(Ms. CANTWELL) was added as a cosponsor of S. 986, a bill to allow media coverage of court proceedings.

S. 1006

At the request of Mr. HAGEL, the name of the Senator from Missouri (Mrs. CARNAHAN) was added as a cosponsor of S. 1006, a bill to provide for the energy security of the United States and promote environmental quality by enhancing the use of motor vehicle fuels from renewable sources, and for other purposes.

S. 1104

At the request of Mr. GRAHAM, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 1104, a bill to establish objectives for negotiating, and procedures for, implementing certain trade agreements.

S. 1275

At the request of Mr. FRIST, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 1275, a bill to amend the Public Health Service Act to provide grants for public access defibrillation programs and public access defibrillation demonstration projects, and for other purposes.

S. 1409

At the request of Mr. MCCONNELL, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 1409, a bill to impose sanctions against the PLO or the Palestinian Authority if the President determines that those entities have failed to substantially comply with commitments made to the State of Israel.

S. 1482

At the request of Mr. HARKIN, the name of the Senator from Kentucky (Mr. MCCONNELL) was added as a cosponsor of S. 1482, a bill to consolidate and revise the authority of the Secretary of Agriculture relating to protection of animal health.

S. 1499

At the request of Mr. KERRY, the names of the Senator from Minnesota (Mr. DAYTON), the Senator from Rhode Island (Mr. CHAFEE), and the Senator from Nebraska (Mr. NELSON) were added as cosponsors of S. 1499, a bill to provide assistance to small business concerns adversely impacted by the terrorist attacks perpetrated against the United States on September 11, 2001, and for other purposes.

S. 1646

At the request of Mr. BINGAMAN, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 1646, a bill to identify certain routes in the States of Texas, Oklahoma, Colorado, and New Mexico as part of the Ports-to-Plains Corridor, a high priority corridor on the National Highway System.

S. 1707

At the request of Mr. JEFFORDS, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1722

At the request of Mr. BAUCUS, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 1722, a bill to amend the Internal Revenue Code of 1986 to simplify the application of the excise tax imposed on bows and arrows.

S. RES. 109

At the request of Mr. REID, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. Res. 109, a resolution designating the second Sunday in the month of December as ''National Children's Memorial Day'' and the last Friday in the month of April as ''Children's Memorial Flag Day.''

S. RES. 140

At the request of Mr. ROBERTS, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. Res. 140, a resolution designating the week beginning September 15, 2002, as ''National Civic Participation Week.''

AMENDMENT NO. 2136

At the request of Mr. SPECTER, the names of the Senator from Kansas (Mr. BROWNBACK), the Senator from Illinois (Mr. DURBIN), and the Senator from New York (Mr. SCHUMER) were added as cosponsors of amendment No. 2136 intended to be proposed to H.R. 3090, a bill to provide tax incentives for economic recovery.

AMENDMENT NO. 2152

At the request of Mr. DEWINE, the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Illinois (Mr. DURBIN), and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of amendment No. 2152 intended to be proposed to H.R. 3090, a bill to provide tax incentives for economic recovery.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. CLINTON (for herself, Ms. MIKULSKI, Mrs. FEINSTEIN, Mr. DURBIN, and Mr. SCHUMER):

S. 1737. A bill to provide for homeland security block grants; to the Committee on the Judiciary.

Mrs. CLINTON. Madam President, I rise today to offer a helping hand to communities in New York and around the country experiencing fiscal distress as they struggle to respond to the heightened security needs of our country.

Although the terrorists responsible for the September 11 attacks targeted two of our cities, communities thousands of miles away from Ground Zero now find themselves on the front lines in the war against terrorism. Since the attacks, towns and cities, both large and small, all across America have been overwhelmed by calls about potential biological or chemical attacks or threats to infrastructure. Along with this new responsibility comes a heavy burden that these communities should not be forced to shoulder alone.

That is why today I am introducing legislation to provide relief to State and local governments in their efforts to improve emergency response and public safety locally. This Federal aid will ensure that local communities will not have to bear the burden of a strong homeland defense alone. Tomorrow, mayors from all around New York State will meet in New York City to address these very concerns. The legislation I'm introducing today, along with my colleagues Senators FEINSTEIN, MIKULSKI, DURBIN, and SCHUMER, will go a long way in helping them and communities across the country meet these needs.

Since the unimaginable acts of terrorism against American civilians on U.S. soil that took place a few months ago, we have been forced to reevaluate virtually every aspect of our homeland security. One immediate change to emerge in post-September 11 America has been that local communities are now charged with an enormous responsibility: plugging in the gaps in our public safety system and securing our homeland defense.

Our entire country witnessed it on September 11 when hundreds of brave men and women in uniform went rushing towards burning buildings to save peoples' lives. These courageous individuals were public safety officers and emergency response personnel, and, on that day, America and its towns and cities were forever changed.

Mayor Joseph Griffo of Rome, New York described this new phenomenon, saying,

> The mayors have become the leaders, the first responders in this new war on terrorism. The police, the firefighters and the emergency personnel are the first responders. We have a role and a responsibility in being more keenly aware of what potentially could happen to our communities.

Already, towns and cities in New York, and municipalities across the country, have seen a glimpse of what homeland security's price tag looks like and they are deeply concerned about how they will pay for it. Rome Mayor Griffo has said,

> The finances, of providing security, are going to be very difficult. I think it may be tough to recoup all the costs that we've incurred to date. . . . Beyond that, we have to see where we can work in partnership with the feds and the state.

Bills from skyrocketing police and fire fighter overtime costs are saddling many local governments with unanticipated costs. Local law enforcement agencies are struggling with expenses from a wide range of security needs, including: properly securing major transportation infrastructure, like tunnels and bridges; stepping up security at facilities that store hazardous materials or drinking water; and providing local health personnel with the resources

and training they need to respond to biological and chemical attacks.

Mayor Jerry Jennings of Albany, NY, estimates that increased patrols at Alcove Reservoir in Coeymans to ensure that the city's water supply is adequately protected will probably cost taxpayers $1 million. The city of Buffalo, New York, has received 139 terrorist threats since September 11. Buffalo Mayor Tony Masiello estimates these additional threats will cost the city approximately $700 an hour.

Although the terrorist attacks of September 11 targeted New York and Washington, DC, every single community in our country has been affected by the attacks, Baltimore, for example, has incurred nearly $4 million in security costs since the September 11 attacks, and city budget officials predict that those costs could grow to $15.8 million for the fiscal year.

New Orleans is contending with a $10 million budget gap due to security costs for the city and the New Orleans airport. Dallas, according to some estimates, has already spent $2 million on security and could end up spending $6 million by the end of the year. In Massachusetts, Acting Governor Jane Swift has approved $26 million for homeland defense related spending, which includes state police overtime.

According to the National Governors' Association, over the next six months expenses resulting from the September 11 attacks could end up as high as $10 billion in the 50 States, while the National League of Cities projects a 4 percent decline in revenues for cities—a projected $11.4 billion—from the disastrous effects the attacks have had on local employment and tourism.

These figures point to what mayors have been saying for some time now and what I repeated on this floor a few weeks ago after meeting with mayors from all over the country: the cost of homeland security is causing our cities to bleed dollars.

Of the 214 cities polled in late October, more than half said that they increased spending on security after September 11 and that they would have to dip into surpluses and cut programs as a result. It has even been reported that some states are considering using their state lottery funds to pay for the cost of bolstering local homeland defense efforts.

Our homeland security cannot be left to chance and no city or town in America should have to choose between adequately protecting its citizens and funding important programs that benefit our children, the most vulnerable among us. It's the responsibility of the Federal Government to ensure our security and we must not let our cities and towns bear the brunt of homeland defense alone.

These additional fiscal demands come at a time when we are already facing a nationwide economic downturn and people are already experiencing the pain of this economic uncertainty. Over the next 18 months, New York State will face an estimated $10 billion shortfall in state revenues. To counter some of these pressures and help communities recover more quickly from this economic slump, we must provide local communities with the resources they need to meet these increased demands.

