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Senate

The Senate met at 9:25 a.m. and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. Today's prayer will be offered by the guest Chaplain, the Reverend Cecil T. Washington, Jr., of the New Beginning Baptist Church in Topeka, KS.

The Reverend Mr. Washington, please.

PRAYER

The guest Chaplain offered the following prayer:

Heavenly Father, You said in Proverbs 14:34 that righteousness of character exalts a Nation and that lack of it brings disgrace.

Deliver this Nation from the poverty of a declining integrity, from the breaking down of ethics and morality. Infuse the economy of this Nation's soul with the blessed capital of richness in character.

As a master engraver imprints a character into metal, would You imprint into the spiritual mettle of these Senators the wisdom and goodness necessary to guide this country. Give them the grace to overcome any approaching disgrace.

As we look back at the Fathers of this Nation who were guided by Your sacred word, we can say, ''Well done.''

As our descendants look back over the work being done here, let them be able to say, ''Well done,'' that we were guided by Your word.

Bless our President and the men and women of this Senate with the wisdom, courage, and boldness to shun ridicule and take a stand for righteousness. And when all political and personal correctness is finally judged, let us hear You say ''Well done''—(Matt 25:21).

In the Name of Jesus, the Christ, thanks for hearing this prayer. Amen.

PLEDGE OF ALLEGIANCE

The Honorable ROBERT C. BYRD 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.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 24, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DEBBIE STABENOW, a Senator from the State of Michigan, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Ms. STABENOW assumed the Chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

ORDER OF PROCEDURE

Mr. REID. Madam President, I ask unanimous consent that prior to the Chair announcing the business for the day, the Senator from Kansas, Mr. BROWNBACK, be recognized for up to 4 minutes. Following his statement, I ask unanimous consent that as soon as the Chair announces the legislation of today the time begin running.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The ACTING PRESIDENT pro tempore. The Senator from Kansas.

Mr. BROWNBACK. Thank you very much, Madam President. Good morning. And I thank the Senator from Nevada for his recognition, and the Senator from West Virginia for allowing me to speak briefly.

WELCOMING GUEST CHAPLAIN REVEREND CECIL WASHINGTON

Mr. BROWNBACK. Madam President, I want to take a moment to recognize the guest Chaplain, Cecil Washington, from Topeka, KS. He has traveled here with his wife Audrey to be the guest Chaplain today. She is in the gallery.

I have had the pleasure of knowing Reverend Washington for many years. He has a distinguished record as not only a dedicated and caring minister but as a fellow traveler, helping those in need along the way in many places, as I have seen him do in Kansas and across the country.

Reverend Washington is deeply rooted in the Topeka community. He is committed to nurturing and guiding individuals in taking command and control of their lives.

In fact, Reverend Washington founded and is director of the Prayers Answered, Lives Saved Recovery Group, or PALS. This organization provides Bible-based, Christ-centered addiction support for all substance abuse users.

His organization has helped countless individuals redefine their lives and begin to make positive life choices for themselves and their loved ones.

Reverend Washington also knows the importance of self-sufficiency. He is the past president of Jobs Partnership of Topeka. He has worked tirelessly to help see that the individuals with whom he works develop the skills necessary to become self-sufficient and sustain their independence.

In addition, Reverend Washington has served in many capacities in the State of Kansas. He is the past Chaplain of both the State house of representatives and the State senate of Kansas. He has also served on a number of advisory committees and boards.

Currently, Reverend Washington is the pastor and founder of the New Beginning Missionary Baptist Church in Topeka, KS. He founded this church in March of 1998, which has a very expansive and growing congregation.

Finally, Reverend Washington is a sought-after minister, lecturer, and is the author of the book ''The Triple Solution For Our Double A Problem,'' published in 2001. It is probably a good book for everybody to read to get a triple solution to double problems.

I am proud to have him here today. As I mentioned, he is joined by his wife.

I encourage Members of the Senate, as they come to the Chamber, if they get a chance, to meet Reverend Washington. I think they will be blessed. He has shared quite a testimony.

Some of you may recognize that he used to sing with Marvin Gaye, the Four Tops, and the Supremes. He has a voice, as you heard, and gave that for the ministry that the Lord might use it in another way. He is quite an individual and has been a good friend. I am glad to have him here as the guest Chaplain.

I have a statement I ask unanimous consent be printed in the RECORD from Congressman JIM RYUN of the second district in Kansas, which serves the Topeka area.

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

STATEMENT OF REPRESENTATIVE JIM RYUN OF KANSAS

I am pleased that Pastor Cecil Washington is with us today and am grateful for his willingness to open the Senate Chamber in prayer.

Pastor Washington is an exemplary citizen and a strong role model. His contributions to the State of Kansas are commendable and I applaud him for his service.

Pastor Washington currently is the pastor of the New Beginning Baptist Church in Topeka, KS, and previously served as the Chaplain of the Kansas House of Representatives. Pastor Washington, thank you for being here.

Mr. BROWNBACK. I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

HOMELAND SECURITY ACT OF 2002

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 5005, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 5005) to establish the Department of Homeland Security, and for other purposes.

Pending:

Lieberman amendment No. 4471, in the nature of a substitute.

Byrd amendment No. 4644 (to amendment No. 4471), to provide for the establishment of the Department of Homeland Security, and an orderly transfer of functions to the Directorates of the Department.

Lieberman/McCain amendment No. 4694 (to amendment No. 4471), to establish the National Commission on Terrorist Attacks Upon the United States.

AMENDMENT NO. 4644

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. There are several speakers who will support my amendment, and each speaker has been allotted 5 minutes.

Will the Chair kindly remind each speaker when 4 minutes of the 5 have elapsed?

The ACTING PRESIDENT pro tempore. The Chair will do so.

Under the previous order, the Senator from North Dakota is recognized for up to 5 minutes.

Mr. DORGAN. Madam President, thank you very much.

I am pleased to be here to support the amendment offered by my colleague, the Senator from West Virginia, Mr. BYRD. This is a very important subject, the subject of homeland security. In some areas, if we make a mistake in the United States Congress, we waste money or some other inconvenience occurs or something important happens. But this is a case where if we make a mistake, the safety of the American people is at stake. So homeland security is critically important.

I have watched with great interest Senator BYRD's presentation of his amendment. Let me say this about my colleague from West Virginia. Much has been said about him. Let me say today that I think he is old-fashioned. That is right, I think he is old-fashioned. I think he brings to the floor, with this amendment, the values and virtues of being old-fashioned, saying: Yes, let's do it, but let's do it right.

I know that is old fashioned to some. We live in kind of a turbo-charged world. We want what we want, and we want it right now. We are a world of fast food, Jiffy Lube, 1-hour cleaning, and Minute Rice. We want it this instant.

Senator BYRD brings to us a version of legislative home cooking, saying: Let's put all this together the right way. Let's make sure it is seasoned the right way because the safety and security of this country depends on it.

Senator BYRD's amendment does not change the deadlines by which we will provide homeland security, but he sets up weigh points by which we can work with the executive branch to create this new Department of Homeland Security. After all, we are talking about putting 170,000 people in a single agency—one single agency.

Some would say: Well, that is pretty easy to do. It is not easy to do at all. The development of a bureaucracy is always at odds and always creates tension with efficiency and effectiveness. Take a look at what has happened in recent days, the stories about the CIA and the FBI and the kind of work that was done, or not done, with respect to what they knew and did not know leading up to September 11.

It is very important we have agencies put together and locked together in a way that protects this county's interests, and especially that we have accountability. And that is where the Byrd amendment is so important.

The Byrd amendment will guarantee the accountability of all of the Department's activities because it will be assigned to one person. One person will be accountable for this agency as it is constructed: the Secretary of Homeland Security. I think that is very important to understand.

We are talking about putting together agencies, such as the Coast Guard, the Customs Service, Border Patrol, Transportation, security, Secret Service. This is a very big project.

Now, let me talk, just for a moment, about two very specific areas I am concerned about because they are part and parcel of this and why it is so important we get it right.

Port security in this country, homeland security/port security: We are going to spend $7 to $8 billion defending against an intercontinental ballistic missile that is going to come in at 14,000 miles an hour. People are worried a terrorist or a rogue nation is going to get ahold of an ICBM, so we will spend $7 to $8 billion on that in the Defense bill this year. But it is far more likely that a weapon of mass destruction will come into a port, in a container, on a container ship, and pull up to that port at 2 miles per hour.

We have 5.7 million containers coming into our ports every year and 5.6 million are not inspected. Dealing with that has to be a part of homeland security. That is why we have to get this right.

What Senator BYRD is suggesting in this amendment is not that we should delay the creation of homeland security. It is that, as we move along to the 13 months, we, in fact, create weigh points so we can measure what we are doing, what the President is doing, what the administration is doing.

The ACTING PRESIDENT pro tempore. The Senator has used 4 minutes.

Mr. DORGAN. It is very much like when you learn to fly. I learned to fly with a private plane once. When you fly, you fly the weigh points you establish out there. This legislation says: Yes, let's have a Homeland Security Department. Let's meet the deadline, do it on time, but let's do it right. And it establishes weigh points by which the Congress becomes a full partner with the administration in developing and making sure that we implement properly the Homeland Security Department.

If we make a mistake here, it is about the security of the United States of America. This is not about wasting money. It is about this country's security. That is why this amendment is so important.

People say: Well, this amendment guts the bill coming out of the committee. It does not do anything of the sort. This bill improves it. And this bill gives Congress the role it ought to have with the administration to make homeland security work for the United States of America.

I yield the floor.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Maryland is recognized for up to 5 minutes.

Mr. SARBANES. Madam President, I rise in support of the Byrd amendment and urge my colleagues to back this very important amendment. But I also rise to thank the very able Senator from West Virginia for his firm and constant leadership on this very important issue. I particularly appreciate the careful way in which he has formulated this amendment.

This amendment actually would achieve the establishment of the Department within the same timeframe that is contained in the bill brought from the committee.

The only difference is it would do it in stages and would give the Congress a continuing role to examine carefully how this is being done, how the directorates are put into place, and would give us a better chance to carefully examine the full range of implications of many of the important principles, including worker protections, civil liberties, privacy, secrecy, and which functions to transfer and how they should be transferred.

This is an enormous undertaking. The Senator from West Virginia has made a singular contribution in developing the potential ramifications and consequences of that with which we are dealing.

Senator BYRD is given to quoting Roman history. A lot of my colleagues tend to consider that as interesting but not always directly relevant. I disagree. I think he reaches back and draws out lessons which are of extreme importance to us. I particularly like the quote he used in this debate of Gaius Petronius Arbiter, who was an adviser to Nero:

> We trained hard . . . but it seems that every time we were beginning to form into teams, we would be reorganized. I was to learn later in life that we tend to meet any new situation by reorganizing; and a wonderful method it can be for creating the illusion of progress while producing confusion, inefficiency, and demoralization.

What an apt quotation as we consider the important issue before us today.

The Baltimore Sun ran an editorial actually concluding that they were against establishing the Department of Homeland Security. Senator BYRD's amendment does not do that. Senator BYRD is prepared to establish the Department, but he wants to be very careful in how we do it. The Sun, in that editorial, pointed out that in trying to establish this Department, we are taking the focus off the need for tighter oversight of the Nation's security systems; that shifting 22 Federal agencies and 170,000 employees is a massive undertaking, and it needs to be done very carefully.

That is what the Senator from West Virginia has stressed again and again. We need congressional involvement which will help to ensure that we will craft the best possible legislation.

The ACTING PRESIDENT pro tempore. The Senator has used 4 minutes.

Mr. SARBANES. Additional oversight is required in order to assure that this is done in the right manner. We have agencies with multiple functions. Some relate to homeland security; some do not. How are we going to accommodate that complexity? The Byrd amendment, by requiring further timely participation of the Congress, will give us the opportunity for additional scrutiny to ensure that a massive governmental reorganization is done carefully and effectively. We do not want to create chaos and confusion which will set us back in our efforts to deal with homeland security.

The Senator from West Virginia has underscored how carefully we did the National Security Act that reorganized the Department of Defense. That is not being done in this instance. I very strongly support this amendment and urge my colleagues to back it.

I ask unanimous consent the Sun editorial be printed in the RECORD.

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

[From the Baltimore Sun, Sept. 23, 2002]

BOONDOGGLED

At the risk of sounding heretical, it's time to pull the plug on the plan to create a Department of Homeland Security. Better yet, drive a stake through its heart.

Months of debate have made clear that this bureaucratic boondoggle offers no promise of making the homeland more secure. Worse, it takes the focus off the need for tighter oversight of the nation's security systems.

President Bush offered the most sweeping government reorganization in a half-century largely as a political and public relations tactic. He was trying to counter Senate Democrats who were advancing similar legislation of their own.

He timed the unveiling of his plan to drown out the testimony of FBI Agent Coleen M. Rowley, who was blowing the whistle on the security failures of her hidebound agency that blinded it to clues of the Sept. 11 attacks.

Shifting 22 federal agencies and 170,000 workers into a new department will cost billions but will do nothing to solve the problems Agent Rowley addressed. What's needed is greater sharing, and coordination and synthesis of the security information collected by the myriad agencies.

But this new department would not even include the FBI and the CIA, which are the two premier intelligence gatherers. Nor is there any guarantee that greater sharing would take place between them if they were together.

The FBI, and Drug Enforcement Administration and the Immigration and Naturalization Service are already grouped together in the Justice Department, and they don't have a system for streamlined communications. As Agent Rowley told Congress, the various offices of the FBI didn't even share information with each other.

For the nation's security apparatus to become more efficient, the psychology and culture of those competitive and turf-protective agencies must change. Moving boxes around on an organizational chart and creating cement edifices to house them will do nothing but create more pork-barrel booty for lawmakers eager for new facilities in their home states.

Rep. Steny H. Hoyer, a Maryland Democrat who opposes creation of the department, contends the homeland security oversight job could be done by upgrading the White House advisor post now held by Tom Ridge. The main reason Senate Democrats starting pushing the idea of a new department was their frustration with Mr. Ridge's refusal to submit to their questioning on the grounds that he was a confidential presidential aide.

Few lawmakers have openly opposed this sacred cow. The proposal whisked through the House in a matter of hours before the summer recess. It is bogged down in the Senate largely because of a partisan dispute over worker rules.

Mr. Bush is taking advantage of the opportunity to mow down longstanding worker rights and protections, saying he needs greater flexibility to hire, fire and move workers around.

That alone is a good reason to deep-six this plan. Civil service laws may well need some updating to attract and retain a quality work force. But the changes should be carefully applied throughout the government to avoid creating a class system in which workers at some agencies are treated better than those at others.

This Congress will leave much unfinished business. With any luck, that will include this pointless bureaucratic reshuffling.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Minnesota is recognized for up to 5 minutes.

Mr. WELLSTONE. Madam President, I am pleased to support the Byrd amendment. I thank Senator JOSEPH LIEBERMAN for his fine work. He was talking about a Department of Homeland Security long before the administration and understood the need.

I believe the Byrd amendment is a key improvement.

Mr. SARBANES. Will the Senator yield for 10 seconds?

Mr. WELLSTONE. I am pleased to.

Mr. SARBANES. I want to underscore what the Senator said. Senator LIEBERMAN has done fine work on this legislation. It is no detraction from Senator LIEBERMAN's fine efforts to support the Byrd amendment. In fact, I think the two can be perceived as being complementary.

I thank the Senator.

Mr. WELLSTONE. I thank the Senator from Maryland. His remarks reinforce what all of us believe.

The Byrd amendment would allow for a more orderly transition of authorities to a new Homeland Security Department than the underlying bill would otherwise provide for. I support the underlying bill, and I commend the chairman of the Government Affairs Committee and others for their work on it. Long before the Administration concluded that a single new Federal department could best protect our domestic security, the committee and its chairman, Senator LIEBERMAN, developed the framework for such a department. Now that framework is essentially the bill we have before us. It is a good framework, but I believe this amendment is a key improvement.

This bill authorizes the largest reorganization of Federal Government functions undertaken in half a century. While we have been debating the bill for several weeks, I agree with the Senator from West Virginia that it is a task that warrants deliberation and care. It is the right of Congress to participate deeply both in creating the

framework for this needed new department, but also in overseeing key details of the transition to it. Indeed, in my view, we have not only the right to participate. We have an obligation.

The Byrd amendment would allow immediate creation of a new Homeland Security Department. It would immediately establish the superstructure of the Secretary and the six directorates as outlined by the Lieberman substitute, and then require that the administration submit three separate legislative proposals to transfer agencies and functions to the new Department. This would give Congress the opportunity to gauge and modify how the new Department is being implemented, while it drafts legislation to transfer additional functions and agencies and would provide Congress with additional means to head off problems that traditionally plague and delay massive reorganizations. What's more, under the Byrd amendment, Congress would be required to act on these legislative proposals within 13 months on enactment, which is roughly the same time period outlined by the Lieberman plan.

Once the Department of Homeland Security is established, the Secretary will submit legislative proposals and recommendations for the orderly transfer of agencies and functions, based on the Department's actual needs in carrying out its mission.

Through additional involvement in the implementation of agency transfers and reorganizations, Congress will be able to exercise meaningful oversight after the enactment of homeland security legislation.

The Byrd amendment gives Congress a much-needed opportunity to review more thoroughly the details of the reorganization during the one-year transition period established in the Lieberman bill.

Congress can use this time to consider specific agency transfers, worker protection policies, new intelligence authority, and constitutional protections, instead of handing off unresolved questions for the President and the Secretary to answer.

Under the Byrd amendment, Congress will receive better information from the administration during the implementation the Lieberman bill, including the criteria used by the administration in choosing which agencies and functions to transfer into the Department.

The Byrd Amendment guides us towards a more rational approach for undertaking the task of creating the new department, and I support it. Protecting the American homeland is not just President Bush's responsibility. It is our responsibility as well. And it is the responsibility of future presidents and future Congresses. So we must make sure that we do everything within our power now to create the very best structure to protect our's and future generations.

As I have said, Madam President, the Byrd amendment will allow for the immediate creation of a new Homeland Security Department. It is important to understand that. There is no delay, and we have the same basic legislative time period of 13 months. Once the Department of Homeland Security is established, the Secretary will submit legislative proposals and recommendations for the orderly transfer of agencies and functions based on the Department's actual needs in carrying on its mission. Through additional involvement in the implementation of the agency transfers and reorganizations, Congress will be able to exercise meaningful oversight after the enactment of homeland security legislation.

That is what is so important about the Byrd amendment. It guides us toward a more rational approach to the undertaking of the task of creating a new Department. I support it.

Protecting the American homeland is not just President Bush's responsibility or any President's responsibility; it is our responsibility as well. It is the responsibility of future Presidents and future Congresses.

We must do everything within our power now to create the very best structure to protect our future and that of our children and grandchildren. I believe the Byrd amendment is a positive contribution.

Senator BYRD plays a key, indispensable role. Senator BYRD has been on the floor week after week calling on all of us to exercise our constitutional responsibility; talking about the importance of legislative involvement, the importance of checks and balances, the importance of deliberation, the importance of understanding full well the consequences of what we do.

The Senator from West Virginia deserves a tremendous amount of credit for his exceptional work as a Senator. I am very pleased to support the amendment.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from California is recognized for up to 5 minutes.

Mrs. BOXER. Madam President, I thank Senator BYRD for allowing me to take some of this time. It is truly an honor for me to rise on behalf of his amendment.

If ever there has been a more fierce, more forthright defender of the Constitution and the responsibilities we have as Senators, I can think of none other.

Clearly, what we have before us is a bill crafted by Senator LIEBERMAN which is far better than what has come out of the House, far better than what the administration put forward. There is no question in my mind that Senator LIEBERMAN has taken us forward.

I have to say, as someone who has been in office for many years, I have come to be very skeptical about a huge reshuffling of agencies in Government and huge moves without lots of time to look at the ramifications. My belief is that in moving so quickly to such a large reshuffling, we are going to bring about less accountability, not more, in terms of how this Government functions.

Senator BYRD is saying, yes, we need to create this Department. Let's bring forward some of the best and brightest people to begin to put it together. But let's slow down; let's take a deep breath. Let's make sure what we are doing is going to result in more protection for the American people, more efficiency on behalf of these departments, not less.

I am also very concerned about the movement away from rights for people who will work in this Department. Senator LIEBERMAN has been very strong, and I hope he will prevail, but I am very concerned that more than 40,000 people in this new Department who do not deal directly with national security—they may be, for example, a secretary, a file clerk, someone who works in that Department—are going to lose worker protections.

I have said before, and I will reiterate it today, that it is a very cynical move, I believe a grab of power on behalf of this administration, to do that to these people. Doesn't the President have more things to occupy himself—and I know he does—than worrying about whether a secretary or a file clerk has the ability to say to the people who supervise her, through her union, through her bargaining unit: I need a better salary; I need better health care; explain to me what my work rules will be? I do not think any President—this one or any future one—should interfere with that. It is very important that people have their dignity.

On the one hand, we have the President saying he is creating this new Department and it is so important; on the other hand, what is the first thing he wants to do? He wants to strip away the rights of people.

In California over the weekend, I spoke to working men and women, maybe about a thousand of them. I pointed out to them what I have pointed out in this Chamber—and others have pointed it out, too—that the real heroes of 9/11 were not politicians, were not any Senators or Members of Congress. Certainly not. And certainly not anyone sitting in the Oval Office or in the Old Executive Office Building.

The ACTING PRESIDENT pro tempore. The Senator has used 4 minutes.

Mrs. BOXER. Madam President, do I have 1 minute remaining?

The ACTING PRESIDENT pro tempore. That is correct.

Mrs. BOXER. Madam President, the real heroes of 9/11 were working men and women, and they did not look at their watch and say: Gee, am I working overtime? They just went into those burning buildings. That is important.

Mr. President, when I first read the details of the President's Homeland Security Department proposal, I was concerned. And when the House leadership passed the President's proposal without so much as a second glance, I was dismayed.

Instead of a creating a blueprint for enhanced domestic security and more efficient Government, the President and a handful of others have created a patchwork proposal.

The legislation created by Senator LIEBERMAN stands in distinct contrast to the House-passed bill.

I believe the amendment proposed by Senator BYRD builds upon and strengthens the good work of Senator LIEBERMAN and his committee. The Byrd amendment provides for the creation of a Department of Homeland Security—just as the Lieberman bill does. But, instead of immediately moving agencies into the new Department's directorates, the administration would be required to come back to Congress—and to the relevant House and Senate oversight committees—with detailed legislative proposals before any transition actually occurs.

Many questions remain unanswered about this Department of Homeland Security. The Byrd amendment would require the President and his advisors to address these questions before agencies are moved into the new Department.

If we grant the administration the statutory powers it is demanding without first passing the Byrd amendment and making it part of the final bill we send to the President, we will lose the support, I believe, to get it right.

The Byrd amendment would also ensure that the implementation of the Department occurs in a more thoughtful way, with more openness and less secrecy.

I will conclude in this way: I am proud to support Senator BYRD's amendment. I hope my colleagues will do so, too. It retains the checks and balances that are so important and that our Founders told us we must do. It also will result in a Department that will be well thought out and that means it will, in fact, protect the people of this country in a much better way than we are being protected today.

I thank the Chair very much and yield the floor.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Washington, Ms. CANTWELL, is recognized for up to 5 minutes.

Ms. CANTWELL. I thank the Chair.

Madam President, I rise today in support of the Byrd amendment to ensure the proper deliberation and congressional oversight in the creation of the Department of Homeland Security. While I applaud the chairman and ranking member for working to develop changes in our Federal system to better harden our defenses against potential terrorism targets, and to create effective, integrated protections, we must not allow the task of government reorganization to distract us from our vulnerabilities.

I think it is particularly timely that we are on the floor debating how to protect ourselves from the future of any kind of 9/11 attacks while the Intelligence Committee is discussing the implications of its report that demonstrates how the primary weakness is not the fact we did not have a 170,000-person Federal agency.

Instead, we are learning that the men and women of our intelligence community neither have the resources nor the adequate mechanisms in place to communicate and to share information and to connect the dots before an attack happened.

I urge my colleagues to remember, while creation of a Homeland Security Department is an important step, which I believe is about hardening our targets and creating redundancy, we cannot ignore the primary challenge we are facing in intelligence gathering.

Similarly, any forward movement in strengthening our homeland security must not also distract us from our constitutionally mandated responsibilities to provide the necessary oversight and adequate deliberation in the enormous process of creating a new Department.

Make no mistake, we are currently considering some giant and unprecedented changes to our Federal system:

We are radically reshaping our Federal Government to meet new goals.

