa Fe, and the San Ildefonso Pueblo. The city of Espanola, the Eldorado Water and Sanitation District, and the Northern Pueblos Tributary Water Rights Association (representing San Ildefonso, Nambe, Pojoaque and Tesuque pueblos) are also involved.

In June of this year, a $601,000 grant was awarded to the project following my request in the FY 2000 Veterans' Affairs, Housing and Urban Development and Independent Agencies (VA-HUD) Appropriations Bill. The funding was awarded through the Department of Housing and Urban Development's Economic Development Initiative (EDI) program.

This funding represents federal support for the effort to rehabilitate the Santa Fe River, a project that is one aspect of an overall initiative to address the future of water in the Santa Fe area. Those funds will be used for urban river restoration planning, source water protection planning, and development of a comprehensive trails and open space plan.

This authorizing legislation takes the water management strategy to the next phase. The plan has already been backed by a local and regional commitment of at least $2.7 million for the multi-year program. The sponsors of the program have requested this authorization to provide additional financial support for this project. This legislative authority will make the project eligible for future funding as the project is developed, as well as federal cooperation with the surrounding pueblos. I hope that this body can take swift action on the worthy legislation.

By Mr. HATCH:

S. 3082. A bill to amend title XVIII of the Social Security Act to improve the manner in which new medical technologies are made available to Medicare beneficiaries under the Medicare Program, and for other purposes; to the Committee on Finance.

MEDICARE PATIENT ACCESS TO TECHNOLOGY ACT 20000

Mr. HATCH. Mr. President, when I first introduced this legislation over one year ago, Medicare beneficiaries with advanced heart disease could not gain access to ventriculaassist devices. Medicare patients who could have benefitted from cochlear implants did not receive them.

It is now over a year later. Unfortunately, these problems still persist. Medicare beneficiaries still have trouble gaining access to many technologies that are covered under private plans. And while the Omnibus Budget legislation for FY 2001 addressed the overall problem and by addressing access concerns for Medicare beneficiaries, there is still plenty of work that needs to be done. That is why I am introducing the Medicare Patient Access to Technology Act 2000 today.

We must eliminate the delays and barriers to access that have arisen in the way Medicare decides to cover, code and pay for new devices and diagnostics. The measure I am introducing today is identical to legislation introduced by Congressman JIM RAMSTAD and Congresswoman KAREN THURMAN earlier this year. It seeks to build off of the success we had last year in the Balanced Budget Refinement Act. The BBRA represented an important first step in creating a Medicare program that provides timely access to needed treatments.

The BBRA, which was signed into law as part of last year's omnibus budget legislation made significant changes. We crafted special temporary payments for new breakthrough technologies to ensure they are provided to Medicare beneficiaries in a timely manner. We also established payment categories that better reflect advances in clinical practice and technology.

The Medicare Patient Access to Technology Act 2000 recognizes that all Medicare beneficiaries, not just those in the outpatient setting, should be able to benefit from these kinds of improvements.

The bill would require: annual updates of Medicare's payment programs; temporary procedure codes to be issued by Medicare for new technologies at the time of FDA review; quarterly updates of Medicare's payment codes; external data to be used to improve the timeliness and appropriateness of reimbursement decisions; and annual reports be made on the timeliness of its coverage, coding and payment decisions.

There are some notable changes in this new version of the bill:

A provision to extend the issuance of temporary codes and quarterly coding updates to inpatient, or ICD–9, codes as well as outpatient (HCPCS) codes.

A provision to require HCFA to create open, timely procedures and sound methods for making coding and payment decisions for new diagnostic tests. It would also give stakeholders the ability to appeal a coding or payment decision for a diagnostic test.

This legislation will provide assistance to Medicare beneficiaries who currently face almost insurmountable barriers to advanced technologies.

Without this bill, Medicare will continue to fall far short of making the latest technologies and procedures available to beneficiaries in a timely manner.

I will fight for enactment of this bill in an effort to make sure that our seniors have access to the advanced treatments that can save and improve their lives.

By Mr. LEAHY:

S. 3083. A bill to enhance privacy and the protection of the public in the use of computers and the Internet, and for other purposes; to the Committee on the Judiciary.

ENHANCEMENT OF PRIVACY AND PUBLIC SAFETY IN CYBERSPACE ACT

Mr. LEAHY. Mr. President, at the end of July, the administration transmitted to the Senate and the House of Representatives legislation intended to increase privacy and security in cyberspace. Today, at the request and on behalf of the Administration, I introduce this legislation, the Enhancement of Privacy and Public Safety in Cyberspace Act.

The White House Chief of Staff, John Podesta, announced the administration's cyber-security proposal in an important speech at the National Press Club on Monday, July 17, 2000. This is a complex area that requires close attention to get the balance among law enforcement, business and civil liberties interests just right. I welcome the Administration's participation in this debate on the privacy implications of government surveillance, which certainly deserves just as much attention as the issue of the collection and dissemination of personally-identifiable information by the private-sector.

The means by which law enforcement authorities may gain access to a person's private ''effects'' is no longer limited by physical proximity, as it was at the time the Framers crafted our Constitution's Fourth Amendment right of the American people to be secure in their persons, houses, papers and effects, against unreasonable searches and seizures. New communications methods and surveillance devices have dramatically expanded the opportunities for surreptitious law enforcement access to private messages and records from remote locations.

One example of these devices is the Federal Bureau of Investigation's Carnivore software program, which screens Internet traffic and captures information targeted by court orders. The Senate and House Judiciary Committees have both conducted hearings on Carnivore to discuss how the software works and whether it minimizes intrusion or maximizes the potential for government abuse. The Attorney General is arranging for an independent technical review of Carnivore, and I look forward to reviewing the results.

In short, new communications technologies pose both benefits and challenges to privacy and law enforcement. The Congress has worked successfully in the past to mediate this tension with a combination of stringent procedures for law enforcement access to our communications and legal protections to maintain their privacy and confidentiality, whether they occur in person or over the telephone, fax machine or computer. In 1968, the Congress passed comprehensive legislation authorizing government interception, under carefully defined circumstances, of voice

communications over telephones or in person in Title III of the Omnibus Crime Control and Safe Streets Act.

We returned to this important area in 1986, when we passed the Electronic Communications Privacy Act (ECPA), which I was proud to sponsor, that outlined procedures for law enforcement access to electronic mail systems and remote data processing systems, and that provided important privacy safeguards for computer users.

The Administration's legislation is an important contribution to the ongoing debate over the sufficiency of our current laws in the face of the exponential growth of computer and communications networks. In fact, this legislation contains some proposals which I support. For example, the bill would allow judicial review of pen register orders so the judge is not just a rubber stamp, and would update the wiretap laws to apply the same procedural rules to e-mail intercepts as to phone intercepts.

Nevertheless, the merits of other provisions in this legislation would benefit from additional scrutiny and debate. For example, the legislation proposes elimination of the current $5,000 threshold for large categories of federal computer crimes. This would lower the bar for federal investigative and prosecutorial attention with the result that lesser computer abuses could be converted into federal crimes.

Specifically, federal jurisdiction currently exists for a variety of computer crimes if, and only if, such criminal offenses result in at least $5,000 of aggregate damage or cause another specified injury, such as the impairment of medical treatment, physical injury to a person or a threat to public safety. Elimination of the $5,000 threshold would criminalize a variety of minor computer abuses, regardless of whether any significant harm results. Our federal laws do not need to reach each and every minor, inadvertent and harmless hacking offense—after all, each of the 50 states has its own computer crime laws. Rather, our federal laws need to reach those offenses for which federal jurisdiction is appropriate. This can be accomplished, as I have done in the Internet Security Act, S. 2430, which I introduced earlier this year, by simply adding an appropriate definition of ''loss'' to the statute.

Prior Congresses have declined to over-federalize computer offenses and sensibly determined that not all computer abuses warrant federal criminal sanctions. When the computer crime law was first enacted in 1984, the House Judiciary Committee reporting the bill stated:

> The Federal jurisdictional threshold is that there must be $5,000 worth of benefit to the defendant or loss to another in order to concentrate Federal resources on the more substantial computer offenses that affect interstate or foreign commerce. (H.Rep. 98–894, at p. 22, July 24, 1984).

Similarly, the Senate Judiciary Committee under the chairmanship of Senator THURMOND, rejected suggestions in 1986 that ''the Congress should enact as sweeping a Federal statute as possible so that no computer crime is potentially uncovered.'' (S. Rep. 99–432, at p. 4, September 3, 1986).

For example, if an overly-curious college sophomore checks a professor's unattended computer to see what grade he is going to get and accidentally deletes a file or a message, current Federal law does not make that conduct a crime. That conduct may be cause for discipline at the college, but not for the FBI to swoop in and investigate. Yet, under the Administration's legislation, this unauthorized access to the professor's computer would constitute a federal offense.

As the Congress considers changes in our current laws with a view to updating our current privacy safeguards from unreasonable government surveillance, I commend the administration for focusing attention on this important issue by transmitting its legislative proposal.

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

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

S. 3083

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 ''Enhancement of Privacy and Public Safety in Cyberspace Act''.

SEC. 2. COMPUTER CRIME.

(a) FRAUD AND RELATED ACTIVITY IN CONNECTION WITH COMPUTERS.—

(1) OFFENSES.—Subsection (a) of section 1030 of title 18, United States Code, is amended—

(A) in paragraph (3), by striking ''accesses such a computer'' and inserting ''or in excess of authorization to access any nonpublic computer of a department or agency of the United States, accesses a computer''; and

(B) in paragraph (7), by striking '', firm, association, educational institution, financial institution, government entity, or other legal entity,''.

(2) ATTEMPTED OFFENSES.—Subsection (b) of that section is amended by inserting before the period the following: ''as if such person had committed the completed offense''.

(3) PUNISHMENT.—Subsection (c) of that section is amended—

(A) in paragraph (1), by striking '', or an attempt to commit an offense punishable under this subparagraph'' each place it appears in subparagraphs (A) and (B);

(B) in paragraph (2)—

(i) by striking subparagraph (A) and inserting the following new subparagraph (A):

''(A) except as provided in subparagraphs (B) and (C) of this subparagraph, a fine under this title or imprisonment for not more than one year, or both, in the case of an offense under subsection (a)(2), (a)(3), (a)(5), or (a)(6) of this section which does not occur after a conviction for another offense under this section;'';

(ii) in subparagraph (B), by adding ''and'' at the end; and

(iii) by striking subparagraph (C) and inserting the following new subparagraph (C):

''(C) a fine under this title or imprisonment for not more than ten years, or both, in the case of an offense under subsection (a)(5)(A) or (a)(5)(B) if the offense caused (or, in the case of an attempted offense, would, if completed, have caused)—

''(i) loss to one or more persons during any one year period (including loss resulting from a related course of conduct affecting one or more other protected computers) aggregating at least $5,000;

''(ii) the modification or impairment, or potential modification or impairment, of the medical examination, diagnosis, treatment, or care of one or more individuals;

''(iii) physical injury to any individual;

''(iv) a threat to public health or safety; or

''(v) damage affecting a computer system used by or for a government entity in furtherance of the administration of justice, national defense, or national security;'';

(C) in paragraph (3)—

(i) by striking ''(3)(A)'' and inserting ''(3)'';

(ii) by striking '', (a)(5)(A), (a)(5)(B),'';

(iii) by striking '', or an attempt to commit an offense punishable under this subparagraph;''; and

(iv) by striking subparagraph (B); and

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

''(4) a fine under this title or imprisonment for not more than ten years, or both, in the case of an offense under subsection (a)(2), (a)(3), (a)(4), (a)(5), (a)(6), or (a)(7) of this section which occurs after a conviction for another offense under this section.''.

(4) INVESTIGATIVE AUTHORITY OF UNITED STATES SECRET SERVICE.—Subsection (d) of that section is amended—

(A) in the first sentence, by striking ''subsections (a)(2)(A), (a)(2)(B), (a)(3), (a)(4), (a)(5), and (a)(6) of''; and

(B) in the second sentence, by striking ''which shall be entered into by'' and inserting ''between''.

(5) DEFINITIONS.—Subsection (e) of that section is amended—

(A) in paragraph (2)(B), by inserting before the semicolon the following: '', including a computer located outside the United States'';

(B) in paragraph (7), by striking ''and'' at the end;

(C) in paragraph (8), by striking ''or information,'' and all that follows through the end of the paragraph and inserting ''or information;'';

(D) in paragraph (9), by striking the period at the end and inserting a semicolon; and

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

''(10) the term 'conviction for another offense under this section' includes—

''(A) an adjudication of juvenile delinquency for a violation of this section; and

''(B) a conviction under State law for a crime punishable by imprisonment for more than one year, an element of which is unauthorized access, or exceeding authorized access, to a computer;

''(11) the term 'loss' means any reasonable cost to any victim, including responding to the offense, conducting a damage assessment, restoring any data, program, system, or information to its condition before the offense, and any revenue lost or costs incurred because of interruption of service; and

''(12) the term 'person' includes any individual, firm, association, educational institution, financial institution, corporation, company, partnership, society, government entity, or other legal entity.''.

(6) CIVIL ACTIONS.—Subsection (g) of that section is amended to read as follows:

''(g) Any person who suffers damage or loss by reason of a violation of this section may maintain a civil action against the violator to obtain compensatory damages and injunctive or other equitable relief. An action

under this subsection for a violation of subsection (a)(5) may be brought only if the conduct involves one or more of the factors set forth in subsection (c)(2)(C). No action may be brought under this subsection unless such action is begun within 2 years of the date of the act complained of or the date of the discovery of the damage.''.

(7) FORFEITURE.—That section is further amended—

(A) by redesignating subsection (h) as subsection (j); and

(B) by inserting after subsection (g), as amended by paragraph (6) of this subsection, the following new subsections (h) and (i):

''(h)(1) The court, in imposing sentence on any person convicted of a violation of this section, shall order, in addition to any other sentence imposed and irrespective of any provision of State law, that such person forfeit to the United States—

''(A) such person's interest in any property, whether real or personal, that was used or intended to be used to commit or to facilitate the commission of such violation; and

''(B) any property, whether real or personal, constituting or derived from, any proceeds that such person obtained, whether directly or indirectly, as a result of such violation.

''(2) The criminal forfeiture of property under this subsection, any seizure and disposition thereof, and any administrative or judicial proceeding in relation thereto, shall be governed by the provisions of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853), except subsection (d) of that section.

''(i)(1) The following shall be subject to forfeiture to the United States, and no property right shall exist in them:

''(A) Any property, whether real or personal, used or intended to be used to commit or to facilitate the commission of any violation of this section.

''(B) Any property, whether real or personal, which constitutes or is derived from proceeds traceable to any violation of this section.

''(2) The provisions of chapter 46 of this title relating to civil forfeiture shall apply to any seizure or civil forfeiture under this subsection.''.

(b) AMENDMENTS TO SENTENCING GUIDELINES.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall amend the sentencing guidelines to ensure any individual convicted of a violation of paragraph (4) or a felony violation of paragraph (5)(A), but not a felony violation of paragraph (5)(B) or (5)(C), of section 1030(a) of title 18, United States Code, is imprisoned for not less than 6 months.

(c) COMMUNICATIONS MATTERS.—

(1) IN GENERAL.—Section 223(a)(1) of the Communications Act of 1934 (47 U.S.C. 223(a)(1)) is amended—

(A) in subparagraphs (C) and (E), by inserting ''or interactive computer service'' after ''telecommunications device'';

(B) in subparagraph (D), by striking ''or'' at the end; and

(C) by adding after subparagraph (E) the following new subparagraph:

''(F) with the intent to cause the unavailability of a telecommunications device or interactive computer service, or to cause damage to a protected computer (as those terms are defined in section 1030 of title 18, United States Code), causes or attempts to cause one or more other persons to initiate communication with such telecommunications device, interactive computer service, or protected computer; or''.

(2) CONFORMING AMENDMENT.—The section heading of that section is amended by striking ''**TELEPHONE CALLS**'' and inserting ''**COMMUNICATIONS**''.

SEC. 3. INTERCEPTION OF WIRE, ORAL, AND ELECTRONIC COMMUNICATIONS.

(a) DEFINITIONS.—Section 2510 of title 18, United States Code, is amended—

(1) in paragraph (1), by striking ''electronic storage'' and inserting ''interim storage'';

(2) in paragraph (10), by striking ''section 153(h) of title 47 of the United States Code'' and inserting ''section 3(10) of the Communications Act of 1934 (47 U.S.C. 153(10))'';

(3) in paragraph (14)—

(A) by striking ''of electronic'' and inserting ''of wire or electronic''; and

(B) by striking ''electronic storage'' and inserting ''interim storage''; and

(4) in paragraph (17)—

(A) by striking '' 'electronic storage' '' and inserting '' 'interim storage' ''; and

(B) in subparagraph (A), by inserting ''by an electronic communication service'' after ''intermediate storage''.

(b) PROHIBITION ON INTERCEPTION AND DISCLOSURE OF COMMUNICATIONS.—Section 2511 of that title is amended—

(1) in subsection (2)—

(A) in paragraph (a)(i), by striking ''on officer'' and inserting ''an officer'';

(B) in paragraph (f)—

(i) by inserting ''or 206'' after ''chapter 121''; and

(ii) by striking ''wire and oral'' and inserting ''wire, oral, and electronic''; and

(C) in paragraph (g), by striking clause (i) and inserting the following new clause (i):

''(i) to intercept or access a wire or electronic communication (other than a radio communication) made through an electronic communications system that is configured so that such communication is readily accessible to the general public;''; and

(2) in subsection (4)—

(A) in paragraph (a), by striking ''in paragraph (b) of this subsection or'';

(B) by striking paragraph (b); and

(C) by redesignating paragraph (c) as paragraph (b).

(c) PROHIBITION ON USE OF EVIDENCE OF INTERCEPTED COMMUNICATIONS.—Section 2515 of that title is amended—

(1) by striking ''Whenever any wire or oral communication'' and inserting ''(a) Except as provided in subsection (b), whenever any wire, oral, or electronic communication''; and

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

''(b) Subsection (a) shall not apply to the disclosure, before a grand jury or in a criminal trial, hearing, or other criminal proceeding, of the contents of a communication, or evidence derived therefrom, against a person alleged to have intercepted, used, or disclosed the communication in violation of this chapter, or participated in such violation.''.

(d) AUTHORIZATION FOR INTERCEPTION OF COMMUNICATIONS.—Section 2516 of that title is amended—

(1) in subsection (1)—

(A) by striking ''wire or oral'' in the matter preceding paragraph (a) and inserting ''wire, oral, or electronic'';

(B) in paragraph (b), by inserting ''threat,'' after ''robbery,'';

(C) by striking the first paragraph (p) and inserting the following new paragraph (p):

''(p) a felony violation of section 1030 of this title (relating to computer fraud and abuse), a felony violation of section 223 of the Communications Act of 1934 (47 U.S.C. 223) (relating to abusive communications in interstate or foreign commerce), or a violation of section 1362 of this title (relating to destruction of government communications facilities); or''; and

(D) by redesignating the second paragraph (p) as paragraph (q); and

(2) in subsection (3), by striking ''electronic communications'' and inserting ''one-way pager communications''.

(e) AUTHORIZATION FOR DISCLOSURE OR USE OF INTERCEPTED COMMUNICATIONS.—Section 2517 of that title is amended in subsections (1) and (2) by inserting ''or under the circumstances described in section 2515(b) of this title'' after ''by any means authorized by this chapter''.

(f) PROCEDURE FOR INTERCEPTION.—Section 2518 of that title is amended—

(1) in subsection (7), by striking ''subsection (d)'' and inserting ''subsection (8)(d)''; and

(2) in subsection (10)—

(A) in paragraph (a)—

(i) in the matter preceding subparagraph (i), by striking ''wire or oral'' and inserting ''wire, oral, or electronic''; and

(ii) in the flush matter following subparagraph (iii)—

(I) by striking ''intercepted wire or oral communication'' and inserting ''intercepted communication''; and

(II) by adding at the end the following new sentence: ''No suppression may be ordered under this paragraph under the circumstances described in section 2515(b) of this title.''; and

(B) by striking paragraph (c).

(g) CIVIL DAMAGES.—Section 2520(c)(2) of that title is amended—

(1) in the matter preceding subparagraph (A)—

(A) by striking ''court may'' and inserting ''court shall''; and

(B) by striking ''greater'' and inserting ''greatest'';

(2) in subparagraph (A), by striking ''or'' at the end;

(3) in subparagraph (B), by striking ''whichever is the greater of $100 a day for each day of violation or $10,000.'' and inserting ''$500 a day for each day of violation; or''; and

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

''(C) statutory damages of $10,000.''.

(h) CONFORMING AND CLERICAL AMENDMENTS.—

(1) CONFORMING AMENDMENT.—The section heading of section 2515 of that title is amended to read as follows:

''§ 2515. Prohibition on use as evidence of intercepted wire, oral, or electronic communications''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 119 of that title is amended by striking the item relating to section 2515 and inserting the following new item:

''2515. Prohibition on use as evidence of intercepted wire, oral, or electronic communications.''.

SEC. 4. ELECTRONIC COMMUNICATIONS PRIVACY.

(a) UNLAWFUL ACCESS TO STORED COMMUNICATIONS.—Section 2701 of title 18, United States Code, is amended—

(1) in subsection (a) by striking ''electronic storage'' and inserting ''interim storage'';

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking ''purposes of'' in the matter preceding subparagraph (A) and inserting ''a tortious or illegal purpose,'';

(ii) in subparagraph (A) by striking ''one year'' and inserting ''five years''; and

(iii) in subparagraph (B) by striking ''two years'' and inserting ''ten years''; and

(B) by striking paragraph (2) and inserting the following new paragraph (2):

''(2) in any other case—

''(A) a fine under this title or imprisonment for not more than one year, or both, in the case of a first offense under this subparagraph; and

''(B) a fine under this title or imprisonment for not more than five years, or both, for any subsequent offense under this subparagraph.''.

(b) DISCLOSURE OF CONTENTS.—Section 2702 of that title is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''person or entity providing an'' and inserting ''provider of'';

(ii) by striking ''electronic storage'' and inserting ''interim storage''; and

(iii) by striking ''and'' at the end;

(B) in paragraph (2)—

(i) by striking ''person or entity providing'' and inserting ''provider of''; and

(ii) striking the period at the end and inserting ''; and''; and

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

''(3) a provider of remote computing service or electronic communication service to the public shall not knowingly divulge a record or other information pertaining to a subscriber to or customer of such service (not including the contents of communications covered by paragraph (1) or (2) of this subsection) to any governmental entity.'';

(2) in subsection (b)—

(A) in the subsection caption, by inserting ''FOR DISCLOSURE OF COMMUNICATIONS'' after ''EXCEPTIONS'';

(B) in the matter preceding paragraph (1), by striking ''person or entity'' and inserting ''provider described in subsection (a)'';

(C) in paragraph (6)—

(i) in subparagraph (A)(ii), by striking ''or'' at the end;

(ii) in subparagraph (B), by striking the period at the end and inserting ''; or''; and

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

''(C) if the provider reasonably believes that an emergency involving immediate danger of death or serious physical injury to any person justifies disclosure of the information.''; and

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

''(c) EXCEPTIONS FOR DISCLOSURE OF CUSTOMER RECORDS.—A provider described in subsection (a) may divulge a record or other information pertaining to a subscriber to or customer of such service (not including the contents of communications covered by paragraph (1) or (2) of subsection (a))—

''(1) as otherwise authorized in section 2703 of this title;

''(2) with the lawful consent of the customer or subscriber;

''(3) as may be necessarily incident to the rendition of the service or to the protection of the rights or property of the provider of that service;

''(4) to a governmental entity, if the provider reasonably believes that an emergency involving immediate danger of death or serious physical injury to any person justifies disclosure of the information; or

''(5) to any person other than a governmental entity if not otherwise prohibited by law.''.

(c) REQUIREMENTS FOR GOVERNMENTAL ACCESS.—Section 2703 of that title is amended—

(1) in subsection (a), by striking ''electronic storage'' each place it appears and inserting ''interim storage'';

(2) in subsection (b)(1)(B), by striking clause (i) and inserting the following new clause (i):

''(i) uses a Federal or State grand jury or trial subpoena, or a subpoena or equivalent process authorized by a Federal or State statute; or'';

(3) in subsection (c)—

(A) by redesignating paragraph (2) as paragraph (3);

(B) by redesignating subparagraph (C) of paragraph (1) as paragraph (2);

(C) in paragraph (2), as so redesignated—

(i) by striking ''an administrative subpoena authorized by a Federal or State statute or a Federal or State grand jury or trial subpoena'' and inserting ''a Federal or State grand jury or trial subpoena, or a subpoena or equivalent process authorized by a Federal or State statute,''; and

(ii) by striking ''subparagraph (B).'' and inserting ''paragraph (1).''; and

(D) in paragraph (1)—

(i) by striking ''(A) Except as provided in subparagraph (B),'' and inserting ''A governmental entity may require'';

(ii) by striking ''may disclose'' and inserting ''to disclose'';

(iii) by striking ''to any person other than a governmental entity.'';

(iv) by striking ''(B) A provider of'' through ''to a governmental entity'';

(v) by redesignating clauses (i) through (iv) as subparagraphs (A) through (D);

(vi) by striking ''or'' at the end of subparagraph (C), as so redesignated;

(vii) by striking the period at the end of subparagraph (D), as so redesignated, and inserting ''; or''; and

(viii) by adding after subparagraph (D), as so redesignated, the following new subparagraph:

''(E) seeks information pursuant to paragraph (2).''; and

(4) in subsection (d)—

(A) by striking ''subsection (c)'' and inserting ''subsection (c)(1)''; and

(B) by striking ''section 3127(2)(A)'' and inserting ''section 3127(2)''.

(d) DELAYED NOTICE.—Section 2705(a) of that title is amended—

(1) in paragraph (1)(B), by striking ''an administrative subpoena authorized by a Federal or State statute or a Federal or State grand jury subpoena'' and inserting ''a Federal or State grand jury or trial subpoena, or a subpoena or equivalent process authorized by a Federal or State statute,''; and

(2) in paragraph (4), by striking ''by the court'' and all that follows through the end of the paragraph and inserting '', upon application, if the court determines that there is reason to believe that notification of the existence of the court order or subpoena may have an adverse result described in paragraph (2) of this subsection.''.

(e) CIVIL ACTION.—Section 2707(e)(1) of that title is amended by inserting ''a request of a governmental entity under section 2703(f) of this title,'' after ''subpoena,''.

(f) CONFORMING AND CLERICAL AMENDMENTS.—

(1) CONFORMING AMENDMENTS.—(A) The section heading of section 2702 of that title is amended to read as follows:

''§ 2702. Voluntary disclosure of customer communications or records''.

(B) The section heading of section 2703 of that title is amended to read as follows:

''§ 2703. Required disclosure of customer communications or records''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 121 of that title is amended by striking the items relating to sections 2702 and 2703 and inserting the following new items:

''2702. Voluntary disclosure of customer communications or records.''.

''2703. Required disclosure of customer communications or records.''.

SEC. 5. PEN REGISTERS AND TRAP AND TRACE DEVICES.

(a) GENERAL PROHIBITION ON USE.—Section 3121(c) of title 18, United States Code, is amended—

(1) by inserting ''or trap and trace device'' after ''pen register'';

(2) by inserting '', routing, addressing,'' after ''dialing''; and

(3) by striking ''call processing'' and inserting ''the processing and transmitting of wire and electronic communications''.

(b) APPLICATION FOR ORDER.—Section 3122(b)(2) of that title is amended by striking ''certification by the applicant'' and inserting ''statement of facts showing''.

(c) ISSUANCE OF ORDER.—Section 3123 of that title is amended—

(1) by striking subsection (a) and inserting the following new subsection (a):

''(a) IN GENERAL.—(1) Upon an application made under section 3122(a)(1) of this title, the court shall enter an ex parte order authorizing the installation and use of a pen register or a trap and trace device if the court finds, based on facts contained in the application, that the information likely to be obtained by such installation and use is relevant to an ongoing criminal investigation. Such order shall, upon service of such order, apply to any entity providing wire or electronic communication service in the United States whose assistance may facilitate the execution of the order.