Under the legislation I am introducing, cities, counties, and towns across America will be able to access Federal funds to help make up these anticipated revenue shortfalls. The Homeland Security Block Grant Act provides $3 billion in funding to communities, with 70 percent going directly to more than 1,000 cities and counties across the United States. The remaining 30 percent will be funneled to States to direct to smaller communities to help them improve security and public safety locally.

Cities with a population of more than 50,000 and that are within metropolitan areas and counties within metropolitan areas, regardless of the size of the county, will receive funds directly. For example, both Syracuse and Onondaga County will be eligible to receive grant funds.

Some of my colleagues have asked whether a small state provision can be included in the bill, one that would guarantee that less-populated states would receive a minimum level funding. I am very much looking forward to working with my colleagues on such a provision to include in this bill.

This legislation gives local communities a lot of flexibility to determine how grant funds will be used because local communities are most knowledgeable about their security needs. For example, funds can be used for overtime expenses for law enforcement, fire, and emergency personnel incurred as a result of terrorist threats or to purchase personal protective equipment for fire, police, and emergency personnel.

Communities could also use these federal funds to acquire state-of-the-art technology to improve communication between the first responders, based at myriad local agencies, so that they can work together closely and efficiently while responding to attacks. In addition, funds could also be used to improve security or water treatment plants, nuclear power plants, tunnels and bridges, and chemical plants.

Towns and cities may also decide to use the funds to improve the communication system used to provide information to the public in a timely manner about the facts of any threat and the precautions the public should take.

Finally, to encourage communities to use the homeland security block grants effectively, communities will be required to match by 10 percent the funds received from the Federal Government. Financially distressed communities, however, will receive a waiver from the matching requirement.

I'm proud that this legislation has the support of the International Association of Firefighters, the International Association of Fire Chiefs, the National Association of Police Organizations, the National League of Cities, and U.S. Conference of Mayors.

Just as our Federal Government pays for defense overseas, it is our duty to fund our defense at home. Our homeland defense can only be as strong as the weakest link at the State and local level. By providing our communities with the resources and tools they need to bolster emergency response efforts and provide for other homeland security initiatives, we will have a better-prepared home front and a stronger America.

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

S. 1737

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Homeland Security Block Grant Act''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.
Sec. 4. Grants to States, units of general local government and Indian tribes; authorizations.
Sec. 5. Statement of activities and review.
Sec. 6. Activities eligible for assistance.
Sec. 7. Allocation and distribution of funds.
Sec. 8. Nondiscrimination in programs and activities.
Sec. 9. Remedies for noncompliance with requirements.
Sec. 10. Reporting requirements.
Sec. 11. Consultation by Attorney General.
Sec. 12. Interstate agreements or compacts; purposes.
Sec. 13. Matching requirements; suspension of requirements for economically distressed areas.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) In the wake of the September 11, 2001, terrorist attacks on our country, communities all across American now find themselves on the front lines in the war against terrorism on United States soil.

(2) We recognize that these communities will be forced to shoulder a significant portion of the burden that goes along with that responsibility. We believe that local governments should not have to bear that responsibility alone.

(3) Our homeland defense will only be as strong as the weakest link at the State and local level. By providing our communities with the resources and tools they need to bolster emergency response efforts and provide for other emergency response initiatives, we will have a better-prepared home front and a stronger America.

SEC. 3. DEFINITIONS.

In this Act:

(1) ATTORNEY GENERAL.—The term ''Attorney General'' means the United States Attorney General.

(2) CITY.—The term ''city'' means—

(A) any unit of general local government that is classified as a municipality by the United States Bureau of the Census; or

(B) any other unit of general local government that is a town or township and which, in the determination of the Attorney General—

(i) possesses powers and performs functions comparable to those associated with municipalities;

(ii) is closely settled; and

(iii) contains within its boundaries no incorporated places as defined by the United States Bureau of the Census that have not entered into cooperation agreements with such town or township to undertake or to assist in the performance of homeland security objectives.

(3) EXTENT OF POVERTY.—The term ''extent of poverty'' means the number of persons whose incomes are below the poverty level. Poverty levels shall be determined by the Attorney General pursuant to criteria provided by the Office of Management and Budget taking into account and making adjustments, if feasible and appropriate and in the sole discretion of the Attorney General, for regional or area variations in income and cost of living, and shall be based on data referable to the same point or period in time.

(4) FEDERAL GRANT-IN-AID PROGRAM.—The term ''Federal grant-in-aid program'' means a program of Federal financial assistance other than loans and other than the assistance provided by this Act.

(5) INDIAN TRIBE.—The term ''Indian tribe'' means any Indian tribe, band, group, and nation, including Alaska Indians, Aleuts, and Eskimos, and any Alaskan Native Village, of the United States, which is considered an eligible recipient under the Indian Self-Determination and Education Assistance Act (Public Law 93–638) or was considered an eligible recipient under chapter 67 of title 31, United States Code, prior to the repeal of such chapter.

(6) METROPOLITAN AREA.—The term ''metropolitan area'' means a standard metropolitan statistical area as established by the Office of Management and Budget.

(7) METROPOLITAN CITY.—The term ''metropolitan city'' means—

(A) a city within a metropolitan area that is the central city of such area, as defined and used by the Office of Management and Budget; or

(B) any other city, within a metropolitan area, which has a population of fifty thousand or more.

Any city that was classified as a metropolitan city for at least 2 years pursuant to the first sentence of this paragraph shall remain classified as a metropolitan city. Any unit of general local government that becomes eligible to be classified as a metropolitan city, and was not classified as a metropolitan city in the immediately preceding fiscal year, may, upon submission of written notification to the Attorney General, defer its classification as a metropolitan city for all purposes under this Act, if it elects to have its population included in an urban county under subsection (d). Notwithstanding the second sentence of this paragraph, a city may elect not to retain its classification as a metropolitan city. Any unit of general local government that was classified as a metropolitan city in any year, may, upon submission of written notification to the Attorney General, relinquish such classification for all purposes under this Act if it elects to have its population included with the population of a county for purposes of qualifying for assistance (for such following fiscal year) under section 5(e) as an urban county.

(8) NON-QUALIFYING COMMUNITY.—The term ''nonqualifying community'' means an area that is not a metropolitan city or part of an urban county and does not include Indian tribes.

(9) POPULATION.—The term ''population'' means total resident population based on data compiled by the United States Bureau of the Census and referable to the same point or period of time.

(10) STATE.—The term ''State'' means any State of the United States, or any instrumentality thereof approved by the Governor; and the Commonwealth of Puerto Rico.

(11) UNIT OF GENERAL LOCAL GOVERNMENT.—The term ''unit of general local government'' means any city, county, town, township, parish, village, or other general purpose political subdivision of a State; a combination of such political subdivisions is recognized by the Secretary; and the District of Columbia.

(12) URBAN COUNTY.—The term ''urban county'' means any county within a metropolitan area.

(b) BASIS AND MODIFICATION OF DEFINITIONS.—Where appropriate, the definitions in subsection (a) shall be based, with respect to any fiscal year, 0on the most recent data compiled by the United States Bureau of the Census and the latest published reports of the Office of Management and Budget available ninety days prior to the beginning of such fiscal year. The Attorney General may by regulation change or otherwise modify the meaning of the terms defined in subsection (a) in order to reflect any technical change or modification thereof made subsequent to such date by the United States Bureau of the Census or the Office of Management and Budget.

(c) DESIGNATION OF PUBLIC AGENCIES.—One or more public agencies, including existing local public agencies, may be designated by the chief executive officer of a State or a unit of general local government to undertake activities assisted under this Act.