We are contemplating dramatic—and I think fundamentally unwise—changes to important civil service laws.

We are deliberating substantial changes to the roles and missions of many important agencies that provide important functions for our country.

We are even considering unprecedented changes in the relationship between Congress and the administration by handing over substantial aspects of our constitutionally derived authority to shape and form the functions of Government.

Despite the enormity of this effort and its implications, some have criticized the Senate for not rushing this legislation through this body. I submit that these critics are wrong. We are accountable to our constituents for good, thoughtful legislation—not the rate at which we pass a bill.

Our Founding Fathers created an ingenious system of Government that stresses deliberation as the only rational method to ensure sound decisionmaking.

This piece of legislation—perhaps the most important, wide-ranging legislation that has come before the Senate in recent years—deserves thoughtful consideration that is absolutely necessary in putting together this new agency.

That is exactly what Senator BYRD is proposing that we do. I thank the distinguished President pro tempore for his effort in stressing the importance of this responsibility.

The Byrd amendment will strengthen Senator LIEBERMAN's bill by sending the message that this body is committed to creating a Department of Homeland Security with a mission to protect the American people and with the clear determination that we will act responsibly in doing so because we want to get it right. This is critically important because it would require the implementation of the new Department to be considered by Congress.

The Byrd amendment ensures that the important first step is followed by a process that will ensure that Congress and the Nation are involved in asking the right questions when it comes to the specific details of this reorganization, including the specific agencies and responsibilities that need to be transferred, the personnel strategies that need to be implemented, and a wide array of other logistical issues.

Any reorganization of this magnitude is difficult and complex. I can tell you, having been in the private sector, I have seen a lot of reorganizations in the private sector that don't go as smoothly as people want them to. And on a much larger scale, this proposal, I believe, deserves the kind of attention this amendment gives it.

The PRESIDING OFFICER. The Senator has used 4 minutes.

Ms. CANTWELL. Madam President, I think there are two fundamental examples in this bill. One of them is the Coast Guard—I am sure my colleague from Washington will expound on this—which is being transferred. The critical mission of that agency needs to be secured and understood as that agency is transferred. The other is an important opportunity within the National Institute of Standards and Technology with the Computer Security Division—again, a key mission that is being met for the private sector in creating technology standards that may be transferred, and that mission may be lost.

In summary, it is critically important that we not rush to make these changes and then believe we have delivered service to the American people. Let them be sure we are involved in guaranteeing that this agency is hardening our targets and strengthening our redundancy.

The PRESIDING OFFICER. The senior Senator from Washington, Mrs. MURRAY, is recognized for 5 minutes.

Mrs. MURRAY. Madam President, for the past several weeks we have been talking about the proposal to create a Department of Homeland Security. I think it is very clear that there are a lot of details that still need to be worked out.

I thank Senator BYRD for his leadership and his patience in raising the questions that must be raised to improve our security and our safety.

I want to make sure we don't just ''do something'' about security, but that we do the right thing. Let's face it, it takes time to get the simple things right. I have been working with the Transportation Security Administration now for months on airline security and we still have not worked out all of the issues. It took a long time for us to get the National Guard to deploy to our northern border. In creating this new Department, I want to make sure we get it right.

Three weeks ago, I spoke on the Senate floor and raised a number of questions, and at this point I am still troubled by the lack of answers I have received. There are many different ways to set up this Department. The President has offered one way. His proposal was created in a short amount of time by a few officials meeting at the White House in secret. We don't know how the President's proposal will balance the security and the economic needs of the American people.

As I have stated before, I have two major concerns. First, we have not yet figured out how to fulfill our traditional missions and the new security missions at the same time. If we combine these various agencies into one massive Homeland Security Department, how are we going to meet the traditional mission?

Just look at the Coast Guard. Since September 11, the Coast Guard has shifted resources away from their traditional missions to homeland defense. That is an appropriate response, but it comes at a cost. What the shift in resources means to the average American is that the Coast Guard is now spending less time interdicting drugs and illegal immigrants, enforcing fishery and marine safety laws, and protecting our marine environment. Yet the need for the Coast Guard to perform these vital missions is as important today as it was before the attack on our country.

Unfortunately, we have not figured out how to effectively carry out both missions at the same time. I would like to know how one massive Department, focused primarily on security, will more effectively address all of our safety and security needs.

Secondly, I am very concerned about how this new Department will function. The administration has asked for unprecedented power and control over this proposed Department. The President wants to change the personnel rules so he can have what he calls flexibility. From what I understand, the administration already has flexibility under current law.

In addition to dramatic new controls over workers, the administration wants the power to move money around without congressional input. From what I have seen so far, that is pretty scary news for families in my State of Washington.

Right now, I can fight to make sure that the needs in my State are being met. But if the administration gets this unprecedented authority, then accountants in the Office of Management and Budget will decide what is important to the people in my home State. If that happens, my constituents are going to lose out—at a cost to their safety and their security.

So we need to better understand and define all of the missions in the various agencies. We need to make sure they continue to fulfill their traditional missions. That is why I support the Byrd amendment. It will allow us to move forward in a pragmatic manner that allows us to do this right. It is essential for our economic security and our future safety.

I urge my colleagues to support the Byrd amendment.

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut, Mr. LIEBERMAN, is recognized to speak for up to 5 minutes.

Mr. LIEBERMAN. I thank the Chair.

Madam President, for literally more than a year now, the bipartisan membership of the Senate Governmental Affairs Committee has been working to strengthen our homeland security, particularly and intensely after the events of September 11 which showed the extent to which the disorganization of Federal homeland security activities created vulnerabilities of which the terrorists took advantage.

The amendment offered by the great Senator from West Virginia is the most direct challenge the committee's work will face in this debate because it puts at issue the question not only of the approach the committee has taken in creating the Department but whether we in the Senate believe it is urgently necessary to have a Department of Homeland Security, a better organized Federal Government to protect the American people anytime soon.

This amendment will retain the basic administrative structure of the Department as we have proposed, but that is all. The amendment nominally sets up the same six directorates as the Governmental Affairs Committee proposal, but that is where the similarity ends.

Here is an example: We created a directorate for emergency preparedness and response. Our Committee proposal transfers six distinct agencies, or sets of programs, and includes more than seven pages of legislative text specifying the missions and operating provisions of the directorate. The parallel provision in Senator BYRD's amendment, section 134, found on page 37 of that amendment, consists of not seven pages but seven lines of text. Three creates the directorate, and four authorizes an Under Secretary to run it. But that is all. No goals, no missions, no duties, no programs, no personnel, no directorate in any real sense. That is the approach taken by this amendment for all of the directorates, with the exception of Immigration, where the amendment does not disturb our provision to transfer and restructure the Immigration and Naturalization Service.

For example, our provisions regarding a new division of intelligence would immediately begin building a potent new capability to analyze all information regarding terrorist threats and disseminate the information to help prevent or protect against attacks.

The Intelligence Directorate in the Byrd amendment is an empty room with a name on the door, awaiting future legislation to give it staff and purpose; and so it would remain, I fear, indefinitely, because there is no effective termination point, no effective implementation point in the amendment's structure.

Section 139 of the Byrd amendment calls for the Secretary of the new Department to submit to Congress over the course of the next year a series of legislative proposals for these shell directorates, including recommendations for the transfer of authorities, functions, personnel, assets, agencies, or entities, all of which would fill them up and give them some meaning.

Those recommendations are to be submitted to Congress at least 4 months apart, beginning no sooner than February 3, 2003—next year. That means that, at best, Congress would have the administration's proposals a year from now—a year to recreate proposals that we have before us today.

The amendment states that Congress should take action on these proposals within 13 months of enactment of the underlying homeland security legislation. But even if this deadline were heeded, it means only that Congress would take some action. Congress could reject one or more of the proposals or vote to study the matter further. The fact is that it is very hard to bind a future Congress to do anything. So at the end of the year, under the committee's proposal, that is the deadline for this Department to be fully up and running. Thirty days after the President signs legislation under our proposal, the new Secretary would have the power to start getting the Department running. A lot of it would start rapidly, but it would all be done within a year.

Within a year, under the Byrd amendment, there is nothing but the hope that Congress will react to the proposals the administration will have sent it. So with the exception of immigration functions, there would be no assurance in the end that anything would ever be transferred into the new Department. It could indefinitely remain a bare-bones proposal with no meat on its skeletal frame whatsoever.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Vermont is recognized to speak for up to 5 minutes.

Mr. JEFFORDS. Madam President, let me begin by commending Senator LIEBERMAN for leading this debate. I appreciate the hard work the Senator from Connecticut, the Governmental Affairs Committee, and the staff put into this important legislation.

I rise today to support the amendment of the homeland security legislation that has been proposed by my colleague from West Virginia, Senator BYRD.

I am concerned about the path we are proceeding down to create this new Department, and I doubt that the result of this flawed process will adequately address the intelligence failures that were revealed so tragically on September 11, 2001.

Congress must not cede its constitutional role and responsibilities to the

executive branch in this dramatic Government reorganization. Congress must remain engaged in this effort to ensure it results in a functioning, effective agency.

This mandate is made clearer when we compare the current process with similar reorganizations in the past.

For instance, comparisons have been drawn between this legislation and the creation of the Department of Defense. But the creation of the Department of Defense involved a collaborative process between the executive branch and the Congress. And the executive branch agencies affected by the proposed Department were participants in the process.

Thus, the Department of Defense was founded upon discussion, debate, and compromise.

This cooperative approach to developing a workable new Department contrasts starkly with the way the administration developed its homeland security draft legislation.

A small group of advisers working in secret within the White House developed President Bush's proposal. Members of Congress and Secretaries of the affected cabinet agencies were reportedly not even informed about the proposal until the days before it was unveiled.

And even now, rather than working with Congress to develop consensus on this legislation, the administration insists it will veto any proposal that does not closely resemble its own.

Of specific concern, the administration's proposal does not place enough emphasis on correcting what went wrong prior to September 11. I firmly hope that we, as a Nation will develop a comprehensive plan to address the shortcomings in our intelligence gathering and communication efforts.

Because of the similarity of the September 11 attacks and the attack on Pearl Harbor over 60 years ago, we should remember the finding of the Joint Congressional Committee that investigated Pearl Harbor.

That Committee found that ''. . . the security of the Nation can be insured only through . . . centralization of responsibility in those charged with handling intelligence.''

I hope we will learn our lesson after the tragic events of September 11. Correcting intelligence failures must be the hallmark of any new Department of Homeland Security.

This reorganization will affect the lives of everyday Americans for years to come. Because the President's proposal does not adequately address intelligence failures, and because the administration refuses to enter into a constructive dialogue with the Congress regarding legitimate disagreements, we have a constitutional responsibility to act.

Therefore, I support Senator BYRD's amendment to the homeland security legislation. The Byrd amendment will go along way toward ensuring Congress continues to play a constructive role in shaping the new Department as this process moves forward.

I commend the Senator from West Virginia for his help and assistance in helping us all to better understand this problem.

I yield the floor.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). Under the previous order, the Senator from Michigan is recognized to speak for up to 5 minutes.

Ms. STABENOW. Mr. President, I acknowledge, as other colleagues have, the important work of the Senator from Connecticut. Senator LIEBERMAN was the first to outline the reasons for bringing together all of the essential functions of Government that relate to homeland security. I know he has put literally hundreds of hours into this effort, and we thank him for that.

I support the Byrd amendment as an addition to this effort, not as a detraction, because I believe what Senator BYRD has articulated is a very important part of the way we put together a Department of Homeland Security. I think it is essential. So while I support the homeland security effort, I believe it is important to move forward along the timelines and with the checks and balances that Senator BYRD so thoughtfully has put together.

Simply put, the mission of this Department is too important to be rushed into law. I know the Senator from Connecticut would say that after months and months it does not seem like rushing; that there has been a tremendous amount of effort that has gone into this. But as that is said, I also know it is a huge task bringing together 170,000 employees, and there are many questions about the various departments, so this is something that will take continued time and thoughtfulness to be able to put together.

There are many questions that remain, and if the public is to have confidence in the new Department, those questions need to be answered. For instance, why are certain agencies being transferred into the new Department? What criteria are the administration using to determine what agencies should be transferred? Almost all of these agencies being transferred have other functions not related to homeland security, which is of great concern in Michigan—this has been raised in a number of contexts—and how will those functions be separated? How will they be affected?

In Michigan, we have concerns about the Coast Guard, which is a very important part of our operations not only in fighting terrorism but we want to make sure there are sufficient resources to deter terrorists from coming into our country by boat. We also know there is a critical role in search and rescue operations and ship inspections. We want to make sure in Michigan we do not lose resources for those essential civilian functions as well as the important efforts to fight terrorism.

In earlier discussions about the Homeland Security Department, the Department of Agriculture's Animal and Plant Health Inspection System, or APHIS, would have been moved to the Homeland Security Department. While it is reasonable that the border inspection mission of APHIS would be a part of the new Department, it is also critical the domestic mission of protecting animal and plant health, and ultimately the health of American consumers, remains within the Department of Agriculture. If the full transfer of APHIS comes up again, I would like to debate and vote on that.

Those are the kinds of issues I am concerned about. We have workforce questions. There are a number of issues that have been raised which I believe need our continual input, and that is why I support the timeframe that has been put together in the Byrd amendment to create the Department without delay but then to come back to the Congress, receive input, take it step by step to make sure we are, in fact, doing it right. That is what the Byrd amendment is all about. It is about creating this Department with input feedback, coordination, and cooperation that is going to enable us to do this huge job.

The PRESIDING OFFICER. The Senator has used 4 minutes.

Ms. STABENOW. I believe the Byrd amendment is a more disciplined process that will help us create a Department that is cohesive, responsive, and effective with its duties and missions clearly defined. I urge my colleagues to join with so many of us in supporting the Byrd amendment.

I yield back my time.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Under the order that was entered last night, Senator BYRD had requested 10 minutes. We all thought it was 5 minutes, but I think it is appropriate he have the 10 minutes. Therefore, I ask unanimous consent that Senator LIEBERMAN be extended another 5 minutes to balance out that time.

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

Under the previous order, the Senator from West Virginia is recognized to speak for up to 10 minutes.

Mr. BYRD. Mr. President, it is my understanding Senator THOMPSON wants to speak. I ask the Chair to alert me when I have consumed 4 minutes and when I have consumed 5 minutes. I hope by the time I use 5 minutes Mr. THOMPSON will be in the Chamber so the other side can be heard, I can then speak, and then Mr. LIEBERMAN can close out the debate.

I congratulate Mr. LIEBERMAN, the Governmental Affairs Committee, and all of the staff members of that committee. They have worked hard, they have worked long, and they have produced a bill that is, in my judgment, a great improvement over the House bill.

My amendment only addresses title I of the Governmental Affairs bill. The other titles are not touched by my amendment.

What does my amendment do? My amendment substitutes for title I in the Lieberman bill in a way that provides congressional oversight and a systematic and orderly process by which the agencies are transferred into the new Department.

My amendment provides for the creation of a Department of Homeland Security. My amendment provides for the same superstructure as does the Lieberman amendment: in other words, the same directorates in title I and the same number of Under Secretaries, Assistant Secretaries, and so on. Those are how the two titles, title I in the Lieberman bill and title I in the Byrd amendment, are the same. What is the difference, then? The difference is my amendment provides for an orderly process whereby, in every 120 days over the next 13 months, there will be a transfer of agencies into the Department. So these will occur at 120-day intervals, unlike the Lieberman bill, which provides for the wholesale transfer over the next 13 months; it could come early, it could come late, it could come earlier than 90 days after the passage of the bill, or it could come as late as the close of the transition period, which is 12 months following the first 30 days.

Mr. LIEBERMAN says the Department will be up and running in 13 months under his legislation. But his legislation requires only that agencies be transferred by the conclusion of the 13 months. It doesn't say they will be up and running. His bill in that respect is exactly like my amendment. Both the Lieberman bill and the Byrd amendment provide for the conclusions of the transfers of agencies over the 13 months—by the end of the transition period, which is the end of the 13 months.

Neither his bill nor my amendment provides that the Department will be ''up and running,'' as the distinguished Senator has said. No legislation can guarantee when the Department will be ''up and running.'' It will likely be years, which is why Congress needs to ensure a continuing role for itself.

So there will be an orderly process under the Byrd amendment, and the chaos that will occur under the Lieberman proposal will be avoided.

Congress is kept involved under the Byrd amendment, which means that the Lieberman committee will be kept involved. My amendment provides for the protection of employee rights, privacy, and civil liberties. How does it do that? Because Congress stays involved.

The PRESIDING OFFICER. The Senator has used 4 minutes.

Mr. BYRD. I thank the Chair.

Congress is involved. Mr. LIEBERMAN's committee will be involved time and again—once, twice, three times. So Congress will be there, looking over the shoulder of the agencies, so to speak, looking over the shoulder of the administration, looking over the shoulder of the President. The President has said he needs flexibility.

We hear that worker rights will be challenged, will be jeopardized. That is not true under my amendment because of the fact that Congress will always be there, looking over the shoulders of those who would be acting to constitute the agency transfers.

Time and again, the workers' rights will be under surveillance because Congresses will not pass this bill and then walk away, as would be the case in the Lieberman bill, in which instance the Congress would pass the bill now, and then for the next 13 months——

The PRESIDING OFFICER. The Senator has used 5 minutes.

Mr. BYRD. Over the next 13 months, Congress would walk away to the sidelines.

So under my amendment, we are not going to say: Mr. President, here is the bill. You take it. Just report back to us from time to time and let us know how it is working. Congress is not going to relegate itself to a zero. Congress is going to be involved. Congress will be there to protect worker rights, to protect privacy, to protect civil liberties.

So I urge the Senators to vote for my amendment. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I yield up to 5 minutes of the time I have to the Senator from Tennessee.

Mr. THOMPSON. Mr. President, I thank my colleagues again for their eloquent statements on behalf of their positions. I think the issue with regard to this amendment has been well clarified because of those statements. I think it is pretty obvious now that there is almost unanimity that we need to proceed with the homeland security bill—unanimity in this body. There is disagreement as to whether we ought to get about doing it or whether we should delay it. I think that is the fundamental issue with regard to this amendment.

This amendment that has been offered by the Senator from West Virginia would basically postpone the implementation of the new Department for at least a year. The President's proposals in the House and Senate bills all establish directorates. They list responsibilities, transfer funds to agencies.

Senator BYRD strikes from the Lieberman substitute all language spelling out responsibilities and transfers of functions for each directorate, leaving only language establishing each directorate under an Under Secretary. Instead, he requires the administration to provide legislative proposals in the future, no sooner than February of 2003 for border and transportation, no sooner than 120 days later for intelligence and for critical infrastructure, and no sooner than 120 days after that for emergency preparedness and science and technology.

The overall thrust is to delay implementation of this bill. The question we have to ask ourselves is whether we believe, in the exercise of our responsibilities as representatives of the people of our States, that that is the thing to do, that is where we are. I suggest we already have legislative proposals before us that the Senator from West Virginia would have the administration produce sometime next year.

We in government, especially those in the Governmental Affairs Committee, have been watching and listening and discussing for years the way the Government in many respects is dysfunctional. It has been created and added onto little by little over the years. It needs reorganization in the worst sort of way. We have been listening and watching and discussing the fact that the threat to our country from rogue nations and from terrorists is growing and growing and growing. This is not new information to any of us.

The disorganization of government and the growing threat of especially nuclear proliferation have been things that have been before this body for years and years and years. Unfortunately, it takes something like September 11 to get us activated so we even have a discussion such as this.

Now we have a proposal that says essentially we are moving too fast, although commissions started telling us 2 years ago what we needed to do. We started having hearings a year ago with regard to what we needed to do, and we have had 18 hearings on homeland security in the Governmental Affairs Committee alone and dozens of other hearings in the House and the Senate.

Is it really too rapid? Are we really moving too fast? Is that a criticism that is a just accusation to this body: That we are speeding this thing along, at long last, after all the information and hearings and GAO reports that you could stack as high as your head about the problems with Government and the way it needs to be reorganized and needs to be more efficient, that we have too much waste and fraud and abuse and mismanagement and overlap and duplication—for years and years, and nobody paid any attention to it?

Now we are finally getting around to addressing some of this, and the issue before us is whether or not we need to wait at least another year before we even start doing those things. I suggest we do not. I suggest we need to get on about it. I suggest obviously there are going to be a lot of twists and turns in the road.

We have seen amendments to the Department of Energy Act recently. We have seen DOD amendments in 1985, major amendments, Goldwater-Nickles. Major pieces of legislation creating major departments or consolidated departments always produce the need to revisit those issues at a subsequent time.

The PRESIDING OFFICER. The Senator has used 5 minutes.

Mr. THOMPSON. I ask for an additional 1 minute.

The PRESIDING OFFICER. The Senator may continue.

Mr. THOMPSON. I suggest Congress is not going to lose its oversight. It has been under Congress's oversight, I might add, that this duplication, waste, fraud, abuse, mismanagement, and civil service system, which the Brookings Institution and representatives there say fails and underwhelms in every task it takes—it has been under our supervision that that has been created. With the appropriations process and the oversight process, if we do it correctly—not the way we have necessarily done it in the past; if we do it correctly—Congress will have a firm hand as we go down the road in the creation and the implementation of this new Department.

It is not because we are moving too fast or because of any structural deficiencies that Congress has not had the proper hand. It is because we just simply have not done it. I suggest it is about time we did it. The creation of this Department is the first step in that regard.

Mr. BIDEN. Mr. President, I rise in support of the Byrd amendment.

I had a conversation recently with Alexander Giacco, the former chairman of the board of Hercules, Incorporated. Mr. Giacco, although not taking a position on this amendment, impressed upon me the difficulty of wholesale organizational change, of the importance of getting such a structural upheaval right, and it is his comments which in part guide my vote this morning.

Senator BYRD has it right. Senator BYRD warned us months ago that a Department of Homeland Security was needed, but that the way to create such a massive new structure was not to rush into a new flow chart without asking questions first. The way to do this job right is to be deliberate, to be thoughtful, and to ask the tough questions about how our Federal agencies will interact so as to better protect the Nation. Senator BYRD's amendment gets us to a new Department as quickly as does the President's proposal and as does the proposal reported favorably by the Committee on Governmental Affairs in July.

It is important for us first to understand all that has been done since September 11 to boost our homeland defenses. In the 12 months since the attacks, the President and the Congress have moved with dispatch. The President created the Office of Homeland Security and selected the able Tom Ridge as its head. I was proud to work with my colleagues on the Judiciary Committee to draft the USA Patriot Act. That bill was a long overdue strengthening of our laws against terror. It increased the ability of law enforcement to share information, facilitated the sharing of information from criminal investigations, and reconsidered the wall that has in the past prevented the FBI and the CIA from working effectively together.

The FBI has expanded its terrorist threat warning system. A new five-level homeland security alert system has been created. Ninety-three antiterrorism task forces have been created in U.S. Attorney offices around the country. INS and Customs are working together to increase their cooperation in border enforcement. The FBI now provides information, on a daily basis, to terrorism task forces nationwide as well as to the CIA and the Defense Department. Director Mueller is in the process of revamping the entire FBI so that its primary focus is the prevention of terrorism. The INS and the State Department have together developed a Consolidated Consular Database, a database that includes visa information and photographs for aliens seeking entry into the U.S.

We have created an entire new agency, the Transportation Security Administration. Its sole mission is to protect the Nation' s transportation systems. TSA has deployed federal passenger screeners to 122 airports. They have hired more than 32,000 new Federal security screeners. These screeners will be in all 429 commercial airports by November 19. Ultimately, TSA will hire some 54,000 Federal passenger and baggage screener workers. This represents a wholesale change from the way the country organized its airport security systems prior to September 11.

Congress, with the leadership of Senator BYRD, has passed an emergency supplemental spending bill designed to increase the resources available to our States and localities and so the country can better prevent and respond to terror threats.

The President's proposal was developed extremely rapidly, after months of Administration claims that a Homeland Security Department was not necessary, and by a tiny number of people with little to no expertise in security matters. In contrast, the chairman of the Governmental Affairs Committee has been at this issue for over a year, Senator LIEBERMAN rightly alerted us to the recommendations of the Hart / Rudman Commission and others even before September 11. His committee held a series of hearings over the past year to determine how best to restructure and reorganize Federal agencies so that they are best positioned to respond to terror.