''(2) Upon an application made under section 3122(a)(2) of this title, the court shall enter an ex parte order authorizing the installation and use of a pen register or a trap and trace device within the jurisdiction of the court if the court finds, based on facts contained in the application, that the information likely to be obtained by such installation and use is relevant to an ongoing criminal investigation.'';

(2) in subsection (b)(1)—

(A) in subparagraph (A)—

(i) by inserting ''or other facility'' after ''line''; and

(ii) by inserting ''or applied'' after ''attached''; and

(B) in subparagraph (C)—

(i) by striking ''the number'' and inserting ''the attributes of the communications to which the order applies, such as the number or other identifier,'';

(ii) by striking ''physical'';

(iii) by inserting ''or other facility'' after ''line'';

(iv) by inserting ''or applied'' after ''attached''; and

(v) by inserting ''authorized under subsection (a)(2) of this section'' after ''device'' the second place it appears; and

(4) in subsection (d)(2)—

(A) by inserting ''or other facility'' after ''line'';

(B) by inserting ''or applied'' after ''attached''; and

(C) by striking ''has been ordered by the court'' and inserting ''is obligated by the order''.

(d) EMERGENCY INSTALLATION.—Section 3125(a)(1) of that title is amended—

(1) in subparagraph (A), by striking ''or'' at the end;

(2) in subparagraph (B), by striking the comma at the end and inserting a semicolon; and

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

''(C) an immediate threat to a national security interest; or

''(D) an ongoing attack on the integrity or availability of a protected computer punishable pursuant to section 1030(c)(2)(C) of this title,''.

(e) DEFINITIONS.—Section 3127 of that title is amended—

(1) in paragraph (2), by striking subparagraph (A) and inserting the following new subparagraph (A):

''(A) any district court of the United States (including a magistrate judge of such a court) or United States Court of Appeals having jurisdiction over the offense being investigated; or'';

(2) in paragraph (3)—

(A) by striking ''electronic or other impulses which identify the numbers dialed or otherwise transmitted on the telephone line to which such device is attached'' and inserting ''dialing, routing, addressing, and signaling information transmitted by an instrument or facility from which a wire or electronic communication is transmitted''; and

(B) by inserting ''or process'' after ''device'' each place it appears;

(3) in paragraph (4)—

(A) by inserting ''or process'' after ''a device''; and

(B) by striking ''of an instrument or device from which a wire or electronic communication was transmitted'' and inserting ''or other dialing, routing, addressing, and signaling information relevant to identifying the source of a wire or electronic communication'';

(4) in paragraph (5), by striking ''and'' at the end;

(5) in paragraph (6), by striking the period at the end and inserting ''; and''; and

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

''(7) the term 'protected computer' has the meaning given that term in section 1030(e) of this title.''.

SEC. 6. JUVENILE MATTERS.

Section 5032 of title 18, United States Code, is amended in the first undesignated paragraph by inserting after ''section 924(b), (g), or (h) of this title,'' the following: ''or is a violation of section 1030(a)(1), section 1030(a)(2)(B), section 1030(a)(3), or a felony violation of section 1030(a)(5) where such felony violation of section 1030(a)(5) is eligible for punishment under section 1030(c)(2)(C)(ii) through (v) of this title,''.

SEC. 7. PROTECTION OF CABLE SERVICE SUBSCRIBER PRIVACY.

Section 631 of the Communications Act of 1934 (47 U.S.C. 551) is amended—

(1) in subsection (c)(2)—

(A) in subparagraph (B), by striking ''or'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; or''; and

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

''(D) required under chapter 119, 121, or 206 of title 18, United States Code, except that disclosure under this subparagraph shall not include records revealing customer cable television viewing activity.''; and

(2) in subsection (h), by striking ''A governmental entity'' and inserting ''Except as provided in subsection (c)(2)(D), a governmental entity''.

Mr. HATCH:

S. 3084. A bill to amend title XVIII of the Social Security Act to provide for State accreditation of diabetes self-management training programs under the Medicare Program; to the Committee on Finance.

STATE ACCREDITATION OF DIABETES SELF-MANAGEMENT TRAINING PROGRAMS UNDER THE MEDICARE PROGRAM

Mr. HATCH. Mr. President, today, I am introducing legislation that will allow all state diabetes education programs to be reimbursed by the Medicare program. Currently, state diabetes education programs that only have state certification are not able to receive Medicare reimbursement for the fine work that they do as far as educating diabetics in the communities. As a result, these individuals have less access to the education that they need to control their diabetes.

This issue was brought to my attention by the Program Director of the Utah Diabetes Control Program. There are 32 diabetes education programs in Utah that are either Utah certified or recognized by the American Diabetes Association. Eighteen of those programs have only state certification and seven of those are located in rural communities of Utah, including Moab, Price, Roosevelt, Gunnison, Payson, and Tooele.

Without this legislation, these 18 programs cannot be reimbursed by Medicare unless they are certified by the American Diabetes Association. In Utah, our state certification program exceeds national standards. In addition to submitting an application and documentation that the education programs meet the national standards, Utah Diabetes Control Program staff conduct site visits with all applying programs. The staff also collects data through annual reports to assess continued quality and outcomes.

One of the biggest concerns that has been brought to my attention by the Utah Department of Health is that the American Diabetes Association charges $850 for state programs to apply for ADA certification. The smaller state diabetes education programs have indicated that the ADA fee is cost-prohibitive for them, especially in the more rural areas. On the other hand, state certification is free to all applicants.

I understand that this problem not only exists in Utah, but across the country. I believe that this matter needs to be addressed by Congress so that all Medicare beneficiaries, regardless of where they live, will have access to diabetes education programs.

By Mr. JEFFORDS (for himself, Mr. KENNEDY, Mr. CLELAND, and Mrs. MURRAY):

S. 3085. A bill to provide assistance to mobilize and support United States communities in carrying out youth development programs that assure that all youth have access to programs and services that build the competencies and character development needed to fully prepare the youth to become adults and effective citizens; to the Committee on Health, Education, Labor, and Pensions.

THE YOUNGER AMERICANS ACT

Mr. JEFFORDS. Mr. President, I rise today to introduce the Younger American's Act with Senators KENNEDY, CLELAND, and MURRAY. This legislation embraces the belief that youth are not only our nation's most valuable resource, they also are our most important responsibility. The needs of youth must be moved to a higher priority on our nation's agenda.

It is not enough that government responds to youth when they get into trouble with drugs, teen pregnancy, and violence. We need to strengthen the positive rather than simply respond to the negative. Positive youth development, the framework for the Younger American's Act, is not just about preventing bad things from happening, but giving a nudge to help good things happen. And we know that it works.

Evaluations of Big Brothers/Big Sisters, Boys and Girls Clubs, and other youth development programs have demonstrated significant increases in parental involvement, youth participation in constructive education, social and recreation activities, enrollment in post-secondary education, and community involvement. Just as important, youth actively participating in youth development programs show decreased rates of school failure and absenteeism, teen pregnancy, delinquency, substance abuse, and violent behavior.

We also know that risk taking behavior increases with age. One third of the high school juniors and seniors participate in two or more health risk behaviors. That is why it is important to build a youth development infrastructure that engages youth as they enter pre-adolescence and keeps them engaged throughout their teen years. The Younger American's Act is targeted to youth aged ten to nineteen. This encompasses both the critical middle-school years, as well as the increasingly risky high school years.

The Younger American's Act is about framing a national policy on youth. Up until now, government has responded to kids after they have gotten into trouble. We must take a new tack. Instead of just treating problems, we have to promote healthy development. We have to remember that just because a kid stays out of trouble, it doesn't mean that he or she is ready to handle the responsibilities of adulthood. Research has shown that kids want direction, they want close bonds with parents and other adult mentors. And I believe we owe them that. Ideally, this comes from strong families, but communities and government can help.

In order to keep kids engaged in positive activities, youth must be viewed as resources; as active participants in finding solutions to their own problems. Parents also must be part of those solutions. This legislation requires that youth and parents be part of the decision-making process on the federal and local levels.

The United States does not have a cohesive federal policy on youth. Creating an Office on National Youth Policy within the White House not only raises the priority of youth on the federal agenda, but provides an opportunity to more effectively coordinate existing federal youth programs to increase their impact on the lives of young Americans. The efforts of the Office of National Youth Policy in advocating for the needs of youth, and the Department of Health and Human Service in implementing the Younger American's Act will be helped by the Council on National Youth Policy. This Council, comprised of youth, parents,

experts in youth development, and representatives from the business community, will help ensure that this initiative continually responds to the changing needs of youth and their communities. It will bring a ''real world'' perspective to the efforts of the Office and HHS.

The Younger American's Act provides communities with the funding necessary to adequately ensure that youth have access to five core resources:

Ongoing relationships with caring adults;

Safe places with structured activities in which to grow and learn;

Services that promote healthy lifestyles, including those designed to improve physical and mental health;

Opportunities to acquire marketable skills and competencies; and

Opportunities for community service and civic participation.

Block grant funds will be used to expand existing resources, create new ones where none existed before, overcome barriers to accessing those resources, and fill gaps to create a cohesive network for youth. The funds will be funneled through states, based on an allocation formula that equally weighs population and poverty measures, to communities where the primary decisions regarding the use of the funds will take place. Thirty percent of the local funds are set aside for to address the needs of youth who are particularly vulnerable, such as those who are in out-of home placements, abused or neglected, living in high poverty areas, or living in rural areas where there are usually fewer resources. Dividing the state into regions, or ''planning and mobilization areas,'' ensures that funds will be equitably distributed throughout a state. Empowering community boards, comprised of youth, parents, and other members of the community, to supervise decisions regarding the use of the block grant funds ensures that the programs, services, and activities supported by the Act will be responsive to local needs.

Accountability is integral to any effective federal program. The Younger American's Act provides the Department of Health and Human Services with the responsibility and funding to conduct research and evaluate the effectiveness of funded initiatives. States and the Department are charged with monitoring the use of funds by grantees, and empowered to withhold or reduce funds if problems arise.

The Younger Americans Act will help kids gain the skills and experience they need to successfully navigate the rough waters of adolescence. My twenty-first century community learning centers initiative supports the efforts of schools to operate after-school programs that emphasize academic enrichment. It's time to get the rest of the community involved. It's time to give the same level of support to the thousands of youth development and youth-serving organizations that struggle to keep their doors open every day.

I remember a young man, Brad Luck, who testified before the H.E.L.P. Committee several years ago. As a 14-year-old, Brad embarked on a two-year mission to open a teen center in his home town of Essex Junction, Vermont. He formed a student board of directors, sought 501(c)(3) status and gave over 25 community presentations to convince the town to back the program. Demonstrating the tenacity of youth, he then spear-headed a successful drive to raise $30,000 in 30 days to fund the start-up of the center. Today, the center is thriving in its town-donated space. This is an example of the type of community asset building supported by the Younger Americans Act. The Younger Americans Act is about an investment in our youth, our communities, and our future. I want to thank America's Promise, the United Way, and the National Collaboration for Youth for their work in providing the original framework for the legislation. I am proud and excited to be part of this important initiative.

I ask unanimous consent that a summary of the legislation be printed in the RECORD.

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

YOUNGER AMERICANS ACT—SUMMARY

The Younger Americans Act provides a framework for a cohesive national policy on youth. Loosely based on the Older Americans Act, this legislation is an opportunity to better coordinate the services, activities and programs that help our young people make a successful transition from childhood to adulthood. The bill includes a block grant program to support local communities in their efforts to strengthen the resources that are available to youth. But perhaps most importantly, The Younger Americans Act is about forging partnerships between parents, youth, government, and youth serving organizations.

The Younger Americans Act begins with a statement of national youth policy that youth need to have access five core resources:

Ongoing relationships with caring adults;

Safe places with structured activities;

Services that promote healthy lifestyles, including those designed to improve physical and mental health;

Opportunities to acquire marketable skills and competencies; and

Opportunities for community service and civic participation.

Reflecting the high priority which youth need to occupy on the national agenda, the legislation establishes an Office of National Youth Policy within the White House. This office will serve as an effective advocate for youth within the federal government and assist in resolving administrative and programmatic conflicts between federal programs that are barriers to parents, youth, communities, and service providers in accessing the full array of core resources for youth. Funds for this Office are authorized for $500,000 a year.

The Younger Americans Act creates a Council on National Youth Policy to advise the President, the Director of the Office of National Youth Policy and the Department of Health and Human Services on the developmental needs of youth, youth participation, and federal youth policies. The membership of the Council ensures that youth are active participants in the finding solutions to many of their own problems. The Council is authorized to conduct public forums for discussion and serve as an information conduit between policy makers, youth, and others involved in the provision of youth services. It is authorized for $250,000 per year.

The Younger Americans Act creates a formula-based state block grant to support community-based youth development programs, activities and services. Ninety-seven percent of the funds will be distributed to states, Native American tribes and organizations, and outlying territories. The Department of Health and Human Services is authorized to use the remainder of the funds to conduct demonstration program for youth populations that are particularly vulnerable. Funds are distributed to states based on the population of youth aged 10–19, and the number of children and youth receiving free- or reduced priced lunches. There is a small state minimum of .4 percent.

To implement the block grant, states are required to divide the state into geographical regions called planning and mobilization areas. States are encouraged to utilize existing state administrative or programmatic regions. States may use up to 4 percent of the funds for program review, monitoring, and technical assistance; and no more than 3 percent of the funds to address the needs of particularly vulnerable youth populations, including youth in out-of-home residential settings, such as foster care, communities with high concentrations of poverty, rural areas, and youth that have been abused or neglected. The remaining 93 percent of the funds allotted to the states must be equitably distributed among the planning and mobilization areas, based on the same population and school lunch program participation formula used for the distribution of the federal funds.

An ''area agency for youth'' will be designated to administer the funds, under the direction of a community board. States are encouraged to build on existing community resources and systems. After assessing the available assets for youth, as well as gaps in and barriers to services in the community, a plan to address the needs of local youth in the five core resources is developed for each region of the state. At least 30 percent of the funds provided to the area agency for youth must be used to address the needs of the most vulnerable youth populations in the region. As part of the planning process, area agencies for youth and community boards must identify measures of program effectiveness upon which future progress will be evaluated.

Funds are distributed, on a competitive basis, to community-based youth serving organizations and agencies in such a manner as to build a cohesive network of programs, services and activities for local youth. Provisions in the legislation ensure the participation of youth and their families in decisions about how best to meet the needs of local youth. There is a state or local match requirement of 20 percent for the first two years, increasing to 50 percent by the fifth and subsequent years. The match can meet through cash or in-kind contributions, fairly evaluated. The legislation contains an illustrative list of youth development activities, programs and services that may receive funds from the Younger American's Act. That list includes a broad variety of effective youth development activities such as youth mentoring, community youth centers and clubs, character development, non-school hours programs, sports and recreation activities, academic and cultural enrichment, workforce preparation, community service, and referrals to health and mental health services. The block grant is authorized for $500 million the first year, ramping

up to $2 billion in the fifth year of the legislation, for a total of $5.75 billion over five years.

Although research has demonstrated the effectiveness of positive youth development programs, accountability and evaluation must be part of any significant investment of federal funds. The legislation requires the Department of Health and Human Service to conduct extensive research and evaluation of the programs, services and activities funded under the Act. The Department also has responsibility for funding professional development activities for youth workers and other training and education initiatives to increase the capacity of local boards, agencies and organizations to implement the block grant. These efforts are authorized for $7 million per year.

Mr. KENNEDY. Mr. President, I commend Senator JEFFORDS for his leadership on this important legislation and it is a privilege to join him as a cosponsor on this legislation. I also commend the thirty-four youth organizations that comprise the National Collaboration for Youth and the more than 200 young people who have worked on this bill. They have been skillful and tireless in their efforts to focus on the need for a positive national strategy for youth.

Our goal in introducing the Younger Americans Act is to establish a national policy for youth which focuses on young people, not as problems, but as problem solvers. The Younger Americans Act is intended to create a local and nation-wide collaborative movement to provide programs that offer greater support for youth in the years of adolescence. This bill, modeled on the very successful Older Americans Act of 1965, will help youths between the ages of 10 and 19. It will provide assistance to communities for youths development programs that assure that all youth have access to the skills and character development needed to become good citizens.

In other successful bipartisan measures over the years, such as Head Start, child care, and the 21st century learning communities, we have created a support system for parents of preschool and younger school-age children. These programs reduce the risk that children will grow up to become juvenile delinquents by giving them a healthy and safe start. It's time to do the same thing for adolescents.

Americans overwhelmingly believe that government should invest in initiatives like this. Many studies detail the effectiveness of youth development programs. Beginning with the Carnegie Corporation Report in 1992, ''A Matter of Time—Risk and Opportunity in the Nonschool Hours,'' a series of studies have shown repeatedly that youth development programs at the community level produce powerful and positive results.

In this report this last March, ''Community Counts: How Youth Organizations Matter for Youth Development,'' Milbrey McLaughlin, professor of education at Stanford University, calls for communities to rethink how they design and deliver services for youths, particularly during non-school hours. The report confirms that community involvement is essential in creating and supporting effective programs that meet the needs of today's youth.

Effective community-based youth development programs build on five core resources that all youths need to be successful. These same core resources are the basis for the Younger Americans Act. Youths need ongoing relationships with caring adults, safe places with structured activities, access to services that promote healthy lifestyles, opportunities to acquire marketable skills, and opportunities for community service and community participation.

The Younger Americans Act will establish a way for communities to give thought and planning on the issues at the local level, and to involve both youths and parents in the process. The Act will provide $5.76 billion over the next five years for communities to conduct youth development programs that recognize the primary role of the family, promote the involvement of youth, coordinate services in the community, and eliminate barriers which prevent youth from obtaining the guidance and support they need to become successful adults. The Act also creates a national youth policy office and a national youth council to advise the President and Congress and help focus the country more effectively on the needs of young people.

Too often, the focus on youth has emphasized their problems, not their successes and their potential. This emphasis has sent a negative message to youth that needs to be reversed. We need to deal with negative behaviors, but we also need a broader strategy that provides a positive approach to youth. The Younger Americans Act will accomplish this goal in three ways, by focusing national attention on the strengths and contributions of youths, by providing funds to develop positive and cooperative youth development programs at the state and community levels, and by promoting the involvement of parents and youths in developing positive programs that strengthen families.

The time of adolescence is a complex transitional period of growth and change. We know what works. The challenge we face is to provide the resources to implement positive and practical programs effectively. Investing in youth in ways like that will pay enormous dividends for communities and our country. I urge all members of Congress to join in supporting this important legislation.

ADDITIONAL SPONSORS

S. 61

At the request of Mr. DEWINE, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 61, a bill to amend the Tariff Act of 1930 to eliminate disincentives to fair trade conditions.

S. 63

At the request of Mr. KOHL, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 63, a bill to amend the Internal Revenue Code of 1986 to provide a credit against tax for employers who provide child care assistance for dependents of their employees, and for other purposes.

S. 1185

At the request of Mr. ABRAHAM, the name of the Senator from Rhode Island (Mr. L. CHAFEE) was added as a cosponsor of S. 1185, a bill to provide small business certain protections from litigation excesses and to limit the product liability of non-manufacturer product sellers.

S. 1446

At the request of Mr. LOTT, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 1446, a bill to amend the Internal Revenue Code of 1986 to allow an additional advance refunding of bonds originally issued to finance governmental facilities used for essential governmental functions.

S. 1536

At the request of Mr. DEWINE, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 1536, a bill to amend the Older Americans Act of 1965 to extend authorizations of appropriations for programs under the Act, to modernize programs and services for older individuals, and for other purposes.

S. 1810

At the request of Mrs. MURRAY, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 1810, a bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures.

S. 2070

At the request of Mr. FITZGERALD, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 2070, a bill to improve safety standards for child restraints in motor vehicles.

S. 2163

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 2163, a bill to provide for a study of the engineering feasibility of a water exchange in lieu of electrification of the Chandler Pumping Plant at Prosser Diversion Dam, Washington.

S. 2700

At the request of Mr. L. CHAFEE, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 2700, a bill to amend the Comprehensive Environmental Response, Compensation and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 2764

At the request of Mr. KENNEDY, the names of the Senators from South Dakota (Mr. DASCHLE) and the Senator

from HAWAII (Mr. INOUYE) were added as cosponsors of S. 2764, a bill to amend the National and Community Service Act of 1990 and the Domestic Volunteer Service Act of 1973 to extend the authorizations of appropriations for the programs carried out under such Acts, and for other purposes.

S. 2787

At the request of Mr. BIDEN, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 2787, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

S. 2866

At the request of Mr. STEVENS, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 2866, a bill to provide for early learning programs, and for other purposes.

S. 2912

At the request of Mr. KENNEDY, the names of the Senators from Louisiana (Ms. LANDRIEU) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 2912, a bill to amend the Immigration and Nationality Act to remove certain limitations on the eligibility of aliens residing in the United States to obtain lawful permanent residency status.

S. 2937

At the request of Mr. DOMENICI, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 2937, a bill to amend title XVIII of the Social Security Act to improve access to Medicare+Choice plans through an increase in the annual Medicare+Choice capitation rates and for other purposes.

S. 2938

At the request of Mr. BROWNBACK, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 2938, a bill to prohibit United States assistance to the Palestinian Authority if a Palestinian state is declared unilaterally, and for other purposes.

S. 2967

At the request of Mr. MURKOWSKI, the names of the Senator from Arizona (Mr. KYL) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 2967, a bill to amend the Internal Revenue Code of 1986 to facilitate competition in the electric power industry.

S. 2999

At the request of Mr. ABRAHAM, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 2999, a bill to amend title XVIII of the Social Security Act to reform the regulatory processes used by the Health Care Financing Administration to administer the Medicare program, and for other purposes.

S. 3007

At the request of Mrs. FEINSTEIN, the names of the Senators from Oregon (Mr. WYDEN) and the Senator from Maine (Ms. SNOWE) was added as cosponsors of S. 3007, a bill to provide for measures in response to a unilateral declaration of the existence of a Palestinian state.

S. 3009

At the request of Mr. HUTCHINSON, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 3009, a bill to provide funds to the National Center for Rural Law Enforcement.

S. 3030

At the request of Mr. THOMPSON, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 3030, a bill to amend title 31, United States Code, to provide for executive agencies to conduct annual recovery audits and recovery activities, and for other purposes.

S. RES. 304

At the request of Mr. SANTORUM, his name was added as a cosponsor of S. Res. 304, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week that includes Veterans Day as ''National Veterans Awareness Week'' for the presentation of such educational programs.

S. RES. 330

At the request of Mr. INHOFE, the names of the Senator from Texas (Mrs. HUTCHISON), the Senator from North Carolina (Mr. HELMS), the Senator from Maryland (Ms. MIKULSKI), and the Senator from Delaware (Mr. ROTH), were added as cosponsors of S. Res. 330, a resolution to designating the week beginning September 24, 2000, as ''National Amputee Awareness Week.''

AMENDMENTS SUBMITTED

STEM CELL RESEARCH ACT OF 2000

BROWNBACK AMENDMENTS NOS. 4154–4162

(Ordered referred to the Committee on Health, Education, Labor, and Pensions)

Mr. BROWNBACK submitted nine amendments intended to be proposed by him to the bill (S. 2015) to amend the Public Health Service Act to provide for research with respect to human embryonic stem cells; as follows:

AMENDMENT NO. 4154

At the appropriate place, insert the following:

SEC. . PROHIBITION ON EXPORTATION OF HUMAN EMBRYOS.

The Secretary of Commerce shall prohibit the export (as such term is defined in section 16 of the Export Administration Act of 1979 (50 U.S.C. App 2415)) from the United States of any human embryo or part thereof.

AMENDMENT NO. 4155

On page 1, line 6, strike ''Sec.''.

AMENDMENT NO. 4156

On page 1, line 6, strike ''2.''.

AMENDMENT NO. 4157

On page 1, line 6, strike ''Research''.

AMENDMENT NO. 4158

On page 1, line 6, strike ''on''.

AMENDMENT NO. 4159

On page 1, line 6, strike ''Human''.

AMENDMENT NO. 4160

On page 1, line 6, strike ''Embryonic''.

AMENDMENT NO. 4161

On page 1, line 6, strike ''Stem''.

AMENDMENT NO. 4162

On page 1, line 6, strike ''Cells''.

WATER RESOURCES DEVELOPMENT ACT OF 2000

ABRAHAM AMENDMENT NO. 4163

(Ordered to lie on the table.)

Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill (S. 2796) to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . APPLICATION TO GREAT LAKES.

(a) ADDITIONAL DEFINITIONS.—Section 1109(c) of the Water Resources Development Act of 1986 (42 U.S.C. 1962d-20(d)) is amended to read as follows:

''(c) DEFINITIONS.—In this section:

''(1) GREAT LAKES STATE.—The term 'Great Lakes State' means each of the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, New York, and Wisconsin.

''(2) DIVERSION.—The term 'diversion' includes exports of bulk fresh water.

''(3) BULK FRESH WATER.—The term 'bulk fresh water' means fresh water extracted in amounts intended for transportation outside the United States by commercial vessel or similar form of mass transportation, without further processing.''.

(b) ADDITIONAL FINDING.—Section 1109 (b) of the Water Resources Development Act of 1986 (42 U.S.C. 1962d-20) is amended by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), and by inserting after paragraph (1) the following:

''(2) to encourage the Great Lakes States, in consultation with the Provinces of Ontario and Quebec, to develop and implement a mechanism that provides a common conservation standard embodying the principles of water conservation and resource improvement for making decisions concerning the withdrawal and use of water from the Great Lakes Basin;''.

(c) SENSE OF THE CONGRESS.—It is the Sense of the Congress that the Secretary of State should work with the Canadian Government to encourage and support the Provinces in the development and implementation of a mechamism and standard concerning the withdrawal and use of water from the Great Lakes Basin consistent with those mechanisms and standards developed by the Great Lakes States.

NOTICE OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on

Wednesday, September 27, 2000, at 9:30 a.m. in room 485 of the Russell Senate Building to conduct a hearing on S. 2052, a bill to establish a demonstration project to authorize the integration and coordination of Federal funding dedicated to community, business, and the economic development of Native American communities to be followed immediately by a business meeting to markup pending committee bills.

Those wishing additional information may contact committee staff at 202/224–2251.

PRIVILEGES OF THE FLOOR

Mr. GRAHAM. Mr. President I ask unanimous consent that Ms. Kimbriel Dean be allowed on the floor for the duration of my remarks.

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

Mr. DURBIN. Mr. President, I ask unanimous consent that the privilege of the floor be granted to David Sarokin, a fellow on my staff, during the pendency of S. 2045, the H–1B visa bill.

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

MEASURE READ FOR THE FIRST TIME—H.R. 5203

Mr. ENZI. Mr. President, I understand that H.R. 5203 is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The bill clerk read as follows:

A bill (H.R. 5203) to provide for reconciliation pursuant to sections 103(a)(2), 103(b)(2), and 213(b)(2)(C) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt, and to amend the Internal Revenue Code of 1986 to provide for retirement security.

Mr. ENZI. Mr. President, I now ask for its second reading, and I object to my own request.

The PRESIDING OFFICER. The objection is heard.

The bill will be read the second time on the next legislative day.

INTERCOUNTRY ADOPTION ACT OF 2000

Mr. ENZI. Mr. President, I ask unanimous consent the Chair lay before the Senate a message from the House of Representatives to accompany H.R. 2909.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

Resolved, That the House agree to the amendment of the Senate to the bill, H.R. 2909, entitled ''An Act to provide for implementation by the United States of the Hague Convention on Protection of Children in Cooperation in Respect of Intercountry Adoption, and for other purposes,'' with an amendment.

Mr. ENZI. I ask unanimous consent that the Senate agree to the amendment of the House.

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

Mr. LEAHY. Will the Senator yield?

Mr. ENZI. I yield.

Mr. LEAHY. Regarding the last bill that went through, I want to take a moment to compliment a colleague of mine from Massachusetts, Congressman DELAHUNT, who has worked so hard and so diligently. It will give me a great deal of pleasure to tell him it has passed. I thank my friend.

Mr. BIDEN. Mr. President, I am extremely pleased that today the Senate is giving advice and consent to the Hague Convention on Intercountry Adoption, and approval to the related implementing legislation.

The Senate's approval of these measures will send both of them to the President for his signature. This is good news for American parents looking to adopt overseas, and good news for the thousands of orphaned children overseas looking for loving homes.

This treaty is important for a very simple reason—it will help facilitate international adoptions and provide important safeguards for children and adoptive parents. It is a good thing when the government can make things easier for its citizens—in this case, adoptive parents. An adoption is a joyous occasion, but the current system can be confusing and present uncertainties.

The Hague Convention establishes a uniform system for adopting children from other countries—so that both adoptive parents and biological parents have the assurance that an adoption is being done right. The Hague Convention and the implementing bill also establish mechanisms for improved governmental oversight for international adoptions—in order to guard against fraud and other problems associated with such adoptions.