(d) LOCAL GOVERNMENTS, INCLUSION IN URBAN COUNTY POPULATION.—With respect to program years beginning with the program year for which grants are made available from amounts appropriated for fiscal year 2002 under section 4, the population of any unit of general local government which is included in that of an urban county as provided in subsection (a)(6) shall be included in the population of such urban county for three program years beginning with the program year in which its population was first so included and shall not otherwise be eligible for a grant as a separate entity, unless the urban county does not receive a grant for any year during such three-year period.

(e) URBAN COUNTY.—Any county seeking qualification as an urban county, including any urban county seeking to continue such qualification, shall notify, as provided in this subsection, each unit of general local government, which is included therein and is eligible to elect to have its population excluded from that of an urban county, of its opportunity to make such an election. Such notification shall, at a time and in a manner prescribed by the Attorney General, be provided so as to provide a reasonable period for response prior to the period for which such qualification is sought. The population of any unit of general local government which is provided such notification and which does not inform, at a time and in a manner prescribed by the Attorney General, the county of its election to exclude its population from that of the county shall, if the county qualifies as an urban county, be included in the population of such urban county as provided in subsection (d).

SEC. 4. GRANTS TO STATES, UNITS OF GENERAL LOCAL GOVERNMENT AND INDIAN TRIBES; AUTHORIZATIONS.

The Attorney General is authorized to make grants to States, units of general local government, and Indian tribes to carry out activities in accordance with the provisions of this Act. For purposes of assistance under section 7, there is authorized to be appropriated $3,000,000,000 in fiscal year 2002, and such additional sums as are authorized thereafter.

SEC. 5. STATEMENT OF ACTIVITIES AND REVIEW.

(a) APPLICATION.—Prior to the receipt in any fiscal year of a grant under section 7(b) by any metropolitan city or urban county, under section 7(d) by any State, or under section 7(d)(2) by any unit of general local government, the grantee shall have indicated its interest in receiving funds by preparing a statement of homeland security objectives and projected use of funds and shall have provided the Attorney General with the certifications required in subsection (b) and, where appropriate, subsection (c). In the case of metropolitan cities and urban counties receiving grants pursuant to section 7(b) and in the case of units of general local government receiving grants pursuant to section 7(d)(2), the statement of projected use of funds shall consist of proposed homeland security activities. In the case of States receiving grants pursuant to section 7(d), the statement of projected use of funds shall consist of the method by which the States will distribute funds to units of general local government. In preparing the statement, the grantee shall consider any view of appropriate law enforcement, and emergency response authorities and may, if deemed appropriate by the grantee, modify the proposed statement. A copy of the final statement shall be furnished to the Attorney General and the Office of Homeland Security together with the certifications required under subsection (b) and, where appropriate, subsection (c). Any final statement of activities may be modified or amended from time to time by the grantee in accordance with the same procedures required in this paragraph for the preparation and submission of such statement.

(b) CERTIFICATION OF ENUMERATED CRITERIA BY GRANTEE TO SECRETARY.—Any grant under section 7 shall be made only if the grantee certifies to the satisfaction of the Attorney General that—

(1) it has developed a homeland security plan pursuant to section 5 that identifies both short- and long-term homeland security needs that have been developed in accordance with the primary objective and requirements of this Act; and

(2) the grantee will comply with the other provisions of this Act and with other applicable laws.

(c) SUBMISSION OF ANNUAL PERFORMANCE REPORTS, AUDITS AND ADJUSTMENTS.—

(1) IN GENERAL.—Each grantee shall submit to the Attorney General, at a time determined by the Attorney General, a performance and evaluation report concerning the use of funds made available under section 7, together with an assessment by the grantee of the relationship of such use to the objectives identified in the grantee's statement under subsection (a). The Attorney General shall encourage and assist national associations of grantees eligible under section 7, national associations of States, and national associations of units of general local government in nonqualifying areas to develop and recommend to the Attorney General, within 1 year after the effective date of this sentence, uniform recordkeeping, performance reporting, evaluation reporting, and auditing requirements for such grantees, States, and units of general local government, respectively. Based on the Attorney General's approval of these recommendations, the Attorney General shall establish such requirements for use by such grantees, States, and units of general local government.

(2) REVIEWS AND AUDITS.—The Attorney General shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(A) in the case of grants made under section 7(b), whether the grantee has carried out its activities and, where applicable, whether the grantee has carried out those activities and its certifications in accordance with the requirements and the primary

objectives of this Act and with other applicable laws, and whether the grantee has a continuing capacity to carry out those activities in a timely manner; and

(B) in the case of grants to States made under section 7(d), whether the State has distributed funds to units of general local government in a timely manner and in conformance to the method of distribution described in its statement, whether the State has carried out its certifications in compliance with the requirements of this Act and other applicable laws, and whether the State has made such reviews and audits of the units of general local government as may be necessary or appropriate to determine whether they have satisfied the applicable performance criteria described in subparagraph (A).

(3) ADJUSTMENTS.—The Attorney General may make appropriate adjustments in the amount of the annual grants in accordance with the Attorney General's findings under this subsection. With respect to assistance made available to units of general local government under section 7(d), the Attorney General may adjust, reduce, or withdraw such assistance, or take other action as appropriate in accordance with the Attorney General's reviews and audits under this subsection, except that funds already expended on eligible activities under this Act shall not be recaptured or deducted from future assistance to such units of general local government.

(d) AUDITS.—Insofar as they relate to funds provided under this Act, the financial transactions of recipients of such funds may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such recipients pertaining to such financial transactions and necessary to facilitate the audit.

(e) METROPOLITAN CITY AS PART OF URBAN COUNTY.—In any case in which a metropolitan city is located, in whole or in part, within an urban county, the Attorney General may, upon the joint request of such city and county, approve the inclusion of the metropolitan city as part of the urban county for purposes of submitting a statement under section 5 and carrying out activities under this Act.

SEC. 6. ACTIVITIES ELIGIBLE FOR ASSISTANCE.

Activities assisted under this Act may include only—

(1) funding additional law enforcement, fire, and emergency resources, including covering overtime expenses;

(2) purchasing and refurbishing personal protective equipment for fire, police, and emergency personnel and acquire state-of-the-art technology to improve communication and streamline efforts;

(3) improving cyber and infrastructure security by improving—

(A) security for water treatment plants, distribution systems, and other water infrastructure; nuclear power plants and other power infrastructure;

(B) tunnels and bridges;

(C) oil and gas pipelines and storage facilities; and

(D) chemical plants and transportation of hazardous substances;

(4) assisting Local Emergency Planning Committees so that local public agencies can design, review, and improve disaster response systems;

(5) assisting communities in coordinating their efforts and sharing information with all relevant agencies involved in responding to terrorist attacks;

(6) establishing timely notification systems that enable communities to communicate with each other when a threat emerges;

(7) improving communication systems to provide information to the public in a timely manner about the facts of any threat and the precautions the public should take; and

(8) devising a homeland security plan, including determining long-term goals and short-term objectives, evaluating the progress of the plan, and carrying out the management, coordination, and monitoring of activities necessary for effective planning implementation.

SEC. 7. ALLOCATION AND DISTRIBUTION OF FUNDS.

(a) ALLOCATION AND DISTRIBUTION OF FUNDS; SET-ASIDE FOR INDIAN TRIBES.—

(1) ALLOCATION.—For each fiscal year, of the amount approved in an appropriation Act under section 4 for grants in a year (excluding the amounts provided for use in accordance with section 6), the Attorney General shall reserve for grants to Indian tribes 1 percent of the amount appropriated under such section. The Attorney General shall provide for distribution of amounts under this paragraph to Indian tribes on the basis of a competition conducted pursuant to specific criteria for the selection of Indian tribes to receive such amounts. The criteria shall be contained in a regulation promulgated by the Attorney General after notice and public comment.