It is much more important that we do this right rather than doing this quickly. Imagine the impact on our country if we get this massive job wrong. Reorganizations are hard work, and if history is any guide our first effort often needs to revisited. Modern management principles teach that the agencies and functions of the executive branch should be grouped together based on their major purposes or missions. The National Security Act of 1947 created the Department of Defense, the Central Intelligence Agency and the National Security Council. Even this well thought out proposal has required serious congressional tinkering: Congress made further amendments to the organization of our national security agencies in 1949, 1953, 1958, and in 1986.

Senator BYRD's amendment builds on the work of the Committee on Governmental Affairs. The amendment retains the overall administrative structure as envisioned by the committee: six new directorates, each headed by an Under Secretary. A new Directorate of Immigration Affairs is created, and recommendations made by Senators KENNEDY and BROWNBACK to reform the INS are adopted there. The new Secretary of Homeland Security is required to submit to Congress recommendations for structuring the other five directorates. The first recommendation would be received by Congress no later than February of next year. Congress is required to take action on all of the administration's proposals by 13 months from after the legislation goes into effect. The Department would be in place in 13 months time at the latest, the same timeframe envisioned by Senator LIEBERMAN's proposal.

The Byrd amendment gives us an orderly process under which agencies are transferred into the new Department. The Governmental Affairs bill requires that agencies are transferred to the new Department over a transition period lasting 13 months. But neither the Byrd Amendment nor the Governmental Affairs Committee's bill guarantees that a new Department will be ''up and running'' in just over a year's time. In fact, the General Accounting Office has testified that Congress should not expect ''meaningful and sustainable results'' from the new Department for at least 5 years, and perhaps as long as 10 years, due to the inherently slow nature of transitioning so many agencies into one new structure. Timing of the creating of a new Department is thus not an issue under either proposal.

Senator BYRD's proposal guarantees that the new Department will be created with increased congressional oversight over its functions. Congress will not be able to pass this bill and walk away. Rather, we will be forced to more closely scrutinize these proposals to better ensure that the new Department will function effectively. I urge my colleagues to support the Byrd amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. BYRD. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from West Virginia has 4 minutes 19 seconds.

Mr. BYRD. There remain 4 minutes 19 seconds.

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Mr. President, will the Chair inform me when I have 1 minute remaining.

The PRESIDING OFFICER. The Senator may proceed.

Mr. BYRD. Mr. President, the distinguished Senator from Tennessee and others have claimed that my amendment would delay the implementation of the Department.

The exact opposite is true. My amendment will provide in an inordinate way the expeditious functioning and the expeditious transfers of the various agencies in the Department.

Let me say this, too. The people who are going to protect this country under a new Homeland Security Department are protecting this country today. They are on the borders every night. They are at the ports of entry. They are at the airports. We saw only recently the FBI arrest of six persons of Yemeni descent. According to the FBI, they constitute a terrorist cell. So the FBI is out there doing its job. We don't have a Department of Homeland Security. It didn't keep the FBI from doing its work. These people are out there every night and every day, 24 hours a day. So the work is going forward. Even if we never create a Homeland Security Department, these people are out there, and they are performing their work, and doing it admirably.

The argument has been made that Senators should oppose my amendment because it would undo the work of the Governmental Affairs Committee and force the Senate to readdress issues that have already been decided. But the Senate has not decided these issues, and they won't be decided even if we pass the Lieberman bill.

Of the 80-plus Federal agencies that currently have homeland security-related functions, we don't know why 28 of those agencies and offices were chosen by the administration and endorsed by the Governmental Affairs Committee to be transferred to this new Department. We don't know how the administration will reorganize these agencies once they are transferred.

We don't even have a budget for this new Department. So we have no idea about the costs associated with implementing it or how the administration plans to pay for this Department. We don't know if and by how much worker protection will be curtailed within this new Department.

Yet the Lieberman bill would have the Congress grant the statutory powers to the administration to create this Department and require only that the President report back to the Congress and to the American people after these decisions have already been made. The Congress would walk away from this new Department and require only that the President let us know how everything turns out.

My amendment seeks to create a process by which the Congress would retain control over the implementation of the new Department. It seeks to ensure that this Department is not left to languish in a limbo of chaos and confusion.

My amendment seeks to ensure that the Congress thoroughly consider what we are doing before granting broad authority to the administration with regard to such fundamental concerns as civil service protections and the privacy rights and civil liberties of the American public.

The PRESIDING OFFICER. The Senator has used 3 minutes.

Mr. BYRD. I thank the Chair.

Mr. President, I will tell you what is delaying the work of homeland security—the intransigence on the part of the President. He had an opportunity to sign an appropriations bill that would provide $2.5 billion for homeland security—a total of $5.1 billion. He had an opportunity to sign it as an emergency. All it needed was his name. He had 30 days in which to consider it. He steadfastly refused to sign his name. This is money that is awaiting the President's signature to go throughout this country to aid the people at the local level in making preparations to avoid another terrorist attack, and to ameliorate the effects of such attacks if they occur.

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

Mr. BYRD. Mr. President, I ask unanimous consent for an additional 30 seconds for each side.

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

Mr. BYRD. Mr. President, I urge Senators to cast their vote today. I know most of the other side, if not all on the other side of the aisle, will probably vote against this amendment. We are going to lose on this amendment, but I thank those who have spoken for it. I thank those who will vote for it.

Let me say to you that it is not how it looks today; it is how your vote will look 1 year from today. I urge all Senators to support my amendment.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I appreciate this amendment being put forward. I oppose it intensely. I have great respect for the sponsor. But I appreciate it being put forward because, more than any other amendment that we have heard or will hear on this bill, it frames the issue. The question that Senator BYRD's amendment forces every Senator to answer is, Do you want to create a Department of Homeland Security anytime soon? Do you have a feeling of urgency about the disorganization of our Federal Government's response to the terrorist threat, and do you want to respond to it anytime soon?

With all respect, this amendment eviscerates the proposal that came out of our committee, the bipartisan proposal. As I have said earlier in the debate, it builds a house and leaves only the attic with a few people up on top. It creates an army to protect America and the rest of the world against terrorism with a few generals and no soldiers underneath.

To say that it strengthens our proposal is like telling somebody who owns a house that you are strengthening their house by removing the foundation. It puts at issue what we have done.

I do not see how anyone can vote for this amendment and say they are for adopting and creating a Department of Homeland Security soon. The question is, What happens after 13 months? Under our bill, as Senator BYRD has said, all of the agencies that are going to be part of the new Department have to be transferred within 13 months. To me, that means they are going to be operating together as a whole Department, but they have to be transferred.

What happens under the amendment? All that has to happen in 13 months is that Congress has to act in some way, if Congress 13 months from now decides that it wants to act. It is kind of a moral invocation, if you will. It is not enforceable by anyone. That is why I say that ultimately not only does the amendment eviscerate the bill but it has no end point to it.

Senator BYRD is right. There are Border Patrol and other agencies out there right now, but are they talking to each other? Are they coordinating their strategies? Are they integrating their databases? Are they meshing their command structures? Are they working adequately with State and local officials with the purpose of making every decision on every agency stronger and more effective to protect our Nation? The answer is no.

In a Dear Colleague letter that Senator BYRD sent, he said similar things to what he said on the floor. He said that the ''amendment seeks to create a process by which the Congress would retain control over the implementation of this new Department.'' But it does so at a very high cost. The cost is no guarantee that the Department would be created anytime soon.

I stress that the underlying proposal which came out of our committee does, in fact, protect the right of Congress to oversee and have great influence over the implementation of this new Department, first, and most significantly, through the appropriations process, and, second, we specifically rejected a call by the White House for broad authority to reorganize the components of the new Department notwithstanding what the law says now. We have said in this bill that you can only do what the law allows. If you want to change the law, you have to come back to the place where laws are made; that is, the Congress. We have required that every 6 months the new Secretary come back to Congress and make recommendations to us about any changes he or she wants to make in this Department.

So the issue is clear, and the moment of truth has arrived for Senators. Do we want to create a Department of Homeland Security now? If you do, I respectfully suggest that you must vote against this amendment.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the amendment of the Senator from West Virginia.

The Senator from Connecticut.

Mr. LIEBERMAN. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. LIEBERMAN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The result was announced—yeas 28, nays 70, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS—28

Biden	Graham	Nelson (FL)
Boxer	Harkin	Reed
Byrd	Hollings	Reid
Cantwell	Jeffords	Sarbanes
Clinton	Johnson	Schumer
Conrad	Kennedy	Stabenow
Dayton	Kohl	Wellstone
Dorgan	Leahy	Wyden
Feingold	Mikulski	
Feinstein	Murray	

NAYS—70

Akaka	Domenici	McCain
Allard	Durbin	McConnell
Allen	Edwards	Miller
Bayh	Ensign	Murkowski
Bennett	Enzi	Nelson (NE)
Bingaman	Fitzgerald	Nickles
Bond	Frist	Roberts
Breaux	Gramm	Rockefeller
Brownback	Grassley	Santorum
Bunning	Gregg	Sessions
Burns	Hagel	Shelby
Campbell	Hatch	Smith (NH)
Carnahan	Helms	Smith (OR)
Carper	Hutchinson	Snowe
Chafee	Hutchison	Specter
Cleland	Inhofe	Stevens
Cochran	Kerry	Thomas
Collins	Kyl	Thompson
Corzine	Landrieu	Thurmond
Craig	Levin	Torricelli
Crapo	Lieberman	Voinovich
Daschle	Lincoln	Warner
DeWine	Lott	
Dodd	Lugar	

NOT VOTING—2

Baucus	Inouye

The amendment (No. 4644) was rejected.

Mr. REID. I move to reconsider the vote.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mrs. CARNAHAN). The Senator from Nevada.

Mr. REID. Madam President, it is my understanding we are now going to proceed to a period of time to offer tributes to our friend, the distinguished Senator from South Carolina; is that true?

The PRESIDING OFFICER. The Senate is open for morning business for that purpose.

Mr. REID. Madam President, I ask unanimous consent that the first speaker be the majority leader, the second speaker be the Republican leader, followed by Senators HOLLINGS, STEVENS, BYRD, and a Republican, to be named at a later time.

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

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business, for not to extend beyond the hour of 12:30 p.m., with Senators permitted to speak therein for up to 10 minutes each.

The majority leader.

TRIBUTE TO SENATOR STROM THURMOND

Mr. DASCHLE. Madam President, I join my colleagues today in this special presentation to acknowledge the distinguished Senator from South Carolina for his decades of service in this Senate.

America has changed in many ways in the 48 years since JAMES STROM THURMOND was first elected to the Senate. But some things have not changed. Among them are Senator THURMOND's fierce determination to do what he regards as the right thing for the people of his beloved South Carolina.

While Senator THURMOND and I often reach different conclusions and cast different votes, I admire his devotion to his State, to our Nation, and to this Senate. In recent years, fulfilling that obligation has seemed at times to require an extraordinary exercise of will or love or both.

Someday another Senator will sit in Senator THURMOND's seat, but it is hard to imagine anyone ever filling his shoes. He is, as I have said before, an institution within an institution.

He has been alive for almost half the history of the United States. Theodore Roosevelt was President when he was born. He was 17 years old when American women secured the right to vote. He is one of only a few Americans alive who received votes from Civil War veterans. He has lived through the term of 18 of America's 43 Presidents and served as a Senator under 10 of them.

His long and distinguished career is remarkable for its many successes, both in and out of the Senate.

In 1996, Senator THURMOND became the oldest person ever to serve in the Senate.

In 1997, he became the longest serving Senator.

In 1998, he became one of only three Senators, in addition to our colleague, Senator ROBERT BYRD, ever to cast 15,000 votes in this Senate.

In addition, Senator THURMOND has served as a senator in the South Carolina State Legislature and as Governor of that great State. He has been a senior member of both the Democratic and Republican parties and a Presidential candidate of a third party. There is not another American, living or dead, who can make that claim.

He has also served our country in uniform. Senator THURMOND entered the U.S. Army for the first time in 1924. Twenty years later, he volunteered for service in World War II, and on June 6, 1944, at the age of 43, he took part in the first wave of the D-Day invasion, the airdrop of American troops on Normandy Beach.

I am told that Senator THURMOND wanted to parachute into Normandy Beach, but another officer who clearly did not know with whom he was dealing, decided Senator THURMOND was too old to jump out of an airplane. So Senator THURMOND piloted a glider instead, landing, with the rest of his company, behind enemy lines.

Senator THURMOND is today a retired major general in the Army Reserves, the President pro tempore Emeritus of the Senate, a member of the South Carolina Hall of Fame, and a recipient of more honors and awards than any of us can name, including the prestigious Presidential Medal of Freedom.

Simply said, we will never see another like him.

I join my colleagues this morning in our heartfelt expression of gratitude to Senator THURMOND for his decades of service. We wish him, his family, and staff our very best in his future, whatever life may hold beyond the 107th Congress.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Madam President, today the Senate takes time to celebrate the life and career of one of its most outstanding Members who, though always a loyal son of South Carolina, has become, indeed, a nation's treasure. It is not enough to say Senator STROM THURMOND has lived his life well. It has been an extraordinary life.

Again and again today, we will hear points made about various accomplishments in his life. Senator DASCHLE has already noted many of them, but there is so much that can be said about this particular Senator that words are almost inadequate.

As I was thinking about him over the weekend, I thought about his life and what he has done and what he has seen and the little acts he does on a human personal basis.

First, when one thinks about it, his is a life that has included being an educator, a judge, a soldier, yes, a general, Governor, a Presidential candidate—in fact, when I was 7 years old, Senator THURMOND was already running for President and carried my State as well as four others, I believe—and a U.S. Senator where he has served so admirably as chairman of the Judiciary Committee, chairman of the Armed Services Committee, and President pro tempore.

I remember in my first couple of years in the Senate, Senator THURMOND

was managing a bill on the floor. I believe it was a crime bill. I remember he got right out in the center aisle and gave a fantastic speech, with energy, all the enthusiasm one would expect from a much younger man, but then he was young in spirit, and he made us all feel good about what we could do as the years went by.

He has been a philanthropist. He has practiced what he has preached. The record is replete with scholarships and examples of generosity from this Senator, what he has done for others on a financial basis but, more importantly, at times, on a very personal basis, and I will talk about that in a moment.

Obviously, he has achieved the ultimate in life also as a proud father. Watching him with his sons and his daughters is a marvelous experience for all of us.

He truly has achieved the rank of statesman. Some serve their country as teachers, jurists, or as State or local officials, but Senator THURMOND has been all of those and so much more: A counselor to Presidents, a warrior in the cause of freedom, not to mention a humanitarian, a staunch patriot, and a faithful friend. I do not think we will ever see a life in history such as that of Senator STROM THURMOND; he has served his country in so many ways.

His public career spans the days of Franklin Roosevelt and the present President, George W. Bush. Senator THURMOND knew the veterans of the greatest war. He was there. He saw it in real time. He knows the soldiers of our current war on terrorism, and today, as a member of the Armed Services Committee, he works to make sure they have what they need to do the job because he understands the importance of their job in the defense of freedom.

When I was born 60 years ago, Senator THURMOND was already a judge and well on his way toward a governorship and his candidacy for President. Yet here we are today as colleagues in this great institution. I know I am not alone in feeling humbled by his presence.

In the days to come, the newspapers will emphasize his extraordinary political career, but the epic that is STROM THURMOND is far too grand to be summed up as an enduring politician and to leave it at that. No, we know better. After all, it is not many of us who have a room in this Capitol named for us while we are still here to use it.

Another Senator from South Carolina, John C. Calhoun, in his time was described this way:

> As a Senator, he was the model of courtesy. He listened attentively to each one who spoke, neither reading nor writing when in his seat.

At one time or another, I believe every Senator in this Chamber has been touched by Senator THURMOND's courtesy, and we will honor him if we continue to follow his example in that regard. Hardly a day goes by, when Senator THURMOND is on the floor, that he does not call me over and offer support and offer a piece of candy for my beautiful wife. He reassures me what a beautiful lady she is and what a credit she is to this Senator from Mississippi.

I wonder sometime, too, if we all appreciate and even our pages realize that a great man of history walks among us every day, but he does it in such a humble way and such a generous way. How many of us have taken the time to not only acknowledge these pages who are seeing history in the making and are working for us to make the institution look better, but taken the time to bring them to the dining room for a meal?

I always loved it when I was in the dining room and Senator THURMOND came with a whole string of pages right behind him treating them to lunch. It was like a hen with her biddies behind her, a beautiful sight—a little thing, but typical of Senator THURMOND.

There are the calls he has made when friends have had trouble in their family or illnesses or deaths. There are stories of Senator THURMOND calling people or even going to the house of one of his former staff members after she had had a baby. Knocking on the door, he came to congratulate her and to get a look at this newborn baby. Over and over, that is the kind of man he has been.

So while he has had these great achievements, he has kept that common touch. In fact, I think the greatest story about Senator THURMOND is not list of achievements but the fact he has never wavered in defending, protecting, and working for the principles he believes in and the importance of keeping that human touch, that personal touch.

Senator THURMOND is a different case in many ways. He is, of course, of a different generation and he exemplifies its strengths just as he has worked to leave behind its shortcomings. During his last Congress with us, it was sometimes difficult to remember that at the start of World War II, a mere youngster of 39, he actually resigned his office as a judge. He was with the 82nd Airborne Division and landed in the Normandy Invasion on D-day.

Half a century ago, GEN Douglas MacArthur addressed the Congress and delivered his famous line about old soldiers:

> They never die, they just fade away.

Well, Senator THURMOND decided to do neither. He resolved to keep working for his country, devoting all of his experience, all of his wisdom, all of his energy to that task. We have been blessed and enriched by his determination. He has been here every day, and I have not checked the record, but I think he has been here for every vote this year, which is typical of the sheer iron will that has been the example of his great life.

He has seen the defeat of nazism, the collapse of communism, and the bringing down of the Iron Curtain. He has been an important part of making all of that possible. He has worked with Presidents repeatedly to support their efforts to do what needed to be done for our country.

It has been 213 years since George Washington was inaugurated as President and the first Congress assembled to write laws for the new Nation. Senator THURMOND has seen more than 99 of those years. It reemphasizes the fact we are still a young country. This great Republic is still very young in the annals of history, and this one man has seen almost half of those years. He is an institution, a senior statesman, but he is much more than that. He is a patriot. He loves this country of ours in an old-fashioned way, a simple and deep way that seemed to have gone out of style a few decades ago but a way we have relearned during this past year.

Our centennial Senator's life is a part of the rich rolling tapestry that is America's history. This soldier who fought at Normandy, this cold war warrior who helped Presidents overcome communism, has lived to witness a new enemy of freedom strike at us and all that we hold dear. He saw the tragedy last September that still tears at our hearts, but he saw, too, the resurgence of what he cherished most: Pride in America, devotion, honor and sacrifice for America. I do not know of any other Senator who will earn this title, but it seems to be appropriate to refer to Senator THURMOND as our centennial Senator. He could have very easily been an inspiration perhaps for that great quote that is attributed to Teddy Roosevelt back in 1910 that sums up, I believe, the greatness of this Senator.

> It is not the critic who counts, not the man who points out how the strong man stumbles or where the doer of deeds could have done better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs and comes up short again and again, who knows the great enthusiasms, the great devotions, and spends himself in a worthy cause; who at the best, knows, in the end, the triumph of high achievement and who, at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor defeat.

Senator THURMOND has been in the arena. He has been dusty and sweaty and, yes, probably even bloody, but he still stands, the rock from South Carolina, a great Senator, a great man, a great friend. The Senate will not quite be the same when we convene next year, but we will all be better because of the Senator from South Carolina.

Senator THURMOND, you are the best. You are an institution, but more than that you are a great friend. We love you and we wish you many more happy days in your next career.

Mr. THURMOND. Thank you very much.

Mr. LOTT. Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, the distinguished minority leader has noted STROM's comment about the beauty of his wife Patricia. STROM has also done that to my wife Peatsy. I think the record ought to be made here

that for STROM THURMOND, all women are beautiful.

Madam President, as the longest serving junior Senator in the history of the Senate, it is my distinct honor and privilege to pay tribute to the longest serving senior Senator and the longest serving Senator in the history of the Senate. The story is told about a Washington matron at one of these evening receptions, how she rushed up to a Spanish Ambassador and allowed:

Mr. Ambassador, this bull fighting, the No. 1 sport in your country, I think it is revolting.

After a pause, the Ambassador turned to the matron and said:

Madam, you are mistaken. Bull fighting is our No. 2 sport; revolting is our No. 1.

That has been the record of J. STROM THURMOND in the field of public service. He has definitely been a revolutionary with respect to public service. At age 29, he served as the youngest county superintendent of education in the history of our State; thereupon, being elected as the youngest State Senator from his home county; thereafter, as the youngest circuit judge presiding, being elevated there in the year 1938.

When Germany declared war, just a few days after December 7—Germany declared war first on us before we declared war on Germany—STROM THURMOND, as a presiding circuit judge, took off those robes and volunteered for service in World War II. He was exempt from service under our judiciary rules in the State of South Carolina, but he didn't hesitate. And as has been noted here, made the invasion on D-day, June 6, 1944, in Europe and served in five campaigns with valor and courage, coming back to retire as a major general in the U.S. Army.

In 1948, he organized the only really successful third party movement in this country as a States Rights Party, and as a candidate for President he carried South Carolina, Alabama, Mississippi, and Louisiana—he carried four States.

Thereafter, in 1954 he was the first—and I take it the only—Senator ever elected to the Senate as a write-in candidate. Then, in 1964, having been a Democrat, he changed parties. He saw the future of the State of South Carolina and the South in the Republican Party, and he has led the move ever since.

There is no question in my mind that he has had the most distinguished of service up here, serving as the chairman of the Judiciary Committee, chairman of the Armed Services Committee, chairman of the Veterans' Affairs Committee, and the President pro tempore of the Senate. But I think people back home know STROM best of all for his constituent service. Whether it is the job found for a constituent, or helping a family get a relative admitted to the hospital, or sending a letter to the deceased's family, or helping when the soldier is brought back home, or whatever it is, you can count on STROM. I can tell that to you right now. He has made his fame looking out for the people of his home State.

It has been noted that STROM was born when Teddy Roosevelt was President. Elihu Root, who was the Secretary of State for Teddy Roosevelt, once remarked that:

Politics is the practical art of self government and someone must attend to it if we are going to have self government.

And he made the cogent observation:

The principal ground for reproach against any American citizen is that he is not a politician. In representative America, every citizen counts.

Heaven knows, STROM THURMOND of South Carolina has counted at every particular turn, during illustrious service of some 70 years. I think he is the living example that the best politics is no politics. It is my privilege to pay tribute to him now. I am sure I am going to have the opportunity many times hereafter as we both move along. But it has been a distinct pleasure to serve as his junior Senator.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Madam President, I have listened attentively to every word that has been spoken today about this colleague of ours. Those words have been true. I well remember when I first came to the Senate, I remember STROM THURMOND's late wife used to sit in the gallery up here and listen to the debates. She was a beautiful woman. I remember very well the day she passed away. I remember coming to the Senate and seeking out STROM THURMOND, and here he was, sitting in the back row. I walked up to his desk, and he stood, and I said:

STROM, I'm so sorry to hear about your great misfortune.

And he stood with that stoic way of his and thanked me and sat down.

I also remember when Erma and I lost our grandson Michael. It was 20 years ago. I remember the funeral service, and I remember who was there. I recall who came to share in the greatest sorrow of my life.

Some of my colleagues were there. Howard Baker was there, the majority leader. The then-Governor of my State of West Virginia, Jay Rockefeller, was there. Who else? Who else? No other Senator, with the exception of one—STROM THURMOND. He came.

I have seen him at funeral homes of others who were the relatives of Senators and some who were not relatives of Senators. I have seen STROM THURMOND there.

I shall never forget when STROM met with tragedy in his life not many years ago when he gave up the prized possession, a daughter. I went to South Carolina to be with STROM and to share his sorrow.

Then, just a few days ago, a message came into my office. STROM had called my wife. She had an operation—appendectomy. Who called to express concern for her and to wish her an early recovery? That man—STROM THURMOND.

'Tis the human touch in this world that counts,
The touch of your hand and mine.
Which means far more to the fainting heart
Than shelter and bread and wine.
For shelter is gone when the night is o'er
And bread lasts only a day,
But the touch of the hand and the sound of the voice
Sing on in the soul alway.

STROM THURMOND, in a few more weeks, will be the first sitting United States Senator to become a centenarian.

What an amazing record. What an amazing man. In his 100 years on this Earth, he has been a teacher, a coach, an attorney, a judge, a Governor, a soldier, a college professor, an author, a lawmaker at both the State and Federal levels, a delegate at six Democratic National Conventions and six Republican National Conventions, and a U.S. Senator who has served 47 years in this Chamber and cast more than 15,000 votes.