The implementing legislation is the product of compromise between a number of people—the Chairman of the Foreign Relations Committee, Senator HELMS, Senator LANDRIEU, Senator BROWNBACK, and myself, and several people in the other body, including Chairman BEN GILMAN, and Representative SAM GEJDENSON, BILL DELAHUNT, and DAVE CAMP. None of us got all that we wanted. But I believe we have a good product here. I want to express my appreciation to them and their staffs for the hard work that went into the drafting of this bill. Several people in the executive branch, too numerous to mention, also contributed greatly to this bill.

Now the hard work of putting the promise of the Hague Convention into reality begins. The executive branch will have much to do in implementing this treaty, and Congress will have a duty to oversee this work closely. But today we are taking an important step for parents and children—a step about which we can all be proud.

EXECUTIVE SESSION—TREATIES

Mr. ENZI. I ask unanimous consent that the Senate proceed to executive session to consider the following treaties on today's Executive Calendar:

Nos. 15, 17, 18, and 19.

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

The clerk will report.

The legislative clerk read as follows:

Treaty Document No. 105–1, Convention On Protection of Children and Co-operation In Respect of Intercountry Adoption;

Treaty Document No. 106–8, Convention (No. 176) Concerning Safety and Health in Mines;

Treaty Document No. 106–14, Food Aid Convention 1999;

Treaty Document No. 105–48, Inter-American Convention On Sea Turtles.

Mr. ENZI. I further ask unanimous consent that the treaties be considered as having passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification; all committee provisos, reservations, understandings, and declarations be considered agreed to.

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

The treaties will be considered to have passed through their various parliamentary stages up to and including the resolutions of ratification.

The resolutions of ratification read as follows:

CONVENTION ON PROTECTION OF CHILDREN AND COOPERATION IN RESPECT OF INTERCOUNTRY ADOPTION

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption, adopted and opened for signature at the conclusion of the seventeenth session of the Hague Conference on Private International Law on May 29, 1993 (Treaty Doc. 105–51) (hereinafter, ''The Convention''), subject to the declarations of subsection (a) and subsection (b).

(a) DECLARATIONS.—The Senate's advice and consent is subject to the following declarations, which shall be included in the instrument of ratification.

(1) NON-SELF EXECUTING CONVENTION.—The United States declares that the provisions of Articles 1 through 39 of the Convention are non self-executing.

(2) PERFORMANCE OF REQUIRED FUNCTIONS.—The United States declares, pursuant to Article 22(2), that in the United States the Central Authority functions under Articles 15–21 may also be performed by bodies or persons meeting the requirements of Articles 22(2)(a) and (b). Such bodies or persons will be subject to federal law and regulations implementing the Convention as well as state licensing and other laws and regulations applicable to providers of adoption services. The performance of Central Authority functions by such approved adoption service providers would be subject to the supervision of the competent federal and state authorities in the United States.

(b) DECLARATIONS.—The Senate's advice and consent is subject to the following declarations, which shall be binding on the President:

(1) DEPOSIT OF INSTRUMENT.—The President shall not deposit the instrument of ratification for the Convention until such time as the federal law implementing the Convention is enacted and the United States is able to carry out all the obligations of the Convention, as required by its implementing legislation.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(3) SUPREMACY OF THE CONSTITUTION.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

(4) REJECTION OF NO RESERVATIONS PROVISION.—It is the Sense of the Senate that the ''no reservations'' provision contained in Article 40 of the Convention has the effect of inhibiting the Senate from exercising its constitutional duty to give advice and consent to a treaty, and the Senate's approval of this Convention should not be construed as a precedent for acquiescence to future treaties containing such a provision.

CONVENTION (NO. 176) CONCERNING SAFETY AND HEALTH IN MINES

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Convention (No. 176) Concerning Safety and Health in Mines, Adopted by the International Labor Conference at its 82nd Session in Geneva on June 22, 1995 (Treaty Doc. 106–8) (hereinafter, ''The Convention''), subject to the understandings of subsection (a), the declarations of subsection (b) and the provisos of subsection (c).

(a) UNDERSTANDINGS.—The Senate's advice and consent is subject to the following understandings, which shall be included in the instrument of ratification:

(1) ARTICLE 12.—The United States understands that Article 12 does not mean that the employer in charge shall always be held responsible for the acts of an independent contractor.

(2) ARTICLE 13.—The United States understands that Article 13 neither alters nor abrogates any requirement, mandated by domestic statute, that a miner or a miner's representative must sign an inspection notice, or that a copy of a written inspection notice must be provided to the mine operator no later than the time of inspection.

(b) DECLARATIONS.—The Senate's advice and consent is subject to the following declarations, which shall be binding on the President:

(1) NOT SELF-EXECUTING.—The United States understands that the Convention is not self-executing.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the State Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) PROVISOS.—The advice and consent of the Senate is subject to the following provisos:

(1) REPORT.—One year after the date the Convention enters into force for the United States, and annually for five years thereafter, the Secretary of Labor, after consultation with the Secretary of State, shall provide a report to the Committee on Foreign Relations of the Senate setting forth the following:

(i) a listing of parties which have excluded mines from the Convention's application pursuant to Article 2(a), a description of the excluded mines, an explanation of the reasons for the exclusions, and an indication of whether the party plans or has taken steps to progressively cover all mines, as set forth in Article 2(b);

(ii) a listing of countries which are or have become parties to the Convention and corresponding dates; and

(iii) an assessment of the relative costs or competitive benefits realized during the reporting period, if any, by United States mine operators as a result of United States ratification of the Convention.

(2) SUPREMACY OF THE CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

FOOD AID CONVENTION, 1999

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Food Aid Convention, 1999, which was open for signature at the United Nations Headquarters, New York, from May 1 through June 30, 1999, and signed by the United States on June 16, 1999 (Treaty Doc. 106–14), referred to in this resolution of ratification as ''The Convention,'' subject to the declarations of subsection (a) and the proviso of subsection (b).

(a) DECLARATIONS.—The advice and consent of the Senate is subject to the following declarations:

(1) NO DIVERSION.—United States contributions pursuant to this Convention shall not be diverted to government troops or security forces in countries which have been designated as state sponsors of terrorism by the Secretary of State.

(2) PRIVATE VOLUNTARY ORGANIZATIONS.—To the maximum feasible extent, distribution of United States contributions under this Convention should be accomplished through private voluntary organizations.

(3) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the State Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The advice and consent of the Senate is subject to the following provisos:

(1) SUPREMACY OF THE CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

INTER-AMERICAN CONVENTION FOR THE PROTECTION AND CONSERVATION OF SEA TURTLES, WITH ANNEXES

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Inter-American Convention for the Protection and Conservation of Sea Turtles, With Annexes, done at Caracas, Venezuela, on December 1, 1996 (Treaty Doc. 105–48), which was signed by the United States, subject to ratification, on December 13, 1996, referred to in this resolution of ratification as ''The Convention,'' subject to the understandings of subsection (a), the declarations of subsection (b) and the provisos of subsection (c).

(a) UNDERSTANDINGS.—The advice and consent of the Senate is subject to the following understandings, which shall be included in the instrument of ratification of the Convention and shall be binding on the President:

(1) ARTICLE VI (''SECRETARIAT'').—The United States understands that no permanent secretariat is established by this Convention, and that nothing in the Convention obligates the United States to appropriate funds for the purpose of establishing a permanent secretariat now or in the future.

(2) ARTICLE XII (''INTERNATIONAL COOPERATION'').—The United States understands that, upon entry into force of this Convention for the United States, the United States will have no binding obligation under the Convention to provide additional funding or technical assistance for any of the measures listed in Article XII.

(3) ARTICLE XIII (''FINANCIAL RESOURCES'').—Bearing in mind the provisions of paragraph (7), the United States understands that establishment of a ''special fund,'' as described in this Article, imposes no obligation on Parties to participate or contribute to the fund.

(b) DECLARATIONS.—The advice and consent of the Senate is subject to the following declarations:

(1) ''NO RESERVATIONS'' CLAUSE.—Concerning Article XXIII, it is the sense of the Senate that this ''no reservations'' provision has the effect of inhibiting the Senate in its exercise of its constitutional duty to give advice and consent to ratification of a treaty, and the Senate's approval of these treaties should not be construed as a precedent for acquiescence to future treaties containing such provisions.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1998, and Condition (8) of the resolution of ratification of the Document Agreed Among the State Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(3) NEW LEGISLATION.—Existing federal legislation provides sufficient legislative authority to implement United States obligations under the Convention. Accordingly, no new legislation is necessary in order for the United States to implement the Convention. Because all species of sea turtles occurring in the Western Hemisphere are listed as endangered or threatened under the Endangered Species Act of 1973, as amended (Title 16, United States Code, Section 1536 et seq.), said Act will serve as the basic authority for implementation of United States obligations under the Convention.

(4) ARTICLES IX AND X (''MONITORING PROGRAMS,'' ''COMPLIANCE'').—The United States understands that nothing in the Convention precludes the boarding, inspection or arrest by United States authorities of any vessel which is found within United States territory or maritime areas with respect to which it exercises sovereignty, sovereign rights or jurisdiction, for purposes consistent with Articles IX and X of this Convention.

(5) It is the sense of the Senate that the entry into force and implementation of this Convention in the United States should not interfere with the right of waterfront property owners, public or private, to use or alienate their property as they see fit consistent with pre-existing domestic law.

(c) PROVISOS.—The advice and consent of the Senate is subject to the following provisos:

(1) REPORT TO CONGRESS.—The Secretary of State shall provide to the Committee on Foreign Relations of the Senate a copy of each annual report prepared by the United States in accordance with Article XI of the Convention. The Secretary shall include for the

Committee's information a list of ''traditional communities'' exceptions which may have been declared by an party to the Convention.

(2) SUPREMACY OF THE CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Mr. ENZI. I further ask unanimous consent that any statements be printed in the CONGRESSIONAL RECORD as if read, and that the Senate take one vote on the resolutions of ratification to be considered as separate votes. Further, that when the resolutions of ratification are voted upon, the motion to reconsider be laid upon the table, the President be notified of the Senate's action, and that following the disposition of the treaties, the Senate return to legislative session.

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

The understandings to the resolutions of ratification are agreed to.

Mr. ENZI. I ask for a division vote on the resolutions of ratification.

The PRESIDING OFFICER. A division has been requested.

Senators in favor of the resolutions of ratification will rise and stand until counted.

Those opposed will rise and stand until counted.

On a division, two-thirds of the Senators present having voted in the affirmative, the resolutions of ratification are agreed to.

LEGISLATION SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

ORDERS FOR THURSDAY, SEPTEMBER 21, 2000

Mr. ENZI. Mr. President, I ask unanimous consent when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Thursday, September 21, 2000.

I further ask unanimous consent that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business until 11:30 a.m., with Senators speaking for up to 5 minutes each, with the following exceptions: Senator LOTT or his designee, 60 minutes; Senator DASCHLE or his designee, 60 minutes.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Without objection, it is so ordered.

PROGRAM

Mr. ENZI. Mr. President, when the Senate convenes at 9:30 a.m., the Senate will be in a period of morning business until 11:30 a.m. Following morning business, the Senate will resume postcloture debate on the motion to proceed to S. 2045, the H–1B visa bill. An agreement is being negotiated regarding the Water Resources Development Act, and it is hoped that the Senate can begin consideration of the bill this week. Therefore, Senators should be prepared to vote during tomorrow's session of the Senate.

ORDER FOR ADJOURNMENT

Mr. ENZI. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order, at the close of my remarks. I ask unanimous consent I be given such time as I might use.

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

THE BUDGET

Mr. ENZI. Mr. President, I have now been in the Senate almost 4 years. Some of the days have been extremely long, but the years have been extremely short. We work through a process here that I am sure, as people watch, seems extremely slow and cumbersome. That is probably because it is. It was designed that way by our forefathers. They intended that legislation that affects this Nation would be carefully considered in two separate bodies and then submitted to the executive branch for the possibility of a veto. That takes a long time.

The bodies have grown in size as a number of States came into the Nation, and that makes it more difficult. But it is a system that works better than that in any other country in the world, and it is working now. It is difficult, very difficult; long days, tough issues, tough choices.

When I first came to the Senate, the first issue I got to talk about was the balanced budget amendment. At that time, it was just a dream that at some point we could get the discipline to balance a budget. It had been years since a budget had been balanced around here. As we went through that debate, people said: Oh, this doesn't give us enough leeway. What if we would have a war? Technically, I guess, we have had a couple since that time, and we have still balanced the budget. Not only that, the economy has increased, and many will attribute that to the budget being balanced. In countries around the world, as they balance the budget, their economy improves. We balanced the budget, the economy improved. It gave us a lot more money to work with.

In fact, we have so much money, we have started talking about honesty with the Social Security surplus. That is music to my heart. I am the only accountant in the Senate. It was pretty obvious that, with our accounting techniques, we were spending the Social Security surplus. People pay into Social Security, and the money that is paid in is, for the most part, paid in to the recipients of Social Security. It doesn't really flow into a trust fund and stay there with the portion of the trust fund for the person on retirement being used. No, the money flows in and the money flows out. But at the moment, there are more people working than receiving. As a result, there is a surplus in Social Security.

That is going to change pretty drastically in about 2013. At that point, we are going to have more people retiring than working, and there will be a deficit in Social Security. So it has been very important that we be honest on Social Security and start to put that Social Security away.

We also tried a motion to assure that would be put away. It is called a lockbox on Social Security. That has never passed around here—similar to the balanced budget amendment, which did not pass. But the American people understood how important that balanced budget amendment was, that the Federal Government couldn't spend money, just as they cannot spend more money than they have, and they insisted on a balanced budget, and we got it. We talked about a lockbox. I think we had seven different votes to end the filibuster to put that into law. It has not happened. But the message has been delivered by the people of this country that we are going to put a lockbox on Social Security; we are going to put that money away; we are not going to touch it, so the little bit that there is—this is just a surplus, the money that is flowing in and out—will be there later.

One of the things we are doing with that is we are paying down the national debt. You will hear a number of us around here say if you really look at the accounting on this, are we paying down the national debt? No, we are paying down the public national debt. We are taking that money that individuals across this country have invested in Treasury bills and we are buying their Treasury bills back. What that does is put IOUs into the Social Security trust fund—not money. We got rid of the money.

At the moment, if you have a Treasury bill, you are paid interest periodically. We have to pay the interest if the public owns the debt. So what do we achieve by taking Social Security money and buying up this public debt? I will tell you what we achieve. We achieve the ability to spend more money because we do not pay Social Security interest in cash at the moment that it is due. We take a little bit of IOU and we use it to make the Social Security trust fund a little bit bigger. But it is not real money. If we wanted to spend it, we would have to put in money in order to take money out. How would we do that? We would increase the public debt.

If you call the Treasury and they tell you the national debt at the moment—that is, the total, public and private—

is bigger than it was a year ago, then we really have not paid off any of the national debt. But we have made the country a little more secure for Social Security.

One of the things we need to do now, the new push—for some of us, this is not a new push. The Presiding Officer, since he came here, has been adamant on paying down the national debt honestly. Senator ALLARD of Colorado and I got together our first year and talked about how this country ought to commit to paying down the national debt. There is not anybody in my State who does not understand that debts come due, and if we have a debt—and we talked about having a surplus—maybe we ought to take care of that debt a little bit. We put together a bill that put the national debt on a system like a house payment. We figured out how you could pay off the national debt in 30 years. That is about the time you normally pay a house down; it works similar to a house payment.

You start with a fixed payment. This number still seems to be an awfully big number to me, but around Washington it is not a big number. You just start with a measly $10 billion. You pay that $10 billion in, and it saves you some interest—genuinely saves you interest. What you do is you take that interest that you save and, instead of spending it or putting phony IOUs in a box, you take that actual cash and you add it to the $10 billion. That is your next year's payment.

So each year the $10 billion grows by the amount of interest you save, so that the final payment is huge—kind of the way a house payment works. The amount of principal that gets paid off in the 30th year on your house is practically the whole payment. With some discipline and a steady plan, that is the same thing as anybody in this country does when they are buying a house: We can pay off the national debt in 30 years.

You will hear a lot of rhetoric around here about how we might have a war; what would we do? Some unusual expenditures might come up. That is an excuse for not paying a normal payment to pay off the debt. It is just an excuse. If we were really serious about paying off the national debt, we would enter into that kind of agreement and then we would say: Here is how it works if we have a war. People who have a home sometimes outgrow their home, it is kind of an emergency, and they decide they will add to their home a little bit.

What do they do? They take out a second mortgage. That is what we ought to be doing, figuring out the lifespan of how we pay for that U.S. purchase and adding it to the payment so we stretch the payment out over a little period of time. That is money we borrowed from our kids. They are the ones who will have to pay that back.

I have to tell you, we have not gotten a single Democrat to sign onto the debt reduction in any of the forms that we have proposed it.

This year, we tried a little different approach because the surplus is growing so fast that, evidently, those estimating it cannot keep up with the estimations because every time there is a new estimation, it is greater than the one before. So what we have done in the appropriations bills this year is put in a little provision—in almost all of them, as another announcement is made of this huge new surplus—that half of that surplus has to genuinely go to the national debt. We have been successful in putting that in almost every bill.

Now we have a third plan. We are still trying to get some people in this body to sign on to debt reduction. There isn't anybody in this body who does not talk about the importance of debt reduction for this country. For some, that is a code word for, ''We could spend it, and we ought to spend, and it is more fun to spend it.'' But that is not the right thing to do with it.

So we have said, OK, this year, for the fiscal year for which we are appropriating, we are going to have about $280 billion in surplus. The $280 billion is part Social Security surplus and part real surplus. But we made a proposal that 90 percent of that $280 billion ought to go to debt reduction—part of it the way we have been doing it with the Social Security and part of it with the real money. That still leaves us an increase of 10 percent, which actually works out to a little more than 10 percent. It is 10 percent of the surplus, but it is a bigger increase in spending.

We have said, how about if we save that other 10 percent, and, at the most, allocate half of it to tax reduction and half of it to spending? That is a proposal we are still putting forth. It has a lot of popularity across the country. Again, people recognize the need to pay down the debt, but people also realize that that puts a tremendous safety mechanism in our budget process at the moment.

But you will not see much on that in the papers. The papers don't carry debt reduction very much. People do not really carry it around as a code word. I guess it is kind of an accounting thing. But I have to tell you, I travel back to Wyoming almost every weekend, and we drive 300 to 500 miles and go to all the towns—the big ones and the little ones—and the people out there understand it. They say: That is a top priority. Pay down that debt. We got into that debt. We need to get out of that debt. And we need to take care of our kids.

I mentioned the media probably will not carry much about that. I have not seen it in the eastern media. I am often disturbed at what the eastern media puts in the paper. Right now, of course, what they are doing is trying to generate some interest in the political races, particularly the Presidential race. The media isn't really being fair on that issue.

I attended the Republican convention. That was on television, and I noticed there were 48 hours of it that were broadcast across the country. Then the Democratic convention happened later in the month, and evidently there was not anything else happening because they got 80 hours. That is not quite equal time. It is nowhere near equal time. It is almost twice as much time.

I also noticed that the people covering the conventions were the same at both conventions, and their political colors showed. When they were at the Republican convention, they criticized everything. When they were at the Democratic convention, they lauded everything. That does not sound like United States good, old American fairness to me.

The closest I have seen in fairness is in today's Washington Post editorial, which is entitled ''Al Gore vs. Business.'' It offers us a glimpse of the skin-deep approach to many policies, but particularly health care policies. Those are important in this country right now.

We, through the media, have elevated that to a higher level than it has ever been before. Even the Washington Post speculates that: ''the candidate''—by candidate, they mean Vice President GORE—''plans to go after, in the same vein, a different industry every day, each target undoubtedly poll-tested.''

I would like to read the closing of their editorial and then offer some facts for your consideration on these health care things we are talking about. This is the Washington Post. This is not me.

> There are fair points to be made about the right balance between free enterprise and regulation, and useful debates to be had. Mr. Gore seems more intent upon telling us that he's for the people, not the powerful. Given his history, the slogan seems about as sincere as it is useful.

Not me—the Washington Post, that doesn't carry the stuff I really like to read about. But he is going to take on a different industry.

I am not concerned about big industry in this country. Big industry came about because of big government. If you are going to handle the bureaucracy, you have to have specialists. Big business has grown to take care of some of the specialists needed to handle the bureaucracy. The folks I am worried about are the small businesses.

When I first came to the Senate, again, one of the early debates we had on the Small Business Committee—which is one of the really joyful committees for Wyoming because all of our businesses are small businesses—one of the first discussions we had was: What is a small business? The Federal definition says: Under 500 employees. I guess we don't have any big business in Wyoming—not one. I contend that a small business is the one where the owner of the business sweeps the sidewalk, cleans the toilets, does the bookkeeping, and waits on customers.

In this country, if it is going to succeed, we need to get to a situation

where that small business can deal with the bureaucracy and the forms and all of the things we put on them because that is where the entrepreneurship in this country starts. That is where the businesses start.

One of the things we are talking about with businesses, of course, is health insurance. We are trying to encourage the businesses to provide health insurance. But at the same time, here we come up with a lot of complicated situations for how we are going to handle that, that make it necessary for businesses to be bigger and have specialists.

We are also talking about Medicare and Social Security and how we are going to keep them solvent. One of the things we are good at doing here is trying to outbid everything. We have a Medicare system that is going broke. We have a Medicare system that everybody admits needs to be fixed. The President, in his State of the Union speech, mentioned the importance of fixing Medicare.

Plans for fixing Medicare? There is a bipartisan plan. It came out of a commission. Senator BREAUX and Senator FRIST headed up this commission. They have a plan that will save it.

Are we working on that plan? No. It doesn't generate enough publicity. We have gone to something that is a little catchier than that, and that is prescription drugs, and we are concerned about how people in this country can afford their prescription drugs and how nobody in this country should have to make a choice between food and prescription drugs. There isn't anybody here who thinks that kind of a choice ought to be made.

What kind of a plan do we have? I know of six of them among Members here in this body. I know of four that are on this side. And then there are a couple more because in the Presidential election this has been poll-tested as an important feature and both candidates have a plan.

The Washington Post has been covering the plans. I want to show you a little bit about how they are covering it.

The biggest secret out there is the details of Mr. Gore's plan. But the Washington Post has delved into them a little bit and given us a little bit of information. Again, this isn't what I have written. But the Washington Post does give Bush some credit for detailing a Medicare plan. They say:

> Texas Gov. George W. Bush today proposed spending $198 billion to enhance Medicare over the next 10 years, including covering the full cost of prescription drugs for seniors with low incomes.
>
> Bush's plan was modeled on a [bipartisan] proposal by Sen. John Breaux (D-LA) and Sen. Bill Frist (R-TN).
>
> [Bush's plan proposes] fully subsidizing people with incomes less than 135 percent of the poverty level and creating a sliding scale for people with slightly more money. But Gore would stop the sliding scale at 150 percent of the poverty level, while Bush would extend it to 175 percent.

I do appreciate them also going through the work of drawing up a little comparison and putting that in the paper. If you remember, on the other side it said it was going to cost $198 billion. They did the courtesy of adding up the columns for the two different proposals; the Gore proposal, the Bush proposal. The Gore proposal shows $158 billion by 2010. Why did he say $198 billion on the other page? Mystery. It also sounds as if he is spending an awful lot of money. When we total up this column, it comes to $253 billion. That is a little more than $158 billion.

They also do a comparison of how it is supposed to work. The biggest difference on the two sides of this chart is how it is handled, two different philosophies on how it is handled. One philosophy says the Government knows best. Send your money to Washington. Washington will handle it.

On the other side, Governor Bush says, we have a lot of things in place in this country, and they have been working well. Let's encourage them to work better and provide for more. Let's definitely not turn this thing over to HCFA.

HCFA is one of those acronyms we use around here. All you have to do is mention HCFA to any medical provider and see the grimace they get on their face. It is a system that isn't working for the things they have already been assigned, and now we are talking about assigning them more work.

Federal plan—Government knows best—as opposed to use what we have—distribute it to the States, have the States use it through the plans that have been providing health care to the people already.

I will go into the details of this at another time. I hope all of you do pay attention to what is being suggested out there because people think there is going to be a prescription drug plan that is going to be done between now and the time we adjourn this year, during this time of volatile politics.

That isn't how we do any of the bills. That is how I started this out, mentioning how our process works slowly and pretty well. It goes through a committee process usually. That is where the ''bipartisan'' is supposed to come in. That is where both sides suggest amendments to a good plan. But that takes time. We have limits on how long in advance before a markup, which is where they insert amendments into the bill, that you have to turn these amendments in. And then often the markup, particularly if it is a complicated issue, one as far reaching as prescription drugs, might take several different days of working through the amendments, meeting and compromising and trying to come up with the plan that will work best for our country.

That is where we need to go now. We need to have that process; we need to do that process. We should not latch on to any particular plan that is out there, unless, of course, we do the one that came out of the commission, that evolved in a bipartisan way over a long process. But that is not going to happen when the two sides have two plans.

I know the hour is getting late. I have already done my part on an education program. I want to emphasize, again, we need to pay down the national debt. I want to emphasize, again, the need to have a prescription drug plan for this country but to have the right one, not a flash-in-the-pan program, particularly not one that takes people who already have a prescription benefit and shoves them into a Federal plan against their will, taking away the right to choose that they have now. I hope we have a situation where we can work together and come up with a plan where those who are happy with their situation can continue to do it that way, and those who aren't can have a new opportunity.

That is a commitment Governor Bush has already made. He has outlined the plan. He has a plan. He has a policy. We are a little short on policies around here, but it is something that could be worked through.

One of the things I was impressed with when he became the Governor of Texas was the legislature was Democrat. He was Republican. He sat down with each and every legislator, face to face, one on one, and talked about what needed to be done for Texas. Then they did it.

Every time a new President is elected, I grab a biography that particular President likes and I read it. One of the things I found is that people repeat successes. I am sure the next President will be no different than any other President. If it is Governor Bush, I expect the opportunity to sit down with him—I look forward to it—face to face, one on one, and talk about the things that I see as necessary for this country and that he sees as necessary for this country. But more importantly, he will sit down with the people on the other side of the aisle.

One of the things we are missing in this country right now is more of a bipartisan effort, that time of sitting down and working things out. That is how it starts, with the leadership, with the President. I will be expecting him to visit with each and every person here and all 435 on the other end of this building. A tremendous effort? Absolutely. It is the most essential thing I can think of. It is the way to get things done in a bipartisan manner. That is how we will get a prescription drug plan. That is how we will improve the medical plans we already have in this country that are recognized internationally as being some of the best.

One of the great things about America is that we say we have the best, but we are always looking for ways to make it better. That is how our economy works. That is how the Government works. That is how free enterprise works.

I thank the Chair and yield the floor.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 9:30 a.m. on Thursday, September 21, 2000.

Thereupon, the Senate, at 6:24 p.m., adjourned until Thursday, September 21, 2000, at 9:30 a.m.

EXTENSIONS OF REMARKS

FSC REPEAL AND EXTRA-TERRITORIAL INCOME EXCLUSION ACT OF 2000

SPEECH OF

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 2000

Mr. STARK. Mr. Speaker, please submit the following report from the August 14, 2000 edition of Tax Notes into the RECORD.

TAX ANALYSTS SPECIAL REPORT: FOREIGN SALES CORPORATION BENEFICIARIES: A PROFILE

(By Jose Oyola)

A World Trade Organization (WTO) panel concluded in 1999 that the tax benefits of foreign sales corporations (FSC) constitute a prohibited export subsidy. According to the WTO panel, the United States cannot establish a regime of direct taxation and claim that it is entitled to provide an export subsidy because it is necessary to eliminate a disadvantage to exporters created by the U.S. tax system itself. In negotiations during the course of this year, U.S. Treasury representatives presented an alternative tax scheme to the European Union (EU), but it was promptly rejected by EU officials. Negotiations are continuing, and must result in legislative changes by the beginning of FY 2001 to avoid costly sanctions.

In searching for export incentives that meet WTO standards, policymakers already have a wide range of government incentives that enhance the international competitiveness of U.S.-based companies. Some benefits are directly related to exports, like the Export-Import (Ex-Im) Bank loans and guarantees. Other incentives, like the research and experimentation tax credit, strengthen the overall competitiveness of U.S.-based corporations.

This article provides a profile of 250 companies that reported $1.2 billion in FSC tax benefits in their 1998 filings with the Securities and Exchange Commission (SEC). The article shows, for the first time, how FSC beneficiaries combine several tax benefits and government programs that do not run afoul of WTO standards. The article also presents the contribution to corporate profits from several tax incentives, and the 1991–1998 accumulated FSC tax benefits for 18 large FSC beneficiaries.