(2) REMAINING ALLOCATION.—Of the amount remaining after allocations pursuant to paragraph (1), 70 percent shall be allocated by the Attorney General to metropolitan cities and urban counties. Except as otherwise specifically authorized, each metropolitan city and urban county shall be entitled to an annual grant, to the extent authorized beyond fiscal year 2002, from such allocation in an amount not exceeding its basic amount computed pursuant to paragraph (1) or (2) of subsection (b).

(b) COMPUTATION OF AMOUNT ALLOCATED TO METROPOLITAN CITIES AND URBAN COUNTIES.—

(1) IN GENERAL.—The Attorney General shall determine the amount to be allocated to each metropolitan city based on the population of that metropolitan city.

(2) URBAN COUNTIES.—The Attorney General shall determine the amount to be allocated to each urban county based on the population of that urban county.

(3) EXCLUSIONS.—In computing amounts or exclusions under this section with respect to any urban county, there shall be excluded units of general local government located in the county the populations that are not counted in determining the eligibility of the urban county to receive a grant under this subsection, except that there shall be included any independent city (as defined by the Bureau of the Census) which—

(A) is not part of any county;

(B) is not eligible for a grant pursuant to subsection (b)(1);

(C) is contiguous to the urban county;

(D) has entered into cooperation agreements with the urban county which provide that the urban county is to undertake or to assist in the undertaking of essential community development and housing assistance activities with respect to such independent city; and

(E) is not included as a part of any other unit of general local government for purposes of this section.

Any independent city that is included in any fiscal year for purposes of computing amounts pursuant to the preceding sentence shall not be eligible to receive assistance under subsection (d) with respect to such fiscal year.

(4) INCLUSIONS.—In computing amounts under this section with respect to any urban county, there shall be included all of the area of any unit of local government which is part of, but is not located entirely within the boundaries of, such urban county if the part of such unit of local government which is within the boundaries of such urban county would otherwise be included in computing the amount for such urban county under this section, and if the part of such unit of local government that is not within the boundaries of such urban county is not included as a part of any other unit of local government for the purpose of this section. Any amount received by such urban county under this section may be used with respect to the part of such unit of local government that is outside the boundaries of such urban county.

(5)POPULATION.—(A) Where data are available, the amount determined under paragraph (1) for a metropolitan city that has been formed by the consolidation of one or more metropolitan cities with an urban county shall be equal to the sum of the amounts that would have been determined under paragraph (1) for the metropolitan city or cities and the balance of the consolidated government, if such consolidation had not occurred. This paragraph shall apply only to any consolidation that—

(i) included all metropolitan cities that received grants under this section for the fiscal year preceding such consolidation and that were located within the urban county;

(ii) included the entire urban county that received a grant under this section for the fiscal year preceding such consolidation; and

(iii) took place on or after January 1, 2002.

(B) The population growth rate of all metropolitan cities referred to in section 3 shall be based on the population of—

(i) metropolitan cities other than consolidated governments the grant for which is determined under this paragraph; and

(ii) cities that were metropolitan cities before their incorporation into consolidated governments. For purposes of calculating the entitlement share for the balance of the consolidated government under this paragraph, the entire balance shall be considered to have been an urban county.

(c) REALLOCATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), any amounts allocated to a metropolitan city or an urban county pursuant to the preceding provisions of this section that are not received by the city or county for a fiscal year because of failure to meet the requirements of subsections (a) and (b) of section 5, or that otherwise became available, shall be reallocated in the succeeding fiscal year to the other metropolitan cities and urban counties in the same metropolitan area that certify to the satisfaction of the Attorney General that they would be adversely affected by the loss of such amounts from the metropolitan area. The amount of the share of funds reallocated under this paragraph for any metropolitan city or urban county shall bear the same ratio to the total of such reallocated funds in the metropolitan area as the amount of funds awarded to the city or county for the fiscal year in which the reallocated funds become available bears to the total amount of funds awarded to all metropolitan cities and urban counties in the same metropolitan area for that fiscal year.

(2) TRANSFER.—Notwithstanding the provisions of paragraph (1), the Attorney General may upon request transfer responsibility to any metropolitan city for the administration of any amounts received, but not obligated, by the urban county in which such city is located if—

(A) such city was an included unit of general local government in such county prior

to the qualification of such city as a metropolitan city;

(B) such amounts were designated and received by such county for use in such city prior to the qualification of such city as a metropolitan city; and

(C) such city and county agree to such transfer of responsibility for the administration of such amounts.

(d) ALLOCATION TO STATES ON BEHALF OF NON-QUALIFYING COMMUNITIES.—

(1) IN GENERAL.—Of the amount approved in an appropriation Act under section 4 that remains after allocations pursuant to paragraphs (1) and (2) of subsection (a), 30 percent shall be allocated among the States for use in nonqualifying areas. The allocation for each State shall be based on the population of that State, factoring in the population of qualifying communities in that State, and the population of qualifying communities of all States. The Attorney General shall, in order to compensate for the discrepancy between the total of the amounts to be allocated under this paragraph and the total of the amounts available under such paragraph, make a pro rata reduction of each amount allocated to the nonqualifying communities in each State under such paragraph so that the nonqualifying communities in each State will receive an amount that represents the same percentage of the total amount available under such paragraph as the percentage which the nonqualifying areas of the same State would have received under such paragraph if the total amount available under such paragraph had equaled the total amount which was allocated under such paragraph.

(2) DISTRIBUTION.—(A) Amounts allocated under paragraph (1) shall be distributed to units of general local government located in nonqualifying areas of the State to carry out activities in accordance with the provisions of this Act—

(i) by a State that has elected, in such manner and at such time as the Attorney General shall prescribe, to distribute such amounts consistent with the statement submitted under section 5(a); or

(ii) by the Attorney General, in any case described in subparagraph (B), for use by units of general local government in accordance with paragraph (3)(B).

(B) The Attorney General shall distribute amounts allocated under paragraph (1) if the State has not elected to distribute such amounts.

(C) To receive and distribute amounts allocated under paragraph (1), the State must certify that it, with respect to units of general local government in nonqualifying areas—

(i) provides or will provide technical assistance to units of general local government in connection with homeland security initiatives;

(ii) will not refuse to distribute such amounts to any unit of general local government on the basis of the particular eligible activity selected by such unit of general local government to meet its homeland security objectives, except that this clause may not be considered to prevent a State from establishing priorities in distributing such amounts on the basis of the activities selected; and

(iii) has consulted with local elected officials from among units of general local government located in nonqualifying areas of that State in determining the method of distribution of funds required by subparagraph (A).

(D) To receive and distribute amounts allocated under paragraph (1), the State shall certify that each unit of general local government to be distributed funds will be required to identify its homeland security objectives, and the activities to be undertaken to meet such objectives.

(3) ADMINISTRATION.— (A) If the State receives and distributes such amounts, it shall be responsible for the administration of funds so distributed. The State shall pay from its own resources all administrative expenses incurred by the State in carrying out its responsibilities under this Act, except that from the amounts received for distribution in nonqualifying areas, the State may deduct an amount to cover such expenses and its administrative expenses not to exceed the sum of $150,000 plus 50 percent of any such expenses under this Act in excess of $150,000. Amounts deducted in excess of $150,000 shall not exceed 2 percent of the amount so received.

(B) If the Attorney General distributes such amounts, the distribution shall be made in accordance with determinations of the Attorney General pursuant to statements submitted and the other requirements of section 5 (other than subsection (c)) and in accordance with regulations and procedures prescribed by the Attorney General.

(C) Any amounts allocated for use in a State under paragraph (1) that are not received by the State for any fiscal year because of failure to meet the requirements of subsection (a) or (b) of section 5 shall be added to amounts allocated to all States under paragraph (1) for the succeeding fiscal year.

(D) Any amounts allocated for use in a State under paragraph (1) that become available as a result of the closeout of a grant made by the Attorney General under this section in nonqualifying areas of the State shall be added to amounts allocated to the State under paragraph (1) for the fiscal year in which the amounts become so available.