That is more votes than soldiers that Flaminius lost at the Battle of Lake Trasimeno in the year 217 B.C.

Senator THURMOND was born into the Old South, His hometown of Edgefield was the home of the cane swinging Representative Preston Brooks, who gained a place in history for beating a northern Senator who had insulted his family and his state. Senator THURMOND's grandfather, George Washington Thurmond, was with General Lee at Appomattox when Lee surrendered to Grant. His father, Judge J. William Thurmond was a lieutenant of the legendary South Carolina Senator ''Pitchfork'' Ben Tillman, whom I used to read about before I came to the arena of politics. A product of the Old South, Senator THURMOND emerged to become an important leader in the New South.

Senator THURMOND's amazing life has spanned twentieth century America. When he was born, the Wright brothers had yet to make their historic, heavier-than-air manned flight. He has lived to see manmade vehicles reaching the outer limits of our universe. What a change in a single lifetime. Perhaps an even greater, more monumental change took place right here in the U.S. Senate. When STROM THURMOND was born, on December 5, 1902, U.S. Senators were not elected by the people of their states, but selected by their state legislatures. The Senate had no permanent office buildings; Senators had no professional staffs. Boy, what a change STROM THURMOND he has lived to see here.

Even more amazing is how his life and career have mirrored so much of the history of twentieth century America.

In 1928, STROM THURMOND, a Democrat at the time, was elected to his first political office, superintendent of schools, Edgefield County, South Carolina—when Calvin Coolidge was president. Those were the days of mechanically-sliced bread.

In 1932, he was elected to the State Senate of South Carolina—that was the

year Franklin Roosevelt was elected President of the United States.

How well I remember the days when the coal miners of West Virginia marched—over 100,000 strong. John L. Lewis, the leader of that great United Mine Workers Organization, had his picture in every miner's home. STROM THURMOND was there.

It was Roosevelt's Administration that marked the emergence of the Democratic Party as the majority party. I remind my colleagues that Senator THURMOND was a Democrat in those days.

In 1942, STROM THURMOND volunteered for service in World War II—the war that marked the emergence of the United States as a superpower. I might point out that Senator THURMOND could have stayed safely on the sidelines of that conflict. He was beyond draft age and, as a judge, he held a draft-exempted status. Yet he volunteered to put himself in harm's way and heroically served his country.

On June 6, 1944, paratrooper STROM THURMOND took part in the D-Day invasion that began the Allied liberation of Europe from Nazi tyranny and the defeat of worldwide fascism.

In 1946, like so many other World War II veterans, including Richard Nixon and John F. Kennedy, STROM THURMOND returned home to a career in public service. While Mr. Kennedy and Mr. Nixon were elected to Congress that year, Mr. THURMOND was elected governor of his beloved South Carolina.

In 1948, Governor STROM THURMOND ran for president as a States Rights Democrat, carrying 4 states and winning 39 electoral votes. This means that President Harry Truman's great upset victory over Thomas Dewey in the 1948 presidential election included the defeat of STROM THURMOND.

In 1954, STROM THURMOND was elected to the Senate as a write-in candidate. Imagine that. No other Senator was ever elected as a write-in candidate to this body. This made him the first and only person in U.S. history elected to the Senate in this manner. He is the only person ever elected to any major office in the United States in this manner.

In 1957, Senator STROM THURMOND set a record for the longest individual speech ever delivered in the Senate—24 hours and 18 minutes, from August 28 to August 29, 1957.

In 1964, Senator THURMOND switched from the Democratic Party to the Republican Party—our loss, your gain—a move that marked the beginning of the ''southern strategy'' that has reshaped the Republican Party.

In 1981, when Ronald Reagan became President, Senator THURMOND was chosen as Senate President pro tempore, placing him third in the line of succession to the Presidency. And in the early days in the history of this country, it would have been the Vice President and then STROM THURMOND, because he would then have been second in line of succession to the Presidency.

On March 8, 1996, Senator THURMOND, at the age of 93, 93 years and 94 days—oh, to be 93 years again—93 years and 94 days, became the oldest person ever to serve in the Senate.

On May 25, 1997, he became the longest serving Senator in the history of the Senate, surpassing the record of 41 years and 10 months held by Carl Hayden.

He is a man with whom I have never had a cross word in this Senate—never.

On December 31, 1997, Senator THURMOND's colleague, Senator ERNEST HOLLINGS, became the longest serving junior Member of the Senate, 31 years and 53 days, surpassing the ''junior'' record of Senator John Stennis.

In 1998, Senator THURMOND became the second Senator ever to cast 15,000 votes.

As I have said, what an amazing life. What an amazing life. What an amazing career. There is none other like it.

But I am pleased and I am proud to point out that throughout it all, Senator THURMOND has always remained a man of his word, a devoted father, and a Senator ready to defend his State, his country, and his values, as a distinguished leader, who is revered in his home State of South Carolina—a State that has built statues in his honor, a State that has named buildings in his honor, a State that has named roads and dams and lakes in his honor.

Foremost, Senator THURMOND has remained a southern gentleman of the first order: charming, polite, optimistic, friendly, courteous, and enduring.

May God bless you, Senator THURMOND. May God bless you always.

This is a man. Whence cometh another?

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Madam President, I am sort of humbled to be following my great friend from West Virginia and the statement he has just made.

When I came to the Senate 34 years ago, this true southern gentleman was among the first to make me welcome. I came from a fairly new State. Senator THURMOND had already served for 14 years as a Senator when I joined the Senate. He was generous with his time, helping this young Westerner to become familiar with the traditions of the Senate, sharing his knowledge of procedures, and some of the pitfalls, and emphasizing the importance of maintaining a sense of dignity.

I soon learned that the gracious STROM THURMOND was extending to me friendship, which is part and parcel of this man. His courtly manners and his helpfulness were legendary even then.

Today, all these years after he gave me that first crushing handshake, he remains the dignified, gallant gentleman of whom I became a friend in 1968. He continues to demonstrate the spirit that has given him the courage to beat the odds, overcome obstacles, and deal with some of life's toughest challenges.

As he prepares to leave us, after almost a half century of serving the people of South Carolina and our Nation, I just want to take a few moments to look back on the personal relationship I have had with Senator THURMOND.

While we share a bond of serving in the military during World War II, Senator THURMOND far surpassed any of my experiences. He landed, as people have already said, on D-day in Normandy. He served in both the European and Pacific theaters. And he earned an astounding 18 decorations, including the Legion of Merit and the Bronze Star for Valor.

When my first wife Ann died in a plane crash that I survived, STROM's helping hand was there, ready to assist always. The counsel and support he offered were born from the experience of his own tragedy 8 years earlier, when he lost his wife Jean. While he understood the importance of dealing with my grief, he lobbied me to find a new partner in life, as he had done.

When Catherine and I were married, STROM made sure she had a great welcome as the Senate's newest spouse. And when our Lily—now a senior at Stanford, who visited the Senate from time to time when she was a toddler—returns to these halls, she always makes sure to see Uncle STROM. As a matter of fact, there is not a day goes by that STROM does not ask me: How is Lily? And last night, Madam President, Lily, now a senior at Stanford, sent me an e-mail. I would like to read from it. I quote:

> When I think about some of my earliest memories, I always come back to images in my head of entering the big white Capitol to see you and your friends. Because, of course, I didn't know anything about the important roles of the people I knew or the grandness of the Capitol. What I really remember is going to see friends like ''Uncle Strom'' and running in circles around the patterns of the tiles by the entrance to the floor. I can't think of how many times I saw Strom's familiar face and ran to give him a big hug, hearing his voice calling, ''Lily, look how big you've grown,'' or, ''Miss Lily, you're such a pretty girl!'' Seeing Uncle Strom was always a highlight of my trips to the Capitol, and once I got to know Julie, being with her also made some long nights of political gatherings much more fun! Julie, like her father, is such a generous, caring, and warm person, and I feel lucky to have gotten to know her, Nancy, and Uncle Strom.

Madam President, Lily had a great many birthday parties here in the Senate. At that time, I was the whip, the assistant leader, and Uncle STROM was always at the top of her guest list, which she prepared herself.

I think we can all testify to STROM's sweet tooth. He never saw a birthday cake or a scoop of ice cream he did not like.

I will leave it to others, who will also pay tribute to STROM today, to tell of his many accomplishments. They will note he has many titles in his 100 years: From teacher to coach to superintendent of education; from second lieutenant to general; from attorney at law to judge; and from Governor to

Senator. Those titles were all earned through dedication and hard work, and they are hallmarks of his distinguished career. I respect those titles. But there is one that is more important to me than all the others, and that is the title I used first: Friend. We are all the richer for having STROM THURMOND in our midst. To be able to count him as a friend is the greatest privilege of all.

So I am here today, Senator THURMOND, to say thank you for your dedication, your patriotism, your generosity of spirit, but, most of all, on a very personal basis, for your friendship.

Thank you, STROM.

Thank you, Madam President.

Mr. BOND. Madam President, there are some times even in the Senate when enough words cannot be said. Senator THURMOND has probably made more history than many of us will ever see. He has experienced more history than most of us will ever know. Every member of the Senate would be proud to tell our grandchildren that ''I served with STROM THURMOND.'' Because the senior Senator from South Carolina has been such a force in politics for over 50 years, I would like to tell my grandparents that I served with STROM THURMOND.

He always did his duty and he spent the better part of a century shaping the greatest nation on earth.

There isn't a history teacher alive who wouldn't like to bring their class to Senator THURMOND's office to see a portrait of history laid out on his walls. One would think that to live and perform at the ripe young age of 99, one would be wise to pace oneself. Instead, Senator THURMOND has put in a professional marathon, but at the pace of a 100-yard dash. He is the Lance Armstrong and Cal Ripken of pubic service with over 15,000 votes. Alternatively, I would rather say that Cal Ripken is the iron man STROM THURMOND of Major League Baseball.

In his book, ''Great Political Wit,'' our former colleague Bob Dole described Senator THURMOND's 90th birthday. At that festive event, Senator THURMOND noted that, ''all evening, people had been coming up to him to express the hope that they would be present for his 100th birthday. To which Senator THURMOND replied, ''if you eat right and exercise regularly, I don't see any reason why you shouldn't be around to see it.''

In terms of ethics and duty, he remains old fashioned. He believes that the real ''woman's place'' is sitting next to him testing his charm, and his grip.

If there is a more extraordinary resume in a Congress full of honor and achievement, I cannot imagine. In his career, he has responded to the titles of: teacher, coach, Lieutenant, Counselor, superintendent Judge, General, Governor, Senator and President Pro Tempe.

When Ted Williams set down his bat to go defend his country during World War II, Judge THURMOND set down his gavel, at age 40, to join the 82nd Airborne that landed on Normandy Beach. Before he returned to the bench he had battled his way across France, Belgium, Holland, Luxembourg, Czechoslovakia, and Germany and finished in the Philippines.

Few in the history of this country have dedicated so much energy on behalf of the country they loved. And through it all, it seemed that the senior Senator had energy in reserve.

I had my staff dig up the Senator's first floor statement which occurred on January 28, 1955. He spoke directly after Senators Long and Humphrey. He was speaking eloquently but directly and succinctly on the need to meet the threat of communism head on. This was in relation to an authorization of force to protect Formosa, requested by President Eisenhower. Let me read his final paragraph: ''Our earnest prayer is for peace. If war should come, it would not the result of any aggressive act on the part of the United States. But war might come as a result of any display of weakness, of disunity, or of heslitation. I shall cast my vote on the side of firmness, for unity and for decision.''

As near as I can tell, his approach to and commitment to the security of free people has not deviated since that first floor statement.

We are all grateful for the distinguished tenure of Senator THURMOND; grateful to the people of his State for sending him here, and grateful to his family for sharing him. His retirement is well-deserved and I hope he now has more surplus time to build up his push-ups and pull ups so he can return to fighting shape again.

Additionally, after 36 years in the Senate, some of us are getting tired of calling Chairman HOLLINGS ''junior.''

It is my high honor and privilege humbly to thank our still young-of-heart STROM and wish him a busy retirement.

The PRESIDING OFFICER (Mr. CORZINE). The Senator from Texas.

Mrs. HUTCHISON. Mr. President, after hearing the remarks of the Senator from Alaska, I have to say I am very sorry that my children, Bailey and Houston, will not have the chance to have birthday parties with STROM THURMOND since he will be leaving this year. I know it was a rich part of Lily Stevens' heritage and probably why she is a student at Stanford today. She had such an upbringing and she learned a lot throughout her early life.

It is a privilege to be able to add to the accolades to Senator STROM THURMOND. So much has been said already today, but it is fitting that the first retiring Senator in this cycle who does get floor tributes be Senator STROM THURMOND. There is no one like him. There never has been, and there never will be.

On December 5, STROM THURMOND will celebrate his 100th birthday. To give you some perspective, STROM THURMOND was born the same year as Thomas Dewey, Charles Lindbergh, and the nation of Cuba, which gained its independence from Spain. STROM was 14 when Lenin overthrew Czar Nicholas in Russia. STROM was 15 when a young, left-handed pitcher named Babe Ruth led the Red Sox to their last World Series victory. STROM was 17 when women earned the right to vote, and now he has served with 24 of the 31 women to ever hold a seat in the Senate.

On November 3, 1954, STROM became the only Senator ever to be elected as a write-in candidate. He is the oldest sitting and the longest serving Senator in U.S. history. I doubt his record will be broken in the near future—maybe never.

During my own tenure in the Senate, a mere 9 years by comparison, I have been touched by STROM THURMOND's presence. South Carolina and Texas hold a rich heritage together. STROM often reminds me that William Barret Travis, a Texas hero who commanded the forces at the Alamo, hailed from STROM's home county in South Carolina.

Another South Carolinian who made his way to the wild west of Texas was Thomas Jefferson Rusk. Thomas Rusk was the first Senator from Texas to hold my seat. He was one of the heroes of the battle of San Jacinto which liberated the Republic of Texas. Senator Rusk's family was living in a rented home in South Carolina when he was born. The home, which belonged to John C. Calhoun, would later become the site of STROM's alma mater, Clemson University.

An even more important connection is our States' contributions to the Nation's Armed Forces. I have been proud to stand side by side with STROM in supporting our men and women in uniform and ensuring that they have every available resource to do the job we ask them to do.

In his almost 50 years in the Senate, STROM THURMOND has accomplished a great deal. But his greatest legacy is his enduring support for those who serve in uniform. I was privileged to work with STROM when he was chairman of the Armed Services Committee. He focused on a host of important issues, such as military health care and quality of life for service members and their families. In 1998, we named the Defense authorization bill the STROM THURMOND Defense authorization bill in recognition of his lifelong commitment to the defense of our Nation.

When the Japanese bombed Pearl Harbor, STROM was a 40-year-old circuit judge who would have been forgiven most certainly if he had decided to spend the duration of the war guarding the homefront. Not STROM. Even though he was exempt from the draft, he volunteered for combat and went on to become a highly decorated officer.

At the age of 42, LTC STROM THURMOND became the oldest man to help take the beach of Normandy on D-day.

His unpowered glider was shot down behind enemy lines, and he survived by taking shelter in an apple orchard.

Given the casualties on that dreadful day on Normandy's beach, STROM THURMOND probably considered a long and fruitful life to be measured in days, not decades. Soldiers who survived the horrific days at Normandy or Guadalcanal or Iwo Jima often say that every day thereafter is a free day.

Fifty years later, in defiance of every insurance actuary who ever built a calculator, or more aptly a slide rule, STROM THURMOND skipped the 50th anniversary celebration of that brief but memorable flight. I remember because I was here at the 50th anniversary of Normandy. There was a huge celebration of the Members of Congress who had participated in that particular part of our war effort. But, there was one Senator missing from that 50th anniversary at Normandy. It was STROM THURMOND. STROM THURMOND, who was 92 at the time, missed the 50th anniversary because that was the weekend of his son's graduation from high school. Think about it.

STROM has always known what matters. He has always focused on what is important. He continues to do that today.

He continued to serve after the war in the Reserves, rising to the rank of major general. His whole life has been a tradition of service. From World War II to the Governor's mansion and ultimately to the halls of the Senate, he has always made public service his top priority.

In the final scene of the movie ''Saving Private Ryan,'' the movie's namesake returns 50 years after that battle to the grave at Normandy of the captain who gave his life to save Private Ryan. In one of the movie's most touching scenes, Ryan tells the long-dead captain that he has tried to honor his sacrifice by living a good life. That scene captures the essence of what we as a nation owe to those who have fought for our country and our freedom: to honor their sacrifice by trying to lead a good life and by doing everything we can to keep our country free and at peace.

STROM has truly honored his comrades who fell that dreadful day and all those who have worn the uniform since. He has been good, as he has also been great. He has led the Senate to keep our military strong through the generations.

For those of us who have served with STROM in the Senate, he has been the senior Senator from South Carolina during our entire careers, including of course, FRITZ HOLLINGS. FRITZ must be the oldest, longest serving junior Senator in the history of the Senate. That will surely change.

And that change is going to take some getting used to. Having STROM THURMOND gone, will make this a different place for all of us, particularly the Senate pages. STROM THURMOND has always been particularly attentive and sweet to the Senate pages, probably throughout his career. I have seen it time and time again where he has taken the pages for lunch or for ice cream to talk to them so that they can ask him questions. I truly believe if you ever took a poll of the Senate pages, their favorite Senator would always be STROM THURMOND.

He is a legend. He is an institution. More important, STROM THURMOND is the heart and soul of the Senate. We honor him today.

Mr. ALLARD. Mr. President, I rise today to honor my good friend and colleague, STROM THURMOND. I am proud to be his colleague and friend. What a great American. After my election to the Senate, he was there to greet me.

When we think about institutions, we think about established organizations that are dedicated to public-service and advancement of science or culture. Institutions are created not by single people, but rather by the collective group that share ideals and values which are inherent to their cause. But while institutions are defined by the ideas that created them in the first place, it is individuals that truly identify the institution.

Just as John Glenn personifies the achievements of NASA, just as Martin Luther King Jr. embodies the Civil Rights movement, just as Albert Einstein represents the science of physics, the U.S. Senate is symbolized by Senator STROM THURMOND. Today we honor the gentleman who has spent nearly half his life in the Senate, a man who people cannot help but mention whenever the Senate is brought up in conversation.

While his accomplishments in this body merit enough attention, what took place before his foray into national politics is just as noteworthy. From graduation at Clemson University, to becoming a State Senator in South Carolina followed by confirmation as Circuit Judge, Senator THURMOND dedicated his life to public service. After signing an age waiver so that he could parachute onto the beaches of Normandy, STROM continued service in the U.S. Army as a reservist to eventually gain the rank of Major General after 36 years in the military. Somehow he even found time to run for governor of South Carolina and serve for 6 years.

We have ceremonies for men who were veterans in World War II and were involved in the D-Day invasion in France. We have ceremonies for former Governors who are elected and serve their states with distinction. We even hold ceremonies for those fortunate enough to serve in the armed services for 36 years. And today we hold a day of celebration for a man who accomplished not one but all of these feats, and then was elected as a write-in candidate on his way to serving in the U.S. Congress longer than any other human being. Yet many of his past accomplishments are overlooked because of his remarkable service in his nearly 50 years in the Senate. It is a testimony to his nature and the impact he has had on American politics that we sometimes fail to mention the first part of his life.

As we honor STROM THURMOND today, I would like to thank him personally for not only his dedication to serving the people of South Carolina, but also for his leadership in the Senate and for being a friend. It has been a privilege to serve on the Armed Services Committee with Mr. THURMOND, and we all know about his hard work and commitment to our military that he has displayed over the years. Thank you also, Senator THURMOND, for your dedication to this institution that we serve in today, an institution that will bare your mark for years. But more importantly, thank you for your service to the United States; you certainly are a centenarian for the ages.

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. SPECTER. 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. SPECTER. Mr. President, I have sought recognition to join in paying tribute to Senator STROM THURMOND. Senator THURMOND will celebrate his 100th birthday on December 5 and has the most remarkable record of longevity in the Senate of any Senator in history.

I was disappointed when STROM decided not to run for reelection last year, but I can understand his views on the subject. He has been really a paragon of agility and sturdiness, taking steps two at a time, coming up to the Senate Chamber—until very recently. Strom continues to have a very firm handshake and he continues to have an agile mind and he continues to make all the votes. So that is one of the reasons why I questioned his decision not to run for reelection. I had watched Senator THURMOND over the years, and when I was elected to the Senate in 1980, I looked forward to meeting him. But I did not have to await my arrival in the Senate to have my first contact with Senator THURMOND because one day late in November, I was sitting in my den and the phone rang. There was a deep southern voice: I would like to speak to Senator SPECTER.

I said: This is he.

He said: This is Senator THURMOND.

I said: What a great pleasure to hear from you, Senator THURMOND.

He said: I called to ask if you would be willing to support me for President pro tempore.

I said: Senator, I thought the position of President pro tempore was automatically the senior member of the party in power, and I know that is you, sir.

He said: That is true, but I do not like to take anything for granted.

I said: Senator THURMOND, you may be assured I will support you for President pro tempore. And I did.

I would like another chance to do that. Maybe we will have a chance to support him for President pro tempore after the November elections.

When I joined the Senate, I selected the Judiciary Committee, which is right in line with my own training and interests. Senator THURMOND, of course, was the chairman of the Judiciary Committee. Regrettably, when there were efforts to form a quorum, members were usually very late. I made it a point to arrive on time. When I did that the third time in a row—the chairman has to arrive on time—when I did that the third time in a row, Senator THURMOND asked what I was doing there on time. Then he thanked me, congratulated me, and said I might even start a precedent.

In 1982, when there were two Pennsylvanians up for confirmation, Judge Mansman and Judge Caldwell, I was there to present them to the committee. Senator THURMOND was presiding as chairman. He asked them a question. He said to them: If confirmed, do you promise to be courteous? I thought to myself: Why would he ask the question, If you are confirmed, do you promise to be courteous? Not surprisingly, both nominees said yes.

Then Senator THURMOND said: Because the more power a person has, the more courteous a person should be. I have not heard a more profound statement in my 22 years in the Senate. Not that there is a whole lot of competition for profound statements around here.

When Senator THURMOND does not appear at Judiciary Committee hearings, I ask the question. I have had many nominees comment to me after a number of years how they thought that was a very significant question. If any judge is listening now, that is the hallmark of a judge. Judges have a lot of reasons to be out of sort with lawyers who are not prepared, or witnesses who are unresponsive, but there is enormous power in that black robe with a lifetime appointment, and Senator THURMOND had his finger right on it.

There are a lot of vignettes I could tell, but Senator ALLEN has come to the floor, so I will limit myself to a couple more.

When Senator Howard Baker was the majority leader, we used to have all-night sessions, a very stark contrast from now when we hardly have day sessions. One evening we had a finance bill before us. It was 1982. It was 11:45 p.m. The floor was crowded with Senators. Nobody had any appointments left at 11:45 p.m. Senator Baker stood behind that podium and said: Amendments, like mushrooms, grow overnight, so we are going to stay and finish the bill. I have consulted with the chairman—Senator Dole of the Finance Committee—and we worked through the night. There were maybe three, four rollcall votes, a lot of amendments taken, a lot of amendments dropped. We walked out at 6:30 in the morning into the sunshine with a complete complex finance bill.

If we did that tonight, we would finish homeland security by morning. In any event, that is one of the occasions I went down to the restaurant, which was kept open. I made it a point to find Senator THURMOND's table and have a bowl of soup and to hear great stories about Senator THURMOND's career in Washington, DC. He talked about Lyndon Johnson as a Senator, and that young fellow, John Kennedy, who came to the Senate, about the heroes and the legends of the Senate, because he has seen them all.

One story he told, which I thought was especially interesting, was about the inaugural parade on January 20, 1949. Senator THURMOND had run for President and had carried four States and almost threw the election into the House of Representatives. In the parade, after President Truman was elected and Vice President Alben Barkley was elected, STROM came down with his wife riding in an open-top car, probably dressed in a cutaway. I am not sure about that. Maybe I will ask STROM to yield for a question here. When he passed the reviewing stand, he stood up and tipped his hat. Vice President Alben Barkley started to raise his hand and, as STROM told the story, Truman grabbed his hand and pulled it down and said: Don't you wave to that SOB. I might be more explicit but somebody might want to have it stricken from the RECORD as being an inappropriate statement.

One more short story. In a Judiciary Committee hearing on one occasion, STROM did not want to see a quorum reached because he did not want legislation to be passed out of the committee. So he stood right outside the Judiciary Committee door over in 226. He wanted to be right there poised to go into the room in the event there was a quorum so he could obstruct whatever it was he did not want to happen.