PROFILE SUMMARY

The profile of the 250 companies that reported $1.2 billion FSC tax benefits in 1998 is as follows:

The top 20 percent of the U.S. companies in the sample claimed 87 percent of the FSC tax benefits.

Almost 30 percent of the FSC recipients reported other tax benefits, such as Research & Experimentation (R&E) tax benefits.

The cumulative 1991–1998 FSC benefits of the top 18 FSC beneficiaries were almost $3.7 billion. FSC benefits represented about 3.4 percent of the net income for this group. One of the top beneficiaries received FSC benefits equal to 10 percent of its net income.

The U.S. government operated other export-promotion programs, mainly through the Department of Agriculture and the Ex-Im Bank. The aircraft industry had almost 45 percent of the Ex-Im Bank loan guarantees outstanding at the end of FY 1999.

DISTRIBUTION OF THE FSC TAX BENEFITS

The distribution of FSC benefits is shown in table 1. The top 20 percent of FSC beneficiaries (ranked by size of reported FSC benefit in 1998) obtained 87 percent of the FSC benefits. The high concentration of FSC benefits in the top 50 companies in the sample is partly caused by the dominant role of large corporations in U.S. exports.

COMBINING FSC BENEFITS WITH OTHER TAX BENEFITS

Seventy-one companies (28 percent of the sample) reported $1.7 billion in tax benefits from the following sources: $1.2 billion FSC benefits, $353 million Research & Experimentation tax benefits, $123 million in benefits related to exempt investment income, and $32 million in tax benefits of Puerto Rican operations, as shown in table 2.

Table 3 shows 10 of the top FSC beneficiaries that received multiple tax benefits. The largest company in this group was Boeing Company, which received $130 million in FSC tax benefits and almost the same amount ($127 million) in Research & Experimentation tax benefits.

FSC CUMULATIVE BENEFITS IN 1991–1998

Table 4 provides the cumulative 1991–1998 FSC benefits of 18 top FSC beneficiaries. The two largest FSC beneficiaries, General Electric Company and Boeing Company, received almost $750 million and $686 million FSC benefits in eight years, respectively. The FSC benefits obtained by Boeing Company were almost 10 percent of its 1991–1998 cumulative net income.

OTHER GOVERNMENT EXPORT INCENTIVES

The U.S. government has 10 agencies that spent almost $2.0 billion in appropriations for export promotion activities in 1999. Two agencies that provide direct financial support to U.S. exporters, the Ex-Im Bank and the Department of Agriculture, received $1.5 billion or almost 80 percent of the total federal budget resources spent on export promotion. The Ex-Im Bank, in particular, provides direct loans and loan guarantees against political and commercial risk.

Ex-Im Bank's largest commitments at the end of fiscal year 1999 were in the air transportation industry, with $15.1 billion or 45 percent of its total outstanding guarantees. Table 5 shows the 1996–1999 annual Ex-Im Bank guarantees linked to aircraft exports of one of the largest FSC beneficiaries, Boeing Company. Government guarantees linked to Boeing exports increased from $1.1 billion in 1996 to $5.7 billion in 1999. The guarantees given to Boeing Company increased from 22 percent in 1996 to 78 percent of the annual Ex-Im Bank guarantees in 1999.

CONCLUSION

Many U.S.-based companies already receive a combination of direct tax incentives and export-related benefits, in addition to the FSC tax benefits. Most of the benefits are received by a small number of large corporations that account for most U.S. exports. Policymakers have available a number of tax and other government incentives that meet WTO standards, and that could be expanded to replace the prohibited direct tax subsidy provided by the FSC tax regime.

TABLE 1.—CORPORATIONS RANKED BY SIZE OF FSC BENEFIT

[Dollars in millions]

	FSC benefit	Percent	Average benefit	Standard deviation
Top 50 companies	$1,057.5	86.8	$21.1	$30.6
51–100	101.2	8.3	2.0	0.7
101–150	39.2	3.2	0.8	0.2

TABLE 1.—CORPORATIONS RANKED BY SIZE OF FSC BENEFIT—Continued

[Dollars in millions]

	FSC benefit	Percent	Average benefit	Standard deviation
151–200	16.0	1.3	0.3	0.1
201–250	5.0	0.4	0.1	0.1
Total 250 corps	1,218.8	100	4.9	$16.0

Source: Author's calculations based on corporations' financial statements.

TABLE 2.—TAX SAVINGS BY RECIPIENTS OF MULTIPLE TAX BENEFITS

[Millions]

Top benefits of firms that reported two or more tax benefits	13 firms out of the top 50 FSC beneficiaries	58 firms out of next 200 FSC beneficiaries
FSC Benefits	$1,058	$161
R&E Tax Credit	275	78
Exempt Investment Income	91	32
Possessions Tax Credit	19	13
Total	1,442	284

Source: Author's calculations based on corporations' financial statements.

TABLE 3.—FSC BENEFICIARIES REPORTING SEVERAL TAX BENEFITS

[Dollars in millions]

FSC Beneficiaries	FSC exemption benefit	R&E credit benefit	Exempt investment income	Possessions tax credit benefit	Total
Boeing Company	$130.0	$127.0	0	0	257.0
Cisco Systems, Inc	55.3	32.2	36.8	0	124.3
Allied-Signal, Inc	50.5	0	11.7	0	62.2
PACCAR, Inc	20.9	0	28.1	0	49.0
Monsanto Company	29.0	3.0	0	16.0	48.0
Guidant Corp	8.9	6.3	0	2.2	17.4
Cabletron Systems, Inc	4.7	1.9	3.6	0	10.2
Owens-Illinois, Inc	3.0	3.1	0	3.0	9.1
Stryker Corp	3.1	0	0	4.1	7.2
St. Jude Medical, Inc	5.7	0	0	0.1	5.8
Subtotal	311.1	173.5	80.2	25.4	590.2
240 Other corporations	907.7	179.5	42.5	6.8	1,136.5
Total, 250 corporations	1,218.8	353.0	122.7	32.2	1,726.7

Source: Author's calculations based on corporations' financial statements.
Note: Owens-Illinois reported a combined $6 million in FSC and possessions tax benefits.

TABLE 4.—1991–1998 FSC BENEFITS FOR 18 OF THE TOP 50 BENEFICIARIES

[Dollars in millions]

	Total FSC tax benefit	Total net income	Ratio of FSC benefit to net income (percent)
General Electric Company	$746.0	$47,754.0	1.6
Boeing Company	685.5	6,943.0	9.9
Motorola, Inc	378.0	6,642.0	5.7
Caterpillar Inc	312.0	4,443.0	7.0
Allied-Signal Inc	221.2	4,933.0	4.5
Cisco Systems, Inc	203.4	4,391.1	4.6
Monsanto Company	172.7	2,668.0	6.5
Archer Daniels Midland Company	165.3	4,094.1	4.0
Oracle Systems Corp	129.8	4,413.2	2.9
Raytheon Company	118.1	5,460.7	2.2
RJR Nabisco, Inc	95.0	1,664.0	5.7
International Paper Co	87.0	2,457.0	3.5
Applied Materials, Inc	86.1	2,169.1	4.0
ConAgra, Inc	85.8	3,282.5	2.6
Dover Corporation	72.3	2,071.4	3.5
Parker Hannifin Corp	44.2	1,485.9	3.0
Compuware Corp	31.1	824.6	3.8
St. Jude Medical, Inc	20.9	741.7	2.8
Total, 18 FSC beneficiaries	3,655.0	106,438.0	3.4

Source: Author's calculations based on corporation's financial statements.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

TABLE 5.—EX-IM BANK GUARANTEES FOR BOEING COMPANY

[Dollars in millions]

Year	Guarantees for Boeing aircraft & parts	Percent of annual Ex-Im Bank guarantees
1996	$1,154	22
1997	1,779	26
1998	2,541	50
1999	5,651	78

Source: Export-Import Bank of the United States annual reports.

BAGHDAD RESTRAINT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. BEREUTER. Mr. Speaker, this Member highly commends the September 18, 2000, editorial from the Omaha World-Herald about second-guessing President George Bush's decision not to invade Iraq during the Gulf War. The editorial thoughtfully discusses the possible options facing President Bush and the reasons why his final decision was clearly the best option available in a world where perfect solutions do not exist.

[From the Omaha World-Herald, Sept. 18, 2000]

BAGHDAD RESTRAINT REVISITED

The complaint is being voiced in the current campaign that the Bush administration erred during the Gulf War by failing to send a U.S. invasion force into the heart of Iraq to topple Saddam Hussein's regime.

Carrying out an ''on to Baghdad'' policy in 1991, it's claimed, would have spared the United States the headaches of dealing with Saddam's recalcitrant government over the past nine years. Public Pulse letters recently discussed this topic.

It's wishful thinking, however, to imagine that a U.S. takeover of Iraq would have neatly resolved the situation in the Persian Gulf. Far from bringing calm to the region, a U.S. or United Nations occupation of Iraq would have created new and difficult problems for this country.

A northward drive into Baghdad would have shattered the international coalition that President Bush had delicately assembled to support U.S. military action. The basis for the coalition, and for the United Nations resolutions which gave it legal legitimacy, was a concrete and limited goal; the explusion of Iraqi forces from a sovereign country, Kuwait. A full-blown invasion of Iraq, perhaps complete with block-by-block fighting in the capital city, would have far exceeded that fundamental war goal.

Public support for Desert Storm was mild at best in many of the Arab and European countries whose governments stood by Bush. Had Bush adopted a topple-Saddam strategy, CNN videotape of American tanks patrolling the streets of Baghdad—a proud Arab city once the site of an Islamic empire—could well have triggered protest throughout the Arab world. It's a good bet, that U.S. occupation would have spurred tender-hearted Europeans to take to the streets to wail anew about the horrors of U.S. ''imperialism.'' The eruption of hostility could have set back U.S. relations overseas for years.

Neither is it pleasant to contemplate what U.S. soldiers would have faced on the ground in occupying Iraq. Just as British soldiers came under withering assault in Palestine in the 1940s and French occupiers reaped the whirlwind in Algeria in the 1950s, so the U.S. occupation of a volatile Arab country like Iraq could have brought great peril to the men and women of the U.S. military.

Because Iraq lacks strong national cohesion, a U.S. invasion could well have triggered a break-up of the country into three new entities: a Kurdish north, a Sunni center and a Shia south. That radical change in the Middle East equation would have meant a host of new challenges for the United States, ranging from Turkey's anxieties over the new Kurdish state to the likelihood of Iranian manipulations of the newly independent Shias along the Persian Gulf.

The larger point here is that foreign policy issues rarely can be resolved neatly. No matter what action is taken, new problems arise. Consider the 1989 invasion that U.S. forces mounted to topple Panamanian dictator Manuel Noriega. Although the operation succeeded in ousting Noriega, Panama has continued to present the United States with new headaches. The U.S. operation restored civilian rule to the country, but that didn't stop Panama's leaders from pointedly rejecting a U.S. request last year to maintain an Air Force base at the Panama Canal. And Panama's stability is now threatened by guerrilla incursions from neighboring Colombia.

There is no reason to believe that a U.S. occupation of Iraq would have produced long-term results that were any better than those discouraging results in Panama.

George Bush had sound strategic reasons for rejecting a U.S. seizure of Baghdad. He settled on an imperfect solution, but in the real world, imperfect solutions are often the best that can be achieved.

A TRIBUTE TO NATIONAL ''TAKING CHARGE OF YOUR TV'' WEEK

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. SHAW. Mr. Speaker, I rise today to bring attention to a worthy and important program, which is the National Taking Charge of Your TV Week. This program runs from September 24th through the 29th.

The National PTA, the National Cable Television Association, and Cable in the Classroom have collaborated to develop a program in which parents and teachers mentor their children on how to use the media effectively and watch television responsibly. By providing questionnaires and guidelines, this program helps parents and teachers evaluate and curtail the impact of television violence and commercialism on their children.

The program also provides information on TV ratings, how to monitor your chidlren's television, and general research on the effects of television on children. However, the most important thing this program does is to have the TV temporarily turned off and families brought together.

Thanks to Vice President GORE, this topic has received much attention recently. But, his emphasis on the government as a solution to this problem is misguided. It is going to be through teacher and parental involvement that children learn responsible television watching. And, it is programs like National Taking Charge of Your TV Week that will make our country stronger and our children safer.

FSC REPEAL AND EXTRA-TERRITORIAL INCOME EXCLUSION ACT OF 2000

SPEECH OF

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 12, 2000

Mr. ARCHER. Mr. Speaker, my colleague, Mr. RANGEL, and I are offering these additional remarks on H.R. 4986 to correct a statement included in the Report of the Committee on Ways and Means on H.R. 4986. The explanation of the provision in the Committee Report includes a statement of the Committee's intention regarding the qualification of certain aircraft engines as qualifying foreign trade property under H.R. 4986.

In describing the Committee's intention as to the qualification of an aircraft engine as qualifying foreign trade property, the explanation in the Committee Report describes an engine that is ''specifically designed to be separated from the airframe to which it is incorporated without significant damage to either the engine or the airframe.'' The use of the word ''incorporated'' in this context is not necessarily correct and was not intended by the Committee; rather, the Committee intended to use the word ''attached.'' As the Committee Report indicates, the Committee specifically intends not to create any inference regarding the treatment of aircraft engines for any purpose other than the specific application of H.R. 4986.

INTRODUCTION OF THE ESSENTIAL RURAL HOSPITAL PRESERVATION ACT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. PAUL. Mr. Speaker, I rise to introduce the Essential Rural Hospital Preservation Act. This legislation provides a cost-effective means of providing assistance to those small rural hospitals who are struggling with the unintended consequences of the Balanced Budget Act of 1997. As those of us who represent rural areas can attest to, rural hospitals are desperately in need of such assistance. According to a survey conducted by Texas CPAs in April of 2000, the operating margin for hospitals outside a Standard Metropolitan Area with under 50 licensed beds pre-BBA was $26,000,000 while the operating margin post-BBA was negative $7,900,000. Reimbursement has been reduced by over $34 million since the BBA, while at the time the average rural hospital has incurred uncompensated and charity charges of $1.1 million since the changes contained in the Balanced Budget

Act went into effect. Unless action is taken this year to provide assistance for these hospitals, many of them will be forced to close their doors, leaving many rural areas without access to hospital services.

I believe I can speak for all of my colleagues when I say that while none of us want to endanger the Medicare trust fund, we also want to ensure that Medicare reforms do not drive valuable health care providers into bankruptcy. After all, denying Medicare recipients in rural areas access to quality health care breaks the promise the government makes to the American people when it requires them to pay taxes to finance the Medicare trust fund that they will receive quality health care in their golden years.

Therefore, I am pleased to advance this proposal, which was developed by experts in rural health care in my district, which provides help for rural health care without endangering the soundness of the Medicare trust fund. The proposal consists of four simple changes in current Medicare laws for ''Essential Service Hospitals.'' An Essential Service Hospital is defined as a hospital located in a non-Metropolitan Statistical Area with 50 state-licensed beds or less. The specifics of the legislation are:

1. A wage index for Essential Service Hospitals set at 1.0—Essential Service Hospitals receive 26 percent less Medicare Reimbursement than hospitals in MSA area. This places rural areas at disadvantage in competing for high-quality employees with hospitals in urban areas. Setting the wage index at 1.0 will enhance the ability of rural hospitals to attract the best personal and thus ensure residents of rural areas can continue to receive quality health care.

2. Allow Essential Service Hospitals to treat 100 percent of Medicare copay and deductions which become hospital bad debts as an allowable cost—The BBA of 1997 reduced the amount of bad debts incurred because of uncollected Medicare copayments and deductions that hospitals can submit to Medicare for reimbursement as an allowable cost. This places an especially tough burden on Essential Service Hospitals which often have a high percentage of bad debts because they tend to have a high percentage of low-income populations among their clientele.

3. Exempt Essential Service Hospitals from the Outpatient Payment System (PPS)—Since rural hospitals lack the volume necessary to achieve a fair reimbursement rate under PPS, it makes no sense to apply PPS to these hospitals. Exempting Essential Service Hospitals from PPS assures that they will have their reimbursement rate determined by a formula that matches their unique situation.

4. Provides a 20 percent Medicare Disproportionate Share (DSH) payment to Essential Service Hospitals—Since small rural hospitals tend to serve a larger number of low-income persons than the average hospital, they have a particular need for Medicare DSH payments. However, many of these hospitals are not benefiting from the DSH program, this legislation will help ensure these hospitals received the support from Medicare they need to continue providing vital health care to low-income residents of rural areas.

Considering that the BBA of 1997 has resulted in Medicare savings of over $50 billion more than projected by Congress surely it is not to much to ask that Congress ensure Medicare patients in rural areas are not denied access to quality health care services because of the unintended consequences of the Balanced Budget Amendment. I therefore call on my colleagues to stand up for rural hospitals by cosponsoring the Essential Rural Hospital Preservation Act.

WILDFIRES IN THE WEST RAISE QUESTION ABOUT ADMINISTRATION ACTIONS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. BEREUTER Mr. Speaker, this Member commends to his colleagues the following editorial from the September 8, 2000, Norfolk Daily News. The editorial questions the Administration's actions restricting the construction of wilderness roads which have allowed preventive measures designed to avoid blazing forest fires.

[From the Norfolk Daily News, Sept. 8, 2000

POETIC JUSTICE IN ACCUSATIONS—CLINTON ADMINISTRATION DESERVES CRITICISM FOR POLICY THAT AIDED FIRES

President Clinton is no more to blame for the wildfires ravaging the West than he is responsible for the nation's economic prosperity. But there is a certain poetic justice in political efforts to portray him and Vice President Al Gore as villains in the frightening destruction of thousands of acres of forest.

Several Western politicians—who, not coincidentally, are Republicans and allies of George W. Bush—have taken particular aim at a sweeping White House executive order preventing the building of large numbers of wilderness roads needed for forest-thinning by the lumber industry. The rationale of the order was that the lumber industry would do critical damage to the forests. But some critics have maintained that, by cutting some smaller trees and removing the underbrush, the industry can help keep forests healthy and prevent small fires from becoming raging blazes.

Vice President Gore, who is constantly lambasting industries in his presidential campaign for supposed instances of greed and chicanery, was an outspoken supporter of the executive order. Judging by the language he used, his thesis seems to be that making profits from trees is a premeditated and soulless insult to nature. A number of experts—and not just Republicans and industry spokesmen—agree, however, that some controlled lumbering activity in these area can be a blessing to nature.

Mr. Gore's business-bashing rhetoric and other aspects of the Clinton roadless policy suggest it was at least as much as effort to score political points as an effort to protect wilderness. The administration, as a result, seems to have earned the politically motivated accusations being tossed its way during this dreadful summer of fires.

In the end, of course, the fires are mainly a result of a very hot, very dry summer and of unfortunate no-burn federal policies that scarcely made their first appearance when President Clinton was elected.

President Clinton and Vice President Gore simply happen to have been in office when the fires occurred, just as they simply happened to be in office when the end of the Cold War, high-tech productivity and Federal Reserve anti-inflation policies helped create good economic times.

TRIBUTE TO CAVE SPRING NATURE PARK

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today to pay tribute to one of Missouri's treasured historical and natural sites as it celebrates its 25th Anniversary. Twenty-two years ago as a Missouri State Representative, I had the privilege to join the members of the Cave Spring Association in creating and preserving the Cave Spring Nature Park as one of our country's celebrated historical sites.

The roots run deep in the area now named the Cave Spring Nature Park. From as far back as pre-pioneer times this site was referred to as the ''Osage Trace.'' This name was attributed to the Indians who occupied the area: the Osage, Sac, Kansa, and Fox tribes. Later the area and its trails were surveyed and soon opened as trading routes to Santa Fe, New Mexico. Under the ownership of Jesse Barnes, this land would become one of the principal campgrounds for pioneer settlers, traders, and wagon trains heading west to discover the new territory. The cave spring was producing up to a million gallons of water a day to replenish the travelers and their horses, as well as creating a lush landscape.

It was this breathtaking landscape that would later attract horseback riders and picnickers including the young Harry Truman and Bess Wallace during their courtship. A picture of the infamous cave at this site would later be featured in a 1945 Life Magazine edition entitled ''Truman's Missouri.'' From 1857 to 1877 the Cave Spring was owned by Harry Truman's grandfather, Solomon Young. Soon the Truman family would build their family farm just on the outskirts of the Cave Spring area, which is today appropriately known as Grandview. In the following years the Cave Spring would be the recognized by the Daughter's of the American Revolution as one of the foremost significant sites along the historic Santa Fe Trail. Unfortunately, over the course of the next few decades the Cave Spring would fall into a period of dormancy and neglect in which the cave itself was in a ''lost'' state in which its whereabouts were unknown. It was not until the construction of a church that a large sinkhole was created which revealed the cave and subsequently the spring was rediscovered to a new world of appreciation. This brought new exploration and celebration of the Cave Spring and its surroundings. Soon after the rediscovery, the Cave Spring Association was formed to ensure that this site would receive the appreciation it has earned to ensure that its legacy will live on forever. Since 1975 the Cave Spring Nature Park and Historic Site has provided the northwestern Missouri region with a variety of natural and historic opportunities, specializing in enrichment programs for children, young adults, and families. The Association has worked tirelessly to preserve this site and the rich history that it bears.

Mr. Speaker, please join me in saluting the Cave Spring Nature Park and Historic Site and the entire Cave Spring Association for 25 years of service to the Greater Kansas City community.

IN HONOR OF THE 22D ANNIVERSARY OF THE GRAY PANTHERS OF METRO DETROIT

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. BONIOR. Mr. Speaker, today I rise to honor the 22d anniversary of one of Metro Detroit's most active and valuable organizations. For more than two decades, the Gray Panthers of Metro Detroit have been organized with the goal of advancing the causes of aging Americans and social justice for all.

The Gray Panthers were established on a national level in 1970. But it wasn't until 1978 that Lillian Rosinger, inspired by the dedication to social reform of Gray Panthers founder Maggie Kuhn, organized and was elected first convener of the Metro North Gray Panthers.

In the 22 years that followed, the all-volunteer network of grass roots activists has touched the lives of citizens across the tri-county area. They are a diverse combination of both younger and older people dreaming and working together for a better society. They have long championed the idea of a single payer health care system that will cover all Americans, young and old, rich or poor. The Gray Panthers have also taken strong, well-researched positions which support the strengthening of Social Security, Medicare and Medicaid.

True to their founding, the Gray Panthers have vigorously opposed discrimination based on age, sex, and race. They have put their hearts, minds and bodies on the lines in rallies, protest marches and public gatherings nationwide. At the local level, they can be seen rallying in support of locked out newspaper strikers or organizing a ''Medicare For All'' petition drive. Through their newsletters, website and e-mail action alerts, members have contacted elected officials in support of causes they cherish and in opposition to legislation they deem irresponsible.

Please join me in recognizing the Gray Panthers of Metro Detroit's 22d year as a force for positive social change in the Detroit and its surrounding areas.

INTRODUCTION OF THE DRUG COMPETITION ACT OF 2000

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. WAXMAN. Mr. Speaker, I rise today to introduce the Drug Competition Act of 2000.

This legislation would correct a grossly anticompetitive abuse by branded and generic drug companies of the generic drug approval process. Only recently have we learned that such companies, which usually operate as fierce competitors to the benefit of American consumers, can strike collusive agreements to trade multimillion dollar payoffs by the brand company for delays in the introduction of lower cost, generic alternatives.

These sweetheart deals have earned the scrutiny of the Federal Trade Commission and the Food and Drug Administration. The FTC recently undertook consent agreements and enforcement actions against several companies which have engaged in such deals. But more can be done to prevent them from recurring.

I am very pleased to have collaborated with Senator LEAHY of Vermont, the ranking member of the Senate Judiciary Committee, in drafting this legislation. The Drug Competition Act would simply require companies seeking to reach secret, anticompetitive agreements to disclose them to the FTC and FDA. Disclosure of these agreements would enable Federal authorities to ensure that existing antitrust and drug approval laws are enforced to the letter. In sum, American consumers can be protected from anticompetitive abuses by the application of a little ''sunshine.''

I am very pleased this bill is being introduced with bipartisan support, and I urge my colleagues to join us in cosponsoring the Drug Competition Act of 2000.

PERSONAL EXPLANATION

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Ms. ESHOO. Mr. Speaker, due to illness, I was not able to vote during consideration of rollcall 46–476. Had I been present, I would have voted: ''aye'' on rollcall numbers 460–465, 469, 471–472 and 475; ''no'' on rollcall numbers 466–468, 470, 473–474, and 476.

IN RECOGNITION OF THE FOURTH STREET BAPTIST CHURCH'S 100TH ANNIVERSARY

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. COLLINS. Mr. Speaker, it has been 2000 years since our Lord was borne, and for one hundred of those years, his people have been served by the Fourth Street Missionary Baptist Church. I wish that prior obligations did not prevent me from joining you as you celebrate this milestone in your impressive new sanctuary.

But I am reminded that Jesus said his church would be built of living stones—of people—who are far more important than any structure, no matter how great and how beautiful it is.

When Fourth Street Missionary Baptist Church was founded a century ago by Reverend Willie Carter and Reverend John Bellamy, the church family worshipped under a brush arbor of vine and fig tree leaves. A man of this world would have seen a small group praying under a humble roof of green which would turn brown by winter. But a man of the spirit would have seen God laying living foundation stones for a church that would still be standing and growing 100 years hence.

Like many church bodies, the Fourth Street Missionary Baptist Church evolved over time. Originally part of the Mount Canaan Baptist Church, its members formed the New Mount Canaan Baptist Church. In 1905, a plot of land was purchased on Fourth Street, where a small shelter was built and the church body met in the home of Deacon and Sister B.A. Parker. At this time, it adopted its present name. In 1935, reflecting the growing church body, a new sanctuary was built at the corner of Third Avenue and Fifth Street.

In 1961, Reverend Johnny Flakes Jr. accepted the call to pastor the church and helped lead the church into a bright future.

Under his leadership, the church was renovated in 1966. In 1977, a new two-story education building with a kitchen and banquet hall was built. In 1999, work was finished on your new state of the art sanctuary. More importantly, he was working, with God's grace, to build the real body of the church. Membership is over 3000, and growing, both in numbers and in spirit.

This church is a living demonstration of the power of God to work in men and women's lives. Rev. Flakes, your church has had a glorious first century, and God willing, it will have many more to come. Congratulations.

PARTNERSHIP FOR INTERNATIONAL FOOD RELIEF, H.R. 5224

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. GILMAN. Mr. Speaker, I rise today to introduce the International Food Relief Partnership Act, H.R. 5224, legislation that authorizes the stockpiling and rapid transportation, delivery and distribution of shelf stable prepackaged foods to needy individuals in foreign countries. This legislation creates a public-private partnerships to leverage the donation of nutritious food by volunteers to needy families around the globe at times of famine, disaster and other critical needs. I am pleased to join the Chairman of the Committee on Agriculture, Mr. COMBEST, the distinguished gentleman from Texas, and the Ranking Member of the Committee on Agriculture, the distinguished gentleman from Texas, Mr. STENHOLM, and the distinguished Chairman of the Subcommittee on Asia and the Pacific of the International Relations Committee, the distinguished gentleman from Nebraska, Mr. BEREUTER, in introducing this important legislation.

There is a gap in the United States' traditional international food relief effort and food reserve program that makes participation by non-profit organizations that want to contribute donated food extremely difficult. The major barrier to these volunteer contributions is the high cost of providing these donated food products to international relief organizations that transport and distribute food overseas. Agri-business efficiently and effectively provides assistance at times of greatest need through international food relief organizations that work through the Agency for International Development (AID). However, non-profits have a much more difficult time reaching international relief organizations to provide food assistance because of the high cost of processing, packaging, maintaining and shipping donated food. Consequently, food donated by non-profits is often delayed from reaching affected populations, or is simply not used for this purpose.

The International Food Relief Partnership Act will fill this gap by providing grant assistance outside the traditional food relief program

to non-profits that should be matched 50 cents on the dollar by funds raised by non-profits. These grant funds will be used by non-profits to ensure that food donated by farmers can be processed, packaged, stored, and transported overseas at the time of need. AID would be responsible for the administration of this program, although funding for it would be made available through the U.S. Department of Agriculture's Food for Peace program.

Non-profits such as Breedlove, Child Life International, and Feed the Starving Children provide direct hunger assistance at times of disaster, famine, or other critical need. Organizations such as these are located throughout the United States. These organizations accept gleaned crops donated by regional farmers, and help transport and distribute this food overseas. Once the donated food is processed, it can be stored for years for use in food emergencies. Donated food reduces the cost of famine and disaster assistance because these products cost only pennies to process and ship and supplement the traditional food basket.