(4) SINGLE UNIT.—Any combination of units of general local governments may not be required to obtain recognition by the Attorney General pursuant to section 3(2) to be treated as a single unit of general local government for purposes of this subsection.

(5) DEDUCTION.—From the amounts received under paragraph (1) for distribution in nonqualifying areas, the State may deduct an amount, not to exceed 1 percent of the amount so received, to provide technical assistance to local governments.

(6) APPLICABILITY.—Any activities conducted with amounts received by a unit of general local government under this subsection shall be subject to the applicable provisions of this Act and other Federal law in the same manner and to the same extent as activities conducted with amounts received by a unit of general local government under subsection (a).

(e) QUALIFICATIONS AND DETERMINATIONS.—The Attorney General may fix such qualification or submission dates as he determines are necessary to permit the computations and determinations required by this section to be made in a timely manner, and all such computations and determinations shall be final and conclusive.

(f) PRO RATA REDUCTION AND INCREASE.—If the total amount available for distribution in any fiscal year to metropolitan cities and urban counties under this section is insufficient to provide the amounts to which metropolitan cities and urban counties would be entitled under subsection (b), and funds are not otherwise appropriated to meet the deficiency, the Attorney General shall meet the deficiency through a pro rata reduction of all amounts determined under subsection (b). If the total amount available for distribution in any fiscal year to metropolitan cities and urban counties under this section exceeds the amounts to which metropolitan cities and urban counties would be entitled under subsection (b), the Attorney General shall distribute the excess through a pro rata increase of all amounts determined under subsection (b).

SEC. 8. NONDISCRIMINATION IN PROGRAMS AND ACTIVITIES.

No person in the United States shall on the ground of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Act. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) shall also apply to any such program or activity.

SEC. 9. REMEDIES FOR NONCOMPLIANCE WITH REQUIREMENTS.

If the Attorney General finds after reasonable notice and opportunity for hearing that a recipient of assistance under this Act has failed to comply substantially with any provision of this Act, the Attorney General, until he is satisfied that there is no longer any such failure to comply, shall—

(1) terminate payments to the recipient under this Act;

(2) reduce payments to the recipient under this Act by an amount equal to the amount of such payments which were not expended in accordance with this Act; or

(3) limit the availability of payments under this Act to programs, projects, or activities not affected by such failure to comply.

SEC. 10. REPORTING REQUIREMENTS.

(a) IN GENERAL.—Not later than 180 days after the close of each fiscal year in which assistance under this Act is furnished, the Attorney General shall submit to Congress a report which shall contain—

(1) a description of the progress made in accomplishing the objectives of this Act;

(2) a summary of the use of such funds during the preceding fiscal year; and

(3) a description of the activities carried out under section 7.

(b) REPORTS TO THE ATTORNEY GENERAL.—The Attorney General is authorized to require recipients of assistance under this Act to submit to him such reports and other information as may be necessary in order for the Attorney General to make the report required by subsection (a).

SEC. 11. CONSULTATION BY ATTORNEY GENERAL.

In carrying out the provisions of this Act including the issuance of regulations, the Attorney General shall consult with the Office of Homeland Security and other Federal departments and agencies administering Federal grant-in-aid programs.

SEC. 12. INTERSTATE AGREEMENTS OR COMPACTS; PURPOSES.

The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative effort and mutual assistance in support of homeland security planning and programs carried out under this Act as they pertain to interstate areas and to localities within such States, and to establish such agencies, joint or otherwise, as they may deem desirable for making such agreements and compacts effective.

SEC. 13. MATCHING REQUIREMENTS; SUSPENSION OF REQUIREMENTS FOR ECONOMICALLY DISTRESSED AREAS.

(a) REQUIREMENT.—Grant recipients shall contribute from funds, other than those received under this Act, 10 percent of the total funds received under this Act. Such funds shall be used in accordance with the grantee's statement of homeland security objectives.

(b) ECONOMIC DISTRESS.—Grant recipients that are deemed economically distressed shall be waived from the matching requirement set forth in this section.

By Mr. KERRY (for himself, Mr. MURKOWSKI, Mr. BAUCUS, Mr. GRASSLEY, Mr. JEFFORDS, Mr. THOMPSON, Mr. BREAUX, Mr. HUTCHINSON, Mr. DASCHLE, Mr. CRAIG, Mr. BINGAMAN, Mr. INHOFE, Mrs. LINCOLN, Mr. HOLLINGS, Mrs. MURRAY, Mr. CARPER, Mr. JOHNSON, and Mr. HATCH):

S. 1738. A bill to amend title XVIII of the Social Security Act to provide regulatory relief appeals process reforms, contracting flexibility, and education improvements under the Medicare Program, and for other purposes; to the Committee on Finance.

Mr. KERRY. Madam President, I am pleased to join my colleagues Senators MURKOWSKI, BAUCUS and GRASSLEY in introducing the Medicare Appeals, Regulatory and Contracting Improvement Act, MARCIA. This legislation will give health care providers relief from unnecessary and burdensome government regulations that threaten to interfere with the delivery of health care to our nation's Medicare beneficiaries.

Medicare provides health care coverage for over 40 million senior and disabled Americans, relying on thousands of health care providers, including doctors, nurses, hospitals, nursing homes, home care agencies, and hospices, to deliver services, and more than fifty private health insurance companies to process millions of claims. While this public-private partnership forms the linchpin of the Medicare program, it is not as strong as it could be.

Health care providers rightfully complain that Medicare has become too complex, with changes to claims payment systems made so frequently that they can not keep up. Today, Medicare providers are subjected to over 100,000 pages of regulations that are continuously being modified. Many providers complain that they have less time to spend on patient care because they are spending more time trying to understand how to comply with massive amounts of paperwork and constantly evolving regulatory requirements.

The current Medicare appeals process is also problematic. It takes far too long to appeal an incorrect Medicare decision, often taking several years to complete. This system, coupled with some of the tactics used by the Federal Government and its contractors in collecting Medicare overpayments, leaves providers feeling frustrated, confused, and besieged. Regulations necessary to ensuring the integrity and efficiency of the Medicare program must be maintained and enforced, however, the occasionally aggressive means through which these regulations are administered has discouraged many providers from wanting to participate in the Medicare program.

The Medicare Appeals, Regulatory and Contracting Improvement Act, MARCIA, will strengthen the Medicare public-private partnership. The bill has five primary components. First, it relieves burdens on beneficiaries and providers by requiring the Centers for Medicare and Medicaid Services, CMS, to issue new rules and policies in an orderly and reasonable manner. Second, it provides new appeals protections for all Medicare fee-for-service providers and beneficiaries. Third, it allows CMS to use competition to select the best available administrative contractors to serve beneficiaries and providers. Fourth, it requires Medicare contractors and CMS to place a greater emphasis on provider education and outreach. Finally, it makes the Medicare overpayment collection and extrapolation process more fair. The bill accomplishes all of these objectives without undermining the False Claims Act or other Medicare fraud recovery efforts, and I urge my colleagues to join with me to secure its passage.

Mr. MURKOWSKI. Madam President, right now, all across America, Medicare beneficiaries are seeking medical care from a flawed health care system. Reduced benefit packages, ever escalating costs, and limited access in rural areas are just a few of the problems our system faces on a daily basis. For these reasons, Congress must continue to move towards the modernization of Medicare. But as we address the needs of beneficiaries, we must not turn our back upon the very providers that seniors rely upon for their care.

Who are providers? They are the physicians, the hospitals, the nursing homes, and others who deliver quality care to our needy Medicare population. They are the backbone of our complex health care network. When our Nation's seniors need care, it is the provider who heals, not the health insurer—and certainly not the federal government.

But more, and more often, seniors are being told by providers that they don't accept Medicare. This is becoming even more common in rural areas, where the number of physicians is limited and access to quality care is extremely restricted. Quite simply, beneficiaries are being told that their insurance is simply not wanted. Why? Well it's not as simple as low reimbursement rates. In fact it's much more complex.