Ralph Yarborough, a Senator from Texas, came up and grabbed hold of STROM and tried to pull him into the hearing room. STROM—I do not know exactly what the wrestling maneuver was, but Yarborough ended up on the floor in a STROM THURMOND scissor. STROM did finally agree to release Senator Yarborough with Yarborough's promise he would not go into the hearing room.

As the story goes, Yarborough went into the hearing room. STROM should never have released him. He probably would still be there if STROM had not been so generous.

Senator THURMOND has been an example in many ways as his political philosophy has advanced. He is a great advocate for African Americans, constituents—the wall of his office ought to be memorialized and left intact. He has so many plaques and commemorative memorabilia.

It has enabled me to tell a story on the stump which has been somewhat useful both from a political and humorous point of view, and that is, when running for reelection, I say: If I am reelected in 2004 when I am next up and decide to run again 6 years later in 2010, and decide to try again 6 years after that in 2016, and run again in 2022, and then run again in 2028, at that point, I will be younger than Senator STROM THURMOND is today.

People are always amazed at the thought of running in 2028. So they think it is not too bad to run in the year 2004 for a fifth term. They are always very much impressed by Senator STROM THURMOND.

So, STROM, I join my colleagues in saluting you for a fabulous career and wish you 100 more years of continued good health.

I yield the floor.

Mr. BINGAMAN. Mr. President, three score and 10 years ago our colleague, STROM THURMOND, first won elective office when he was chosen to serve in the South Carolina House of Representatives. He has been figure of influence in—and on behalf of—his home State ever since.

The longest-serving Senator in the history of this body, he will be retiring at the end of this Congress, and today we have the opportunity to recount our own experiences with this American legend.

Senator THURMOND had been in the Senate 26 years when I arrived in 1983, a brand-new member of the Armed Services Committee. He never treated me as the neophyte, just-learning-the-ropes newcomer that I was. From the start, I was his colleague, and he was mine. His long history of work on national defense is based on his love of this country, and his own experiences on the battlefield. Somebody thought he was too old to be a paratrooper for the Normandy Landing. It is part of his extraordinary resume that he got an age exemption, and parachuted in on D-Day.

There is no one quite like him. I have appreciated his friendship from my first day here, and, with my colleagues, will feel a great pang of loss when the new Congress opens in January and he will not take his seat as a Senator from South Carolina.

I think all of us recall those lines from ''Hamlet'' when we think about our friend and his remarkable life. ''He was a man, take him for all in all/I ensure shall not look upon his like again.''

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ALLEN. Mr. President, I ask unanimous consent that I be allowed to speak for as much time as I may consume. I estimate I will need 10 minutes.

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

Mr. ALLEN. Mr. President, I join my colleagues in saluting the senior Senator from South Carolina, Mr. THURMOND, as he prepares to celebrate his 100th birthday. JAMES STROM THURMOND is not just a man who is loved by

the people of South Carolina, who elected him to a remarkable eight terms to the Senate, but he is a man who is respected and admired by this body and institution in which he serves.

Others who have spoken, who are much more senior to me, have recounted his distinguished careers, stories, the elections, the changes in our country over the years, and also the positive changes in Senator THURMOND as he has moved forward with America and the times, in making sure that all Americans have opportunities in education, to compete and succeed in life.

I find it interesting that he was the first person in 1954 to ever be elected to a national office by a write-in vote. The people of South Carolina elected STROM THURMOND to the Senate by a write-in vote. At that time, I was not paying too much attention to politics since I was only 2 years old when he won that election.

There are a lot of stories to tell and a lot of impressions have been made in the short time I have been in the Senate. I knew I had come to a very special place when the first meeting of the Republican Senate caucus was singing happy birthday for Senator THURMOND's 98th birthday, and I was thinking of all the stories of STROM THURMOND, this living legend. That day we also had a very rancorous debate on different positions, the policy chairman, the Senate Republican chair. There were people giving nominating speeches and seconding speeches, and it was tough to choose among friends, but we finally decided who the policy chair was and the Republican Senate chair. There were all of these contests and seconding speeches.

At the end, Leader LOTT said: We have to also elect the Senate President pro tempore and, of course, that is going to be STROM THURMOND. There were no nominating speeches and no seconding speeches. Everyone rose and said ''aye.''

STROM then stood up, and this was the extent of STROM's speech: Thank you all. You are darn smart people. And that is how STROM was easily elected.

There are so many memories of STROM THURMOND in the Allen family. I remember my mother always talking about dancing with STROM THURMOND. Whenever we bring up the Senate, she says: I danced with STROM THURMOND. She says it every time I bring up the Senate, and this was back in the 1970s. I know there are a lot of ladies' hearts that have fluttered over the years with the wonderful privilege of dancing with STROM THURMOND.

My wife's family, the Brown family, is from South Carolina. Of course, he is revered as a hero in South Carolina, as he is all across the country but especially in South Carolina. Any time any of that family in South Carolina had a wedding, a birthday or a birth, STROM THURMOND was there congratulating them on that wonderful event.

I also have the privilege of being assigned to an office in the Russell building that is in the same hallway as STROM THURMOND. I see STROM as he makes it to every vote. I see him on the elevator as we go to the trolley to get to the Chamber. He is always smiling. He is always cheerful. He is always in a good mood.

This year we all were blessed with those good South Carolina peaches to make sure we are all getting a good healthy diet. I was commenting about the great peaches and I said, most of my staff took those peaches, and STROM said: Well, get that boy another bag of those South Carolina peaches. So our family was able to enjoy those wonderful peaches.

Last year, we had the national D-day memorial in Bedford County, VA, which had the highest per capita loss of life in the D-day invasion. It was a wonderful event. The President was there. The Ambassador from France was there. It was a wonderful ceremony. STROM THURMOND was there. STROM THURMOND was one of those brave soldiers who obviously stormed those beaches and fortunately survived the Normandy invasion on D-day. I will say the President received a slightly bigger cheer, but every single person who was there, those thousands and thousands of people loved seeing STROM THURMOND, a true American hero, in Bedford for that celebration and dedication of the national D-day memorial.

The point is, STROM THURMOND is an inspiration to many of us for many different reasons. While we all aspire to achieve such longevity, we admire STROM THURMOND for a life lived fully and in the advancement of public service. As Senator THURMOND reaches his centenarian status later this year, on behalf of all the good people of Virginia, I offer my best wishes to him, his family, and his constituents.

There will never be another STROM THURMOND. Nevertheless, I hope and pray God will continue to bless America with people who have STROM THURMOND's cheerfulness and devotion, and I surely hope we are blessed with people of his character.

It is great to be a Senator from Virginia, but it is truly an honor to serve with Senator THURMOND. I shall always and forever cherish the memories of your smiling, twinkling eyes which reveal your happy heart. You have been a great soldier, a great Senator, and a great leader. I thank God for blessing us with people of your character.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Is consent required to make my remarks?

The PRESIDING OFFICER. It is.

Mr. MCCONNELL. I ask unanimous consent that I be allowed to proceed for 7 minutes in my tribute to our retiring Senator, Mr. THURMOND.

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

Mr. MCCONNELL. Mr. President, what is perhaps more amazing than STROM THURMOND's record length of service in the Senate is how he made it here in the first place.

STROM THURMOND was the first and only American ever elected to the Senate as a write-in candidate. The dizzying prospect of waging a write-in campaign strikes fear into any aspiring or incumbent politician. After all, getting voters to the polls is one thing. Getting voters to go the extra mile and write in a name not listed on the ballot is a wholly different beast.

So once one knows that in 1954, STROM was able to inspire a majority of South Carolina voters to write him into the Senate, and into the history books, it makes perfect sense why he also ended up as our Nation's longest serving Senator.

Today, of course, it is STROM's record-setting tenure that has captivated American political and popular culture. Turn the page of any magazine or the dial of any radio and, eventually, you will find Americans holding up STROM as the benchmark to near-immortality.

For years, Senator THURMOND has attributed his age-defying achievements to ''diet, exercise, and an optimistic attitude.'' Well, I dug a little deeper reading old clips on the advice he has given to friends and colleagues so I could try and piece together a more specific and exhaustive answer.

After sleuthing around a bit, here is the ''simple'' formula I can pass along: Begin your mornings with 20 minutes of calisthenics, 50 pushups, 10 minutes of weightlifting, and 20 minutes on a exercise bike. Oh, and swim a half mile twice a week; eat half of a banana, four prunes, a handful of grapes, blueberries, peaches, egg whites, a glass of Orange Juice, and a glass of prune juice; inherit good genes; abstain from fried or fatty foods. But eat lots of chicken, fish, and all kinds of seafood; abstain from caffeine; abstain from sugars; abstain from smoking.

But beneath all the rubble surrounding ''STROM's Secrets,'' one ingredient stands out above all others. In an editorial celebrating the Senator's 99th birthday, the Rock Hill Herald revealed STROM's secret to longevity as ''his determination to serve South Carolina as long as he's able.''

I believe that this sentiment more than the prune juice or the push-ups best explains STROM's record-setting service to South Carolina, from a small-town school superintendent among the peach groves of tiny Edgefield, SC, to almost a half a century in the Senate.

Mr. President, as I said, the year Senator THURMOND came to this body on a write-in—a most astonishing thing because no other Senator in American history has ever been elected to the Senate by a write-in—I was playing Little League baseball in Augusta, GA, across the Savannah River from Senator THURMOND's hometown of Aiken. I confess I was not following politics all that carefully at age 12, but

I do remember my parents talking about Senator THURMOND's astonishing accomplishment right across the river in South Carolina, having been elected to the Senate on a write-in ballot.

As I grew older and began to pay attention to Government and politics in America, I began to realize STROM THURMOND was something quite special. When I came to the Senate in 1984, 40 years after my parents telling me about Senator THURMOND winning on a write-in, I knew instantly I was in the presence of a legend, as we all have been who have had the privilege of being a Member of this body at the same time as the senior Senator from South Carolina.

There will literally never be another American like Senator THURMOND. We all know he was too old for World War II, he did not have to go, but at age 42, as Senator ALLEN just made reference to, Senator THURMOND was there on D-day. In fact, he was in one of those gliders the night of D-day. Last year, we had an opportunity to see ''Band of Brothers'' on HBO about the 101st and its experience from D-day through the end of war. I watched every segment of that. In addition to what I was viewing on the television screen, I thought mostly about our colleague and his harrowing experience of going in the night of D-day on a glider. He did crack up, and as we all know, he was able to walk away and survive the crackup and survive the war and become an American hero.

Not many of us are ever going to be legends, and almost none of us are going to be legends in our own time. The Senator from South Carolina has lived long enough to observe his own legendary status, which is a truly remarkable thing. We will never, ever, see another STROM THURMOND. He is unique in the annals of American history.

I want to say to you, Senator THURMOND, as a son of the South myself, somebody who was born in Alabama and then migrated north to Kentucky—most people think of Kentucky as south, but for us it was north—and having lived in Georgia when you were first elected on a write-in, I want to say to you that you have been an inspiration to me and an inspiration to many of us in the deep South who have been so proud of you and your enormous accomplishments over the years.

I extend my congratulations to Senator THURMOND on his pending birthday, reaching 100 years of age. In fact, I had the Today show on this morning and Willard mentioned you, Senator THURMOND. He is working up to celebrating your 100th birthday in December and, of course, finishing up your term. You have had a truly remarkable career that will never be equaled in this body. My congratulations to you and our best wishes for the future.

So, Senator, today I raise my voice—joining the chorus of so many other voices—to pay my fondest farewell to your tireless and timeless dedication to serving the families of the great Palmetto State.

I yield the floor.

TRIBUTE TO SENATOR STROM THURMOND

Mr. DODD. Mr. President, I apologize. I was not able to be here this morning when the Senators expressed their words and thoughts about our wonderful colleague, STROM THURMOND, who is retiring from the Senate this year. I wanted to join in the particular tribute in saying to him and the people of South Carolina and the rest of our colleagues something we all feel, regardless of the disagreements we may have had on substantive policy matters, STROM THURMOND is truly an American institution in many ways.

I cannot even begin to imagine the U.S. Senate without this remarkable individual in our presence. For nearly 50 years—almost a quarter of the life of this country—through 10 Presidential administrations, STROM THURMOND has been an institution in the Chamber of the Senate. Eight Senators serving today were not yet born when STROM THURMOND was first elected to the Senate in 1954.

It is not the fact that Senator THURMOND has served the Senate longer than any other Senator in our Nation's history that makes him unique. It has been, in my view, STROM THURMOND's fascinating journey through life that makes him unique. His story is truly a unique American story.

In the course of his nearly 100 years, STROM THURMOND has been a teacher, judge, combat hero, Governor, winner of the Presidential Medal of Freedom, and, of course, a Senator. In more than 20 years of our serving together, I have not always agreed with Senator THURMOND, as I know many of my colleagues have not over the years, but he has always been a true embodiment of the ''way of the Senate,''—always thoughtful, always respectful, and always deliberative. In short, he has been a great Senate colleague.

My father, Senator Thomas Dodd, served with Senator THURMOND for 12 years. I have served with him for 20. That is 32 of his almost 50 years. They, too, had their differences, but they had tremendous respect for one another and were very good friends. My family will always think of STROM THURMOND not simply as a friend but as a loyal friend to the Dodd family.

I believe that no matter what your ideology or political persuasion, one cannot look upon the life of STROM THURMOND without concluding that it is in so many ways so remarkable.

What else can you say about a man who, at the age of 42, took a leave of absence as a Circuit Judge in South Carolina to volunteer to parachute behind enemy lines with the 82nd Airborne Division during the Normandy D-Day invasion, for which he was awarded 5 Battle Stars for Bravery in Combat?

What else can you say about a man who has dedicated his entire life to public service, to the service of his country?

While never neglecting to be a stalwart in support of the state and people of his beloved South Carolina, there are literally dozens upon dozens of schools, buildings, parks, and streets in South Carolina named after their senior Senator. Senator STROM THURMOND has never failed to put America first.

He has always treated public service to America as a sacred responsibility. In this respect, STROM THURMOND is a very, very rare breed.

Senator THURMOND was born at the dawn of the 20th century, born to a very different time; to a very different America.

Over the past century, America has grown as a Nation. Over the past century, America has become a more free, a more fair, and a more compassionate nation.

And, over the past century, Senator THURMOND has also grown.

Senator THURMOND once said, ''People evolve. They reach a higher truth in life.''

STROM THURMOND lived through the entire 20th century, a century which began with two world wars and ended with a triumph of democracy.

It was a century of enormous political and social upheaval, but it was also a century of enormous progress and enlightenment.

STROM THURMOND was not just witness to the entire 20th century, he was a full participant.

His journey mirrored America's journey.

And now, at the dawn of a new century, STROM THURMOND is still a participant in America's journey.

In closing I would just like to tell STROM THURMOND that his lifetime of service to his country, and his nearly 50 years in the United States Senate, is greatly appreciated, and will be sorely missed.

STROM, it is an honor and a privilege working with you, and I will miss you very, very much.

Mr. NICKLES. Madam President, several of our colleagues made some remarks concerning our esteemed friend and colleague, Senator STROM THURMOND. I wish to join them in that effort.

STROM THURMOND, by the end of this year, will complete 48 years in the Senate—eight terms in the Senate. I will be completing four terms, and it is mind-boggling to think someone would complete eight, 48 years in the Senate. He was elected to the Senate in 1954 and has served this body with great distinction and honor during that time.

Prior to that time, he was also Governor of South Carolina. Even before that, he was one of the heroes, in my opinion, who actually helped liberate Europe going into Normandy. He actually parachuted into Normandy behind enemy lines. He earned 18 decorations for his service, including the Purple Heart.

He is an outstanding hero, American, Governor, Senator, serving 48 years in the Senate. He has had a wealth of experience.

I remember my first contact with Senator THURMOND is when he called me to congratulate me upon my election in 1980 and urged me to serve on the Judiciary Committee, which I respectfully declined, but I found it was hard to turn down STROM THURMOND. He has been a very close confidante and friend.

My daughter had the privilege of working for him for a short period of time, and she considers that a highlight in her career as well.

He served both as chairman of the Armed Services Committee and also the Judiciary Committee. He served with distinction and honor. He has brought great pride to the Senate. He is the Senator's Senator, and I join my colleagues in saying that we have the greatest esteem and respect for Senator STROM THURMOND.

Mr. GRASSLEY. Mr. President, Senator STROM THURMOND achieved more before middle age than many of us achieve in a lifetime. Born in 1902, Senator THURMOND in 1933 was already a State senator in South Carolina. In 1938, he was a State court judge. From 1942 to 1946, he served in World War II, landing on the beach in Normandy on D-day with the 82nd Airborne Division and earning numerous decorations, medals and awards. In 1947, the year he turned 45, he was the Governor of South Carolina. In 1954, when he was elected to the Senate, he already had a full history of serving the public, especially the people of his beloved home State of South Carolina. In the Senate, Senator THURMOND has demonstrated a keen political instinct and achieved a legendary reputation for constituent service. The people of South Carolina know Senator THURMOND will treat them royally—a standard I try to emulate for my own constituents. Senator THURMOND's imprint on the Senate is with this institution forever.

Senator THURMOND is responsible for one of the highlights of my Senate service. In 1980, soon after I was first elected to the Senate, Senator THURMOND was becoming chairman of the Judiciary Committee. He asked me to join the committee. I explained I wasn't a lawyer, but he explained I didn't need to be. Senator THURMOND promised to get me good staff to help me with the technical points of Judiciary Committee work. He delivered on that promise, and I thoroughly enjoy serving on the Judiciary Committee. I hope to continue serving on that committee as long as I'm a member of the Senate, although of course I won't serve as long as Senator THURMOND. I appreciate Senator THURMOND's support of me as a freshman Senator, and an unknown quantity, by giving me the opportunity to join his committee. I hope I haven't disappointed him.

As a farm State Senator, I seek like-minded Senators to support the survival of family farmers. Senator THURMOND has always supported any efforts to advance this cause. He comes from a largely agricultural State, and he understands how family farmers not only feed the world, but also make up part of the fabric of American life. I'm grateful to have served with Senator THURMOND over the years, and to continue serving with him.

Mr. HATCH. Mr. President, I rise to speak in honor of my good friend—and legend—the distinguished Senator from South Carolina, STROM THURMOND.

From the moment STROM THURMOND set foot in this Chamber in 1954, he has been setting records. He was the only person ever elected to the Senate on a write-in-vote. He set the record for the longest speech on the Senate floor, clocked at an astounding 24 hours and 18 minutes. He is the longest serving Senator in the history of the Senate. As he approaches his 100th birthday, he is also the oldest serving Senator. Many of my colleagues will recall the momentous occasion in September of 1998 when he cast his 15,000th vote in the Senate. With these and so many other accomplishments over the years, he has appropriately been referred to as ''an institution within an institution.''

In 1902, the year STROM THURMOND was born, life expectancy was 51 years—and today it is 77 years. STROM continues to prove that, by any measure, he is anything but average.

He has seen so much in his life. To provide some context, let me point out that, since his birth, Oklahoma, New Mexico, Arizona, Alaska and Hawaii gained statehood, and 11 amendments were added to the Constitution. The technological advancements he has witnessed, from the automobile to the airplane to the Internet, literally span a century of progress. Conveniences we have come to take for granted today were not always part of STROM THURMOND's world. Perhaps this explains why, during Judiciary Committee hearings, he has been heard asking witnesses who were too far away from the microphone to ''please speak into the machine.''

The story of his remarkable political career truly could fill several volumes. It began with a win in 1928 for the Edgefield County Superintendent of Schools. Eighteen years later, he was Governor of South Carolina. STROM was even a Presidential candidate in 1948, running on the ''Dixiecrat'' ticket against Democrat Harry Truman.

I must admit, Mr. President, that he has come a long way in his political career, given that he originally came to the Senate as a Democrat. I am happy to say that wisdom came within a few short years when STROM saw the light and joined the Republican Party.

When I first arrived in the Senate in January of 1977, he was my mentor. As my senior on the Judiciary Committee, it was STROM THURMOND who helped me find my way and learn how the committee functioned. He has not only been a respected colleague, but a personal friend, ever since.

During his tenure as chairman of the Judiciary Committee, STROM THURMOND left an indelible mark on the committee and the laws that came through it. He became known and respected for many fine qualities and positions—his devotion to the Constitution, his toughness on crime, his sense of fairness.

He is also famous for his incredible grip. Many of us in this Chamber have experienced STROM THURMOND holding our arm tightly as he explains a viewpoint and asks for our support. I might add that this can be a very effective approach.

STROM is also known to have a kind word or greeting for everyone who comes his way, and for being extremely good to his staff. Despite his power and influence, he has never forgotten the importance of small acts of kindness. For example, whenever he eats in the Senate Dining Room, he grabs two fistfuls of candy. When he returns to the floor of the Senate, he hands the candy out to the Senate Pages. Unfortunately, it is usually melted into a kaleidoscope of sugar by then! I have a feeling that the Pages prefer it when STROM takes them out for ice cream.

STROM THURMOND is truly a legend—someone to whom the people of South Carolina owe an enormous debt of gratitude for all his years of service. Clearly, the people of South Carolina recognize the sacrifices he has made and are grateful for all he has done for them. In fact, you cannot mention the name STROM THURMOND in South Carolina without the audience bursting into spontaneous applause. He truly is an American political icon.

Abraham Lincoln once said that ''The better part of one's life consists of friendships.'' With a friend like STROM THURMOND, this sentiment couldn't be more true. I am a great admirer of STROM THURMOND, and I am proud to call him my friend.

Mr. President, one final note about STROM THURMOND: He is a great patriot. I am grateful for his work with me over the years in support of a constitutional flag amendment. A decorated veteran of World War II who fought at Normandy on D-day, STROM THURMOND loves this country. Let me close by saying that this country loves him, too.

Mr. DOMENICI. Mr. President, I rise today to congratulate my dear friend and colleague Senator STROM THURMOND of South Carolina for his 48 years of service to this country.

Senator THURMOND was first elected to the U.S. Senate in 1954, as the first person in U.S. history to be elected to a major office by a write-in ballot. As the longest serving Senator in the Senate, STROM has been a part of a lot of firsts in our Nation's history and he has contributed to every major policy issue facing this country for the last half century. He is a true legend.

STROM has been a respected authority on military issues. He served in

World War II, fighting in 5 battles, including the Normandy Invasion, and received 18 decorations, medals, and awards, including the Purple Heart, the Bronze Star for Valor, and the Legion of Merit With Oak Leaf cluster. In 1959, STROM attained the rank of major general. He has been a member of the Senate Armed Services Committee since 1959. His expertise in military issues has been a great benefit to our men and women in uniform.

His love for the state of South Carolina has been a guiding force in his life. He has been a coach, an educator, an attorney, a State senator, a judge, a Governor, and, most importantly, an impeccable leader for the people of South Carolina.

STROM has not only been a remarkable Senator, but an even better American. I know I speak for all my colleagues here in the Senate when I say that he will be missed.

Mr. BUNNING. Mr. President, it is with great pride and honor that I rise today amongst my fellow colleagues to honor one of America's finest citizens, Senator STROM THURMOND of South Carolina.

When I look at STROM's career and all that he has accomplished throughout his life, I often find myself wondering how one man could possibly do so much in just one lifetime. STROM THURMOND truly deserves the title of Renaissance man. He has been a farmer, a teacher, a lawyer, a judge, an author, a Governor, a war veteran, a major general in the U.S. Army Reserves, a State senator, a U.S. Senator, a Democrat, a Dixiecrat, a Republican, a husband and a father.

Since 1954, when he ran and won a seat in the Senate as a write-in candidate, STROM THURMOND has worked tirelessly and selflessly for the people of South Carolina and the citizens of this great Nation, casting more than 15,000 votes in his time in the Senate.

I now ask that my fellow members of the Senate join me in thanking and honoring our good friend and colleague for all that he has done throughout his life and throughout his tenure in the Senate. His brilliance, leadership and unmatched wit will be sorely missed by this legislative body and by the entire Nation. But we will always hold on to the many memories and stories he left behind.