We need to encourage more volunteer efforts from non-profits. The International Food Relief Partnership Act accomplishes this objective by providing a means for non-profits to accept donated food and process it into a product for use in times of disaster, famine, or other critical need.

Through the enactment of this bill we create a new and inexpensive mechanism that provides more food relief for less money. The fifty-percent matching preference included in this legislation also ensures that viable and deserving organizations earn the grant funds that they seek.

I have introduced the ''International Food Relief Partnership Act of 2000'' today because the time to plan for a food crisis is before it occurs. I look forward to working with my colleagues in supporting the spirit of volunteerism and goodwill by rapidly passing this important legislation.

HONORING PHIL RAMONE

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Ms. McCARTHY of Missouri. Mr. Speaker, please join me in honoring the incredible philanthropy and achievement of Phil Ramone. On September 24th Mr. Ramone will be awarded the Michael Bolton Charities Lifetime Achievement Award. Michael Bolton Charities, Inc. was established in 1993 to assist children and women at risk from the effects of poverty, homelessness, domestic violence, and physical and sexual abuse. Mr. Ramone's indefatigable generosity has enhanced the lives of countless women and children around the world for over three decades. This honor stands as a testament to Mr. Ramone's selfless acts which reflect his inherent benevolence and vision of life.

Throughout his remarkable career Mr. Ramone has produced award winning works by some of the world's most talented recording artists. His genius embraces all aspects of the entertainment business, working brilliantly in both the technical and creative sides of the industry. Mr. Ramone is one of the recording industry's most well respected and prolific producers with a resume so vast and encompassing that his peers have deified him as the undisputed ''Pope of Pop.'' Mr. Ramone has produced galas for several U.S. Presidents and has been the driving force behind megastars such as: Frank Sinatra, Billy Joel, Paul Simon, Barbara Streisand, Madonna, B.B. King, Elton John, Gloria Estefan, Jon Secada, Fito Paez, Sinead O'Connor and Paul McCartney to name a few. Phil Ramone is invaluable to the artists he works with, such as Michael Bolton, and is an eight time Grammy Award winner, including Producer of the Year. As Chairman Emeritus of the National Academy of Recording Arts and Sciences, he is recognized by his peers as the most transcendent audio technician and stylistic creator in the music industry today. His grasp of technology revolutionized the recording studio with his first use of the Dolby four-track discrete sound system, satellite links, optical surround sound, fiber optic systems, and digital live recording.

In addition to all of these accomplishments and accolades, Mr. Ramone possesses a kindness and humility that make him one of the recording industry's most profound humanitarians. Since his earliest success Mr. Ramone's charitable commitment has helped children living in poverty around the world improve their education and their lives. It is with great respect and appreciation that we acknowledge Mr. Ramone's lifetime charitable achievements and his exemplary character on September 24. I commend Michael Bolton Charities, Inc., for their recognition of Phil Ramone's lifelong contributions to both music and humankind.

Mr. Speaker, please join me in expressing gratitude to Grammy winner Michael Bolton for his steadfast efforts to educate the Congress on the need to assist women and children at risk from the dangerous effects of poverty, domestic violence, homelessness, and physical and sexual abuse. With programs that foster self esteem, leadership skills, job training, and social awareness his charity provides the access and education that underprivileged women and children need for a better life.

Phil Ramone has a positive outlook and steadfast commitment to a better future for all our children when he notes that, ''Our kids won't even think about virtual reality—it will be a regular part of their lives. Sometimes it's just so obvious to me, the future. It shows its face to me ever so often and then I say, 'Oh, of course. Why shouldn't we do this . . .' It's like an inner vision that lets you understand that there's something better, more beautiful just ahead.'' Thank you, Phil Ramone.

HONORING THE 112TH BIRTHDAY OF WORLD WAR I VETERAN JOHN PAINTER

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. GORDON. Mr. Speaker, I rise today to wish a happy 112th birthday to Tennessee's oldest surviving World War I veteran, John George Painter of Hermitage Springs. He is also believed to be the nation's oldest surviving veteran.

Born on September 20, 1888, in the Keeling Branch community of Jackson County, Tennessee, Mr. Painter enlisted in the U.S. Army at the age of 29 to fight what was then called the ''War to End All Wars''.

Mr. Painter saw action in France's Argonne Forest where he hauled ammunition and field guns to the front lines with teams of horses and mules. He was honorably discharged on April 12, 1919, and returned home to Jackson County where he resumed his career as a blacksmith. There he married his childhood sweetheart—the former Gillie Watson—and raised two daughters.

Mr. Painter's courage during that brutal war earned him one of France's highest honors, the Order of the Legion of Honor. Only five other Tennesseans have received the distinguished award.

As we celebrate Mr. Painter's birthday today, I congratulate him for the tremendous contributions he has made to the United States and to the never-ending fight for freedom.

NAUGATUCK VALLEY TOWNS

HON. JAMES H. MALONEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. MALONEY of Connecticut. Mr. Speaker, I wish to bring to the attention of the U.S. House of Representatives the noteworhty accomplishments of the lower Naugatuck Valley towns located in my congressional district in Connecticut. After being chosen as a finalist in the National Civic League's All-American City competition in 1999, the Naugatuck Valley's 2000 delegation sharpened its presentation and on June 3, 2000, was awarded the League's highest honor, that of an All-American City.

The Naugatuck Valley is comprised of seven municipalities: Ansonia, Becon Falls, Derby, Naugatuck, Oxford, Seymour and Shelton. Delegates from each community traveled together to Louisville, Kentucky to compete for recognition as an All-American City. Started in 1894 by President Theodore Roosevelt and U.S. Supreme Court Justice Louis Brandeis, this award recognizes municipalities and regions where governments, citizens, businesses and volunteer organizations work together to address important local problems.

Moving beyond its background as an old industrial area, the Valley's entry in the competition highlighted the region's recent initiatives to address its needs. The delegation presented a 10-minute skit touting the region's Alliance for Growth, a nonprofit development corporation that has attracted business to the Valley and has created jobs for its residents. The judges were also told about Project Co-N-N-E-C-T, an organization founded to asses the Valley's economic health. The skit recounted the achievements of the Valley in an effort to rebuild the local Boys and Girls Club after its destruction by a fire eight years ago. In that effort, the seven communities came together to raise $4.5 million to obtain and renovate an old factory site for the youth organization.

What most set the Naugatuck Valley apart from the other entrants was its sense of community and family. Valley residents have a long history of supporting each other and

working together to achieve a common goal—as evidenced by their win in Louisville. As only the second Connecticut locality ever to win the award, the delegation and residents of the Naugatuck Valley have demonstrated to the state of Connecticut and, indeed, the rest of the United States, that a dream of excellence can be achieved through hard work and dedication.

The residents and delegates from the seven towns of the lower Naugatuck Valley should rightly feel immense satisfaction at this most significant accomplishment. As one of only ten regions or cities in the country to win the All-American City award this year, they have become part of an elite group of citizens whose concern for—and pride in—their community has enabled great deeds to be accomplished.

Mr. Speaker, I ask that you and the rest of my colleagues join me in offering our sincere congratulations to the residents of the ''Mighty'' Naugatuck Valley of Connecticut for a job well done, and for setting an example for communities around our nation to follow.

RECENT ACTION ON ''GOLDEN RICE'' OFFERS GREAT PROMISE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. BEREUTER. Mr. Speaker, this Member commends to his colleagues the following editorial from the August 18, 2000, Omaha World-Herald. The editorial expresses support for recent actions which will make the newly developed ''golden rice'' more widely available worldwide. This rice, which has been generally engineered to contain more beta carotine, holds the potential to dramatically improve lives by helping to combat malnutrition and blindness among Vitamin A-deficient children throughout the world.

A LAUDABLE GIFT OF LIFE AND SIGHT

A lot of people, especially outside the United States, aren't buying genetically modified crops. All right then: What if somebody gave them away?

Well, somebody has—''somebody'' being Monsanto Co.

It was a development so stunning that probably no novelist would ever incorporate it in a plot—too far-fetched. But Monsanto announced that it would be granting royalty-free licenses worldwide via the Internet for its newly developed ''golden rice.'' It has been modified so that it's enriched in beta carotene, which the body converts to Vitamin A. (Licenses for other modified rices will similarly be cost-free, but golden rice is by far the star of the show.)

If this offer is widely taken up, the effect is likely to be dramatic. Worldwide, more than a million Vitamin-A deficient children die every year: 300,000 or so go blind.

We'd like to think Monsanto's generosity might inspire imitators among other holders of patents on such superfoods. First of all, there's the obvious prospect of making a better life for a lot of children in the Third World. Additionally, modified crops are getting a bum rap as being unsafe or unhealthy—''frankenfoods,'' in the unfortunate popular jargon. Maybe moves like Monsanto's will help dispel such thinking.

That latter point is, in fact, Monsanto's stated purpose. The argument can therefore be made that the chemical and agricultural giant is merely acting in its own long-term self-interest.

Nothing wrong with that. If this act and perhaps others like it can break that logjam of opinion, the company or companies that help bring it about deserve to benefit. But in the here and now, it was an impressive example of a giant company being a good corporate citizen of the world. The folks at Monsanto who made the decision have a right to be proud.

HISTORICALLY BLACK COLLEGES AND UNIVERSITIES WEEK

SPEECH OF

HON. ALLEN BOYD

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 2000

Mr. BOYD. Mr. Speaker, education has always been a key to opportunity in America. Historically Black Colleges and Universities [HBCUs] were created as early as 1837 to provide African-Americans access to higher education. America's HBCUs have provided a crucial avenue to educational and economic advancement for African-American youth for more than 150 years.

The best opportunities for personal and professional success will go to those who are well educated. Our Nation's HBCUs have assisted African-American and other students in achieving their educational goals and reaching their full potential, while keeping tuition costs affordable. The vast majority of African-Americans with bachelor's degrees in engineering, computer science, life science, business, and mathematics have graduated from one of the 105 Historically Black Colleges and Universities. These graduates, numbering 300,000 African-Americans, make up the majority of our Nation's African-American military officers, physicians, Federal judges, elected officials, and business executives. The distinguished faculty members at HBCUs serve as role models and mentors, challenging students to reach their full potential.

I am proud to have one of these universities in the congressional district that I represent. Florida Agricultural and Mechanical University, founded on October 3, 1887, in Tallahassee, Florida, as the State Normal College for Colored Students, began classes with 15 students and 2 instructors. Since then, it has become an institution of higher learning, striving toward even greater heights of academic excellence. Today, Florida A&M University is one of nine 4-year, public, co-educational and fully accredited institution of higher learning in Florida's State University System, and excellence remains its goal.

For more than 100 years, Florida A&M University has served the citizens of the State of Florida and the Nation through its provision of preeminent educational programs. By serving the African-American community, HBCUs, like FAMU, serve all Americans. These institutions embody many of our most deeply cherished values—equality, diversity, opportunity, and hard work. FAMU is a source of great pride and a symbol of economic, social, and political growth in the community and the Nation. Preparing talented young men and women to succeed in every sector of our economy, FAMU, ''Florida's Opportunity University,'' is committed to meeting the challenges and needs of future generations.

As education and diversity become increasingly important in the 21st century, graduates of HBCUs will continue to be at the vanguard of America's progress. I would like to commend Florida A&M University for its commitment to educational opportunity, outstanding performance, and invaluable contributions to the people of Florida.

DIGNITY FOR THE TERMINALLY ILL ACT OF 2000

HON. MATT SALMON

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. SALMON. Mr. Speaker, I rise to introduce the Dignity for the Terminally Ill Act of 2000. The bill clarifies an ambiguity in Federal law which allows the Health Care Financing Administration [HCFA] to cut off Medicare funding to hospice patients after 6 months of treatment. The scope of this problem was detailed in a recent Wall Street Journal report which revealed that in early February 1997, several Hospice patients received letters from HCFA saying they were under investigation for Medicare fraud simply because they had lived longer than current Federal guidelines allow for reimbursement. In other words, HCFA officials were more concerned about being reimbursed than they were about caring for these dying patients.

It seems strange that HCFA would begin cracking down on its 6-month rule given the fact that, for years, Medicare officials have encouraged the hospice industry to grow, primarily because it is less costly to care for the terminally ill at home than it is to treat these patients in a nursing home or hospital.

Unfortunately, it seems the rise in hospice care during the 1990s brought about an increase in fraud and abuse of the Medicare system, which in turn sparked a misguided crackdown on terminally ill patients.

HCFA officials discovered roughly $83 million in such abuse and began pushing their intermediaries to crack down on the problem. In 1997, the Inspector General of the Department of Health and Human Services warned HCFA officials to do a better job enforcing their 6-month reimbursement guideline. While HCFA's plans may have been well-intentioned, its intermediaries' attempt to enforce the rule was disastrous. For example, the Wall Street Journal reported that UGS, a subsidiary of Blue Cross Blue Shield in Wisconsin and a Medicare intermediary, sent letters to five terminally ill patients which declared that they were not eligible for Medicare hospice and, adding insult to injury, requested these patients to pay $450,000 for the care they received.

Outrage from several hospices and Federal legislators has led to a small change in HCFA's aggressive crackdown on its 6-month rule. Last week, HCFA's administrator, Nancy-Ann Min DeParle, wrote to thousands of hospices to explain that there has been a ''disturbing misperception'' about HCFA's efforts to enforce its 6-month regulation. However, she never specifically declared that reimbursement for care of hospice patients will continue for as long as they receive treatment. She only offered to create a ''voluntary'' case-by-case review of patients who remain in hospice care longer than 6 months.

Regardless of Administrator DeParle's change in position, we must clarify the law so that there is no question about HCFA's responsibility to provide care for the terminally ill. It is the right and moral thing to do. More importantly, it will let hospice patients live out their final days in dignity. I urge my colleagues to cosponsor my bill and I submit the Wall Street Journal article of June 5th to be printed in the RECORD.

TRIBUTE TO ADELE HALL

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Ms. MCCARTHY of Missouri. Mr. Speaker, I rise today to honor an exceptional leader and friend to our Kansas City community and our country. Adele Hall is being honored as the 2000 Woman of the Year by the Central Exchange, an organization of which she is a founding member. Adele Hall has an extensive history of helping children and families in Kansas City and across our Nation. She has shown outstanding dedication as a philanthropist and representative of gender concerns for equality in the workplace and society.

Adele Hall is considered by many in Kansas City as a lifelong friend to our community. Her civic pursuits have led her to hold positions in an outstanding number of Kansas City and national philanthropic organizations. She has served as Chair of many boards including Children's Mercy Hospital, the Greater Kansas City Community Foundation, the Partnership for Children, and the former Crippled Children's Nursery School, now Children's Therapeutic Learning Center. Nationally, she has served as a board member for the Trust Fund of the Library of Congress, the George Bush Presidential Library Center, the American Academy of Pediatrics, and the Salvation Army. Currently, she is serving as Co-Chairman of a $175 million capital campaign for the Nelson-Atkins Museum of Art. She is the Vice-Chairman of the United Negro College Fund and the Youth Corps of America.

As a founding member of one of Kansas City's most reputable women's organizations, the Central Exchange, she has worked tirelessly to promote the advancement of women in all sectors of society. For the past 20 years the Central Exchange has worked to bring people of diverse backgrounds together to encourage the personal and professional growth of women. Today the Central Exchange boasts nearly 900 members from all over the Kansas City metropolitan area. The astounding membership can be attributed to what members of the Central Exchange value the most, creating opportunities to meet and learn from other women. This is an extremely difficult goal when many women are busy with work and family responsibilities. Adele Hall's various roles and achievements throughout the history of the Central Exchange have demonstrated that she has succeeded in fulfilling her dream of increasing the visibility and effectiveness of Kansas City's women.

Adele Hall's personal and professional record exhibits her spirit of commitment to others. Her entire life has exemplified the core values that we all strive for: commitment to the community, to family and to the innate desire to truly make a difference in the lives of others. Her devotion is an example to us all. I am honored to acknowledge Adele Hall for her successful efforts to promote equity and opportunity for women and children. I know that she is joined in receiving this award by her husband, Don, and their entire family. Mr. Speaker, please join me in congratulating the Central Exchange 2000 Woman of the Year, Adele Hall.

TRIBUTE TO SENATOR DANIEL PATRICK MOYNIHAN

SPEECH OF

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 2000

Ms. MILLENDER-MCDONALD. Mr. Speaker, today I rise to pay tribute to a man who has served as one of the most determined and effective advocates for America's hard working families in the United States Senate. Senator DANIEL PATRICK MOYNIHAN was first elected to the Senate in 1976, and has served the people of New York as well as the entire country with commitment, leadership and integrity. As the Ranking Member on the Senate Finance Committee, he has pioneered for new initiatives to feed our nation's poor, to provide critical welfare and job training services to families in need, and to ensure that everyone has access to quality health care. Senator MOYNIHAN has been particularly committed to an issue I know well: AIDS.

As many of my colleagues know, since the moment I first stepped foot in Washington, I have fought for increased funding for critical HIV and AIDS education, treatment and research programs. I have also worked to expand our current programs to areas that are still in need of our help. Africa, India, the Caribbean, and Central and Eastern Europe in particular need our help and Senator MOYNIHAN has heard this call to action.

Senator MOYNIHAN introduced S. 2032 to amend the Foreign Assistance Act to address mother-to-child transmission of HIV in Africa, Asia and Latin America. At the same time, I introduced H.R. 4665 to initiate a $10 million pilot project in Africa and India to reduce and prevent mother-to-child HIV/AIDS transmission. I am extremely pleased that H.R. 3519, the Global AIDS and Tuberculosis Relief Act of 2000, was signed into law by the President on August 19 and included much of the language and intent of my International Mother-to-Child HIV/AIDS Prevention Bill. With this legislation, we can commit $25 million to this cause.

Worldwide, 1,800 infants become infected with HIV each day. The total number of births to HIV-infected pregnant women each year in developing countries is 3.2 million. HIV/AIDS has doubled infant mortality in poor countries most heavily affected by the epidemic. We have hit a critical point where we must take action in the world's epicenter of HIV infection. We must act now if we ever hope to end this epidemic once and for all.

I thank Senator MOYNIHAN for his leadership on this serious public health issue and on so many issues affecting our women and children.

RECOGNIZING THE ACHIEVEMENTS OF JOHN C. MURPHY

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. LAZIO. Mr. Speaker, I would like to recognize a man who has been dedicated to housing and community development issues for over 25 years. John Murphy is the Executive Director of the National Association of County Community and Economic Development. He has worked with my Housing and Community Opportunity Subcommittee on a number of programs.

The efforts of John Murphy have allowed counties around the country to build affordable housing, to provide seriously needed infrastructure, to alleviate homelessness, and to build senior support centers that allow our elderly citizens to remain in their own homes. He has worked endlessly to support vital public services that build stronger neighborhoods and help children grow up in safe communities.

The American dream is to own a home, an impossible dream for far too many people in our country. Mr. Murphy has helped make that dream a reality for tens of thousands of American families by helpiing numerous organizations maintain critically needed federal programs such as the Community Development Block Grant program, the HOME Investment Partnership Program and the Low Income Tax Credit Program. In addition, he has created opportunities to share information and ideas about housing programs that make the dream of homeownership possible for working class families all across our country.

Mr. Murphy has worked tirelessly to help communities find unique solutions to their housing and community development needs. At the same time, his efforts with Congress, the Department of Housing and Urban Development, the National Association of Counties, and many other organizations are well recognized.

Again, I would like to commend John Murphy for a job well done and extend my best wishes for his continued success.

PARTICIPANTS IN THE STUDENT CONGRESSIONAL TOWN MEETING

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. SANDERS. Mr. Speaker, today I recognize the outstanding work done by participants in my Student Congressional Town Meeting held this summer. These participants were part of a group of high school students from around Vermont who testified about the concerns they have as teenagers, and about what they would like to see the government do regarding these concerns.

I submit the following statements into the CONGRESSIONAL RECORD, as I believe that the views of these young persons will benefit my colleagues.

RAMI FAOUR AND PAT GRIFFIN REGARDING THE LEGAL DRINKING AGE

Rami Faour: Representative Sanders, and other distinguished guests, we are here to

speak about lowering the drinking age to help alleviate the problem with teen drinking. We understand that there are a large number of people between the ages of 18 and 20 who drink regardless of the law, and many of them even binge drink. Even though the legal drinking age is 21, many teens are able to purchase alcohol to consume on their own. 18 to 20 year olds can pay taxes, adopt a child, be drafted into the military, hold firearms, but they are not allowed to touch alcohol. This is an illogical inconsistency and infringement of civil rights on this age group. They are legal adults in every other respect and ironically not a lot of these legal adults who drink illegally increase the alcohol use and abuse it is meant to reduce.

Alcohol has become a forbidden fruit for teens. Drinking is more exciting when it is illegal than when it is legal. So many people go out and get drunk simply because they know they should not be drinking at all. Just look at our American history, we saw prohibition backfire. Instead of stopping it, it glorified it and we had increased alcohol. We see teens following that pattern.

Pat Griffin: The solution to this topic is a realistic drinking age combined with education of teens about drinking. There is no reason that an 18-year-old cannot drink as responsibly or even more responsibly than a 24-year-old. The level of maturity between these two ages are about the same. The solution is to educate young youths in how to drink responsibly for the first step but current alcohol education in high school, and in college set up on how to drink responsibly and ending with the message ''Do not drink because you would be too young.'' First we need to educate teens, then we need to trust them. If we treat them like children, they will act like children. If you treat them as responsible adults, they will act maturely. With these steps we see many different changes of attitudes and behavior of young adults.

We wish to thank you for your time to educate young adults in how to drink responsibly and then let them drink responsibly. Thank you.

KYLE ROSE, ERIN GOVER AND KIM KLEIN REGARDING TEEN CENTERS

Erin Gover: Good morning. My name is Erin Gover and today I will be speaking on the topic of funding of teen centers throughout Vermont.

For years society has been asking why teens turn to alcohol and drugs. So far we have concluded that the solution to this issue is positive alternatives. Well, teen centers are positive alternatives. Yet, out of all the towns in Vermont, Colchester is one of the only ones that does not have one. Yet, for three years organizations like the Colchester Growth Group have founded buildings, got the community's support and fundraised the money for a teen center, but to no avail. In its place is a gas station, a quicky mart, or even a bar. I do not know about you, but I would rather have my child going to a teen center where he or she can hang out with his friends, get help on homework, or just have a good time rather than hanging out at a bar.

To compensate for this teens founded Club 242 located under Memorial Auditorium in downtown Burlington. Club 242 is a place where high school bands can play, get their start, and other high schoolers can come watch, have a good time, and just hang out. And there is absolutely no alcohol, no drugs and no smoking, a positive alternative you might say. Yet funding is currently being taken away from Club 242. Why? This leaves Burlington and Colchester with about three alternatives: shopping, movies and drugs. And it is the City of Burlington and the Town of Colchester that are making this decision, not the teens.

It is also your decision. As our representative, I believe you should make it your goal to not only make all of your fellow congressmen aware of the need for funding, but also to use your influence to pass a bill making it possibly a requirement for each town to have a teen center, a positive alternative. You should make yourself aware of these teen centers and make sure funding is not taken

The youth of Vermont have worked on this for years and continue to rally the support of the community. We are trying, but it is now your turn to help. And remember, actions speak louder than words.

Kim Klein: 90 percent of the reason why children go out and cause trouble is because there is not really anything for them to do. I mean there are parks and stuff like that, but most children will either go out and hand out in front of stores or stuff like that and go to parties, because there is nothing constructive for them to do. And as Erin said, Club 242, being a musician and playing in high school bands, it is hard for us to get anywhere. I mean, we played there, but to be able to play in other towns and stuff, there aren't places for us to do that because they are all bars.

MATT PLUNKETT AND RYAN ESBJERG REGARDING TEEN DRINKING AND DRIVING

Matthew Plunkett: Congressman Sanders, eight young people die a day in alcohol-related crashes. During a typical weekend and average of one teenager dies each hour in a car crash; nearly 50 percent of those crashes involve alcohol. Alcohol is the number one drug problem among young people. This is a serious problem not only here in Vermont, but also across the nation. Drunk driving causes many deaths each year and many of us have suffered from the loss of friends and family who have died because of bad decisions involving alcohol and vehicles. When we look at the statistics on a national level, they may not seem very high but there is still a problem and more needs to be done, but then there is never enough that can be done until the problem ceases to exist.

We feel there should be more programs helping inform young drivers in training of the risks of how much more of a chance they have of getting in an accident while intoxicated. In our opinion there should be more funding or there should be funding for a problem that states some of the evils involved in alcohol-related crashes.

Ryan Esbjerg: These vehicles should not be overlooked. They are an educational resource that could be placed on display in private locations or driver's education classes can view the crash first-hand. Once young people see the results of one of these crashes, it might prevent them from making the same mistake as others. The viewing of the wreckage of cars in which people have died makes an impression that no film or lecture can match.

We keep track of history for a reason, to learn from mistakes and the mistake of drinking and driving is repeated too often. The accidents do not just affect the family of the driver or the passenger, they affect the whole community. We are urging you to extend the education of this subject, help save lives in any way that is possible, because you never know when it is your family member or your best friend you could read about in the newspaper.

Thank you for your time.

FRIEDMAN BAG COMPANY CELEBRATES OVER 70 YEARS OF OPERATION

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Ms. ROYBAL-ALLARD. Mr. Speaker, today I congratulate the Friedman Bag Company for over 70 years of continuous operation in my congressional district and to highlight its leadership as a responsible corporate citizen.

In 1927, four Russian immigrant brothers started a small bag manufacturing company in the heart of Los Angeles. Sam, Saul, Harry and Morris Friedman fled Imperial Russia with their family in search of freedom, settling temporarily in Mexico until they were granted permission to enter the United States. Over the years, Friedman Bag Company grew almost as quickly as the city around it.

In many ways, the founding and growth of Friedman Bag Company personifies our nation's immigrant experience. The company was born from an immigrant family's dream to provide their children with a better life. The Friedmans succeeded, eventually becoming one of the largest suppliers of textile and polyethylene bags in the West. Their bags were primarily used for agriculture products such as Idaho potatoes, walnuts and other crops such as carrots and lettuce from the Central Valley of California.

But like many manufacturing companies in the United States, fierce competition from lower cost producers, in countries like China, eventually threatened the survival of Friedman Bag Company. To endure, the company needed to change and adapt to the new economy, and the successful effort was led by two sons of the founding members.

Friedman Bag Company desperately needed to invest money in new equipment. Company workers were still sewing burlap and mesh bags by hand. Morale and sales were suffering. Having never taken on debt financing in its history, the company embarked on a somewhat radical and risky venture to make sure it could remain competitive. Working with a financial institution that recognized its special history as a family business, and overcoming internal and external challenges, Friedman Bag Company secured the resources to continue its operations in the 33rd Congressional District.

Friedman Bag Company also worked with the Mayor and City Council to consolidate operations, ultimately bringing more jobs to Los Angeles. An article which appeared in the Los Angeles Times on May 26, 1999 and documents this important success story follows these remarks.

Today, Friedman Bag Company employs more than 250 people, with operations in Idaho, Washington and Oregon. The company's morale has soared as its future prospects have brightened. Friedman Bag Company is now firmly-positioned so a third generation of the Friedman family can continue the dream started by their family's ancestors.

I am proud of Friedman Bag Company's long tenure in southeast Los Angeles. Their efforts to modernize and adapt to an ever-changing economy in order to stay competitive are to be commended. Many men and women in my congressional district have worked at

Friedman Bag Company, supporting their families and contributing to our community. I congratulate Friedman Bag Company for over 70 years of success which has epitomized the contributions to America made by our immigrant community, and I wish them many more years of successful operation to come. I submit the following article into the RECORD.

[From the Los Angeles Times, May 26, 1999]

WHEN DEBT PROVES TO BE BEST ANSWER

(By Cyndia Zwahlen)

Long debt-free Friedman Bag Co. turned to bank loans when it didn't have the money to cover shareholder buyouts and upgraded technology.

Pressure from more than 30 family shareholders to sell Friedman Bag Co., against the wishes of company management, was threatening to destroy the value of the closely held Los Angeles company founded by three brothers in 1927.

The far-flung shareholders, only one of whom worked at the company, wanted to cash out their shares. Management, including two sons of the founders, was desperate to invest the money in equipment needed to bring the company into the 21st century. Company workers were still sewing burlap and mesh bags for the agricultural industry by hand. Printing presses were slow and inefficient. Morale and sales were suffering.

''It was like a tug of war,'' said Harvey Friedman, chief executive and son of one of the retired founders. As the debate intensified, rumors that the company was going out of business began to fly.