The infrastructure that manages the Medicare program, the Centers for Medicare and Medicaid Services, CMS, and its network of contractors, are working with a system that was designed to block care and micro-manage independent practices. Providers simply cannot afford to keep up with the seemingly endless number of complex, redundant, and unnecessary regulations. And if providers do participate? Well, a simple administrative error in submitting a claim could subject them to heavy-handed audits and the financial devastation of their practice. Should we force providers to choose between protecting their practice and caring for seniors?

I believe the answer is no. For this reason, I am pleased to introduce the ''Medicare Appeals, Regulatory and Contracting Improvements Act of 2001.'' I am joined by my colleagues Senator KERRY, Senator BAUCUS, and Senator GRASSLEY. This legislation is a bipartisan compromise, based upon legislation I offered earlier this year. It will allow providers to practice medicine without fearing the threats, intimidation, and aggressive tactics of a faceless bureaucratic machine.

Most importantly, this bill will reform the flawed appeals process within CMS. Currently, a provider who allegedly has received an overpayment is forced to choose between three options: admit the overpayment, submit additional information to mitigate the charge, or appeal the decision. However, providers who choose to submit additional evidence must subject their entire practice to review and waive their appeal rights. That's right, to submit additional evidence you must waive your right to an appeal!

And what is the result of this maddening system that runs contrary to our Nation's history of fair and just administrative decisions? Often, providers are intimidated into accepting the arbitrary decision of an auditor employed by a CMS contractor. Sometimes, they are even forced to pull out of the Medicare program. In the end, our senior population suffers.

To bring additional fairness to the system, the bill provides new appeal protections for all Medicare fee-for-service providers and beneficiaries. It also requires the Medicare administrative contractors and CMS to place a greater emphasis on provider education and outreach. And most importantly, it reforms the Medicare overpayment collection and extrapolation process. All of this is accomplished without undermining the False Claims Act or current Medicare fraud enforcement efforts.

It is with the goal of protecting our Medicare population, and the providers who tend care, that leads us to introduce this bipartisan compromise. This bill will ensure that providers are treated with the respect that they deserve, and that Medicare beneficiaries aren't told that their health insurance isn't wanted. We owe it to our nation's seniors. I urge immediate action on this worthy bill.

Mr. BAUCUS. Madam President, I rise today as a cosponsor of the Medicare Appeals, Regulatory and Contracting Improvements Act of 2001.

Medicare is one of the Federal Government's greatest successes. It provides health care for nearly 40 million seniors and disabled beneficiaries. Medicare is often considered the gold-standard of health insurance programs around the nation and the world. And it has lifted millions of individuals out of poverty since its enactment in 1965.

Medicare's success is due to its public-private partnership, which is the

foundation of the program. While Medicare is almost entirely federally financed, it relies on thousands of private hospitals, private physicians, and other health care providers and suppliers to deliver health care services. Moreover, it relies on more than 50 private health insurance companies to process millions of claims every year.

Every so often Congress needs to evaluate this public-private partnership to see how its working. And this past year, Senator KERRY, Senator MURKOWSKI, Senator GRASSLEY, and I have undertaken this evaluation.

I have heard from hundreds of health care providers who have levied legitimate complaints about the operation of Medicare. They argue that Medicare has become too complex. Changes to the claims payment systems are made every day, and health care organization simply cannot keep up. This is especially true for small rural hospitals and other health care providers in my state of Montana. They do not have the staff to stay abreast of the constant changes to the Medicare payment systems.

I have also heard from providers about the current Medicare appeals process. The Medicare appeals process is broken. It takes too long to appeal an incorrect Medicare decision. Providers often have to file lengthy and expensive appeals, sometimes taking several years to settle.

And finally, I have heard from health care providers about the aggressive tactics that are sometimes used by Federal Government and its contractors in collecting Medicare overpayments. Medicare needs to realize that mistakes happen, especially with this very complex program. When providers make honest mistakes, they should be treated as mistakes, not criminal fraud.

Earlier this year, my colleagues Senators KERRY and MURKOWSKI introduced a version of this bill, the ''Medicare Education and Regulatory Fairness Act of 2001.'' I commend Senators KERRY and MURKOWSKI for their hard work on this bill; it made a very important contribution to our understanding of this issue and the need for reform. However, I had some concerns with their original bill, namely that it unintentionally created some new loopholes for truly dishonest providers to commit fraud.

Rather than oppose their bill, I asked my staff along with Senator GRASSLEY's staff to work with Senator KERRY and Senator MURKOWKI's office to redraft their bill to address some of my concerns. And I am proud to say that we have developed a bill that everyone can support.

The Medicare Appeals, Regulatory and Contracting Improvements Act of 2001 will make necessary and overdue improvements to the Medicare public-private partnership. The bill does five things. First, it improves the CMS rule-making process, for example, by requiring CMS to publish its regulations on one business day of each month. Second, It provides new appeal protections for all Medicare fee-for-service providers and beneficiaries. Third, it grants new competitive administrative contracting authority to CMS. Fourth, it requires the Medicare administrative contractors and CMS to place a greater emphasis on provider education and outreach. And fifth, it reforms the Medicare overpayment collection and extrapolation process.

The bill accomplishes all five of these important objectives without undermining the False Claims Act of current Medicare fraud enforcement efforts. We have received assurances from the Department of Justice, the HHS Office of Inspector General, and the CMS that this is so.

This is a good bill, a bill that will receive the support of provider groups and the support of the Federal agencies that oversee the Medicare program.

While this bill is primarily focused on health care provider issues, I agree with my colleagues in the Senate and House that Congress also needs to ensure that beneficiaries are able to navigate and understand Medicare. I commend current efforts in the House to include provisions that would guarantee that beneficiaries have the right to find out whether Medicare services are covered before they become financially liable for them. Currently, when a doctor informs a patient that a service may not be covered by Medicare, the patient has no way to verify if this is the case. I will work to include these provisions in any enacted legislation.

I commend my colleagues Senator KERRY, Senator MURKOWSKI, and Senator GRASSLEY for their commitment and their hard work on this bill. As chairman of the Finance Committee, I remain committed to quick consideration of this bill in my committee. I urge all of my colleagues to support it.

Mr. CRAIG. Madam President, I am pleased to join today as an original cosponsor of the Medicare Appeals, Regulatory and Contracting Improvements Act, MARCIA. This legislation represents a clear and useful first step toward serious reform of the way Medicare does business with America's health care professionals and Medicare beneficiaries.

I have heard from literally hundreds of doctors, hospitals, and other health care professionals in Idaho about the truly appalling paperwork and regulatory burdens imposed by the Medicare program, and even more troubling, about how these mounting regulatory burdens are causing many doctors to limit their participation in Medicare or to leave the program altogether.

Also, as ranking member on the Senate's Special Committee on Aging, I have made examination of Medicare's paperwork and provider enforcement systems a key priority. In July, our committee held the first of what I hope may be a series of hearings looking into these problems, and this fall, members of my Aging Committee staff traveled across Idaho, talking with more than 60 Idaho providers about their concerns with Medicare.

Most recently, I was pleased to have Tom Scully, the energetic and thoughtful new administrator of the Centers for Medicare and Medicaid Services, CMS, join me in Boise to talk about Medicare with Idaho health professionals and senior citizens. We heard a great deal of frustration, and not a little anger.

At the same time, it was very clear to me that Tom Scully and the Bush administration are serious about tackling Medicare's many shortcomings. Indeed, Tom Scully and the administration have worked closely with Congress to help develop the legislation we are introducing today.

Today, the number of pages of Medicare rules and regulations is now more than 110,000, approximately three times that of Federal tax laws and regulations. Moreover, for every hour spent on Medicare patient care in outpatient settings, doctors and their staffs now spend approximately 36 minutes on Medicare-related paperwork. And in hospital emergency care settings, that ratio is now 1 hour of paperwork for every 1 hour of patient care.