Mr. THOMPSON. Mr. President, I rise to pay tribute to the senior Senator from South Carolina, Mr. Strom Thurmond. Not only is Senator THURMOND the oldest Member ever to serve in the Senate, and the longest serving member, his entire life has been dedicated to service to his country. At the age of 21, in 1924, Senator THURMOND was commissioned a second lieutenant in the U.S. Army Reserves. At the age of 26, he was serving as the Superintendent of Education in Edgefield County, SC. From there he went on to serve as a State Senator, and then as Circuit Judge of South Carolina, a position he left to serve his country during World War II. For his military service, he earned a total of 18 different medals, decorations, and awards. He served as the Governor of South Carolina, and while serving, he ran for President as the head of the third party States Rights Democrats. He received 39 electoral votes, the third largest ever for an independent party candidate. Then in 1954, he was elected to the Senate as a write-in candidate, the first person ever to be elected to the Senate as a write-in candidate.

Senator THURMOND's career as a member of the Senate has been not only long but distinguished. He served as either chairman or ranking member of the Senate Judiciary Committee for 12 years and he served as either chairman or ranking member of the Senate Armed Services Committee for 6 years. In fact, he has served on the Armed Services Committee for the last 43 years, where he has been a leader in promoting a strong national defense.

So while we do well to recognize his extraordinary years of service to the Senate, it is worth remembering that Senator THURMOND is the perfect example of a true statesman a man who has dedicated his life to serving his country in any way possible, in all branches of government, in times of war and in times of peace. Senator THURMOND has set an example not only as a great Senator, but as a great citizen of this country, and it is for that reason that we are here to pay tribute, to demonstrate our respect, and to offer our thanks.

Mr. LUGAR. Mr. President, I am pleased to take this opportunity to pay tribute to the remarkable life of Senator STROM THURMOND of South Carolina.

On December 5, 2002, Senator THURMOND will turn 100 years old, another amazing milestone for an indefatigable public servant. Throughout his historic years of service in the Senate, he has distinguished himself through his energy, his spirited patriotism, and his dedication to excellence. Every Member of this body counts him as a friend and as an inspiration.

Beginning his public service career in 1923 as a teacher and athletic coach, he became the superintendent of education in Edgefield County, SC. He was elected to the State senate at the young age of 31 and later served as a Circuit Judge of South Carolina.

He left the judicial bench in 1942 to fight in World War II where he parachuted into Normandy on D-day with the 82nd Airborne Division. He served in the Civil Affairs section of the First Army headquarters where he was awarded five Battle Stars, the Legion of Merit with Oak Leaf Cluster, a Bronze Star for Valor, the Purple Heart, the Belgian Order of the Crown, and the French Croix de Guerre. Upon his return to South Carolina, he served as Governor before he was elected to the Senate in 1954.

STROM THURMOND's career as a Senator has been distinguished by love of his country and all the possibilities he has envisioned for it. His longevity and strength are a result of his determination to further his ideals, his commitment to personal fitness, and his devotion to serve the people of South Carolina.

Senator THURMOND's influence has been felt throughout the Senate, but it has been particularly noteworthy in his leadership on the Armed Services, Judiciary, and Veterans' Affairs Committees. In recent years, as President Pro Tempore, he set an example for us all with his thoughtful wit, his constancy, and his obvious love for the Senate and its institutions.

Senator THURMOND is a statesman whose retirement from this Chamber will leave the Senate a diminished place. I am pleased to join with my Senate colleagues in acclaiming his lifetime of service to America.

Mr. AKAKA. Mr. President, I join my colleagues in congratulating the senior Senator from South Carolina, our esteemed colleague and a legendary public servant, as we honor his service to America and his beloved constituents in South Carolina.

When the 107th Congress adjourns sine die later this year, it will end another chapter in the life and legendary public service of Senator THURMOND. For almost 48 years, STROM THURMOND has been an important person in the life of the Senate. Indeed, December 24, 2002, will mark the 48th anniversary of Senator THURMOND arrival in the Senate after his election as a write-in candidate, a feat that itself is historic and unprecedented. December 5, 2002, also marks another marvelous milestone, Senator THURMOND's 100th birthday. In considering these truly remarkable events, it is humbling to recall that Senator THURMOND's service in the Senate is longer than the period of time that Hawaii has been a State.

It is even more remarkable to consider Senator THURMOND's accomplishments outside of the Senate: attorney, state legislator, judge, decorated World War II hero and participant in the D-day landing, Governor of South Carolina, husband, and father.

I have had the privilege of serving with Senator THURMOND during the 12 years I have been in the Senate, the last quarter of his remarkable tenure, and we serve together on the Armed Services and Veterans' Affairs Committees. As Chairman Emeritus of both Committees, Senator THURMOND has earned a well-deserved reputation as a determined and powerful advocate for our Nation's men and women in uniform and our veterans. His commitment to improve services, benefits, and quality of life for servicemembers and veterans, and their families, is unwavering.

On a personal note, our former colleague, Senator Bob Dole, Majority Leader DASCHLE, and others have spoken about emulating Senator THURMOND's diet and exercise regimen as a way of enjoying similar longevity. I

would like to share with my colleagues one of Senator THURMOND's dietary secrets: he has a fondness for Hawaiian macadamia nuts. I can think of no better testimonial for the health benefits of macadamia nuts then the gentleman from South Carolina!

I thank our leaders for scheduling this time for the Senate to honor the remarkable life and times of a great American patriot and a gentleman of the Senate, Senator STROM THURMOND.

Mrs. CLINTON. Mr. President, I rise today to honor my colleague from South Carolina and to wish him a happy 100th birthday.

For the better part of the 20th century, STROM THURMOND devoted his life to public service service to the people of South Carolina, service to his country in World War II, and service in the Senate.

He began his career as a teacher and coach. He became superintendent of education in Edgefield County. He landed at Normandy on D-day with the 82nd Airborne Division, and returned home to become Governor of South Carolina.

In 1954, STROM THURMOND became the first Member of the Senate to win election as a write-in candidate. He has spent most of his life giving back to the people and the places that have given him so much in life.

As a U.S. Senator, no one has had a more distinguished career than STROM THURMOND. For more than 48 years, he has been a champion for our veterans. Time and time again, he has fought to strengthen their education and rehabilitation benefits, and to provide them with the best health care and housing.

In the last year, he continued to do more for our military. He filed legislation to ensure that disabled veterans have access to service dogs so that they can lead a more independent life. He has reached across the aisle to end the limit on Junior ROTC programs with our colleague Senator GRAHAM from Florida.

He secured education benefits for our brave men and women serving in Afghanistan in Operation Enduring Freedom. Each effort has brought more honor and dignity to the courageous men and women who give so much of themselves so that we can live in freedom.

Just as he began his career as a teacher in 1923, I know that he was so very proud to support last year's ''No Child Left Behind Act.'' He understands that the best place to open a child's mind and heart to the opportunities that surround him or her is through education.

I want to take this moment to thank Senator THURMOND for supporting New York during this difficult year. In the wake of massive terrorist attacks, Senator THURMOND stood by the people of New York and the people of New York are grateful for his assistance as the city rebuilds.

Today, it gives me great pleasure to honor STROM THURMOND and to express my sincere gratitude and appreciation for all that he has done to improve the lives of the people he represents in South Carolina and every American.

We are honored for his years of service and wish him a very happy birthday.

Mr. KENNEDY. Mr. President, I am honored to join my colleagues in this tribute to Senator THURMOND and his extraordinary record of service to the people of South Carolina and the Nation.

As the longest serving member of the United States Senate in history, the Senator from South Carolina cast his first vote in January 1955—when seven of his current colleagues were not even born. His election in 1954 was an American first. Senator THURMOND was the first person ever elected to a major office as a write-in candidate.

Senator THURMOND came to this body half a century ago as a man of humble origins with a teacher's background and a legal education given to him by his father, and he has never stopped teaching and learning.

In the years since he first came to the Senate, he has cast over 15,000 votes, and he has always stood up for his beliefs with a passionate conviction. Over the years, many of us have often disagreed with him on specific issues, but we have always had great respect for his ability and dedication.

Senator THURMOND has served our country with great dedication in the armed forces as well, from his early days as a Second Lieutenant in the Army Reserve in 1924 to his outstanding service in the 82nd Airborne during World War II. He volunteered for service immediately after the attack on Pearl Harbor in 1941, and piloted a glider onto the beaches at Normandy in 1944, earning five battle stars and numerous over medals for his courage in combat.

I have had the honor to serve for many years with Senator THURMOND on both the Armed Services Committee and the Judiciary Committee in the Senate, and we often worked together to meet the important challenges facing our Nation.

Two decades ago, as members of the Judiciary Committee, we worked together for a period of several years to reform and improve the federal sentencing system. Our proposal was eventually enacted as the Sentencing Reform Act of 1984.

Prior to the 1984 Act, federal sentencing was famously characterized by Judge Marvin Frankel as a system of ''law without order.'' Judges had unreviewable discretion to sentence defendants to lengthy periods of incarcertaion—or no incarceration at all. Gross disparities in sentencing were common, even within the same federal courthouse. Too often, those disparities were related to the race or the economic resources of the defendant.

Some thought the answer to that problem was mandatory sentencing laws. But Senator THURMOND and I developed the fairer and more effective approach of sentencing guidelines that is used today.

Senator THURMOND and I came to the issue from different perspectives, but we agreed on the goal of fair sentencing laws. It took several years of debates, but Senator THURMOND and I stood together. Our ideas prevailed, and I am proud to have worked with him on this important reform of the Nation's criminal justice system.

We have worked together on the Armed Services Committee as well. Senator THURMOND has never forgotten the responsibility of the 82nd Airborne to be America's Guard, and to go ''All the Way'' in protecting the rights of our men and women in uniform and our Nation's veterans.

From the STROM THURMOND Institute at his alma mater, Clemson University to STROM THURMOND High School to Interstate Highway 20, also known as STROM THURMOND Highway, the Senator from South Carolina has been honored by communities in his state and by the American people as well. I know that all of us in the Senate commend him, as he retires this year, for his long and distinguished service to the Senate and the Nation.

Mr. COCHRAN. Mr. President, it has been heartwarming to hear the eloquent remarks about the accomplishments and career of our distinguished colleague from South Carolina.

He has been my friend and colleague in the Senate for twenty-four years. It has been a high privilege and honor to work with him and to learn from his example of dedicated service to the citizens of his state.

As this session of the Senate nears an end, it is hard to imagine that it will be Senator THURMOND'S last term as a United States Senator.

Since 1964, he has worked hard to strengthen and protect our country and defend the principles on which it was founded. He can be assured that his has been a successful and remarkable career.

I'm proud to join others today in thanking and commending him for his truly outstanding record of public service.

Mr. FRIST. Mr. President, born nearly a century ago, when Mark Twain was alive and Teddy Roosevelt was still President, STROM THURMOND has led a life of public service unmatched in the modern history of America. He has been a friend to all of the more than 400 Senators with whom he has served. And he will forever be a symbol of what one person can accomplish when they live life to the fullest.

STROM THURMOND has served in the Senate for all but four of my 50 years of age. Though that is a remarkable accomplishment itself, we should not forget what STROM accomplished before coming to the Senate.

He was a teacher, an athletic coach, and a Superintendent of Education. He studied law under his father, Judge J.

William Thurmond and became a City Attorney, County Attorney, State Senator, and, eventually, a Circuit Court Judge.

Though exempt from serving in the military, STROM, who had already been an army reservist and a commissioned 2nd Lieutenant by the age of 21, volunteered for active duty on the day we entered WWII. As a member of the 82nd Airborne, he parachuted behind enemy lines on D-Day and helped secure the foothold for the Allies to liberate the European continent.

For his distinguished service, STROM was awarded five Battle Stars and 18 other decorations, including the Legion of Merit with Oak Leaf Cluster, the Purple Heart, the Bronze Star for Valor, the Belgian Order of the Crown and the French Cross of War.

After the war, STROM returned home to South Carolina. He was elected Governor in 1946 and then ran for President of the United States as the States Rights Democratic candidate. Although Harry Truman prevailed, STROM won four states and 39 electoral votes. That tally still stands as the third largest independent electoral vote in U.S. history.

Despite not winning the presidency, STROM was determined to serve in Washington. He ran for the Senate in 1954 and became the only candidate elected to Congress by a write-in vote in American history. STROM has been re-elected eight times since. Clearly the people of South Carolina value principle, character and courage in their leaders.

Though it has been more difficult in recent years for STROM to make it home to South Carolina, that has not stopped South Carolina from coming to him. And it shouldn't. For decades STROM attended every county fair, handled every constituent request, and sent a congratulatory note to every high school graduate, many of whom came to intern in his office.

It has been said that almost 70 percent of South Carolinians have met STROM THURMOND face-to-face.

Over the course of his long and distinguished career, STROM THURMOND has been a witness to history. As a young man, he knew people who had seen Andrew Jackson, and he campaigned for the votes of men who fought in the Civil War. He and Herbert Hoover won their first elective office in the same year, 1928.

But STROM has more than seen history; he has written it. Not only is he the oldest and long-serving Senator, he has served with about one-fifth of the nearly 2,000 people who have been members of the Senate since 1789. And he is nearly one half the age of the United States Constitution itself.

Like the great experiment that is American democracy, STROM THURMOND has certainly faced his trials, both politically and personally. Yet, through it all, he has always held tight to his principles, always upheld his beliefs, and always defended American values at home and abroad.

Today we say thanks to this giant of a man not only for the history he has witnessed and written, but for the service his life will inspire for generations to come. God bless our friend, our colleague, and the Senate's Icon of Time, the senior Senator from South Carolina, STROM THURMOND.

Mr. LIEBERMAN. Mr. President, I am proud to join my colleagues today in paying tribute to our friend from South Carolina, Senator STROM THURMOND, who through his 48 years of distinguished service in this body has given special meaning to the term Senior Senator and left an indelible mark on the history of this great Nation.

Well before Senator STROM THURMOND celebrated his 100th birthday this year, he had become an institution within this institution. To many American, that is primarily because of his much-celebrated durability. But to those of us who have the privilege to work with him here in the Capitol, it is as much a measure of his inexhaustible amiability, the graciousness and decency that have come to define STROM's way, and his extraordinary dedication to the people and the country he serves.

Senator THURMOND has been such a fixture here in the Senate, it is easy to forget that he led a remarkable public life long before he came to Washington. He began his career as a farmer, teacher, and athletic coach. He was superintendent of education in his home county. He was town and county attorney. He was State senator in his great State of South Carolina. He was a judge. He served in the Second World War, and was part of the Normandy invasion with the 82nd Airborne. He was Governor of South Carolina. And from that position of leadership he went on to run for President in 1948, before getting elected to the Senate for the first time in 1954.

Since then, Senator THURMOND has had the unique distinction of having been a delegate to six national Democratic Conventions and six national Republic Conventions. And he has found the time to be reelected to the Senate an astounding eight times, serving as an esteemed member of the Senate Armed Services Committee since 1959, and as President pro tempore of the Senate from 1981–86 and 1995–2001.

I have had the honor of serving with Senator THURMOND on the Armed Services Committee for more than a dozen of those years, and it is readily apparent why the people of South Carolina—not to mention his colleagues on both sides of the aisle—hold him in such high regard. Quite simply, every day he is happy to be helping and protecting the security of our country. Here in Washington, he has been a fierce protector of his State interests. And at home he has been a gentle and caring friend to his constituents, always ready to listen and willing to act on their behalf. It is a testament to that friendship and admiration that at least 20 buildings, centers, rooms, and statues in South Carolina have been named after him. And that's not counting all the streets and roads that carry the Thurmond name.

The long list of these accomplishments would take most Americans 300 hundred years to accumulate. Senator THURMOND has gotten them all under his belt in a mere 100. And through it all, Senator THURMOND has grown not only as a public servant and leader, but as a human being. After running for President as a State's rights candidate, he later supported the renewal of the Voting Rights Act and observance of the Martin Luther King, Jr. holiday on behalf of his State. And today, in recognition of all his hard work for all the people of South Carolina, he is beloved throughout his State by constituents of all colors. That transformation sends a powerful message that all of us could become better Americans and better individuals—and that the United States of America, for all its blessings, can always become a better nation.

For all this, we honor Senator THURMOND as a man of iron with a heart of gold, who has lived a love for his country and all that makes it exceptional, and given not just the best of years of life but just about every year of life to make his community and his country a better place. The Senate will just not be the same without him. But today we can and should celebrate the tremendous difference he has made. So we thank him for all your service and sacrifice, and wish you a long and healthy retirement. God knows you have earned it.

Mr. CRAPO. Mr. President, I rise today to address homeland security.

No Member of this body can deny that homeland security is of the almost importance at this time. We all agree that protecting Americans from further deadly terrorist attacks is, without question, our most urgent national priority. President Bush and the American people have called on us to act on his priority.

Americans cannot ignore continuing widespread threats made by terrorist groups throughout the world. Even in Idaho, a State that is more than 2,000 miles from any of the sites of the terrorist attacks that occurred on September 11, 2001, people are mindful of these new dangers that exist. There is a general feeling across the country that no one can consider themselves isolated or immune.

In securing our Nation and protecting the American people, we need an approach that is coordinated, comprehensive, and collaborative; a system that acts at Federal, State, and community levels. We are capable of creating a Department of Homeland Security that protects the United States from terrorist threats while preserving American civil liberties on which our country was founded. It is incumbent upon us to create a dynamic, synchronized, and flexible entity, so that we can, indeed, facilitate the need for homeland security on a national level,

while at the same time meeting the challenges posed by ever-changing threats made from many different fronts. We do not know where our next threat will materialize and we should not withhold from the President the ability to analyze and respond aggressively and dynamically as the situation commands.

To be successful in our endeavor for national safety, the interests of the American people must supercede party differences; we must be united as we were last September if we wish to protect the people of the United States. I applaud Senator GRAMM and Senator MILLER for their tireless efforts working toward a bipartisan substitute that truly provides the tools and capabilities needed by those entrusted with defending the people. It is high time that the Senate move forward on this legislation, following the lead of the other body, and respond to the call of the American people.

Mr. President, I hope the Senate will support President Bush, allowing him the same flexibility given other presidents in times of war. Our quick and aggressive action regarding Homeland Security is imperative; we must grant the President the power, flexibility, and necessary resources to guide us through this continuing conflict. For as long as terrorism continues to be a worldwide scourge, threats to our national security should be met with the fullest and most aggressive response. I stand with the President in his concerted effort to root out this evil and to bring security to our Nation.

Mr. CORZINE. Mr. President, I rise today in strong support of the Lieberman amendment establishing a commission to examine and report upon the facts and circumstances relating to the most catastrophic terrorist attack in the history of the United States: the September 11 terrorist attacks on the Pentagon and the World Trade Center. I was a cosponsor of the legislation upon which this amendment is based and am eager for the work of the commission to get underway.

The senseless attacks of September 11, 2001, made it clear to all Americans that the United States was inadequately prepared for the threats posed in a post-cold-war world. Now that the Soviet Union has dissolved and American relations with Russia and China have improved markedly, disparate religiously motivated non-state actors have distinguished themselves as a clear and present danger to international stability and the security of the American homeland. The commission that would be created by this amendment would go a long way in helping the United States identify the causes of the September 11 disaster and inform the U.S. Congress as it embarks upon the difficult process of reorganizing our government to respond to newly recognized threats.

For many families that I have spoken with, the inability of the government to provide a full accounting of the events surrounding the death of their loved ones in the September 11 attacks has added to their grief. They have requested that the government provide them with a thorough explanation of the various factors that led to the untimely deaths of their dear relatives. If the public report released by this commission provides some small measure of comfort to these families, then in my view, it is worthwhile.

But this commission is important for pragmatic as well as emotional reasons. Few people doubt that the terrorist attacks unmasked unfortunate weaknesses in the United States homeland security posture. In the weeks and months following the attacks, the Congress moved swiftly to address some of the most obvious weakenesses. Consequently, there have already been substantial changes in a variety of areas, ranging from the formation of the Transportation Security Administration to necessary adjustments in the way that the Department of Justice responds to new threats. But our work is far from complete.

It would be an unfortunate mistake to believe that the U.S. Congress has already uncovered all of the missteps that allowed the horrific tragedy of September 11, 2001 to take place. A commission, composed of outside experts and government officials, will provide a nuanced analysis of the myriad events related to the most catastrophic attack on the United States in history.

The work of the Intelligence Committee has been entirely professional and profoundly important, but it is insufficient by design. The mistakes and miscuss relating to the September 11 attacks are not limited to intelligence failures alone, but run the gamut from foreign policy decisions regarding the use of American forces and aid after the fall of the Soviet Union to shortcomings in American law enforcement and immigration practices. Ultimately, an effective investigation must not restrict itself simply to the operations of our intelligence-gathering agencies. In fact, an effective analysis should not limit itself to the Federal Government, but must take an incisive look at both the public and private sector and at the State and national level, to generate recommendations that will truly address the specific and often esoteric factors that led to the September 11 attacks.

No committee or commission to date has been given the jurisdiction to take the long view and provide a holistic evaluation of the factors relating to and the issues surrounding the most devastating attack in American history. The commission that would be created by this amendment would provide a level of scrutiny and self-reflection that is urgently needed after an event of the magnitude and the scope of the September 11 disaster.

Just 11 days after Pearl Harbor was bombed in 1941, the U.S. Congress passed legislation creating the Roberts Commission, a commission to determine, in the words of historian Gordon Prange, ''whether 'derelictions of duty' or 'errors of judgment' had influenced the Japanese at Pearl Harbor and, if so, who was responsible.'' The commission then made a series of recommendations designed to improve American security.

The September 11 disaster is no less significant and has no fewer ramifications than the Japanese attack at Pearl Harbor. The President has correctly characterized the international fight against terrorism as a war. As we embarked on World War II, we established a commission to analyze the Pearl Harbor attack. Similarly, as we embark on the war on terrorism, we must establish a commission to analyze the September 11 attacks.

It is essential that Congress know what went wrong so the United States can plan for the future. Weaknesses must be shored up, gaps must be filled, and oversights must be rectified.

Above all, this amendment would represent an important step in realizing the ultimate goal of all Americans, both Democrat and Republican alike: to ensure that an event like September 11 never happens again.

I urge my colleagues to support Senator LIEBERMAN's amendment.

Mr. CONRAD. Mr. President, at the close of the 107th Congress, the Senate will lose a legend, a colleague who has served more than 40 years in the U.S. Senate, cast more than 15,000 votes and achieved the record as the longest-serving Member in this body.

Perhaps most notably, our colleague, on his retirement, will have completed the lengthiest record of public service on behalf of our country. Senator THURMOND has served his community as an educator; the State as State senator, judge, and Governor; and our Nation in World War II in both the European and Pacific theaters, an Army Reservist for 36 years, as a candidate for President and as U.S. Senator. This record of service spans a period of more than 80 years.

Remarks by Senator THURMOND at the time of his swearing-in ceremony for his seventh term in 1997 express succinctly his views and commitment to public service. At the time he said, ''there is no more rewarding endeavor than public service, and without question, the more than 40 years I have spent in the U.S. Senate have been among the happiest of my life.''

As I review Senator THURMOND's record of service, and reflect on his service in the Senate and to our country, few Americans have had the opportunity to witness and shape history as he has. Senator THURMOND's achievements in the military and on defense matters serve to underscore this point.

Senator THURMOND is a veteran who served in World War II during some of the most difficult combat of the war. He parachuted into Normandy on D-Day with the 82nd Airborne Division, earning 5 battle stars and 18 decorations including the Purple Heart, the

Legion of Merit, Belgian Order of the Crown and French Croix de Guerre during his service. Following WW II, Senator THURMOND continued his military career by serving in the Army Reserves for many years. During this period, he attained the rank of major general.

Knowing the face of battle, THURMOND never forgot the importance maintaining a strong defense and especially of taking care of our military personnel. As a member of the Senate Armed Services Committee since 1959, and chairman of the committee for a number of years during the 1990s, Senator THURMOND made certain that the needs of our military were met. He had a special concern for junior enlisted personnel and non-commissioned officers along with the welfare of their families.

This concern was clearly demonstrated by his efforts during Senate consideration of the National Defense Authorization Act of FY 1999. In this Act, a number of provisions were incorporated that significantly improve benefits for military personnel. Were it not for Senator THURMOND's leadership on military personnel issues, our Armed Forces would unquestionably not be receiving the benefits that they should and are entitled to receive. I am pleased that the National Defense Authorization Act for FY 1999 bears his name. It is a fitting tribute to an individual who cared so much for our military personnel.

There is so much that can be said about Senator THURMOND and his many contributions to our country. He was an 82nd Airborne paratrooper with a remarkable service record in World War II, a disabled veteran, an educator, and a distinguished public servant at all levels of government. Unquestionably, Senator THURMOND deserves our respect. It is my hope that younger Americans will have opportunities to learn about Senator THURMOND's career and accomplishments. I have been privileged to serve with Senator THURMOND and thank him for his service.