Friedman Bag didn't have the money to cover shareholder buy-outs and new technology. The shareholders weren't interested in a note—a written promise to pay them in the future. And sale of the company's real estate wasn't an option because of the huge tax bill that would result, Friedman said.

For the first time in more than four decades, the company was forced to consider going outside for financing.

It's a classic dilemma for a family business. The conflicting demands on company funds of growth or expansion and shareholders buyouts or dissolutions can push the most debt-averse company to seek outside money, particularly if buyout funding isn't covered by insurance or some other previous arrangement. Perhaps it's the founder who wants to cash out, or an owner dies and there are estate problems. Or an owner without an heir interested in the business may want to sell the company to the employees through an employee stock ownership plan.

''Growth, liquidity, unexpected dissolutions that can disrupt the business are needs for financing,'' said Alfred E. Osborne, director of the Price Center for Entrepreneurial Studies at UCLA.

A business typically has two options when it comes to outside money—taking on debt through a bank loan or selling a stake in the company to an equity investor.

Friedman Bag, like most family businesses, chose debt, unwilling to deal with additional shareholders and their demands. The company polled its industry contacts for potential lenders. After being debt-free for decades, it found itself being wooed by more than 20 banks. Friedman and his managers decided on Imperial Bank in Los Angeles for several reasons. They got a speedy response and a loan package that covered their needs: an equipment line of credit, a term loan to buy out the shareholders and an asset-based line of credit to pay for growth. The bank's enthusiasm for the company's prospects sealed the deal.

''When you borrow money, you want to feel like the bank is excited about your new venture and not that they are doing you a big favor,'' Friedman said.

All things being equal, he'd just as soon lend to a family business, said Imperial Bank Executive Vice President Duke Chenoweth, who grew up in a family with a business.

''A family will generally put everything they have on the line to uphold the integrity of that family business and the family name,'' he said. In addition to a potentially deeper level of commitment than an absentee owner or a group of professional managers, a successful family business often has a built-in successor, important for management continuity, Chenoweth said. And if worse comes to worse, often the retired founder can be relied upon for emergency guidance or deep pockets.

Bank debt isn't right for every family business, of course. A company has to be able to generate enough cash flow to repay the debt, which naturally limits how much money a company can borrow.

Although it's not as common for a family business, an outside equity investor can also provide needed cash. The downside is that most equity investors are institutional investors who typically expect a return on their investment within three to five years. That's not practical for many family businesses.

''It would be a mistake to say private equity has no place in family business, but it would only be under specific circumstances where the family is willing to provide a liquidity event,'' said Jourdi de Werd, a managing director and co-founder of investment bankers Greif & Co. of Los Angeles, one of several corporate sponsors of the Family Business Program at USC.

A family that is contemplating a transition to more institutional ownership or a founder that wants to take capital out of the business might turn to an outside equity investor, said de Werd, who also

Friedman offered several tips for family businesses thinking about outside financing.

He echoed the advice of several bankers when he suggested family businesses limit the number of family members working at the company. Bankers worried about the toll of inflated salaries. Friedman was more concerned about a company's need for broad skills and the potential impact on the family itself.

''Success is a blend of family members and outsiders,'' he said. ''If there is too much family, then you have a lot of internal problems that are brought home.''

In addition to good-quality management, what else are bankers looking for? Organized and complete financial statements, according to Henry Walker, senior vice president at Farmers & Merchants Bank in Long Beach. The quality of your record keeping is a reflection of how you manage your business, he said.

Assessing management and financial strength is a two-way street, Walker said. Is the lender you are considering strong enough to weather an economic downturn without jeopardizing your loan?

''It's a long-term relationship you're looking for, and you shouldn't lose track of that because of a point [of interest] here or there,'' he said.

Planning company strategy before seeking outside money is also important, Friedman said. Friedman Bag invested in an intensive total quality management program and months of planning before it landed its bank loan. When the money arrived, the equipment purchases and a move into a new facility were completed within just three to four months of the shareholder buyout in early January. This week the new eight-color press goes online with triple the capacity of its predecessor and a setup time of 45 minutes compared with the five hours if used to take.

Friedman Bag Co. has come a long way from its modest beginnings collecting, sorting and reselling burlap bags used on farms in the 1920s. Today it employs more than 250 people and has operations in Idaho, Washington and Oregon. It supplies packaging and equipment to the agricultural industry and sandbags to the U.S. military, among others.

Employee morale has soared along with the company's new prospects. The third generation, including Friedman's son, a company vice president, has a future to look forward to, according to Friedman.

''We are a totally different company today,'' he said. ''A new Friedman Bag Co. was born on Jan 5, 1999.''

A POWERFUL MESSAGE ON PRAYER IN SCHOOL

HON. ZACH WAMP

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. WAMP. Mr. Speaker, one of the most troubling aspects of contemporary life is the continuing assault on values and morals. Nowhere is that effort more apparent than the determined drive to eliminate any voluntary prayer in our schools or at school events, such as athletic games. Recently, a distinguished citizen of my community spoke out on this subject. Jody McLoud is the principal of Roane County High School and has been for 11 years. He has spent 24 years as a professional educator. His comments summarize the situation about as well as anyone can. I am privileged to place them into the RECORD of the U.S. House of Representatives and urge everyone to read them carefully and pay heed. Here is what Mr. McLoud said.

It has always been the custom at Roane County High School football games to say a prayer and play the National Anthem to honor God and Country. Due to a recent ruling by the Supreme Court, I am told that saying a prayer is a violation of Federal Case Law.

As I understand the law at this time, I can use this public facility to approve of sexual perversion and call it an alternate lifestyle, and if someone is offended, that's OK.

I can use it to condone sexual promiscuity by dispensing condoms and calling it safe sex. If someone is offended, that's OK.

I can even use this public facility to present the merits of killing an unborn baby as a viable means of birth control. If someone is offended, no problem.

I can designate a school day as Earth Day and involves students in activities to religiously worship and praise the goddess, mother earth, and call it ecology.

I can use literature, videos and presentations in the classroom that depict people with strong, traditional, Christian convictions as simple minded and ignorant and call it enlightenment.

However, if anyone uses this facility to honor God and ask Him to bless this event with safety and good sportsmanship, federal case law is violated,

This appears to be at best, inconsistent and at worst, diabolical. Apparently, we are to be tolerant of everything and anyone except God and His commandments.

Nevertheless, as a school principal, I frequently ask staff and students to abide by rules with which they do not necessarily

agree. For me to do otherwise would be at best, inconsistent and at worst hypocritical. I suffer from that affliction enough unintentionally. I certainly do not need to add an intentional transgression.

For this reason, I shall, ''Render unto Caesar that which is Caesar's,'' and refrain from praying at this time. However, if you feel inspired to honor, praise and thank God, and ask Him in the name of Jesus to bless this event, please feel free to do so. As far as I know, that's not against the law—yet.

SAFER AMERICA FOR EVERYONE'S CHILDREN ACT (SAFE CHILDREN ACT), H.R. 5218

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. GILMAN. Mr. Speaker, today I am introducing H.R. 5218, the Safer America for Everyone's Children Act, or SAFE Children Act. The SAFE Children Act is a nine point program which will reward those States and communities who work to keep guns out of the hands of children, promote opportunities for students, and support programs which keep our kids off the streets and away from drugs. By supporting communities who take the initiative to combat school violence, we are allowing parents and educators to work together to make the decisions which will effectively help our children and provide an appropriate and common sense solution.

The SAFE Children Act creates new SAFE communities and SAFE States block grants which can be used to supplement, expand, or enforce programs which combat school violence. To be eligible for the new grants, ''SAFE communities'' will have to offer a biannual gun buyback program, provide working programs to create safe and drug-free schools, and offer after-school programs, which focus on the social, physical, emotional, moral, or cognitive well being of students. ''SAFE States'' will have to enact legislation to require individuals to be 21 years old to purchase a handgun, require safety locks to be sold with firearms at the time of sale, and create a public-private partnership to support organizations and municipalities who promote safe schools and gun safety.

Furthermore, the Safe Children Act creates a school counseling demonstration program to award grants to schools to establish or expand school psychological counseling programs, offering individual schools the opportunity and funding necessary to have on-site or on-contract child psychologists to assist troubled students. Additionally, the measure promotes the safety of law enforcement personnel by prohibiting the importation of large capacity ammunition feeding devices and exempts qualified law enforcement officers and retired officers from state laws prohibiting the carrying of concealed firearms.

Mr. Speaker, since the tragedy at Columbine High School, I have been meeting with parents, teachers, students, and law enforcement officials, to discuss the root of the problems in our nation's schools and find a resolution. The Safe Children Act is an important first step, because it promotes and supports community initiative and inclusion.

It is obvious that no one solution exists for solving the increase in school shootings, but it is imperative that we all dedicate ourselves to working together within our families and communities to stop the violence among our youth. The real solution to combating school violence will not be found in the halls of Congress, rather in our schools, homes, and communities throughout our nation. The Safe Children Act will reward those communities which work together to provide a safer America for everyone's children.

H.R. 5218

A BILL

To provide grant funds to units of local government that comply with certain requirements and to amend certain Federal firearms laws.

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 ''Safer America For Everyone's Children (SAFE Children) Act.''

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be approriated $10,000,000 for fiscal year 2002 to carry out titles I, II, and IV.

TITLE I—SAFE COMMUNITIES

SEC. 101. PROGRAM AUTHORIZED.

The Attorney General is authorized to provide grants to units of local government that comply with the requirements of section 102(a).

SEC. 102. ELIGIBILITY REQUIREMENTS.

(a) IN GENERAL.—To be a eligible to receive a grant under this title, a unit of local government shall have in effect, for a period of not less than 1 year, the following programs:

(1) GUN BUYBACK.—A program under which—

(A) the unit of local government offers to purchase any semiautomatic firearm for $100, and to purchase any other firearm for $50;

(B) the offer is renewed not less frequently than every 6 months; and

(C) the unit of local government transmits to the Bureau of Alcohol, Tobacco and Firearms, with respect to each 6-month period during which the program is in effect, a report on the volume and types of firearms obtained through the program during the period.

(2) SCHOOL VIOLENCE INITIATIVES.—School violence initiatives that implement comprehensive strategies to ensure a learning environment at school that is safe and drug-free.

(3) OPPORTUNITIES DURING NON-SCHOOL HOURS.—Activities to meet the child care needs of parents during non-school hours, including before- and after-school, weekends, holidays, and vacation periods. Such activities shall be designed to focus on the social, physical, emotional moral, or cognitive well being of students and may include leadership development, character training, delinquency prevention, sports and recreation, arts, tutoring, academic enrichment, or other activities to meet the needs of the local community.

(b) PRIORITY.—In awarding grants under this section, the Attorney General shall give priority to applications from eligible units of local government that have the highest number of children aged 5 though 17 and highest rate of violent crime.

(c) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the cost of expanding a program described in subsection (a) may not exceed 80 percent.

(2) NON-FEDERAL SHARE.—The non-Federal share of a grant under this title shall be 20 percent of the cost of expanding the activities described in subsection (a) and may be in cash or in kind, fairly evaluated (including the provision of equipment, services, or facilities) from State or local sources.

SEC. 103. USES OF FUNDS.

A unit of local government that receives a grant award under this title may use funds received to expand programs described in section 102(a).

SEC. 104. REPORTS.

(a) LOCAL REPORTS.—Each unit of local government that receives a grant award under this title shall submit an annual report to the Attorney General regarding the effectiveness of the programs expanded through such award.

(b) REPORT TO CONGRESS.—The Attorney General shall compile the results of reports submitted under subsection 9a) and submit such information on an annual basis to the appropriate committees of Congress.

SEC. 105. DEFINITION.

For purposes of this title and title II, the term ''unit of local government means a county, municipality, town, township, village, parish, borough, Indian tribe, or other general purpose political subdivision of a State.

TITLE II—SAFE STATES

SEC. 201. PROGRAM AUTHORIZED.

The Attorney General is authorized to provide grants to States that comply with the requirements of section 202(a).

SEC. 202. ELIGIBILITY REQUIREMENTS.

(a) IN GENERAL.—To be a eligible to receive a grant under this title, a State shall have in effect laws which—

(1) impose criminal penalties on a person who purchases a handgun in the State if the person has not attained 21 years of age;

(2) require each person who is licensed under section 923 of title 18, United States Code, to sell a secure gun storage or safety device (as defined in section 921(a)(34) of such title) with each firearm sold by the person; and

(3) create a public-private partnership to support organizations and units of local governments that promote safe schools and gun safety.

(b) PRIORITY.—In awarding grants under this section, the Attorney General shall give priority to applications from eligible States that have the highest number of children aged 5 through 17 and the highest rate of violent crime.

(c) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the cost of carrying out a program described in subsection (a) may not exceed 80 percent.

(2) NON-FEDERAL SHARE.—The non-Federal share of a grant under this title shall be 20 percent of the cost of carrying out the activities described in subsection (a) and may be in cash or in kind, fairly evaluated (including the provision of equipment, services, or facilities), from State sources.

SEC. 203. USES OF FUNDS.

A State that receives a grant award under this title may use funds received to enforce programs described in section 202(a).

SEC. 204. REPORTS.

(a) LOCAL REPORTS.—Each State that receives a grant award under this title shall submit an annual report to the Attorney General regarding the effectiveness of the program implemented with such award.

(b) REPORT TO CONGRESS.—The Attorney General shall compile the results of reports submitted under subsection (a) and submit such information on an annual basis to the appropriate committees of Congress.

TITLE III—FEDERAL FIREARMS LAWS

Subtitle A—Ban on Importation of Large Capacity Ammunition Feeding Devices

SEC. 301. SHORT TITLE.

This subtitle may be cited as the ''Juvenile Assault Weapon Loophole Closure Act''.

SEC. 302. BAN ON IMPORTING LARGE CAPACITY AMMUNITION FEEDING DEVICES.

Section 922(w) of title 18, United States Code, is amended—

(1) in paragraph (1) by striking ''(1) Except as provided in paragraph (2)'' and inserting ''(1)(A) Except as provided in subparagraph (B);''

(2) in paragraph (2), by striking ''(2) Paragraph (1)'' and inserting ''(B) Subparagraph (A);''

(3) by inserting before paragraph (3) the following:

''(2) It shall be unlawful for any person to import a large capacity ammunition feeding device.''; and

(4) in paragraph (4)—

(A) by striking ''(1)'' each place it appears and inserting ''(1)(A)''; and

(B) by striking ''(2)'' and inserting ''(1)(B)''.

SEC. 303. DEFINITION OF LARGE CAPACITY AMMUNITION FEEDING DEVICE.

Section 921(a)(31) of title 18, United States Code, is amended by striking ''manufactured after the date of enactment of the Violent Crime Control and Law Enforcement Act of 1994.

Subtitle B—Community Protection Act

SEC. 311. SHORT TITLE.

This subtitle may be cited as the ''Community Protection Act''.

SEC. 312. EXEMPTION OF QUALIFIED LAW ENFORCEMENT OFFICERS FROM STATE LAWS PROHIBITING THE CARRYING OF CONCEALED FIREARMS.

(a) IN GENERAL.—Chapter 44 of title 18, United States Code, is amended by inserting after section 926A the following:

''§ 926B. Carrying of concealed firearms by qualified law enforcement officers

''(a) Notwithstanding any other provision of the law of any State or any political subdivision thereof, an individual who is a qualified law enforcement officer and who is carrying the identification required by subsection (d) may carry a concealed firearm that has been shipped or transported in interstate or foreign commerce, subject to subsection (b).

''(b) This section shall not be construed to supersede or limit the laws of any State that—

''(1) permit private persons or entities to prohibit or restrict the possession of concealed firearms on their property; or

''(2) prohibit or restrict the possession of firearms on any State or local government property, installation, building, base, or park.

''(c) As used in this section, the term 'qualified law enforcement officer means an employee of a governmental agency who—

''(1) is authorized by law to engage in or supervise the prevention, detection, investigation, or prosecution of, or the incarceration of any person for, any violation of law, and has statutory powers of arrest;

''(2) is authorized by the agency to carry a firearm;

''(3) is not the subject of any disciplinary action by the agency; and

''(4) meets standards, if any, established by the agency which require the employee to regularly qualify in the use of a firearm.

''(d) The identification required by this subsection is the official badge and photographic identification issued by the governmental agency for which the individual is employed as a law enforcement officer.

(b) CLERICAL AMENDMENT.—The table of sections for such chapter is amended by inserting after the item relating to section 926A the following:

''926B. Carrying of concealed firearms by qualified law enforcement officers.

SEC. 313. EXEMPTION OF QUALIFIED RETIRED LAW ENFORCEMENT OFFICERS FROM STATE LAWS PROHIBITING THE CARRYING OF CONCEALED FIREARMS.

(a) IN GENERAL.—Chapter 44 of title 18, United States Code, is further amended by inserting after section 926B the following:

''§ 926C. Carrying of concealed firearms by qualified retired law enforcement officers

''(a) Notwithstanding any other provision of the law of any State or any political subdivision thereof, an individual who is a qualified retired law enforcement officer and who is carrying the identification required by subsection (d) may carry a concealed firearm that has been

''(b) This section shall not be construed to supersede or limit the laws of any State that—

''(1) permit private persons or entities to prohibit or restrict the possession of concealed firearms on their property; or

''(2) prohibit or restrict the possession of firearms on any State or local government property, installation, building, base, or park.

''(c) As used in this section, the term 'qualified retired law enforcement officer means an individual who—

''(1) retired in good standing from service with a public agency as a law enforcement officer, other than for reasons of mental instability;

''(2) before such retirement, was authorized by law to engage in or supervise the prevention, detection, investigation, or prosecution of, or the incarceration of any person for, any violation of law, and had statutory powers of arrest;

''(3)(A) before such retirement, was regularly employed as a law enforcement officer for an aggregate of 5 years or more; or

''(B) retired from service with such agency, after completing any applicable probationary period of such service, due to a service-connected disability, as determined by such agency;

''(4) has a nonforfeitable right to benefits under the retirement plan of the agency;

''(5) during the most recent 12-month period or, if the agency requires active duty officers to do so with lesser frequency than every 12 months, during such most recent period as the agency requires with respect to active duty officers, has completed, at the expense of the individual, a program approved by the State for training or qualification in the use of firearms; and

''(6) is not prohibited by Federal law from receiving a firearm.

''(d) The identification required by this subsection is photographic identification issued by the State in which the agency for which the individual was employed as a law enforcement officer is located.

(b) CLERICAL AMENDMENT.—The table of sections for such chapter is further amended by inserting after the item relating to section 926B the following:

926C. Carrying of concealed firearms by qualified retired law enforcement officers.

TITLE IV—SCHOOL PSYCHOLOGICAL COUNSELING

SEC. 401. SCHOOL COUNSELING DEMONSTRATION

(a) COUNSELING DEMONSTRATION.—

(1) IN GENERAL.—The Secretary may award grants or enter into contracts under this section to establish or expand elementary and secondary school counseling programs.

(2) PRIORITY.—In awarding grants under this section, the Secretary shall give special consideration to applications describing programs that—

(A) demonstrate the greatest need for new or additional counseling services among the children in the schools served by the applicant;

(B) propose the most promising and innovative approaches for initiating or expanding school psychological counseling; and

(C) show the greatest potential for replication and dissemination.

(3) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall ensure an equitable geographic distribution among the regions of the United States and among urban, suburban and rural areas.

(4) DURATION.—A grant under this section shall be awarded for a period not to exceed three years.

(5) MAXIMUM GRANT.—A grant under this section shall not exceed $400,000 for any fiscal year.

(b) APPLICATIONS.—

(1) IN GENERAL.—Each local educational agency desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) CONTENTS.—Each application for a grant under this section shall—

(A) describe the school population to be targeted by the program, the particular personal, social, emotional, and behavioral needs of such population, and the current school psychological counseling resources available for meeting such needs;

(B) describe the activities, services, and training to be provided by the program and the specific approaches to be used to meet the needs described in subparagraph (A);

(C) describe the methods to be used to evaluate the outcomes and effectiveness of the program;

(D) describe the collaborative efforts to be undertaken with institutions of higher education, businesses, labor organizations, community groups, social service agencies, and other public or private entities to enhance the program and promote school-linked services integration;

(E) describe collaborative efforts with institutions of higher education which specifically seek to enhance or improve graduate programs specializing in the preparation of school psychologists;

(F) document that the applicant has the personnel qualified to develop, implement, and administer the program;

(G) describe how any diverse cultural populations, if applicable, would be served through the program;

(H) assure that the funds made available under this part for any fiscal year will be used to supplement and, to the extent practicable, increase the level of funds that would otherwise be available from non-Federal sources for the program described in the application, and in no case supplant such funds from non-Federal sources; and

(I) assure that the applicant will appoint an advisory board composed of parents, school counselors, school psychologists, school social workers, other pupil services personnel, teachers, school administrators, and community leaders to advise the local educational agency on the design and implementation of the program.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Grant funds this section shall be used to initiate or expand school psychological counseling programs that comply with the requirements in paragraph (2).

(2) PROGRAM REQUIREMENTS.—Each program assisted under this section shall—

(A) be comprehensive in addressing the personal, social, and emotional well being of all students;

(B) use a developmental, preventive approach to psychological counseling;

(C) increase the range, availability, quantity, and quality of psychological counseling

(D) expand psychological counseling services only through qualified school psychologists;

(E) use innovative approaches to increase children's understanding of peer and family relationships, work and self, decision-making, academic and career planning, or to improve social functioning;

(F) provide psychological counseling services that are well-balanced among classroom group and small group counseling, individual counseling, and consultation with parents, teachers, administrators, and other pupil services personnel;

(G) include inservice training for school psychologists;

(H) involve parents of participating students in the design, implementation, and evaluation of psychological counseling program;

(I) involve collaborative efforts with institutions of higher education, businesses, labor organizations, community groups, social service agencies, or other public or private entities to enhance the program and promote school-linked services integration; and

(J) evaluate annually the effectiveness and outcomes of the psychological counseling services and activities assisted under this section.

(3) REPORT.—The Secretary shall issue a report evaluating the programs assisted pursuant to each grant under this subsection at the end of each grant period in accordance with section 1, but in no case later than January 30, 2004.

(4) DISSEMINATION.—The Secretary shall make the programs assisted under this section available for dissemination, either through the National Diffusion Network or other appropriate means.

(5) LIMIT ON ADMINISTRATION.—Not more than five percent of the amounts made available under this section in any fiscal year shall be used for administrative costs to carry out this section.

(d) DEFINITIONS.—For purposes of this section—

(1) the term ''school psychologist'' means an individual who—

(A) possesses a minimum of 60 graduate semester hours in school psychology from an institution of higher education and has completed 1,200 clock hours in a supervised school psychology internship, of which 600 hours shall be in the school setting;

(B) possesses State licensure or certification in the State in which the individual works; or

(C) in the absence of such State licensure or certification, possesses national certification by the National School Psychology Certification Board;

(2) the terms ''elementary school'', ''local educational agency'', and ''secondary school'' have the same meanings given such terms in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801); and

(3) the term ''Secretary'' means the Secretary of Education.

FRANK R. LAUTENBERG POST OFFICE AND COURTHOUSE

SPEECH OF

HON. STEVEN R. ROTHMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 19, 2000

Mr. ROTHMAN. Mr. Speaker, I am proud to rise today to honor Senator FRANK R. LAUTENBERG, as a co-sponsor of H.R. 4975, designating the post office and courthouse located at 2 Federal Square in Newark, New Jersey, as the Frank R. Lautenberg Post Office and Courthouse.

I can think of few individuals who have done so much for New Jersey to earn such an honor.

Senator FRANK LAUTENBERG is the personification of the American Dream. He was born to poor, hard-working immigrants in Paterson, New Jersey. It did not say Senator on his birth certificate. He had to work for everything he got.

FRANK LAUTENBERG enlisted in the U.S. Army where he served proudly in Europe during World War II. And thanks to the G.I. Bill, he received an education and used it to build a company from scratch.

That company, ADP, is now the largest payroll company in the world, and employs 33,000 people.

FRANK LAUTENBERG unselfishly used his success to help others. He has been one of the United States Senate's most tireless advocates for improving the health of all our families. The list of his accomplishments is both distinguished and long.

He has been one of the most strident advocates in taking on the tobacco companies to help our children. He was the leader in outlawing smoking on commercial flights.

He authored the nation's first Right to Know environmental legislation.

He established 21 as the national legal drinking age, reducing drunk driving deaths.

He helped to write Superfund, and the Clean Air and Safe Drinking Water Acts . . . And so much more.

It is impossible to find any piece of major legislation that improves public health that does not have FRANK LAUTENBERG's fingerprints on it.

And as the capstone of his career, as the ranking member of the Senate Budget Committee, he co-authored the Balanced Budget Agreement of 1997 that has helped produce the first balanced budget in a generation, and perpetuates an unprecedented era of prosperity.

On a personal note, FRANK LAUTENBERG has always been there for me when I needed him, as a friend and a leader of the New Jersey delegation.

That is why I am honored to be there for FRANK LAUTENBERG. I hope everyone will join me in thanking him for his public service and granting this honor.

IN RECOGNITION OF GARDEN CITY PARK FIRE DEPARTMENT RESCUE SQUAD

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mrs. MCCARTHY of New York. Mr. Speaker, I rise today to commend the outstanding work by the Garden City Park Fire Department Rescue Squad on its golden anniversary.

Over the past fifty years, the Garden City Park Fire Department Rescue Squad responded to more than 30,000 emergency calls. This all-volunteer staff, which spends countless hours training to improve their skills, have made a significant difference in the lives of countless Long Islanders.

Come rain, sun, snow, or hail, these talented men and women brave the elements applying their skills and saving lives. It is often a job that does not get the recognition it deserves because many people take their service for granted. But make no mistake, these men and women are often the difference between life and death. Always the first on the scene of an accident, they apply their skills in a professional manner and do an outstanding job treating accident victims.

I, along with those treated by these dedicated men and women, applaud your dedication and service. Residents across Long Island owe you our gratitude and thanks.

ESSENTIAL AND CRITICAL HOSPITAL PRESERVATION ACT OF 2000

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. KANJORSKI. Mr. Speaker, I rise today to announce the introduction of the Essential and Critical Hospital Preservation Act of 2000.

This bill improves previous legislation I have introduced in the 106th Congress by targeting relief to similar regions of the country like Northeastern Pennsylvania. Hospitals in these regions have a disproportionate number of elderly patients and have, therefore, been more greatly affected by the drastic cuts made in Medicare from the Balanced Budget Act of 1997. Furthermore, in these regions, the formula for Medicare as applied to those hospitals returns them an insufficient payment to meet their basic costs.

This bill is designed to assist economically distressed hospitals in regions where the combination of managed care, Medicare, and commercial payments changes have threatened to destroy the entire health care delivery infrastructure. It applies only to hospitals which have more than 40 percent of its patients on Medicare and receive the rural reimbursement rate despite being located in a Metropolitan Statistical Area.

Mr. Speaker, the hospitals in my region of Pennsylvania are in deep distress. Many of them are in severe economic difficulty. My proposal would give hospitals in regions of the country like Northeastern Pennsylvania a minimum of a 5-year, 10-percent increase in Medicare payments while they work through

the development of long-range economic recovery programs. It also requires the hospitals to devise a coordinated economic recovery program with the assistance of the Secretary of Health and Human Services.

Mr. Speaker, in a time when the future of Medicare is under strict scrutiny, we must today continue to provide the basic essential care under the Medicare program that are intended some 35 years ago. I urge all Members of Congress to review this critical legislation in the remainder of the 106th Congress and work to enact it into law.

HONORING MELVIN PAGE

HON. ZACH WAMP

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. WAMP. Mr. Speaker, in some ways Melvin Page and his colleagues in honor and arms may be the bravest Americans. They fought a long and difficult war against a brutal and ferocious enemy. But—unlike the brave Americans who fought all our other wars—Melvin Page and his fellow Vietnam veterans had to fight a war that not all Americans supported. Even if Melvin Page and his comrades were ''the bravest of the brave''—and they were—the civilian leadership that got us into Vietnam badly failed the men and women it sent there. Those leaders never gave our brave soldiers the unconditional backing and the clear goals needed to win. But, despite all those impediments, Melvin Page and the others who fought in that conflict can always hold their heads proudly and high because of the extreme sacrifices they made in defense of freedom.