These problems are genuinely daunting, and today's legislation is not a panacea. Rather, it is a promising beginning in what I hope will be an ongoing cooperative effort to make Medicare more responsive, more rational, and more efficient.

Finally, let me be crystal clear: We must continue to devote significant resources to combating fraud and abuse in the Medicare program. Those who violate the public trust must be punished to the fullest extent of the law, and this legislation would in no way undercut these critical efforts.

Rather, this bill would relieve complex and unreasonable burdens on providers and beneficiaries by requiring CMS to issue new rules in an orderly and reasonable manner, and would provide new appeal protections for many Medicare providers and beneficiaries. Further, this legislation would require CMS to use competition to select the best administrative contractors, and it would require CMS and its contractors to place greater emphasis on provider education and outreach. In addition, the bill would implement needed improvements in the way Medicare oversees alleged provider overpayments, principally by reforming current Medicare overpayment collection and extrapolation processes.

I am pleased to join my colleagues in sponsoring this much needed legislation, and I look forward to continuing progress on these important issues in the coming year.

By Mr. CLELAND:

S. 1739. A bill to authorize grants to improve security on over-the-road buses; to the Committee on Commerce, Science, and Transportation.

Mr. CLELAND. Madam President, I rise today to introduce a bill to help

secure an often overlooked mode of passenger transportation, intercity buses.

In the wake of the current challenge to our Nation's security, it is the duty of Congress to ensure that all modes of passenger transportation, especially mass transportation vehicles including buses, are safe and secure. Already, buses have been assaulted, and innocent passengers have died. While these attacks have not so far been directly linked to the tragic events of September 11, I believe Congress would be negligent if we do not act on this issue while we have this opportunity. Additionally, in many cities, bus terminals share facilities with rail and/or air terminals. The Congress has addressed airport security and the Senate is working on rail security, but this work will not be complete without securing the third component. Therefore, I urge my colleagues to support my legislation to accomplish this goal.

Clearly, bus service, which transports almost 800 million passengers annually, deserves Congress's attention. For many people throughout the country, motorcoaches are the only viable means of transportation. Greyhound, the largest carrier, and its interline partners serve over 4,000 communities, roughly 8 times more than either the airlines or Amtrak. Many of the other bus companies that serve these communities are small businesses with fewer than ten motorcoaches, and these businesses, in particular, are more affected by the decrease in passenger demand due to concerns over safety. While many of these companies have already spent their own funds to upgrade security, they need help to finish the job so that people will feel comfortable returning to bus travel.

One of the main elements of my legislation provides grants for the installation of adequate communications equipment to alert law enforcement personnel if there is an onboard problem. Not only would an alarm be sounded to law enforcement but also current technology would be employed to report the precise location of the bus in question. Speedy deployment to deal with problems as they are happening could save lives. The Commercial Vehicle Safety Alliance, CVSA, an association of State, provincial and Federal law enforcement officials, believes that improved communication capability is among the top goals to improve the safety and security of passenger buses.

The legislation also will provide grants for research into methods to protect the drivers. Some of the recent security incidents involve compromising the safety of the driver. We must find out what options are available to protect and secure the drivers so that a bus can be stopped safely if there are problems. Additionally, these grants can be used to maintain the integrity of bus terminals, facilities, and coaches, and conduct passenger screening, among other things.

This legislation also dedicates $3–5 million annually in funding to the Secretary of Transportation to evaluate and coordinate current public and private efforts to improve bus security and safety by establishing ''best practices,'' including efforts to isolate the driver and to detect potential chemical and biological elements. Portions of this funding could also be used to support additional research and development initiatives, and the recommendations developed could be applied to both over-the-road and transit buses.

This funding is not a government ''handout'' to an industry that has not been acting on its own to improve its facilities, but rather it will supplement ongoing efforts. Since September 11, Greyhound has spent at least $5 million on enhanced security. Steps taken include screening of passengers and baggage at selected terminals; requiring ticket identification; providing cell phones to drivers as an interim emergency communications system; increasing security personnel in terminals; prohibiting passengers from sitting in the first row of seats behind the driver, and establishing information and communications systems to aid and coordinate with law enforcement. My legislation would supplement and expand these initial efforts and assist with implementing these measures at additional terminals.

My legislation also provides needed assistance to an industry that is struggling along with other segments of the travel and tourism sector. After the October 3 Nashville accident that resulted in 7 passenger fatalities, Greyhound's passenger sales dropped 15 percent and remain well below last year's levels. According to a survey conducted by the Travel Business Roundtable, intercity bus transportation is the only mode of transportation that dropped in ''safety perception'' when compared with air, auto, rail, and cruise travel. Incorporating the new security costs, which are necessary to bring passengers back, while revenue is down, will make it difficult for bus companies to maintain current service levels. This Federal support will allow bus companies to dedicate resources to continuing service to smaller communities rather than reducing schedules to cut costs.

Additionally, this legislation instructs the Department of Labor to ensure that grants under this section are certified in an expeditious manner in accordance with its guidelines for processing grants to bus operators. As provided for under the Department's existing guidelines, previously certified arrangements for assistance to intercity bus operators applicable to applicants for security improvement grants, shall be the basis for processing such grants by the Department. The Secretary of Transportation will have the discretion to administer this program directly or through a security administration that may be established at the Department of Transportation.

This bus security legislation is supported by the American Bus Association, Greyhound, the Commercial Vehicle Safety Alliance, Coach USA, and the Amalgamated Transit Union. Protecting bus passengers is a vital part of ensuring a vibrant transportation industry, and it is the third component to the safe passenger transportation equation. I urge my Senate colleagues, all of whom have many communities in your state served by intercity buses, to support this legislation.

I ask unanimous consent that the 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. 1739

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

SECTION 1. EMERGENCY OVER-THE-ROAD BUS SECURITY ASSISTANCE.

(a) IN GENERAL.—Subchapter I of chapter 311 of title 49, United States Code, is amended by adding at the end the following:

''§ 31109. Over-the-road bus security grant program

''(a) IN GENERAL.—

''(1) FUND ESTABLISHED.—The Secretary of the Treasury shall establish an Over-the-road Bus Security Fund account in the Treasury into which the Secretary of the Transportation shall deposit amounts appropriated under paragraph (2).

''(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation $200,000,000 for fiscal year 2002, and $200,000,000 for fiscal year 2003, for deposit into the account established under paragraph (1). Amounts deposited into the account shall remain available until expended.

''(b) GRANT PROGRAM.—Without further appropriation, amounts in the Over-the-road Bus Security Fund account are available to the Secretary of Transportation for direct grants to persons engaged in the business of providing over-the-road bus transportation for system-wide security upgrades, including the reimbursement of extraordinary security-related costs determined by the Secretary to have been incurred by such operators since September 11, 2001, including—

''(1) establishing an emergency communications and notification system linked to law enforcement or emergency response personnel;

''(2) protecting or isolating the driver;

''(3) implementing and operating passenger screening programs at terminals and on over-the-road buses (as defined in section 3038(a)(3) of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 nt));

''(4) acquiring, upgrading, installing, or operating equipment, software, or accessorial services for collection, storage, or exchange of passenger and driver information through ticketing systems or otherwise, and information links with government agencies;

''(5) constructing or modifying terminals, garages, facilities, or over-the-road buses to assure their security;

''(6) training employees in recognizing and responding to terrorist threats, evacuation procedures, passenger screening procedures, and baggage inspection;

''(7) hiring and training security officers;

''(8) installing cameras and video surveillance equipment on over-the-road buses and at terminals, garages and over-the-road bus facilities; and

''(9) creating a program for employee identification and background investigation.

''(c) APPLICATIONS.—To receive a grant under subsection (b), an applicant shall submit an application, at such time, in such manner, in such form, and containing such information, as the Secretary may require, and a plan that meets the requirements of subsection (c) for the project to be funded, in whole or in part, by the grant.