Mr. HAGEL. Mr. President, I rise to honor South Carolina's senior Senator STROM THURMOND. Senator THURMOND will turn 100 on December 5. Only 126 years before Senator THURMOND's birth, the United States of America gained its independence; 37 years before Senator THURMOND was born, the Civil War ended; and when he was a year old, Wright brothers engineered the first flight from Kitty Hawk. Senator THURMOND made a commitment at an early age to serve the interests and needs of our Nation. His life is full of our country's history, and he has made our country his life.

Since his days as a school teacher and athletic coach in the early 1920's Senator THURMOND has continued to be a leader and serve the interests of our country well above his own. Senator THURMOND served on active duty with the U.S. Army in World War II. He was a judge at that time, so he was exempt from military service. But Senator THURMOND volunteered, and as a 41-year-old Lt. Colonel, dropped behind enemy lines on D-Day in Normandy with the 82nd Airborne Division. During his 36 years of distinguished military service in the Active and Reserve Army, he was awarded five Battle Stars and 15 decorations, medals and other awards.

Senator THURMOND carried his military experience to the Senate and quickly became a respected leader advocating a strong national defense for America. As a major general in the U.S. Army Reserve and a WWII combat vet, his contributions to the Armed Service Committee since 1959 have provided a strong voice on the needs of our service men and women and a first-hand perspective on the realities of war. Senator THURMOND has also used his experience in law and in the military through his long-standing leadership on the Veterans Affairs and Judiciary Committees.

Senator THURMOND will be missed in the Senate as a friend, a leader, a colleague and for his tremendous contributions to our Nation. He is history in motion. Senator THURMOND was born during the Presidency of another fearless leader, Theodore Roosevelt. President Theodore Roosevelt once said, ''We have got but one life here. It pays, no matter what comes after it, to try and do things, to accomplish things in this life and not merely to have a soft and pleasant time.'' Senator THURMOND's life is an accomplishment of great leadership and selflessness. We are all grateful for his service to our country and I am proud to have served with him.

Mr. LEVIN. Mr. President, I am pleased to join my colleagues in paying tribute to Senator STROM THURMOND and honoring him for his unparalleled record of public service to this Nation.

No Senator serving today can appreciate what this body will be like when STROM THURMOND leaves at the end of this year because Senator THURMOND has served longer in this body than any other Senator in history. His 48 years in the United States Senate have spanned the terms of 10 Presidents of the United States, and he keeps pictures of all 10 of those Presidents on the wall in his office.

Senator THURMOND's extraordinary private and public lives span the twentieth century. He began his political career in 1929 as the Superintendent of Education in Edgefield, SC. In 1933, he became a State Senator. In 1946, he was elected Governor of South Carolina. In 1948, while he was still Governor, he ran for President as a State's Right Democrat and received 39 electoral votes, the third best showing by an independent candidate in U.S. history.

Senator THURMOND was elected to the Senate in 1954 as a write-in candidate, the first person ever elected to major office by this method. But true to a campaign pledge he made, he resigned in 1956 to eschew the advantages of incumbency before running successfully for re-election. In 1964, he left the Democratic Party and became a Goldwater Republican, presaging, or perhaps, ushering in, GOP gains in the South. He has served as a delegate to 6 Democratic and nine Republican National Conventions, a distinction I doubt anyone else shares.

When I joined the Army Services Committee in 1979, Senator THURMOND had already served on the Committee for 20 years. His love for and dedication to the United States military goes back even further, though, to his commission as an Army Reserve second lieutenant of infantry in 1924 at the age of 21. He served with distinction in both the European and Pacific Theaters in the Second World War, receiving numerous decorations that include the Legion of Merit, the Bronze Star medal with ''V'' device, the Army Commendation Medal, the Belgian Order of the Crown, and the French Croix de Guerre. He landed in a glider on Normandy with the 82nd Airborne Division on D-Day, and went on to win 5 battle stars. In 1959, the year that he joined the Senate Armed Service Committee, Senator THURMOND was promoted to major general in the United States Army Reserve.

During Senator THURMOND's tenure on the Armed Services Committee, our Armed Forces have faced challenge after challenge in Western Europe, Vietnam, the Middle East, the Caribbean basin, the Persian Gulf, the Balkans, and Afghanistan. Through it all, Senator THURMOND has persevered in his unwavering support for our men and women in uniform. He steadfast commitment to our national defense has been a rock upon which we could all rely and has helped ensure that our military has always been ready to answer the call whenever and wherever needed.

Senator THURMOND served as Chairman of the Senate Armed Services Committee in the 104th and 105th Congresses. I had the honor and pleasure to serve as his Ranking Member in 1997 and 1998. I know from personal experience how seriously Senator THURMOND treated his duties as Chairman and how hard he worked to be fair and even-handed with every Member of the Committee. I am sure that I speak for all of our colleagues in saying just how much we appreciate not only the commitment that Senator THURMOND brought to his duties as Chairman, but also his lifelong dedication to the defense of our Nation and to the welfare of the men and women in uniform.

As the Ranking Member of the Armed Services Committee in 1997 and 1998, it was a great personal pleasure for me to work with Senator THURMOND in producing the National Defense Authorization Act for Fiscal Year 1998 and the STROM THURMOND National Defense Authorization Act for Fiscal Year 1999. When Senator THURMOND leaves our Committee and the Senate at the end of this Congress, we will miss his warmth, his sense of humor, and his

tremendous dedication to our national security.

In my 24 years of service with STROM THURMOND, I have never known him to be anything other than unfailingly optimistic, always courteous, and ever-thoughtful of his Senate colleagues and their families. It is a pleasure to join all of my colleagues today in honoring and thanking this remarkable man, my friend, for his lifetime of service to his country.

Mr. SARBANES. Mr. President, I rise today to join my esteemed colleagues in honoring Senator STROM THURMOND and his lifetime of service to South Carolina and our Nation.

A career like that of the senior Senator from South Carolina will almost certainly never be duplicated. Although I am the ''senior Senator'' from Maryland, my colleague Senator THURMOND was a practicing attorney in Edgefield, SC when I was born in 1933. And by that time, Senator THURMOND already had begun his distinctive career in the public interest.

Born in 1902, Senator THURMOND received his bachelor's degree from Clemson University in 1923 and was a teacher and athletic coach for 6 years while serving in the U.S. Army Reserves. In 1929, he became the Superintendent of Education in Edgefield County, SC and soon thereafter was admitted to the State Bar, studying law under his father, Judge J. William Thurmond. While practicing law, STROM began his political career as a South Carolina State Senator and Circuit Judge. Senator THURMOND took a four-year leave of absence from his judicial duties from 1942 to 1946 in order to serve with the 82nd Airborne Division in World War II. During the War, Senator THURMOND served in the American, European and Pacific Theaters; landed in Normandy on D-Day; and earned eighteen decorations, medals and awards including, the Legion of Merit with Oak Leaf Cluster, Bronze Star for Valor, Purple Heart, Belgian Order of the Crown, and French Croix de Guerre, during his military service.

If STROM's service to our Nation ended in 1946 with his military career, it would have been a remarkable record of achievement. But his contributions to education, the legal profession, and the military make up just the beginning of Senator THURMOND's legacy. From 1947 to 1951, STROM was known as Governor THURMOND, as he led his beloved State of South Carolina. After his 1948 bid for the presidency, STROM returned to the practice of law and, in 1954, launched a successful write-in candidacy for election to the U.S. Senate. Pursuant to a promise made during his write-in campaign, STROM resigned from the Senate in April 1956 to run in the Democratic primary election. STROM was reelected to the Senate in November 1956 and resumed his duties and has been elected to the Senate seven more times by the people of South Carolina.

Reaching the age of 100, as Senator THURMOND will do this December 5, is, alone, a remarkable achievement. The 2000 Census counted just 50,500 Americans 100 or older. And STROM is a clear example for those older Americans, and citizens of all ages, of the remarkable impact one person can have on our Nation. For most of the past 48 years, Senator THURMOND has been a fixture and a legend in the United States Senate. He has held positions of power, including President Pro Tempore, and Committee chairmanships. In the Senate, he has worked with ten Presidents Eisenhower, Kennedy, Johnson, Nixon, Ford, Carter, Reagan, George H. W. Bush, Clinton, and George W. Bush. He is the longest serving Member of the Senate, and cast his 15,000th vote in September 1998.

It goes without saying that throughout his time in this distinguished body, and over the course of his lifetime, STROM has seen our Nation change in remarkable ways. His service in this great deliberative body has given the Senate a perspective and continuity unparalleled in our history. I am pleased to have had the opportunity to serve with him over these many years, and to join my colleagues today in paying tribute to a true public servant, Senator STROM THURMOND.

Mr. KYL. Mr. President, our colleague STROM THURMOND is retiring soon, and I just wanted to say a few words, on this special day of appreciation, about the gentleman from South Carolina. For that is what he is: the consummate gentleman. There is the public STROM that everyone knows—the legend—then there is the private STROM, a colleague and collaborator I have always found to be eager to help a fellow Senator and accommodate his concerns. I have felt honored to work with him on issues of national defense, foreign policy, and many other matters important to the people of the United States. The people of South Carolina, in particular, can be very proud of this war hero, who landed in Normandy as a member of the 82nd Airborne Division in 1942, who was Governor of South Carolina, and who, in the Senate, distinguished himself as chairman of the Judiciary Committee and the Armed Services Committee.

There are great STROM THURMOND stories—many told by STROM himself, of course. For my part, I like to tell the one about his 90th birthday celebration, held here in Washington. One reporter asked if he could expect to see STROM on his 100th birthday. And Senator THURMOND looked him up and down and said: ''Well, you look fit enough to me. If you eat right and drink right, you ought to be around to see me then.''

He is an inspiration. As everyone knows, he represents continuity in the United States Senate, being, since 1996, its oldest serving member, and, since 1997, its longest serving member. Those are for the record books. But on a personal level, I can say that the Senate will not be the same without his buoyant spirit. I thank him for helping me in so many ways, and for his invaluable service to our country.

Ms. SNOWE. I rise to join with my colleagues today in honoring a man the ''Almanac of American Politics'' rightly calls ''the most enduring figure in American politics today'', the Senior Senator from South Carolina, the senior member of the Senate, and the longest serving senator in United States history, our colleague Senator STROM THURMOND.

I think that any of us who have had the honor of serving in this body have to be in awe of Senator THURMOND's remarkable 48-year tenure. The responsibilities of this job, the demands on one's time and energy, are incredible. That Senator THURMOND has continued to engender the trust, respect, and support of the people of South Carolina through nearly five decades in the Senate and nearly seventy years in elective office is a testament not only to his storied dedication to his constituents, but to his seemingly-inexhaustible passion for service.

Senator THURMOND is quite literally an institution within an institution. If this were baseball, he would be Babe Ruth larger than life, shattering records, and giving 100 percent effort at every at-bat.

Even today, I continue to marvel that I am serving along-side this legislative legend. This is a man who was on the floor of this chamber when I was seven years old, a man who was nominated for President when I was one year old, a man who was elected Governor of South Carolina before I was born. Alive even before the Wright Brothers took flight, he has seen first-hand the greatest single period of societal and technological change in the history of the world. He would have even been old enough at age 15 to read first-hand news accounts of the last time the Boston Red Sox won the World Series. Now that is truly amazing!

When you think about it, Senator STROM THURMOND's political life spanned the great majority of the 20th century, while he has witnessed—during his more than 36,400 days on earth—nearly half of the history of the United States. It is possible he received votes from Confederate war veterans in his bid for the South Carolina legislature in 1933. This is an extraordinary figure on the landscape of our land—a living history class and inseparable from any discussion or dissection of the United States Senate.

Indeed, Senator THURMOND's tenure has charted many changes in our country, the world, and American society. In an inspiration to all of us, Senator THURMOND has never stopped learning, never stopped drawing lessons from experience and from others. He bears the mark that defines great men and women—the integrity and honesty of an open mind.

And there should be no mistake—as if the time Senator THURMOND has devoted to public office is not enough for

several lifetimes, he has also served his country in the crucible of war, gaining an exemption from being ''over age'' so he could don a uniform and ultimately participate in the invasion at Normandy on D-day.

Fittingly, years later, Senator THURMOND would call upon his ''trial by fire'' experience as Chairman of the Armed Services Committee—and I was proud to call him ''Chairman'' for much of my time on the Committee. He has always been a champion not only of a strong national defense, but also for the men and women who provide that defense, and we owe him a debt of gratitude that simple words fail to repay.

In short, some people live long, but not fully. Senator THURMOND's life, however, is remarkable not only for its apparent disregard for such trivialities as ''time'', but also—and more importantly—for its richness.

The great American writer Henry David Thoreau aspired to, in his plainspoken but powerful words, ''live deep and suck all the marrow out of life . . .'' Well, Senator STROM THURMOND personifies that dream—making Thoreau's declaration his personal credo, and leaving the rest of us to watch in admiration and wonder.

So today, as we celebrate Senator THURMOND's century of contributions, let us also celebrate the remarkable story of America's journey, for in many ways they are one-in-the-same. STROM, your colleagues wish you all the best—and we thank you for exemplifying what it means to serve in the greatest Democracy the world has ever known.

Mr. KERRY. Mr. President, I rise today to pay respects to a man who has served his country for the past 78 years. In the year 1924, at the age of 21, STROM THURMOND was commissioned a 2nd Lieutenant in the U.S. Army Reserve. Twenty years later, STROM fought valiantly during World War II and amazingly, at the age of 43, he was part of the first wave of American soldiers who landed in Normandy during D-day, parachuting behind enemy lines with the 82nd Airborne Division.

For his bravery and outstanding service in combat, STROM THURMOND was awarded 18 service decorations, awards and medals. In addition to his Bronze Star for Valor, he received the Legion of Merit with Oak Leaf Cluster, the Purple Heart. For his merit and heroism during the D-day invasion and subsequent freeing of Belgium and France, he was awarded both the Belgian Order of the Crown and the French Croix de Guerre from the Belgian and French Governments, respectively.

After returning from the war, STROM THURMOND began an unprecedented career in the Senate which has been marked by a dedication to upholding the honor and dignity of the United States Military and America's heroic veterans helping to ensure that every veteran has a voice in the Halls of Congress and the opportunity and protection commensurate with the dignity and honor with which they served.

In 1959, 36 years after he had been commissioned, STROM THURMOND retired from the United States Army Reserves a major general of the U.S. Reserves, ending an amazing career that spanned two wars and countless acts of personal bravery and leadership. In the Senate he has brought his many years of experience to many debates and, for the last 30 years, to the Veterans Affairs Committee where his personal commitment to veterans issues has been heralded by all.

As a veteran, I have great respect for Senator THURMOND's active role on the Veterans Affairs Committee and his contributions to make certain in words and deeds that our veterans and their families receive the best possible care and that the U.S. Government honors the promise it makes to each soldier who wears the uniform of our country.

When STROM THURMOND retires after this year, the Senate will lose a man who has seen the arc of the 20th century with his very eyes. From fighting in some of the greatest battles in world history to bearing witness to the Great Depression and the Great Society, STROM THURMOND has seen decades pass in which America has fought in war and prospered in peace—decades in which America emerged from isolation to lead the world to greater freedom and liberty for all—decades in which American made certain the promises of our forebears and their quest for a more equal society.

Mr. CRAIG. Mr. President, like all my colleagues, I rise today to honor the Senior Senator from South Carolina, Mr. THURMOND, who is also America's Senior Senator.

Some of my earliest memories of working in the Senate with Senator THURMOND were our efforts on balancing the budget and on the balanced budget amendment to the Constitution. He was the real father of this Amendment, dating back to his early years in the Senate. And he fought so hard on this issue because he cared so deeply about us leaving our children a legacy of opportunity and economic security.

Senator THURMOND told me he liked being around young people because they challenged him with new ideas and kept him young.

As the ranking member of the Senate Aging Committee, every day I grow to appreciate a little more what Senator THURMOND has spent a lifetime teaching us: the importance of being young at heart.

That positive attitude was evident when, a few years ago, Senator THURMOND told Reuters he was ready to be a back-up space shuttle crew member for Senator John Glenn, saying: ''I always believed that if NASA really wanted to study the effects of space travel on an older American, they should have called me.''

Senator THURMOND has spent almost a century, not only as a witness to history, but as a shaper of history.

Today may be Strom Thurmond Day, but if the 20th century was the American Century, then it was also the Strom Thurmond Century.

Senator THURMOND was 41 years young, when he climbed into glider number 34 of the 82nd Airborne Division in June 1944 and took part in the Normandy invasion on D-day. Fifty years later, Senator THURMOND showed perspective, when he did not return to Normandy for 50th anniversary commemorations because it was more important to attend his son's graduation.

A few years later he ran for President, against Harry Truman and Tom Dewey, as the nominee of the States' Rights Democratic Party, and won 39 electoral votes.

A few years after that, he became the only Senator in American history to be elected by a write-in vote, demonstrating the devotion of South Carolina voters to STROM THURMOND that has never wavered, as his dedication to them has never wavered.

Lyndon Johnson said the Senate has show horses and work horses. Senator THURMOND has always been a work horse.

The experts tell us that one of the keys to a long, healthy life is being adaptable and being able to renew oneself.

Over the years, Senator THURMOND also has displayed a firm foundation of principles, in his devotion to family, faith, and freedom.

Like all the great persons of history who have had staying power, Senator THURMOND has shown that great balance of having a firm moral foundation and being able to renew himself.

In fact, he is the only Member of this body to have served in the majority as a Democrat, in the minority as a Democrat, in the minority as a Republican, and in the majority as a Republican. That is adaptability.

I would also add, he has always shown unfailing graciousness to colleagues, to constituents, and to all the Senate staff.

I remember our former Senate Republican Leader, Bob Dole, being asked what his health care plan was. He replied: ''I'm in favor of the Thurmond plan. I want to do what he does. I used to follow him around and if he ate a banana, I ate a banana.''

All of us could not do much better than to follow the example of STROM THURMOND.

In Jack Bass and Marilyn Thompson's biography of Senator THURMOND, they quoted a woman who knew him since boyhood, who said: ''He hasn't changed. Everything he's done has been done to the full. There's no halfway doings about STROM.''

Today we honor our colleague, friend, and mentor, for a full career of accomplishment, for his full dedication to America and South Carolina, and for a full life, in every respect.

Mr. REID. Mr. President, I join my colleagues today in recognizing the distinguished Senator from South Carolina and his years of service in the U.S. Senate.

STROM THURMOND has lived almost one century—his 100th birthday will be December 5th—and he has been a Senator for almost half of that time. He is now finishing his eighth full term, making him the longest serving Senator and the oldest Member of Congress. But Senator THURMOND is known—and will long be remembered—for much more than his longevity.

He has had a remarkable life and career of service to South Carolina and the United States, having served as a school superintendent, State Senator, judge, and as the Palmetto State's Governor.

He entered the Nation's military when he was 21 years old and almost 20 years later volunteered to serve in World War II. He was among the brave American troops who landed in Normandy on D-day with the 82nd Airborne Division, and he received numerous awards for his military service including the Bronze Star for Valor and a Purple Heart.

Senator THURMOND has fought no less fiercely in the political arena. He has used his gifts, experience, the power and respect he has earned and knowledge of Senate rules and procedures to advocate on behalf of his causes.

Although he has switched political parties during his career, serving first as a Democrat, running for President as a ''States Rights'' third-party candidate in 1948, and becoming a Republican in 1964, he has consistently adhered to his political ideology.

I am glad that we have an opportunity to acknowledge his contributions and to reflect on the considerable impact he has had on this body, his party, and the Nation.

Senator THURMOND is a living monument but just to make sure his service is recognized, the people of South Carolina, whom he has represented for so long, have honored him by erecting a monument for him and naming dozens of facilities for him.

Senator THURMOND will certainly be missed around here. I bid him farewell and extend my best wishes to him and his family.

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived and passed, the Senate will now stand in recess until the hour of 2 p.m.

EXTENSION OF MORNING BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent morning business be extended.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from South Carolina.

THANKING THE SENATE

Mr. THURMOND. Mr. President, I am surely honored by the generous remarks of my colleagues, Senator DASCHLE, Senator LOTT, Senator HOLLINGS, Senator BYRD, Senator STEVENS, Senator HUTCHISON, Senator ALLARD, Senator SPECTER, Senator ALLEN, Senator MCCONNELL, and all others.

It is hard for me to believe that it was about 80 years ago that I began my professional career. Beginning as a school teacher and coach, I have enjoyed public service as a County Superintendent of Education, attorney, State Senator, State Circuit Judge, military officer, Governor, and Senator. While I have enjoyed each and every job I have held over the years, there is no job I have treasured more than serving as a U.S. Senator. I am proud to be a member of this remarkable legislative body and have been blessed to observe nearly a half-century of our Nation's history from within this chamber. I still recall the cold Christmas Eve, December 24, 1954, when I was sworn in by then Vice-President Richard Nixon, with my late wife, Jean, by my side.

I came to Washington with one priority—to serve this Nation and my fellow South Carolinians with integrity and to the best of my ability. As I now enter the final days of my Senate career, with nearly 48 years of Senate service, I trust I have accomplished that objective.

The U.S. Senate is a special institution in many respects. The six-year term assures that there is the stability within this chamber which allows the Senate to be a deliberative body. The great history of this body reflects the great issues of American History. Here we have debated fundamental questions regarding the status of our Union, national territorial expansion, matters of war and peace, social and economic policies affecting every individual, and many other important matters of national interest as well as local issues.

Given the esteemed stature of this legislative body, it was with no small amount of humility that I moved from South Carolina to Washington so many years ago. Like every other man and woman who serves in the Senate, regardless of party affiliation or ideology, I desired to perform my duties with honor, to the best of my ability, and with a goal of making a difference in the lives of my fellow citizens.

As Senators, we have many roles to perform in the discharge of our duties. There is no other job in the world that allows us to have a more direct impact on improving the lives of individuals and strengthening our Nation. Through legislation, oversight, and old-fashioned constituent service, each of us is able to help the citizens of our respective States, as well as build a Nation which is stronger and better for all who live here. The work we do here benefits millions of Americans. One cannot help but take great satisfaction and pride in such important service.

As legislators we are called upon to vote on matters of local concern and national interest. I have cast over 16,300 rollcall votes as a U.S. Senator. Each vote is cast considering the concerns of my constituents and what is right for our Nation. While I have missed a few votes, I am pleased that I have been present for over 95 percent of all rollcall votes called by the Senate during my time in office.

It is the floor debate and the rollcall votes that citizens most closely associate with the work of the U.S. Senate. When visitors come to the Capitol, the overwhelming majority of them visit the Senate and House Galleries to watch their Congress in action. I suspect that most Americans are less familiar with the Committee system, but as we all know, that is where a significant amount of the work of this institution is accomplished.

During my Senate career, I have been privileged to serve on a number of Committees in the U.S. Senate. As a member and Chairman of the Armed Services Committee I worked hard to help build the finest military force that history has seen. On the Judiciary Committee, which I also chaired, my priorities were to safeguard the Constitution, keep the judicial branch independent and staffed with well qualified men and women, and enact sound policies to help make our communities safe. As a founding member of the Veterans' Affairs Committee I have always fought to ensure that the men and women of our Armed Forces receive the health care and benefits they deserve. On each of the Committees I served, I associated with Senators who were expert in their areas of oversight, who took their duties as Committee Members seriously, and who were exceptional legislators.

One of the primary duties of a Senator is to represent and assist constituents. I consider constituent service to be the most significant aspect of my Senate career. I am pleased that my Senate office has helped hundreds of thousands of South Carolinians interact with a government bureaucracy that can sometimes be confusing, unyielding, and intimidating.

As the calendar draws closer to the day that I walk out of the door of Room 217 of the Russell Senate Office Building, I know that pundits and historians will examine my career and study my service and achievements. I pray that such an examination will determine that I was a man who rendered a worthy service to the Nation and to my State. I hope I am known, above all, as a man who tried to help others. I also acknowledge that whatever I have been able to achieve, through my years of Senate service, it was largely through working closely with my colleagues.

No single individual can accomplish what has to be done here without recognizing the contribution of those who served before we arrived. When I think of the South Carolinians who occupied this seat before me, I am humbled. To follow in the footsteps of such distinguished men as Pierce Butler, Charles

Pinckney, Thomas Sumter, John C. Calhoun, Benjamin Tillman and many others, is indeed an honor.