That's why I was especially honored to take part in Melvin Page Day in Harriman, TN, in the Third District on Saturday, September 9, 2000. When you look at the story of Melvin Page's brave service, it's hard to imagine anyone who could more deserve the honors he received from his fellow citizens. Melvin served in the United States Army from 1967 to 1969 when the Vietnam War was at its height. He showed his true courage and suffered enormously during a battle in which he and 43 other men were ambushed by over 1,000 North Vietnamese Army soldiers. In an attempt to save as many of his comrades as possible, Sgt. Page called in napalm air strikes on his own position. He was hit three times by rifle shots, struck by a grenade and was grievously burned. He was one of the very few people in his command to survive the attack. Rescuers arrived just in time to save his life; and in fact, Melvin Page was so badly injured that the recovery team thought that he had died and placed him in a body bag. It was only when his hand moved that the rescuers realized that he was alive.

He had to undergo numerous operations and extensive rehabilitation to recover from the severe burns and other injuries he suffered. After Melvin Page left the Army, he became a letter carrier with the U.S. Postal Service back home in Harriman, where he has worked faithfully for 30 years.

Melvin Page's heroism and sacrifice has been recognized by the numerous medals and awards he has received, including the Bronze Star with V Device, three Purple Hearts, Two Bronze Oak Leaf Clusters, Good Conduct, National Defense Service, U.S. Vietnam Service, Vietnam Campaign, Combat Infantryman Badge, Parachute Jump Badge, Ranger Tab and Expert Marksman badge for pistol, rifle, and machine gun.

But, as impressive as this list is, it cannot begin to convey the heroism and sacrifice that marked Melvin Page's Army service. Mr. Page, as you complete 33 years of loyal and dedicated services to the United States in war and peace, please accept the congratulations, best wishes and heartfelt thanks of a grateful nation.

OCHSNER FOUNDATION HOSPITAL

HON. DAVID VITTER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. VITTER. Mr. Speaker, on Monday, September 25, the Ochsner Foundation Hospital will open a spectacular new addition. This $46 million facility will provide 140 square feet of space over three floors. The first floor will include a world-class emergency and trauma center; the second floor will be home to 10 new operating rooms with the most advanced equipment; and the third floor will include 32 new intensive care unit patient rooms. By placing these improved facilities in new construction, operations of the existing facility are not threatened.

These improvements will improve the quality of care of patients at Ochsner. They also will provide a better learning environment for the more than 200 medical residents that study each year at Ochsner.

The Ochsner Foundation Hospital, at its present location since 1954, is accredited with commendation by the Joint Commission on Accreditation of Health Care Organizations, an achievement which places the hospital above 87% of all hospitals in the U.S. The hospital admits over 18,000 patients each year for a total of more than 97,000 patient days. The average length of stay at Ochsner is 4.9 days. In addition, each year 30,000 individuals are treated on an emergency outpatient basis.

Known for surgical expertise with nearly 12,000 surgery cases handled each year, the hospital is also known for its pediatric, cancer, cardiology, and orthopedic programs. The Ochsner Multi-Organ Transplantation Center performs transplantation surgeries for most major solid organ systems and ranks as the fifth largest heart transplantation program in the country.

Ochsner has provided generations of patients from the New Orleans area and from throughout the world with quality medical care. This new addition will permit them to continue providing the highest quality of medical care for future generations.

TRIBUTE TO THE REVEREND BERTRAM G. BENNETT, JR.

HON. JOSE E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to an outstanding individual who has devoted his life to serving others, Reverend Bertram G. Bennett, Jr. He will be honored by the Wardens, Vestry and People of Saint David's Episcopal Church on Sunday, September 17, 2000 for 20 years of ministry at Saint David's.

Reverend Bertram G. Bennett, Jr., was born in New York City on September 23, 1951 and has been Priest-in-Charge of St. David's Episcopal Church in the Bronx since 1980. He received a B.A. in Behavioral Science from Shaw University in Raleigh, North Carolina and a Master of Divinity from the General Theological Seminary in New York City and was ordained Deacon in 1977 and Priest in 1978.

Fr. Bennett strongly upholds the Diocese of New York's mission statement of ''effective church presence in poor communities.'' Born and raised in Harlem and carrying out his ministry in the South Bronx, Fr. Bennett is very much aware of the problems that afflict such communities.

Serving on a number of committees and boards, Fr. Bennett is well-known and respected in the Diocese, the parish and the community. He has served on the Diocesan Council and on several Diocesan committees. He is currently the Chair of the South Bronx Interparish Council, and in that capacity stresses the importance of the parishes meeting on a regular basis and sharing information and resources. Fr. Bennett is also on the Board of Episcopal Social Services, an organization that assists people of all ages throughout the Diocese.

Under Fr. Bennett's encouragement, St. David's has been a member of South Bronx Churches (SBC) since its beginning in 1987. SBC is an ecumenical broad-based organization of the Industrial Areas Foundation (IAF), involved with problems the communities in the South Bronx face regarding housing, illegal drugs, education, health, and employment. As Chair of the Housing Task Force of the South Bronx Churches, Fr. Bennett has been instrumental in the development of affordable homes in the South Bronx. He is also Chair of the Board of the Senior Housing Development. The accomplishments result from the hard work and motivation of Fr. Bennett whose steadfast perseverance is an inspiration to his parishioners.

Important to Fr. Bennett's ministry is his involvement with youth work in the church and community. He has served as Chair of the Board of Bronx Youth Ministry and has recently been appointed to serve on the School Chancellor's Interfaith Advisory Council. St. David's After School Program and Summer Day Camp are vital community programs that offer supervised and structured activities for the youngsters. In recent years, Fr. Bennett has encouraged the men of the Parish to meet on a regular basis with the young men of the community for prayer and fellowship during the week.

Before coming to St. David's, Fr. Bennett served in churches in the Bronx and Manhattan. As a parish priest, he places a high priority on making pastoral calls, visiting the sick and shut-ins, and counseling. Many times he has been able to assist members of the church and community through court appearances and intervention with the Department of Social Services, and giving support to parents dealing with school authorities.

Among the church and community organizations that have honored Fr. Bennett for his

ministry are the Boys of Yesteryear, the Bronx Council, Bronx Youth Ministry, and the New York City Council of Churches.

Fr. Bennett is a devoted family man, as is evident to those who have met his wife, Ledda, their children and grandchildren.

Mr. Speaker, I ask my colleagues to join me in recognizing Reverend Bertram G. Bennett, Jr., for his remarkable career of serving the community and bringing hope to the many individuals he has touched.

A SUCCESSFUL PUBLIC-PRIVATE PARTNERSHIP

HON. ROBERT WEXLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. WEXLER. Mr. Speaker, I rise today to commend the important contributions made by ADT Security Services, Inc., a security headquarters in my district in Boca Raton, Florida, to the National Crime Prevention Council (NCPC).

The NCPC is a private non-profit organization which has been working tirelessly to make our country safer from crime. The most prominent of their programs is the ''McGruff the Crime Dog'' public service advertising campaign, which is celebrating its 20th anniversary this year. Many of us are familiar with its ''Take a Bite out of Crime'' slogan. Some of their other valuable activities include providing technical assistance to communities, coordinating community demonstration projects, and producing award-winning publications for distribution to law enforcement, schools, and community organizations.

ADT has sponsored activities of the NCPC since 1985, and ADT's supported has allowed the NCPC to develop and distribute the National Crime Prevention Survey and the annual October Crime Prevention Month kit. To celebrate McGruff's 20th anniversary, the NCPC also began a tour of the country to recognize those communities which have had significant reductions in crime as a result of coordinated prevention efforts. This tour is only possible as a result of ADT's support.

Mr. Speaker, when corporations such as ADT give of their resources to improve communities, the results pay enormous dividends in the quality of life all Americans enjoy.

I would like to express my best wishes for continued success to the partnership of ADT and the NCPC, as well as my pride to represent a company, such as ADT, in the House of Representatives.

VICTIMS OF CIVIL WAR: THE REFUGEES OF COLOMBIA AND PERU

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. DIAZ-BALART. Mr. Speaker, earlier today, I chaired a Congressional Human Rights Caucus briefing on ''Victims of Civil War: The Refugees of Colombia and Peru.'' I would hereby like to share the agenda and my opening statement at the hearing with the House for my colleagues' information.

CONGRESSIONAL HUMAN RIGHTS CAUCUS—VICTIMS OF CIVIL WAR: THE REFUGEES OF COLOMBIA AND PERU, SEPTEMBER 20, 2000, 10–11:30 AM

Summary: Pursuant to the request of Congressional Diaz-Balart (R-FL), the Congressional Human Rights Caucus convened on September 20, 2000 at 10 AM to examine the causes and ramifications of the Andean refugee crisis and to review U.S. policy in response to this crisis. Caucus Chairmen John Edward Porter (R-IL) and Tom Lantos (D-CA) appointed Congressman Diaz-Balart (R-FL) to chair the briefing. The briefing concluded at 11:45 AM.

WITNESSES

Panel I: (1) Ms. Dawn T. Calabia, External Relations, Office of the United Nations High Commissioner for Refugees; (2) Mr. Julian Hoyos, political asylee from Colombia; and (3) Mr. Jorge Vallejos, refugee/journalist from Peru.

Panel II: (1) Ms. Nina Serafino, Congressional Research Service (CRS) specialist on Colombia; (2) Ms. Maureen Taft Morales, (CRS) specialist on Peru; (3) Andrew Miller, Acting Advocacy Director for Latin America and the Carribean, Amnesty International USA; and (4) Elisa Massimino, Washington, DC Director, Lawyers Committee for Human Rights.

OPENING STATEMENT OF CONGRESSMAN LINCOLN DIAZ-BALART, CONGRESSIONAL HUMAN RIGHTS CAUCUS, BRIEFING ON THE VICTIMS OF CIVIL WAR IN COLOMBIA AND PERU, SEPTEMBER 20, 2000

Welcome to today's Congressional Human Rights Caucus briefing on the Andean refugees—victims of civil war in Colombia and Peru. I would first like to thank my colleagues, Congressman JOHN PORTER and TOM LANTOS and their able staffs for supporting me in convening the caucus to address this critical issue. Secondly, I would like to thank my colleagues who are present with us today. Finally I would like to extend my deep appreciation to our witnesses for their participation today and their personal investment of time and, in some cases, travel to help illuminate this issue.

I have become progressively more interested in this issue in the last few years as I have observed Colombian and Peruvian refugees seeking safe haven in South Florida. Since their arrival during the last two decades, they have enriched South Florida with their talent and their spirit of enterprise. In the last few years, my district office has experienced a great increase in the number of visits from Colombian and Peruvian families. In talking with them about their struggle for freedom and peace, I have learned about their journey and how they have sacrificed greatly to protect their children and loved ones from those who would terrorize them in pursuit of territorial, political, or monetary greed. I have pledged to these families that I will do everything I possibly can to assist them in their effort to remain as residents en route to becoming citizens of the United States.

I should mention that I will use the term refugee in its inclusive meaning to include those who seek humanitarian protection both before and after entering the United States. Therefore, I include those who seek asylum when they are fortunate enough to escape their persecutors and reach the United States.

A few points should be noted to provide context to the issue before us. Colombia continues to be engulfed in an intensifying civil war that is no longer confined to rural communities. Moreover, it now affects all regions and social strata of Colombian society. Bogota, the nation's capital, is now daily beset with guerrilla atrocities. Unemployment levels exceeded a staggering 20% in 1999 and on average there were seven kidnappings per day—2,548 per year.

On August 1, 1999 the Miami Herald Editorial Board noted, ''During the terror campaign of the late 1980's and early 1990's, narco cartels bombed malls and jetliners, randomly killing innocent civilians en masse.'' Today, the Herald, the Washington Times, Washington Post and other national newspapers report escalating murders, kidnapings for ransom, and other atrocities committed against civilians and foreigners—increasingly more Americans (executives, journalists, professors, and tourists) are becoming victims.

Peru experienced equally severe destruction in the 1980's and 1990's at the hands of the Sendero Luminoso (the Shining Path). According to Amnesty International's Annual Report for 1990, in October of 1990 alone, the Marxist-terrorist organization killed 350 people. We will hear more from our panels about the grave conflict in Peru and how it forced thousands from their homes.

As many here recall, in the 1980's and 1990's these severe Marxist-guerrilla atrocities in Colombia and Peru caused thousands of refugees to flee their countries and seek safe haven in the United States and elsewhere in North America. The Colombians and Peruvians pursued asylum claims, but most were obstructed from relief. For example, according to the INS between 1989 and 1997, the cumulative approval rate for Colombians was 15.8% and for Peruvians 24.8%—well below similarly beleaguered countries such as Liberia (45.2%) Ethiopia (50.3%) and Burma (54.8%).

I have received letters from constituents and interested individuals that are bitterly painful to read because they depict savage brutality, intimidation, and terror, all as means to deprive non-combatants of political freedom, land, personal property, and worst of all their human dignity. One man's father was killed by the Marxist Revolutionary Armed Forces of Colombia (FARC), after repeated beatings and the murder of cattle workers, to confiscate the family's land and other assets. Another letter was from a woman who was involved in grass roots political activity on behalf of the assassinated Presidential candidate Luis Carlos Galan in 1988. She was assaulted, subjected to death threats, and forced to live in hiding and apart from her mother and children for months at a time. A bomb exploded near her home followed by a phone call that threatened her telling her that the next time it would be her home that was bombed. The door to her house was regularly spray painted with the letters ''FARC''.

What we will hear today will only provide a brief glimpse of the continuous suffering that the refugees have experienced everyday for years. They have lost loved ones in the conflict. They have been separated from family for years. They have been unable to attend funerals of parents and siblings. The physical and mental anguish of these communities deserve our consideration.

A nation's strength must be measured not only by its economic or military might, but by the degree in which it helps its neighboring allies. Colombia is a mere three and one-half hours flight from Miami—about the distance between Washington, DC and Denver, Colorado.

It is my hope that this Congress will look at the record of this meeting today and use it to help craft foreign and immigration policies that work to extend relief to the hard-working and law-abiding Peruvian and Colombian families. I have a proposal (The Andean Adjustment Act, HR 2741), which I will discuss later, to begin this effort and I will

continue to work toward its adoption. Thank you. We will now here from Ms. Calabia on behalf of the United Nations High Commissioner for Refugees.

INTRODUCTION OF THE IMMIGRANT HEALTH AND SAFETY ACT

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. NADLER. Mr. Speaker, today I am introducing the Immigrant Health and Safety Act. I hope my Colleagues will join me in supporting this legislation designed to correct a very serious consequence of major immigration reform legislation that was passed into law in 1996.

Prior to 1996, relief from deportation was possible for long-term immigrants of good moral character who had community ties in the U.S., if deportation would prove a cruel hardship for themselves or their families. No more than 4,000 such grants are permitted each year—and only to long-term, non-criminal immigrants with family and community ties in the U.S.

In 1996, Congress severely limited this kind of relief. Even a cruel hardship to an individual—such as an extreme medical condition—cannot prevent that individual's deportation. Now only a showing that someone's deportation will result in extreme and unusual hardship to his/her immediate relative who is a legal permanent resident or U.S. citizen can prevent deportation.

In other words, current law permits removal of long-term immigrants even if it would mean extreme medical hardship, disability, or even death. Immigrants who suffer form eminently treatable conditions in the United States could be subjected to suffering or perhaps death if forced to leave. They are also forced to leave their loved ones behind and sever ties with communities they have been a part of for years.

Historically, humanitarianism and family unity have been principal policies underpinning U.S. immigration law. For a small group of immigrants, current law threatens individual lives, community integrity, and the well being of immigrant families. Our bill would allow the Attorney General discretion to cancel their removal from the U.S. if she determined their cases had merit. The bill would not increase the number of grants of relief available each year beyond the 4,000 already permitted in current law, but would remove an undue burden of the 1996 law on a small group of immigrants who have lived in the U.S. for many years.

Again, I urge my colleagues to support this legislation and pass it as swiftly as possible.

HOME HEALTH OCCUPATIONAL THERAPY SHOULD BE COVERED BY MEDICARE

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. ANDREWS. Mr. Speaker, I rise today to ask my colleagues to co-sponsor an important bill related to the Medicare Home Health benefit. I recently introduced H.R. 4874, the Medicare Occupational Therapy Coverage Eligibility Act of 2000. This bill would amend title XVIII of the Social Security Act to provide for eligibility for coverage of home health services under the Medicare Program on the basis of a need for occupational therapy.

Occupational therapy is regarded as a full rehabilitation benefit under Medicare in every post-acute benefit except home health. This is a historical problem that should have been corrected when occupational therapy was included as a free-standing benefit in 1987. This correction is long overdue. It will provide beneficiaries immediate access to occupational therapy—a service targeted toward increasing self-sufficiency and function in the home—if they need it as part of their home health care plan. Physicians will be able to prescribe occupational therapy immediately without the requirement that nursing or another service be provided first. Additionally, home health agencies will have more flexibility in designing care plans based on clinical appropriateness and not on an outmoded Medicare requirement.

Occupational therapy is focused on helping individuals become more independent. That is why I believe that the inclusion of occupational therapy coverage by Medicare in the home health benefit will actually decrease the dependence of individuals on home health services. This bill will help seniors to lead better, more independent lives. I urge my colleagues to support putting occupational therapy on an equal footing as a rehabilitation benefit in home health, just as it is in rehabilitation hospitals and skilled nursing facilities.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, September 21, 2000 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 22

10 a.m.
Commission on Security and Cooperation in Europe
To hold hearings to examine the status of policing reforms in Northern Ireland as envisioned by the Good Friday Agreement.
2172 Rayburn Building

SEPTEMBER 25

1 p.m.
Judiciary
Administrative Oversight and the Courts Subcommittee
To hold oversight hearings on the USDA's administrative procedures regarding the Packers and Stockyards Act.
SD–226

SEPTEMBER 26

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs on the Legislative recommendation of the American Legion.
345 Cannon Building

Environment and Public Works
To hold hearings on S. 1763, to amend the Solid Waste Disposal Act to reauthorize the Office of Ombudsman of the Environmental Protection Agency; S. 1915, to enhance the services provided by the Environmental Protection Agency to small communities that are attempting to comply with national, State, and local environmental regulations; S. 2296, to provide grants for special environmental assistance for the regulation of communities and habitat (SEARCH) to small communities; and S. 2800, to require the Administrator of the Environmental Protection Agency to establish an integrated environmental reporting system.
SD–406

Commerce, Science, and Transportation
To hold oversight hearings on the activitites of the National Railroad Passenger Corporation (AMTRAK).
SR–253

Judiciary
To hold oversight hearings to examine the Wen Ho Lee case.
SD–226

Energy and Natural Resources
To hold oversight hearings to examine the current outlook for supply of heating and transportation fuels this winter.
SD–366

10 a.m.
Health, Education, Labor, and Pensions
To hold hearings to examine biotechnology and consumer confidence of food.
SD–430

10:30 a.m.
Foreign Relations
To hold hearings to examine U.S. foreign policy at the end of the current administration.
SD–419

2:30 p.m.
Finance
Social Security and Family Policy Subcommittee
To hold hearings to examine IRS collecton of child support payments.
SD–215

Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on S. 3044, to establish the Las Cienegas National Conservation Area in the State of Arizona; S. 3052, to designate wilderness areas and a cooperative management and protection area in the vicinity of Steens Mountain in Harney County, Oregon; and S. 3039, to authorize the Secretary of Agriculture to sell a Forest Service administrative site occupied by the Rocky Mountain Research Station located in Boise, Idaho, and use the proceeds derived from the sale to purchase interests in a multiagency research and education facility to be constructed by the University of Idaho.
SD–366

Judiciary
Criminal Justice Oversight Subcommittee
To hold oversight hearings to examine the United States Sentencing Commission.
SD–226

SEPTEMBER 27

9:30 a.m.
Armed Services
To hold hearings to examine the status of U.S. military readiness.
SH–216

Indian Affairs
To hold hearings on S. 2052, to establish a demonstration project to authorize the integration and coordination of Federal funding dedicated to community, business, and the economic development of Native American communities.
SR–485

Commerce, Science, and Transportation
To hold hearings to examine the marketing of violence to children.
SR–253

2:15 p.m.
Environment and Public Works
Clean Air, Wetlands, Private Property, and Nuclear Safety Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Clean Air Act.
SD–406

2:30 p.m.
Foreign Relations
Business meeting to consider pending calendar business.
S–116, Capitol

SEPTEMBER 28

9:30 a.m.
Armed Services
To resume hearings on United States policy towards Iraq.
SH–216

Commerce, Science, and Transportation
To hold hearings to examine the Department of Commerce trad missions and political activities.
SR–253

Daily Digest

HIGHLIGHTS

House Committees ordered reported 23 sundry measures.

Senate

Chamber Action

Routine Proceedings, pages S8773–S8870

Measures Introduced: Twelve bills were introduced, as follows: S. 3074-3085. **Pages S8822–23**

Measures Reported:

H.R. 4986, to amend the Internal Revenue Code of 1986 to repeal the provisions relating to foreign sales corporations (FSCs) and to exclude extraterritorial income from gross income, with amendments. (S. Rept. No. 106–416) **Page S8822**

Legislative/Treasury/Postal Service Appropriations Conference Report: By 28 yeas to 69 nays (Vote No. 253), Senate failed to agree to the conference report on H.R. 4516, making appropriations for the Legislative Branch for the fiscal year ending September 30, 2001, and making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2001. **Pages S8788–S8800**

Subsequently, a motion to reconsider the vote by which the conference report was defeated was entered. **Page S8800**

H–1B Nonimmigrant Visa: Senate continued consideration of the motion to proceed to the consideration of S. 2045, to amend the Immigration and Nationality Act with respect to H–1B nonimmigrant aliens. **Pages S8800–06**

Senate will continue consideration of the motion to proceed on Thursday, September 21, 2000.

Intercountry Adoption Act: Senate concurred in the amendment of the House to the Senate amendment to H.R. 2909, to provide for implementation by the United States of the Hague Convention on Protection of Children and Cooperation in Respect of Intercountry Adoption, clearing the measure for the President. **Page S8866**

Treaties Approved: The following treaties having passed through their various parliamentary stages, up to and including the presentation of the resolution of ratification, upon division, two-thirds of the Senators present and having voted in the affirmative, the resolutions of ratification were agreed to:

Convention On Protection of Children and Co-operation In Respect of Intercountry Adoption, with six declarations (Treaty Doc. 105–51) **Pages S8866–67**

Convention (No. 176) Concerning Safety and Health in Mines, with two understandings, two declaration, and two provisos (Treaty Doc. 106–8) **Pages S8866–67**

Food Aid Convention 1999, with three declarations and one proviso (Treaty Doc. 106–8) **Pages S8866–67**

Inter-American Convention on Sea Turtles, with three understandings, five declarations, and two provisos (Treaty Doc. 105–48) **Pages S8866–68**

Messages From the House: **Pages S8819–20**

Measures Referred: **Page S8820**

Measures Placed on Calendar: **Page S8820**

Measures Read First Time: **Pages S8820, S8866**

Communications: **Pages S8820–22**

Petitions: **Page S8822**

Executive Reports of Committees: **Page S8822**

Statements on Introduced Bills: **Pages S8823–64**

Additional Cosponsors: **Page S8864**

Amendments Submitted: **Page S8865**

Notices of Hearings: **Page S8865**

Additional Statements: **Pages S8817–18**

Privileges of the Floor: **Page S8866**

Record Votes: One record vote was taken today. (Total–253) **Page S8800**

Adjournment: Senate convened at 9:32 a.m., and adjourned at 6:24 p.m., until 9:30 a.m., on Thursday, September 21, 2000. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S8868.)

Committee Meetings

(Committees not listed did not meet)

FOOD SAFETY

Committee on Agriculture, Nutrition, and Forestry: Committee concluded hearings to examine certain measures the Food Safety and Inspection Service and Food and Drug Administration are taking to improve food safety, modernize regulations, and utilize resources, in order to achieve the greatest possible reduction in the risk of microbial contamination and foodborne illness and maintain consumer confidence, after receiving testimony from Dan Glickman, Secretary of Agriculture; Joseph A. Levitt, Director, Center for Food Safety and Applied Nutrition, Food and Drug Administration, and Stephen M. Ostroff, Associate Director for Epidemiologic Science, National Center for Infectious Diseases, Centers for Disease Control and Prevention, both of the Department of Health and Human Services; Lawrence J. Dyckman, Director, Food and Agriculture Issues, Resources, Community, and Economic Development Division, General Accounting Office; Michael P. Doyle, University of Georgia Center for Food Safety and Quality Enhancement, Griffin, on behalf of the Council for Agricultural Science and Technology; Dane Bernard, National Food Processors Association, Gary M. Weber, National Cattlemen's Beef Association, Caroline Smith DeWaal, Center for Science in the Public Interest, and Richard Levinson, American Public Health Association, all of Washington, D.C.; Donna M. Garren, United Fresh Fruit and Vegetable Association, Alexandria, Virginia; and Ann Hollingsworth, American Meat Science Association, Carrollton, Georgia, on behalf of the American Meat Institute.

ANTIMICROBIAL RESISTANCE

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education concluded hearings to examine the national and global problem of antimicrobial resistance, after receiving testimony from Jane E. Henney, Commissioner, Food and Drug Administration, and Jeffrey P. Koplan, Director, Centers for Disease Control and Prevention, both of the Department of Health and Human Services; F. E. Thompson, Jr., Mississippi Department of Health, Jackson, on behalf of the Association of State and Territorial Health Officials; Merle A. Sande, University of Utah School of Medicine, Salt Lake City; Alice M. Clark, University of Mississippi National Center for the Development of Natural Products, University; Mark L. Nelson, Paratek Pharmaceuticals, Inc., Boston, Massachusetts; and Martin Rosenberg, Smithkline Beecham Pharmaceuticals, Philadelphia, Pennsylvania.

BUSINESS MEETING

Committee on Commerce, Science, and Transportation: Committee ordered favorably reported the following business items:

S. 3059, to amend title 49, United States Code, to require motor vehicle manufacturers and motor vehicle equipment manufacturers to obtain information and maintain records about potential safety defects in their foreign products that may affect the safety of vehicles and equipment in the United States, with an amendment in the nature of a substitute;

S. 2454, to amend the Communications Act of 1934 to authorize low-power television stations to provide digital data services to subscribers, with an amendment in the nature of a substitute;

S. 2070, to improve safety standards for child restraints in motor vehicles, with an amendment in the nature of a substitute;

S. 1941, to amend the Federal Fire Prevention and Control Act of 1974 to authorize the Director of the Federal Emergency Management Agency to provide assistance to fire departments and fire prevention organizations for the purpose of protecting the public and firefighting personnel against fire and fire-related hazards, with an amendment in the nature of a substitute;

S. 2029, to amend the Communications Act of 1934 to prohibit telemarketers from interfering with the caller identification service of any person to whom a telephone solicitation is made, with amendments;

S. Res. 344, expressing the sense of the Senate that the proposed merger of United Airlines and US Airways is inconsistent with the public interest and public convenience and necessity policy set forth in section 40101 of title 49, United States Code;

S. 876, to amend the Communications Act of 1934 to require that the broadcast of violent video programming be limited to hours when children are not reasonably likely to comprise a substantial portion of the audience, with an amendment in the nature of a substitute; and

The nominations of David Z. Plavin, of New York, and Arthenia L. Joyner, of Florida, each to be a Member of the Federal Aviation Management Advisory Council, Sue Bailey, of Maryland, to be Administrator of the National Highway Traffic Safety Administration, and certain promotion lists in the United States Coast Guard, all of the Department of Transportation.