''(d) PLAN REQUIRED.—The Secretary may not make a grant under subsection (b) for a system-wide security upgrade project until the applicant has submitted to the Secretary, and the Secretary has approved, a plan for the project, and the applicant has submitted to the Secretary such additional information as the Secretary may require in order to ensure full accountability for the obligation or expenditure of grant amounts.

''(e) FEDERAL STANDARDS.—Section 5333 of this title applies to any work financed with a grant under this section to the same extent as if it were financed with a grant under chapter 53 of this title. The application of that section does not affect or discharge any other responsibility of the Secretary under this title with respect to work financed by a grant under this section.''.

(b) CONFORMING AMENDMENTS.—

(1) The chapter analysis for chapter 311 of title 49, United States Code, is amended—

(A) by striking ''STATE'' in the heading for subchapter I; and

(B) by inserting after the item relating to section 31108 the following:

''31109. Over-the-road bus security grant program.''.

SEC. 2. BUS SECURITY RECOMMENDATIONS.

(a) IN GENERAL.—The Secretary of Transportation may use not less than $3,000,000 and not more than $5,000,000 of the amounts deposited in the Over-the-road Bus Security Fund account established under section 31109 of title 49, United States Code, for research and development of security recommendations for over-the-road buses (as defined in section 3038(a)(3) of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 nt)), including—

(1) a review of actions already taken to address identified security issues by both public and private entities;

(2) research on engine shut-off mechanisms, chemical and biological weapon detection technology, and the feasibility of compartmentalization of the driver; and

(3) compilation, review, and dissemination of industry best practices.

(b) CONSULTATION WITH INDUSTRY, LABOR, AND OTHER GROUPS.—In carrying out this section, the Secretary shall consult with over-the-road bus management and labor representatives, public safety and law enforcement officials, and the National Academy of Sciences.

By Mr. BINGAMAN (for himself, Mr. MCCAIN, Mr. DASCHLE, Mr. BAUCUS, Mrs. CLINTON, Mr. DOMENICI, Mr. FEINGOLD, Mr. KENNEDY, Mr. JOHNSON, Mrs. MURRAY, Ms. STABENOW, Mr. WELLSTONE, Mr. HARKIN, Mr. MILLER, Ms. SNOWE, Mr. INOUYE, Mr. SMITH of Oregon, Ms. CANTWELL, Mr. INHOFE, Ms. LANDRIEU, Mr. COCHRAN, Mrs. BOXER, Mr. MURKOWSKI, Ms. MIKULSKI, and Mr. GRASSLEY):

S. 1741. A bill to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health services provided under a medical care program of the Indian Health Service or of a tribal organization are included in the optional Medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Prevention and Treatment Act of 2000; considered and passed.

Mr. BINGAMAN. Madam President, due to a jurisdiction concern raised with the committee referral of S. 535, I am reintroducing the Native American Breast and Cervical Cancer Treatment Technical Amendment Act of 2001 today with Senator MCCAIN and 23 other bipartisan cosponsors.

To ensure the availability of life-saving breast and cervical cancer treatment to American Indian and Alaska Native women, I urge the bill's immediate passage.

I request unanimous consent that a fact sheet and the text of the bill be printed in the RECORD.

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

S. 1741

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 ''Native American Breast and Cervical Cancer Treatment Technical Amendment Act of 2001''.

SEC. 2. CLARIFICATION OF INCLUSION OF INDIAN WOMEN WITH BREAST OR CERVICAL CANCER IN OPTIONAL MEDICAID ELIGIBILITY CATEGORY.

(a) TECHNICAL AMENDMENT.—The subsection (aa) of section 1902 of the Social Security Act (42 U.S.C. 1396a) added by section 2(a)(2) of the Breast and Cervical Cancer Prevention and Treatment Act of 2000 (Public Law 106–354; 114 Stat. 1381) is amended in paragraph (4) by inserting '', but applied without regard to paragraph (1)(F) of such section'' before the period at the end.

(b) BIPA TECHNICAL AMENDMENTS.—

(1) Section 1902 of the Social Security Act (42 U.S.C. 1396a), as amended by section 702(b) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (114 Stat. 2763A–572) (as enacted into law by section 1(a)(6) of Public Law 106–554), is amended by redesignating the subsection (aa) added by such section as subsection (bb).

(2) Section 1902(a)(15) of the Social Security Act (42 U.S.C. 1396a(a)(15)), as added by section 702(a)(2) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (114 Stat. 2763A–572) (as so enacted into law), is amended by striking ''subsection (aa)'' and inserting ''subsection (bb)''.

(3) Section 1915(b) of the Social Security Act (42 U.S.C. 1396n(b)), as amended by section 702(c)(2) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (114 Stat. 2763A–574) (as so enacted into law), is amended by striking ''1902(aa)'' and inserting ''1902(bb)''.

(c) EFFECTIVE DATES.—

(1) BCCPTA TECHNICAL AMENDMENT.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Breast and Cervical Cancer Prevention and Treatment Act of 2000 (Public Law 106–354; 114 Stat. 1381).

(2) BIPA TECHNICAL AMENDMENTS.—The amendments made by subsection (b) shall take effect as if included in the enactment of section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (114 Stat. 2763A–572) (as enacted into law by section 1(a)(6) of Public Law 106–554).

FACT SHEET—NATIVE AMERICAN BREAST AND CERVICAL CANCER TREATMENT TECHNICAL AMENDMENT ACT OF 2001

Sens. Jeff Bingaman (D–NM), John McCain (R–AZ), and 23 additional bipartisan cosponsors are reintroducing the ''Native American Breast and Cervical Cancer Treatment Technical Amendment Act of 2001.'' The bill is identical to the original bill, S. 535, and makes a simple but extremely important technical change to the ''Breast and Cervical Cancer Treatment and Prevention Act'' (P.L. 106–354) to ensure the coverage of breast and cervical cancer treatment for American Indian and Alaska Native women.

NEED FOR LEGISLATION

The ''Breast and Cervical Cancer Treatment and Prevention Act,'' which passed the Senate by unanimous consent and had 76 cosponsors, gives states the option to extend coverage to certain women who have been screened by programs operated under Title XV of the Public Health Service Act (the National Breast and Cervical Cancer Early Detection program) and who have no ''creditable coverage.'' The term ''creditable coverage'' was established by the Health Insurance Portability and Accountability Act of 1996 (HIPPA). Under the HIPPA definition, creditable coverage includes a reference to the medical care program of the Indian Health Service (IHS). In short, the reference to ''creditable coverage'' in the law effectively excludes Indian women from receiving Medicaid breast and cervical cancer treatment as provided for under this Act.

The Indian health reference to IHS/tribal care was originally included in HIPPA so that members of Indian Tribes eligible for IHS would not be treated as having a break in coverage (and thus subject to pre-existing exclusions and waiting periods when seeking health insurance) simply because they had received care through Indian health programs, rather than through a conventional health insurance program. Thus, in the HIPPA context, the inclusion of the IHS/tribal provision was intended to benefit American Indians and Alaska Natives, not penalize them.

However, use of the HIPPA definition in the recent ''Breast and Cervical Cancer Treatment and Prevention Act'' has the exact opposite effect. In fact, the many Indian women, who rely on IHS/tribal programs for basic health care, are excluded from the new law's eligibility for Medicaid. Not only does the definition deny coverage to Indian women, but the provision runs counter to the general Medicaid rule treating IHS facilities as full Medicaid providers.

The legislation would resolve these problems by clarifying that, for purposes of the ''Breast and Cervical Cancer Prevention and Treatment Act,'' the term ''creditable coverage'' shall not include IHS-funded care so that American Indian and Alaska Native women can be covered by Medicaid for breast and cervical cancer treatment. Since a number of states are currently moving forward to provide Medicaid coverage under the state option, the need for this legislation is immediate to ensure that American Indian and Alaska Native women are not denied from receiving life-saving breast and cervical cancer treatment.