BUSINESS MEETING

Committee on Energy and Natural Resources: Committee ordered favorably reported the following bills:

S. 2951, to authorize the Commissioner of Reclamation to conduct a study to investigate opportunities to better manage the water resources in the Salmon Creek watershed of the upper Columbia River, with amendments;

S. 1756, to enhance the ability of the National Laboratories to meet Department of Energy missions, with an amendment in the nature of a substitute;

H.R. 2919, to promote preservation and public awareness of the history of the Underground Railroad by providing financial assistance, to the Freedom Center in Cincinnati, Ohio;

H.R. 3236, to authorize the Secretary of the Interior to enter into contracts with the Weber Basin Water Conservancy District, Utah, to use Weber Basin Project facilities for the impounding, storage, and carriage of nonproject water for domestic, municipal, and industrial purposes;

S. 1848, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project, with an amendment in the nature of a substitute;

S. 2400, to direct the Secretary of the Interior to convey certain water distribution facilities to the Northern Colorado Water Conservancy District, with an amendment;

S. 2594, to authorize the Secretary of the Interior to contract with the Mancos Water Conservancy District to use the Mancos Project facilities for impounding, storage, diverting, and carriage of nonproject water for the purpose of irrigation, domestic, municipal, industrial, with an amendment;

H.R. 1680, to provide for the conveyance of Forest Service property in Kern County, California, in exchange for county lands suitable for inclusion in Sequoia National Forest, with an amendment in the nature of a substitute;

S. 2111, to direct the Secretary of Agriculture to convey for fair market value 1.06 acres of land in the San Bernardino National Forest, California, to KATY 101.3 FM, a California corporation, with an amendment in the nature of a substitute;

S. 2547, to provide for the establishment of the Great Sand Dunes National Park and the Great Sand Dunes National Preserve in the State of Colorado, with an amendment in the nature of a substitute;

S. 2301, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Lakehaven water reclamation project for the reclamation and reuse of water, with an amendment in the nature of a substitute;

S. 2163, to provide for a study of the engineering feasibility of a water exchange in lieu of electrification of the Chandler Pumping Plant at Prosser Diversion Dam, Washington, with an amendment in the nature of a substitute;

H.R. 1235, to authorize the Secretary of the Interior to enter into contracts with the Solano County Water Agency, California, to use Solano Project facilities for impounding, storage, and carriage of nonproject water for domestic, municipal, and industrial purposes;

S. 1697, to authorize the Secretary of the Interior to refund certain collections received pursuant to the Reclamation Reform Act of 1982, with an amendment in the nature of a substitute;

S. 2195, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Truckee watershed reclamation project for the reclamation and reuse of water, with an amendment in the nature of a substitute;

S. 2350, to direct the Secretary of the Interior to convey to certain water rights to Duchesne City, Utah, with an amendment in the nature of a substitute;

S. 2877, to authorize the Secretary of the Interior to conduct a feasibility study on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon, with an amendment;

S. 2882, to authorize Bureau of Reclamation to conduct certain feasibility studies to augment water supplies for the Klamath Project, Oregon and California, with an amendment in the nature of a substitute;

H.R. 3023, to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to convey property to the Greater Yuma Port Authority of Yuma County, Arizona, for use as an international port of entry;

S. 2757, to provide for the transfer or other disposition of certain lands at Melrose Air Force Range, New Mexico, and Yakima Training Center, Washington, with amendments;

H.R. 4579, to provide for the exchange of certain lands within the State of Utah;

H.R. 4063, to establish the Rosie the Riveter-World War II Home Front National Historical Park in the State of California, with amendments;

S. 2331, to direct the Secretary of the Interior to recalculate the franchise fee owed by Fort Sumter Tours, Inc., a concessioner providing service to Fort

Sumter National Monument, South Carolina, with an amendment in the nature of a substitute;

S. 2345, to direct the Secretary of the Interior to conduct a special resource study concerning the preservation and public use of sites associated with Harriet Tubman located in Auburn, New York, with an amendment in the nature of a substitute;

H.R. 4115, to authorize appropriations for the United States Holocaust Memorial Museum;

S. 2848, to provide for a land exchange to benefit the Pecos National Historical Park in New Mexico, with an amendment in the nature of a substitute;

H. Con. Res. 89, recognizing the Hermann Monument and Hermann Heights Park in New Ulm, Minnesota, as a national symbol of the contributions of Americans of German heritage;

H.R. 3084, to authorize the Secretary of the Interior to contribute funds for the establishment of an interpretative center on the life and contributions of President Abraham Lincoln, with an amendment;

S. 2749, to establish the California Trail Interpretive Center in Elko, Nevada, to facilitate the interpretation of the history of development and use of trails in the setting of the western portion of the United States;

S. 2885, to establish the Jamestown 400th Commemoration Commission, with an amendment;

S. 2950, to authorize the Secretary of the Interior to establish the Sand Creek Massacre Historic Site in the State of Colorado, with amendments;

S. 2959, to amend the Dayton Aviation Heritage Preservation Act of 1992, with an amendment;

S. 3000, to authorize the exchange of land between the Secretary of the Interior and the Director of the Central Intelligence Agency at the George Washington Memorial Parkway in McLean, Virginia, with an amendment in the nature of a substitute;

S. 1969, to provide for improved management of, and increases accountability for, outfitted activities by which the public gains access to and occupancy and use of Federal land, with an amendment in the nature of a substitute;

S. 2873, to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States;

S. 1331, to give Lincoln County, Nevada, the right to purchase at fair market value certain public land in the county, with an amendment in the nature of a substitute;

H.R. 4275, to establish the Colorado Canyons National Conservation Area and the Black Ridge Canyons Wilderness;

S. 2691, to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon, with an amendment;

S. 2977, to assist in the establishment of an interpretive center and museum in the vicinity of the Diamond Valley Lake in southern California to ensure the protection and interpretation of the paleontology discoveries made at the lake and to develop a trail system for the lake for use by pedestrians and nonmotorized vehicles;

S. 2942, to extend the deadline for commencement of construction of certain hydroelectric projects in the State of West Virginia;

S. 2865, to designate certain land of the National Forest System located in the State of Virginia as wilderness;

H.R. 4285, to authorize the Secretary of Agriculture to convey certain administrative sites for National Forest System lands in the State of Texas, to convey certain National Forest System land to the New Waverly Gulf Coast Trades Center;

H.R. 3577, to increase the amount authorized to be appropriated for the north side pumping division of the Minidoka reclamation project, Idaho; and

S. 3022, to direct the Secretary of the Interior to convey certain irrigation facilities to the Nampa and Meridian Irrigation District, with an amendment in the nature of a substitute.

Also, committee began markup of S. 1093, to establish the Galisteo Basin Archaeological Protection Sites, to provide for the protection of archaeological sites in the Galisteo Basin of New Mexico, H.R. 3676, to establish the Santa Rosa and San Jacinto Mountains National Monument in the State of California, and H.R. 359, to clarify the intent of Congress in Public Law 93–632 to require the Secretary of Agriculture to continue to provide for the maintenance and operation of 18 concrete dams and weirs that were located in the Emigrant Wilderness at the time the wilderness area was designated in that Public Law, but did not complete action thereon, and recessed subject to call.

EVERGLADES WATER QUALITY

Committee on Environment and Public Works: Subcommittee on Transportation and Infrastructure concluded hearings to examine the role of the U.S. Army Corps of Engineers' Comprehensive Everglades Restoration Plan to improve the quality, quantity, timing, and distribution of water in the South Florida ecosystem, after receiving testimony from Barry T. Hill, Associate Director, Energy, Resources, and Science Issues, Resources, Community, and Economic Development Division, General Accounting Office; Michael L. Davis, Deputy Assistant Secretary of the Army for Civil Works; and David B. Struhs, Florida Department of Environmental Protection, Tallahassee.

VIOLENCE IN THE MEDIA

Committee on the Judiciary: Committee held hearings to examine the antitrust implications of entertainment industry self-regulation, and the constitutionality of government action to assist the entertainment industry in limiting the exposure of youth to explicit sex, violence, and other harmful material in music, movies, and video games, receiving testimony from Senator Brownback; and Robert Pitofsky, Chairman, Federal Trade Commission.

Hearings recessed subject to call.

BUSINESS MEETING

Committee on Health, Education, Labor, and Pensions: Committee ordered favorably reported the following business items:

S. 2829, to provide for an investigation and audit at the Department of Education, with an amendment in the nature of a substitute;

S. 2341, to authorize appropriations for part B of the Individuals with Disabilities Education Act to achieve full funding for part B of that Act by 2010;

S. Con. Res. 135, recognizing the 25th anniversary of the enactment of the Education for All Handicapped Children Act of 1975;

S. 2725, to provide for a system of sanctuaries for chimpanzees that have been designated as being no longer needed in research conducted or supported by the Public Health Service;

S. 1495, to establish, wherever feasible, guidelines, recommendations, and regulations that promote the regulatory acceptance of new and revised toxicological tests that protect human and animal health and the environment while reducing, refining, or replacing animal tests and ensuring human safety and product effectiveness, with an amendment in the nature of a substitute;

S. 2731, to amend title III of the Public Health Service Act to enhance the Nation's capacity to address public health threats and emergencies, with an amendment; and

The nominations of Mark D. Gearan, of Massachusetts, to be a Member of the Board of Directors of the Corporation for National and Community Service, Leslie Beth Kramerich, of Virginia, to be an Assistant Secretary of Labor, Seymour Martin Lipset, of Virginia, to be a Member of the Board of Directors of the United States Institute of Peace, and Mark S. Wrighton, of Missouri, to be a Member of the National Science Board, National Science Foundation.

House of Representatives

Chamber Action

Bills Introduced: 19 public bills, H.R. 5217–5235 and 3 resolutions, H. Res. 583–585 were introduced. **Pages H7931–32**

Reports Filed: Reports were filed today as follows.

Conference report on H.R. 4919, to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those Acts, to authorize the transfer of naval vessels to certain foreign countries (H. Rept. 106–868); and

H.R. 3067, to authorize the Secretary of the Interior to convey certain facilities to Nampa and Meridian Irrigation District, amended (H. Rept. 106–870);

S. 1778, to provide for equal exchanges of land around the Cascade Reservoir (H. Rept. 106–871);

H.R. 3100, to amend the Communications Act of 1934 to prohibit telemarketers from interfering with the caller identification service of any person to whom a telephone solicitation is made, amended (H. Rept. 106–872);

H. Res. 583, waiving points of order against a motion to concur in the Senate amendments to H.R. 940, to establish the Lackawanna Heritage Valley American Heritage Area (H. Rept. 106–873);

H. Res. 584, waiving points of order against the conference report to accompany H.R. 4919, to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those Acts, to authorize the transfer of naval vessels to certain foreign countries (H. Rept. 106–874); and

H. Res. 585, providing for consideration of H.R. 5109, to amend title 38, United States Code, to improve the personnel system of the Veterans Health Administration (H. Rept. 106–875). **Page H7931**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Cooksey to act as Speaker pro tempore for today. **Page H7873**

Small Business Competition Preservation Act: The House passed H.R. 4945, to amend the Small Business Act to strengthen existing protections for

small business participation in the Federal procurement contracting process by a yea and nay vote of 422 yeas with none voting "nay", Roll No. 482.

Pages H7876–85

Agreed to H. Res. 582, the rule that provided for consideration of the bill by voice vote. Page H7876

Chandler Pumping Plant Water Exchange Feasibility Study: The House passed H.R. 3986, to provide for a study of the engineering feasibility of a water exchange in lieu of electrification of the Chandler Pumping Plant at Prosser Diversion Dam, Washington by a yea and nay vote of 418 yeas to 1 nay, Roll No. 483 (the House failed to pass the bill under suspension of the rules on Tuesday, September 19). Pages H7885–88

Agreed to the Committee on Resources amendment in the nature of a substitute made in order by the rule. Page H7885

Agreed to H. Res. 581, the rule that provided for consideration of the bill by voice vote. Page H7885

HHS, Education, and Related Agencies—Motion to Instruct Conferees: Agreed to divide the question on the Obey motion to instruct conferees on H.R. 4577, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001. Subsequently, by voice vote, agreed to the first division to insist on the highest funding level possible for the Department of Education. And, by a yea and nay vote of 222 yeas to 201 nays, Roll No. 484, agreed to the second division to instruct conferees to insist on disagreeing with provisions in the Senate amendment which denies the President's request for dedicated resources to reduce class sizes in the early grades and for local school construction and, instead, broadly expands the Title VI Education Block Grant with limited accountability in the use of the funds.

Pages H7888–97

Quorum Calls—Votes: Three yea and nay votes developed during the proceedings of the House today and appear on pages H7885, H7888, and H7897. There were no quorum calls.

Adjournment: The House met at 10:00 a.m. and adjourned at 6:56 p.m.

Committee Meetings

INSPECTOR GENERAL'S REPORT—USDA PROGRAMS

Committee on Agriculture: Subcommittee on Department Operations, Oversight, Nutrition, and Forestry held a hearing to review the Inspector General's report on USDA's Office of the Under Secretary for Natural Resources and Environment and the Urban Partnership Programs. Testimony was heard from the following officials of the USDA: Roger C. Viadero, Inspector General; and James R. Lyons, Under Secretary, Natural Resources and Environment.

PATIENT PROTECTION ACT

Committee on Commerce: Held a hearing on H.R. 5122, Patient Protection Act of 2000. Testimony was heard from Thomas Croft, Director, Division of Quality Assurance, Bureau of Health Professions, Health Resources and Human Services Administration, Department of Health and Human Services; Gloria Crawford Henderson, Director, Division of Medical Quality Assurance, Department of Health, State of Florida; and public witnesses.

POTENTIAL ENERGY CRISIS

Committee on Government Reform: Held a hearing on Potential Energy Crisis in the Winter of 2000. Testimony was heard from public witnesses.

Hearings continue tomorrow.

REEXAMINATION—DC'S CHILD AND FAMILY SERVICES RECEIVERSHIP

Committee on Government Reform: Subcommittee on the District of Columbia held a hearing on the Best Interests of the Child? A Reexamination of the District of Columbia's Child and Family Services Receivership, Part 1. Testimony was heard from the following officials of the District of Columbia: Ernestine F. Jones, General Receiver, Child and Family Services; Carolyn Graham, Deputy Mayor, Children, Youth and Families; and Grace Lopes, Special Counsel, Receivership and Institution Litigation; and Linda Mouzon, Executive Director, Social Services Administration, Department of Human Resources, State of Maryland.

OVERSIGHT—DEFENSE SECURITY SERVICE

Committee on Government Reform: Subcommittee on National Security, Veterans Affairs and International Relations held a hearing on Oversight of the Defense Security Service: How Big is the Backlog of Personnel Security Investigations. Testimony was heard from the following officials of the Department of Defense: Donald Mancuso, Acting Inspector General; Gen. Charles Cunningham, USAF, (Ret.) Director, Defense Security Service; and J. William Leonard, Deputy Assistant Secretary, Security and Information Operations, Command, Control, Communications and Intelligence; and Carol R. Shuster, Associate Director, National Security International Affairs Division, GAO.

FIGHT AGAINST CORRUPTION

Committee on International Relations: Held a hearing on the Fight Against Corruption: The Unfinished Agenda. Testimony was heard from public witnesses.

UN PEACEKEEPING

Committee on International Relations: Subcommittee on International Operations and Human Rights held a hearing on United Nations Peacekeeping. Testimony was heard from public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Ordered reported the following bills: H.R. 4548, amended, Agricultural Opportunities Act; H.R. 604, amended, to amend the charter of the AMVETS organization; H.R. 5136, to make permanent the authority of the Marshal of the Supreme Court and the Supreme Court Police to provide security beyond the Supreme Court building and grounds; H.R. 4827, amended, Enhanced Federal Security Act of 2000; H.R. 3484, Child Sex Crimes Wiretapping Act of 1999; H.R. 3312, amended, Merit Systems Protection Board Administrative Dispute Resolution Act of 1999; H.R. 1924, amended, Federal Agency Compliance Act; and H.R. 1293, Transportation Employee Fair Taxation Act of 1999.

The Committee also began markup of H.R. 5018, Electronic Communications Privacy Act of 2000.

Will continue September 26.

MISCELLANEOUS MEASURES

Committee on Resources: Ordered reported the following bills: S. 1653, amended, National Fish and Wildlife Foundation Establishment Act Amendments of 1999; S. 1936, amended, Bend Pine Nursery Land Conveyance Act; H.R. 2570, Lincoln Highway Study Act of 1999; H.R. 2710, amended, National Law Enforcement Museum Act; H.R. 2941, amended, Las Cienegas National Conservation Area Establishment Act of 1999; H.R. 3118, to direct the Secretary of the Interior to issue regulations under the Migratory Bird Treaty Act that authorize States to establish hunting seasons for double-crested cormorants; H.R. 4126, Palace of the Governors Expansion Act; H.R. 4187, to assist in the establishment of an interpretive center and museum in the vicinity of the Diamond Valley Lake in southern California to ensure the protection and interpretation of the paleontology discoveries made at the lake and to develop a trail system for the lake for use by pedestrians and nonmotorized vehicles; H.R. 4503, amended, Historically Women's Public Colleges or Universities Historic Building Restoration and Preservation Act; H.R. 4721, amended, to provide for all right, title, and interest in and to certain property in Washington County, Utah, to be vested in the United States; H.R. 4828, amended, Steens Mountain Wilderness Act of 2000; H.R. 4835, to authorize the exchange of land between the Secretary of the Interior and the Director of Central Intelligence at the George Washington Memorial Parkway in McLean, Virginia; H.R. 4904, amended, to express the policy of the United States regarding the United States relationship with Native Hawaiians; H.R. 5036, Dayton Aviation Heritage Preservation Amendments Act of 2000; and H.R. 5130, amended, CALFED Extension Act of 2000.

CONFERENCE REPORT—SECURITY ASSISTANCE ACT

Committee on Rules: Granted, by voice vote, a rule waiving all points of order against the conference report to accompany H.R. 4919, Security Assistance Act of 2000, and against its consideration. The rule provides that the conference report shall be considered as read. Testimony was heard from Chairman Gilman.

LACKAWANNA VALLEY NATIONAL HERITAGE AREA ACT—CONCUR IN SENATE AMENDMENT

Committee on Rules: Granted, by voice vote, a rule waiving all points of order against a motion to concur in the Senate amendments to H.R. 940, Lackawanna Valley National Heritage Area Act of 1999. The rule provides one hour of debate on the motion equally divided and controlled by the chairman and ranking minority member of the Committee on Resources. Testimony was heard from Representative Sherwood.

DEPARTMENT OF VETERANS AFFAIRS HEALTH CARE PERSONNEL ACT

Committee on Rules: Granted, by voice vote, a modified closed rule providing 1 hour of debate on H.R. 5109, Department of Veterans Affairs Health Care Personnel Act of 2000. The rule provides that the amendment recommended by the Committee on Veterans' Affairs now printed in the bill shall be considered as adopted. The rule waives all points of order against the bill, as amended, and against its consideration. The rule makes in order the amendment printed in the Rules Committee report accompanying the resolution, which shall be considered as read and shall not be subject to amendment. The rule waives all points of order against the amendment printed in the report. Finally, the rule provides one motion to recommit with or without instructions. Testimony was heard from Chairman Stump.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, *p. D853)*

H.R. 4040, to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to

Federal employees, members of the uniformed services, and civilian and military retirees, provide for the correction of retirement coverage errors under chapters 83 and 84 of such title. Signed September 19, 2000. (P.L. 106–265)

COMMITTEE MEETINGS FOR THURSDAY, SEPTEMBER 21, 2000

(Committee meetings are open unless otherwise indicated)

Senate

Special Committee on Aging, with the Committee on Small Business, to hold joint hearings to examine issues relating to pension benefit guaranty corporation delivery for retirees, 8 a.m., SD–562.

Committee on Agriculture, Nutrition, and Forestry, Subcommittee on Forestry, Conservation, and Rural Revitalization, to hold hearings on S. 2709, to establish a Beef Industry Compensation Trust Fund with the duties imposed on products of countries that fail to comply with certain WTO dispute resolution decisions, 3 p.m., SR–328A.

Committee on Armed Services, Subcommittee on Personnel, to hold hearings on the recruiting initiatives of the Department of Defense and the military services and to receive an update on the status of recruiting and retention goals, 2:30 p.m., SR–222.

Committee on Commerce, Science, and Transportation, to hold hearings on global warming issues, 9:30 a.m., SR–253.

Committee on Energy and Natural Resources, Subcommittee on Energy Research, Development, Production and Regulation, to hold hearings on S. 2933, to amend provisions of the Energy Policy Act of 1992 relating to remedial action of uranium and thorium processing sites, 9:30 a.m., SD–366.

Committee on Environment and Public Works, business meeting to consider pending calendar business, 9:30 a.m., SD–406.

Subcommittee on Clean Air, Wetlands, Private Property, and Nuclear Safety, to hold hearings to examine the EPA's proposed regulations for diesel fuel, 10:15 a.m., SD–406.

Committee on Finance, business meeting to mark up proposed legislation to amend the Internal Revenue Code of 1986 to provide tax incentives for the renewal of distressed communities, to provide for 9 additional empowerment zones and increased tax incentives for empowerment zone development, to encourage investments in new markets, 10 a.m., SD–215.

Committee on Foreign Relations, Subcommittee on African Affairs, to hold hearings on certain anti-corruption efforts relating to African economic development, 3 p.m., SD–419.

Committee on Governmental Affairs, Subcommittee on International Security, Proliferation and Federal Services, to hold hearings to examine Iranian proliferation, 2:30 p.m., SD–342.

Committee on the Judiciary, business meeting to consider S. 1898, to provide protection against the risks to the public that are inherent in the interstate transportation of violent prisoners; H.R. 2372, to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law; to prevent Federal courts from abstaining from exercising Federal jurisdiction in actions where no State law claim is alleged; to permit certification of unsettled State law questions that are essential to resolving Federal claims arising under the Constitution; and to clarify when government action is sufficiently final to ripen certain Federal claims arising under the Constitution; S. 1020, to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts; S. Res. 304, expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week that includes Veterans Day as ''National Veterans Awareness Week'' for the presentation of such educational programs; S. 2448, to enhance the protections of the Internet and the critical infrastructure of the United States; H.R. 2442, to provide for the preparation of a Government report detailing injustices suffered by Italian Americans during World War II, and a formal acknowledgement of such injustices by the President; S. 2915, to make improvements in the operation and administration of the Federal courts; S. 785, for the relief of Frances Schochenmaier; S. 2778, to amend the Sherman Act to make oil-producing and exporting cartels illegal; and S. 1314, to establish a grant program to assist State and local law enforcement in deterring, investigating, and prosecuting computer crimes, 10 a.m., SD–226.

Committee on Small Business, with the Special Committee on Aging, to hold joint hearings to examine issues relating to pension benefit guaranty corporation delivery for retirees, 8 a.m., SD–562.

House

Committee on Armed Services, Subcommittee on Military Procurement, hearing on the Department of Defense chemical agents and munitions destruction program, 9 a.m.; and a hearing on the status of military procurement, 1 p.m., 2118 Rayburn.

Committee on Banking and Financial Services, Subcommittee on Financial Institutions and Consumer Credit, hearing on Credit Score Disclosure, focusing on H.R. 2856, Fair Credit Full Disclosure Act, 10 a.m., 2128 Rayburn.

Committee on Commerce, Subcommittee on Telecommunications, Trade, and Consumer Protection and the Subcommittee on Oversight and Investigations, to continue joint hearings on the recent Firestone tire recall action, focusing on the action as it pertains to relevant Ford vehicles, 9 a.m., 2123 Rayburn.

Subcommittee on Telecommunications, Trade, and Consumer Protection, to mark up H.R. 5164, Transportation Recall Enhancement, Accountability, and Documentation Act, 1 p.m., 2123 Rayburn.

Committee on Education and the Workforce, hearing on the National and Economic Importance of Improved Math-Science Education and H.R. 4272, National Science Education Enhancement Act, 9:30 a.m., 2175 Rayburn.

Committee on Government Reform, to continue hearings on Potential Energy Crisis in the Winter of 2000, 12:30 p.m., 2154 Rayburn.

Subcommittee on Government Management, Information, and Technology, oversight hearing on "The Federal Workers' Compensation Program: Are Injured Federal Workers Being Treated Fairly?" 10 a.m., 2247 Rayburn.

Committee on House Administration, to consider pending business, 4 p.m., 1310 Longworth.

Committee on International Relations, to mark up the following measures: H.R. 4899, the Asian Pacific Charter Commission Act of 2000; the International Food Relief Partnership Act; a measure to reauthorize certain provisions of the Export Administration Act; H.R. 2166, Bear Protection Act of 1999; and H. Con. Res. 328, expressing the sense of the Congress in recognition of the 10th anniversary of the free and fair elections in Burma and the urgent need to improve the democratic and human rights of the people of Burma, 2 p.m., 2172 Rayburn.

Subcommittee on International Operations and Human Rights, to mark up the following measures: H. Con. Res. 395, expressing the sense of the Congress condemning the September 6, 2000, militia attack on United Nations refugee workers in West Timor and calling for an end to militia violence in East and West Timor; H. Res. 577, to honor the United Nations High Commissioner for Refugees (UNHCR) for its role as a protector of the world's refugees, to celebrate UNHCR's 50th anniversary, and to praise the High Commissioner Sadako Ogata for her work with UNHCR for the past ten years; and H. Res. 398, United States Training on and Commemoration of the Armenian Genocide Resolution, 10:30 a.m., 2200 Rayburn.

Subcommittee on the Western Hemisphere, hearing on Implementing Plan Colombia: The U.S. Role, 9:30 a.m., 2172 Rayburn.

Committee on the Judiciary, oversight hearing on the Department of Justice Office of Inspector General's September 2000 Report titled: "An Investigation of Misconduct and Mismanagement at ICITAP, OPDAT, and the Criminal Division's Office of Administration," 10 a.m., 2141 Rayburn.

Subcommittee on Crime, oversight hearing on the Impact of the Mentally Ill on the Criminal Justice System, 1:30 p.m., 2226 Rayburn.

Subcommittee on Immigration and Claims, hearing on the following bills: H.R. 675, Beryllium Exposure Compensation Act; H.R. 3418, Energy Employees' Beryllium Compensation Act; H.R. 3478, Federal Beryllium Compensation Act; H.R. 3495, Department of Energy Nuclear Employees Exposure Compensation Act; H.R. 4263, Atomic Workers' Compensation Act; and H.R. 4398, Energy Employees Occupational Illness and Compensation Act of 2000, 9 a.m., 2141 Rayburn.

Committee on Resources, Subcommittee on Fisheries Conservation, Wildlife and Oceans, hearing on the following bills: H.R. 4789, NOAA Chesapeake Bay Office Reauthorization Act of 2000; H.R. 5086, to amend the National Marine Sanctuaries Act to honor Dr. Nancy Foster; and H.R. 5133, NOAA Chesapeake Bay Improvement Act, 11 a.m., 1324 Longworth.

Subcommittee on Forests and Forest Health, oversight hearing on the Future of the Forest Service, 10 a.m., 1334 Longworth.

Committee on Transportation and Infrastructure, Subcommittee on Aviation, hearing on Government and Industry Plans with respect to Stage 4 Commercial Aircraft, 9:30 a.m., 2167 Rayburn.

Committee on Veterans' Affairs, Subcommittee on Oversight and Investigations, to continue hearings on information technology program, 10 a.m., 334 Cannon.

Committee on Ways and Means, Subcommittee on Social Security, hearing on the Global Aging Crisis, 10 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, executive, briefing on Intelligence Authorization Legislative Issues, 2 p.m., H–405 Capitol.

Next Meeting of the **SENATE**

9:30 a.m., Thursday, September 21

Senate Chamber

Program for Thursday: After the recognition of two Senators for speeches and the transaction of any morning business (not to extend beyond 11:30 a.m.), Senate will continue consideration of the motion to proceed to the consideration of S. 2045, H–1B Nonimmigrant Visa.

Next Meeting of the **HOUSE OF REPRESENTATIVES**

10 a.m., Thursday, September 21

House Chamber

Program for Thursday: Consideration of the conference report on H.R. 4919, Defense and Security Assistance Act;

Consideration of a motion to concur in the Senate amendments to H.R. 940, Establishment of the Lackawanna Heritage Valley American Heritage Area; and

Consideration of H.R. 5109, Veterans Health Administration. Personnel System Improvements.

Extensions of Remarks, as inserted in this issue

HOUSE

Andrews, Robert E., N.J., E1549
Archer, Bill, Tex., E1536
Bereuter, Doug, Nebr., E1536, E1537, E1540
Bonior, David E., Mich., E1538
Boyd, Allen, Fla., E1540
Collins, Mac, Ga., E1538
Diaz-Balart, Lincoln, Fla., E1548
Eshoo, Anna G., Calif., E1538
Gilman, Benjamin A., N.Y., E1538, E1544
Gordon, Bart, Tenn., E1539
Kanjorski, Paul E., Pa., E1546
Lazio, Rick, N.Y., E1541
McCarthy, Carolyn, N.Y., E1546
McCarthy, Karen, Mo., E1537, E1539, E1541
Maloney, James H., Conn., E1539
Millender-McDonald, Juanita, Calif., E1541
Nadler, Jerrold, N.Y., E1549
Paul, Ron, Tex., E1536
Rothman, Steven R., N.J., E1546
Roybal-Allard, Lucille, Calif., E1542
Salmon, Matt, Ariz., E1540
Sanders, Bernard, Vt., E1541
Serrano, Jose E., N.Y., E1547
Shaw, E. Clay, Jr., Fla., E1536
Stark, Fortney Pete, Calif., E1535
Vitter, David, La., E1547
Wamp, Zach, Tenn., E1543, E1547
Waxman, Henry A., Calif., E1538
Wexler, Robert, Fla., E1548

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