Likewise, much of our own success is due to the colleagues with whom we serve. This is perhaps the greatest aspect of being a Senator—to associate with such fine individuals. I have been so fortunate that in my tenure here I have had the distinction of serving with so many fine men and women. I regret that it is simply impossible to identify each and every single Senator with whom I have had the pleasure of serving. As an historical note, 1,864 men and women have served as U.S. Senators. I have had the privilege to serve with 410 of these great men and women. I have had the distinct opportunity to serve, in some instances, with more than one generation from some great families. I note there are Senators serving today whose fathers were my colleagues some years ago. I am hesitant to recognize individual colleagues, for I have enjoyed my association with every Senator, but a few stand out in my mind.

My long-time colleague, Senator HOLLINGS, has served with me for nearly 36 years. I greatly appreciate his friendship and extend my best wishes to him and his lovely wife, Peatsy.

Having served on both sides of the aisle, and having presided over the Senate as President pro tempore for a number of years, I am privileged to have friends in both parties. I enjoyed my association with distinguished Senators such as Richard Russell and Herman Talmadge. Bobby Kennedy was a special Senator, whose office was across the hall from mine. I have enjoyed a long and warmhearted association with ROBERT BYRD and TED STEVENS. Similarly, I have a great respect for JOE BIDEN, with whom I serve on the Judiciary Committee. My neighbor, JESSE HELMS, is a great American and a great friend. Our current Republican leader, TRENT LOTT, always has a kind word and a friendly greeting. I admire the many genuine heroes who have served in the Senate—men like DAN INOUYE.

In addition, much of the success of individual Senators and of the Senate is due to the leadership of the Senate. Distinguished statesmen like Mike Mansfield, Everett Dirksen, Hugh Scott, Howard Baker, Bob Dole, were great men who served this institution with dedication and concern for the well-being of the Senate and the Nation.

As a Senator I have served with ten Presidents, from Dwight D. Eisenhower to our current capable and dedicated leader, George W. Bush. Three of those—John Kennedy, Lyndon Johnson, and Richard Nixon—were Senate colleagues. In the Supreme Court, 108 Justices have served since the formation of the Court in 1790. I am proud to have participated in the advice and consent in the confirmation of 20 of these outstanding men and women, as well as hundreds of judges in the lower courts.

Mr. President, today's Senate is much different than when I first arrived. At that time there were four fewer Senators, for neither Alaska nor Hawaii had been admitted to the Union. Our friends from the ''Aloha'' and ''Last Frontier'' states did not join us until 1959.

Not only were there fewer Senators, but the Senate support staff was much smaller. When I began my Senate service, I was assisted by just four attorneys and three typists. Today, I have over 35 hard-working, dedicated staff members. At the end of my first term there were about 6000 staff serving Members and Committees in the House and Senate. Today there are over 18,000 staff in personal and committee offices. An additional 13,000 staff support the Congress in various Congressional support agencies.

This growth in the Senate staff, as well as the increase in the length of the Senate calendar, is a reflection of the growth of the Federal government. Both in size and in scope, the Federal government has enlarged its involvement in the life of Americans. I am not convinced, however, that this has always been in the best interest of our Nation.

There have been significant physical changes to the Capitol complex. When I first arrived in Washington, the Russell Senate Office Building housed all Senators, staff, committees, and other support personnel and functions. In 1958 the Dirksen Office Building was completed, and in 1982 the Hart Office Building was finished. The Capitol building itself was enlarged during my tenure with the east front extension. That extension provided additional rooms when it was completed in 1962. As I depart, a great addition is underway with the construction of the Capitol Visitor Center. I am proud of my contribution to this effort which began in earnest just a few years ago as I served as President pro tempore and Co-Chairman of the Capitol Preservation Commission.

Despite all the changes that have occurred in this institution and in our Nation, there is one constant—that has been the closeness of the Senate family. There are literally thousands of people who work quietly, outside the spotlight, to ensure this institution runs smoothly. I express my appreciation to all in the Senate who contribute to the success of every Senator and make this institution a community. This family includes the Secretary of the Senate, the Sergeant-at-Arms, the staff of those Officers, the Clerks, Doorkeepers, Capitol Hill Police, the staff of the Senate restaurants, the Attending Physician and staff, the cloakroom staff, the Chaplain's office, the Parliamentarian, the Architect of the Capitol and staff, the Librarians, staff of the Congressional Research Service and the General Accounting Office, and many others, too numerous to mention.

I must also pay tribute to my own staff. A strong, competent, and capable staff is absolutely necessary to any Senator. We could not keep up with all our duties, maintain contacts with constituents, or accomplish our legislative goals without our staff. Throughout my career, I have made it a point to hire the best people I could to work in my personal office and on my committees. I have enjoyed my association with literally hundreds of bright, talented and hard-working individuals. I have enjoyed watching them mature in their personal lives and grow in their professional careers. I am proud of my staff. I ask unanimous consent that a list of my current staff be inserted in the RECORD following my remarks.

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

(See Exhibit 1.)

Mr. THURMOND. Finally, I express my deepest appreciation to my entire family for their love and support, especially my children. Strom, Julie, Paul, and my beloved daughter, the late Nancy Moore, have been the joy of my life. I thank them for their sacrifices and devotion.

Mr. President, no matter which side of the aisle we occupy, regardless of the issues that may divide us, and despite any political differences we may have, all of us ran for office and fought to stay here because we want to serve and make a difference. There is no more noble calling than public service, and no more rewarding place to serve than the U.S. Senate. This is truly one of the most unique and special institutions in the world and the opportunity to serve in this body is a rare privilege and one which I think all of us value equally.

In my public service career, I have served in many different capacities and at every level of government, but none has been more meaningful or gratifying than the time I have spent as the Senator from South Carolina.

When I graduated from Clemson College in 1923, my father gave me a paper entitled ''Advice'' which I have always proudly displayed in my Senate office and after which I have always tried to pattern my life. The advice which my father gave me, and which I pass on to others follows:

Remember your God;

Take good care of your body and tax your nervous system as little as possible;

Obey the laws of the land;

Be strictly honest;

Associate with only the best people, morally and intellectually;

Think 3 times before you act once, and if you are in doubt, don't act at all;

Be prompt on your job to the minute;

Read at every spare chance and think over and try to remember what you have read;

Do not forget that ''skill and integrity'' are the keys to success.

Mr. President, I leave you, and my friends, with my father's universal advice and add the following: Always respect and appreciate your tenure in the

world's greatest deliberative body; do your absolute best to serve this Nation with honor and decorum; and strive to keep the U.S. Senate the proud, historic and distinguished body of government it has been since the birth of this blessed Nation.

As I close out my public service career, I again thank my constituents, my colleagues, my staff and my family. May God bless each of you, the U.S. Senate, and God bless the United States of America.

I love all of you, and especially your wives.

EXHIBIT 1

SENATOR STROM THURMOND STAFF LIST

Duke Short, Chief of Staff and Administrative Assistant.
Holly Richardson, Executive Assistant.
Mark Ivany, Personal Assistant.
Eliza Edgar, Assistant to the Chief of Staff.
Erin Goodin, Receptionist.
Walker Clarkson, Receptionist.

PRESS/PUBLIC AFFAIRS

Becky Fleming, Press Secretary.
Emily Dorroh, Press Assistant.

RECORDS

Les Sealy, Office Manager and Systems Administrator.
David Black, Assistant Office Manager.

PROJECTS

Bill Tuten, Projects Director.
John Hawk, Projects Assistant.
Kevin Smith, Projects Assistant.
Michael Bozzelli, Projects Assistant.
Melissa Kiracofe-Low, Projects Assistant.

GENERAL LEGISLATION

David Best, Legislative Director.
Ernie Coggins, Legislative Assistant.
James Galyean, Legislative Assistant.
Helena Mell, Legislative Correspondent.
Ashley Hurt, Legislative Correspondent.

MILITARY CASEWORK

Matt Martin.

JUDICIARY SUBCOMMITTEE ON THE CONSTITUTION, FEDERALISM AND PROPERTY RIGHTS

Scott Frick, Chief Counsel.
Melinda Koutsoumpas, Chief Clerk.

ARMED SERVICES

George Lauffer, Military Assistant.

PRESIDENT PRO TEMPORE, EMERITUS

James Graham, Staff Assistant.

THURMOND STATE OFFICES

Columbia: Warren Abernathy, State Director; Jeanie Rhyne; Valerie Gaines; Lind Morris; Michelle Quinn; and Christie Humphries.
Aiken: Elizabeth McFarland.
Charleston: Patricia Rones-Sykes.
Florence: Raleigh Ward and Kathryn Hook (Volunteer).

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived, the Senate stands in recess until the hour of 2 p.m.

Thereupon, at 12:43 p.m., the Senate recessed until 2 p.m. and reassembled when called to order by the Presiding Officer (Mr. REID).

HOMELAND SECURITY ACT OF 2002—Resumed

AMENDMENT NO. 4694

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut is recognized for 7½ minutes.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I am pleased to urge adoption of the amendment offered by Senator MCCAIN and ask that the vote be taken by the yeas and nays.

The PRESIDING OFFICER. Is the Senator asking for the yeas and nays on the amendment?

Mr. LIEBERMAN. That is correct.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, I rise to discuss briefly my vote on the September 11 Commission. I joined in the amendment proposed by my good friends from Connecticut and Arizona because it is the right thing to do. Sitting as I do on both the Judiciary and Intelligence Committees, it has become clear to me over the past year that many different causes contributed to the horrific terrorist attacks on September 11. I have become convinced that we need to take a hard look at how this tragedy happened in order to better understand how we might avoid a similar tragedy in the future. Hindsight is, indeed, 20–20, and we may be able to profit from a detached and objective analysis of mistakes that may have been made in the days and months before that attack. We need to learn from our mistakes. The stakes are simply too high to bury them.

While I believe that a September 11 Commission should be appointed, I also think that the administration should have some voice in its makeup. The amendment establishes a 10-member commission with all of the 10 members appointed by the majority and minority leaders of Congress. It is fitting that Congress play a large role in defining the membership of this Commission, but it is striking to me that the Administration has no voice at all. Just as this Commission was approved by strong bipartisan support, so too should its task be apolitical. In this spirit, I would call upon my colleagues to think seriously about providing the administration with some role in defining the Commission.

Mr. KYL. Mr. President, as a member of the Select Committee on Intelligence, I have had reservations about creating an outside commission to investigate 9/11 as called for in this amendment. My reservations have essentially been twofold: First, the Intelligence Committees were given the responsibility to look into this very matter, so an additional investigation would be duplicative and place additional stress on our intelligence community at a time when its resources should be dedicated to fighting the war on terrorism.

Second, we had every reason to believe that the joint committee investigation would do its job that is, find out what went wrong, why it went wrong, and how we can reform the intelligence community to try to prevent future such failures.

Sadly, it appears that the joint committee will fall short of that goal. In the Intelligence Committee, I have expressed serious reservations about the direction of the investigation, including the allocation of time and resources to holding premature open hearings.

Last week, the joint committee held public hearings in spite of not having completed its investigation. In fact, what was presented last week was only a staff document, not a consensus product of the committee. Members had no practical input into this interim report.

The interim statement from the joint inquiry staff provided information about what has been done to date, a chronology of events leading to the September 11th attacks, and some background information about al-Qaida. This history may be useful, but it does not address the questions that are fundamental to this investigation.

In the committee, we heard from more than one witness that at least some of the problems in the intelligence community stem from a bureaucratically and politically-induced culture of risk aversion and/or an inadequate allocation and improper prioritization of resources. Yet, it is not evident that the joint committee inquiry is serious about pursuing these fundamental questions.

For these and other reasons, it will be difficult for me to concur in the final joint committee product without reservations. We will not know what we haven't been told. Therefore, we will not be able to vouch unequivocally for the final product.

And, of course, these are the very questions that have led to calls for the creation of a national commission to investigate these matters, and, hence, to this amendment. Reluctantly, I have come to the conclusion that it is necessary. If its work starts after the Joint Intelligence Committee investigation has concluded, there should be no duplication or additional stress on the entities required to cooperate in the investigation.

Mr. President, because of the inadequate course being taken by the Joint Intelligence Committee investigation, and because the imposition of that investigation on our intelligence apparatus will be ended by the time this commission begins its work, I will support the creation of the commission.

Mr. LIEBERMAN. Mr. President, I have had the chance to speak about the urgent necessity of this independent commission to review the causes of the tragic events of September 11. It responds to the public interest by creating the best possible Department of Homeland Security to close the gaps that existed prior to that. The joint intelligence committees have done excellent work that led to disclosures that cry out to us for further investigation by our intelligence apparatus—and some other aspects of our Government that created the vulnerabilities which

enabled the terrorists to strike at us last September 11.

There is very little time available.

I yield 2½ minutes to my colleague from Pennsylvania and 2½ to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I thank the distinguished Senator from Connecticut for yielding time.

Immediately after 9/11, I opposed the creation of an independent commission because at that time I believed the appropriate investigation should be conducted by the Intelligence Committees of the two Houses and that there ought to be a period for the intelligence community to regroup after 9/11.

As matters have eventuated, it has not been possible for the joint investigation by the Senate and House Intelligence Committees to be completed. We are now nearing the interim term, and that is why I now believe an independent commission would be the thing to do.

When the so-called leak occurred and the Intelligence Committees invited the FBI to conduct an investigation, I thought that was very inadvisable, and by a letter dated June 24, I wrote to the chairmen and vice chairmen of the committees of both Houses saying in effect that it was unwise to have the Intelligence Committees investigating the FBI when the FBI was investigating the Intelligence Committees; that as a matter of separation of powers, it is highly undesirable to have the executive branch investigating congressional oversight; but if they believed it was necessary, a better approach would be to hire independent counsel, as the Judiciary Committee did when a leak occurred during the confirmation hearings of Justice Thomas.

But it is evident at this point that the Intelligence Committees are not going to finish the job, that there are very vital issues to be determined as to the lapse on 9/11, and that on the basis of the current record, had the dots been connected, there is a veritable blueprint where 9/11 might have been prevented and the best approach now is to work through the commission.

I ask unanimous consent that my letter be printed in the RECORD, and I thank my colleague from Connecticut and yield the floor.

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

U.S. SENATE,
Washington, DC, June 24, 2002.

Senator BOB GRAHAM,
Chairman,
Senate Select Committee on Intelligence.
Senator RICHARD C. SHELBY,
Vice-Chairman,
Senate Select Committee on Intelligence.
Congressman, PORTER J. GOSS,
Chairman,
Permanent Select Committee on Intelligence.
Congresswoman NANCY PELOSI,
Vice-Chairwoman,
Permanent Select Committee on Intelligence.

DEAR BOB, PORTER, RICHARD, AND NANCY. I have noted the press reports of Friday, June 21, 2002, that the two Congressional Intelligence Committees had asked Attorney General John Ashcroft to see if congressional sources were improperly releasing classified information. That article said: ''Asked if lawmakers would be open to interviews and polygraph tests conducted by the bureau, Mr. Goss said, 'We will cooperate with the FBI in every way possible'.''

For two important reasons, I urge you not to proceed in that manner; but instead to pursue a congressional inquiry, perhaps with outside counsel or through the House and Senate Ethics Committees.

My concerns are:

(1) I believe it is inappropriate and unwise to have the FBI investigate the Intelligence Committees when the Intelligence Committees are investigating the FBI. That approach raises the inevitable question as to whether there would be reciprocal pulling of punches to avoid a tough inquiry by the other investigators; and

(2) I believe it is undesirable and unwise from a ''separation of powers'' consideration to invite the Executive Branch to investigate the Legislative Branch. If there is a prima facie showing of wrongdoing by a member of the Senate or House, then the Department of Justice has the established authority to investigate; but this situation would invite a widespread, open-ended questioning of everybody who had access to the so-called leaked information. In such an inquiry, it might be very difficult for members to decline to be polygraphed; and if members agreed to be polygraphed, that would set a dangerous precedent for the future when the Executive Branch might seek retribution from or pressure on a member.

During the 104th Congress when I chaired the Intelligence Committee, the Committee conducted internal inquiries where concerns arose over improper disclosures of classified material. If such an internal inquiry is deemed insufficient, your Committees could proceed to hire outside independent counsel, as the Judiciary Committee did on leaks in the confirmation hearings of Justice Clarence Thomas where Judiciary Committee members were then questioned, or you could ask the House and Senate Ethics Committees to investigate.

I know Committee members face a difficult and touchy situation in this matter but I suggest you reconsider an investigation by the FBI with the attendant potential for polygraph tests.

Sincerely,

ARLEN SPECTER.

The PRESIDING OFFICER (Mr. CLELAND). The Senator from Alabama is recognized.

Mr. SHELBY. Mr. President, 3 months ago I would not have been on the floor supporting the establishment of a commission to look into our Government's failure to detect and prevent the attacks on September 11.

Three months ago I believed very strongly that the Intelligence Committees of the House and Senate were not only capable of examining our Government's failures and vulnerabilities but were obligated to do so.

I believed then that if we dedicated the necessary time and resources, we would be able to conduct a thorough and comprehensive inquiry. And I think we have made a lot of progress.

Now that we are rapidly approaching the end of the year and the end of this Congress, I am increasingly concerned that the joint effort of the House and Senate Intelligence Committees will not be able to complete such an inquiry.

Our scope is not broad enough. It is confined to the intelligence aspects—not to FAA, and not to immigration and other aspects.

We now know that our inability to detect and prevent the September 11 attacks was not only an intelligence failure of unprecedented magnitude, it was a failure of our entire Government to protect and defend the American people.

I am now convinced that an accounting on behalf of the victims, the families left behind, and the American people must include a comprehensive examination of how every relevant agency of our Government performed or failed to perform prior to the attacks.

The House and Senate Intelligence Committees have been at work for approximately 6 months. We are making progress, but we are far from done.

Our Committee began with high aspirations, but we soon stumbled. We had some early staffing difficulties along with some false starts on our hearing schedule.

Early on, our inquiry turned up only information that provided to us. Our separate joint staff was dependent upon the information provided by our intelligence agencies, which were reluctant to cooperate fully.

While our joint staff was working in the agencies, they were often isolated in rooms constantly monitored by agency staff. Agencies refused to circulate the joint staff's contact information and forbade them from meeting with anyone without agency supervision.

While our staff was allowed to view large quantities of documents, they were not allowed to make copies of all of them. Therefore, the process of documenting certain events became very onerous and time consuming.

Other agencies refused to allow the joint staff to interview key individuals. They were told that they could speak to supervisors and more senior personnel who often knew few, if any, details.

Many of these problems were ultimately worked out, but that took precious time, time we did not have. Some of the problems persist today. For example, we are often arguing with agencies about who may or may not appear before our committees as late as the day before they are scheduled to appear. Witnesses are requested, refused, requested again, granted and then, at the last minute, refused again.

There also remains a body of documents that the Director of Central Intelligence refuses to allow the committees to retain.

Much of the information that we gather is classified. The process of declassification has taken an inordinate amount of time. Often we are still in the process of determining what we can discuss publicly moments before a hearing.

It is this type of interaction that cannot be completely characterized as uncooperative but is, nonetheless, extremely counterproductive and has slowed the progress of this investigation. We are, however, making progress.

The staff has reviewed many thousands of documents, but they have many thousands yet to review.

They have interviewed many people, but there are many yet to interview.

In fact, it is still very difficult even to determine how far we have come, and almost impossible to tell how far we have yet to go.

I have been a part of many investigations in my career but none has been as important as this one. Almost 3,000 Americans have been murdered, and perhaps thousands more innocent lives hang in the balance every day. Our joint investigation must be thorough, comprehensive and complete. I want it to be a success.

To be a success, however, an inquiry needs time and resources. If you limit either one, your chances of success diminish significantly. Unfortunately, we have a short supply of both and I am afraid that we are beginning to reap the results.

From the outset, I argued strongly that our committees should avoid setting arbitrary deadlines. Deadlines are an invitation to stonewalling and foot-dragging, and we have seen some of both in our effort.

I have also said many times that agencies under the congressional microscope are generally not motivated to cooperate. To be thorough, we must be able to identify and locate relevant information, retrieve it, and then analyze it in the context of all of other information we have gathered. This is inevitably a difficult and time-consuming undertaking.

Because we have only one to three staffers actually focusing on any particular agency at any one time—and because so much of our joint inquiry staff resources are tied up in producing hearings—it has become exceedingly difficult to be as thorough and probing as we need to be.

At this point, I do not believe we will be able to complete the job the American people expect us to do. However, I expect us to do a credible job and to lay the predicate for future investigations.

While I continue to work on the joint effort, I believe ours must be a prelude to a more comprehensive inquiry. Therefore, I intend to support the creation of a commission, and I urge my colleagues to do the same this afternoon.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Mr. President, I know the Senator from Connecticut, Mr. LIEBERMAN, has more to say. I don't believe there is anyone speaking in opposition to this amendment. The Senator from Connecticut, Mr. DODD, was here earlier this morning to speak about STROM THURMOND. He was squeezed out by the majority leader, the Republican leader, Senator BYRD, Senator HOLLINGS, and others. I therefore ask unanimous consent that when the Senator from Connecticut finishes his few minutes, Senator DODD be recognized using the 7½ minutes in opposition to this amendment and 2½ minutes, for a total of 10 minutes, to speak as if in morning business prior to the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LIEBERMAN. Mr. President, I do not object to my colleague from Connecticut speaking. I want Senator REID to know I would not be surprised to see the Senator from Arizona, Mr. MCCAIN, a cosponsor of the amendment, on the floor hoping to say a few words. I will be mindful of that.

The creation of a Department of Homeland Security, in which we're now engaged, is an urgent investment in the present and future safety of America. We need to take this step, and we need to take it now.

But even as we do, we must recognize that we're acting on an incomplete picture of the problems that need to be fixed. We're relying on partial and sporadic reports about how the government failed to meet the challenge of securing our homeland pre-September 11.

When the new department gets up and running, we owe it to ourselves, and to the country we're striving to secure, to give it as complete and independent an assessment as possible of what went wrong before September 11 and why. If we don't come to terms with the whole truth by looking back at what happened, we can never move forward with the knowledge and confidence we need to set things right.

Since September 11, all of us, and particularly the families of the victims, have been subjected to the wrenching process of learning about their government's failures through a tortuous trickle of leaks and soundbites.

All of this has hurt the nation psychologically by increasing anxiety and feeding speculation, leaving doubts about whether our government has come to terms with the full scope of the failures that allowed those terrible attacks to succeed. It has also damaged our spirit by turning almost every revelation into a regrettable volley of charges and counter-charges. And it has hurt us practically by failing to give us a clear, clean picture—with perspectives, context, nuance and shades of gray—of what agencies failed, how they failed, and why. As we begin to build a Department of Homeland Security, we will need that picture to make sure we do it right.

I do want to pay tribute to the joint House-Senate Intelligence Committees, which have uncovered valuable and disturbing evidence of the intelligence community's failure to share and capitalize on information about the hijackers, in the months preceding September 11.

As Senator JOHN MCCAIN and I see it, a non-political, blue-ribbon commission would build on the joint committees' work—reviewing their findings and continuing to explore areas they touched on—as part of a sober, comprehensive inquiry into all our pre-September 11 institutional shortcomings.

I also must add that I was enormously gratified last Friday when the administration reversed its long-standing opposition to creating an independent commission. Last November, even before we began drafting a bill, Senator MCCAIN and I wrote the President inviting him to work with us. Since we never heard back, we introduced legislation in December. In the intervening months, we held an informative hearing on the proposal, reported it out of the Governmental Affairs Committee, which I am privileged to chair, and eventually won the backing of 22 co-sponsors from both parties. As was the case with creating a Department of Homeland Security, I welcome the administration's support—regardless of when it arrives.

Since Friday, we have entered into discussions with the administration, which requested a variety of changes. Assuming passage of the amendment today, we will gladly continue these talks.

This amendment is based on S. 1867, legislation I introduced with Senator MCCAIN on December 20 of last year. The legislation has been revised as it made its way through the legislative process. The Committee on Governmental Affairs heard from a distinguished panel of witnesses at a February hearing. The witnesses, all of whom had served on past commissions, recommended an inquiry by an independent commission into the September 11 terrorist attacks. The bill was reported out of committee by voice vote on March 21 of this year. I refer my colleagues to the committee's written report, no. 107–150, for a fuller explanation of the legislation's, and this amendment's, context, purposes and justification. The bill reported out of committee contained some changes from our original version. Several of those changes were the result of our discussions with Senator TORRICELLI, who had introduced a similar bill with Senator GRASSLEY and others. Others were the result of the recommendations of our hearing witnesses and extensive consultations with experts.

Last Thursday I described several ways in which the amendment we are voting on today differs from S. 1867, the bill that was reported out of committee. The amendment would ensure an even division between Republicans and Democrats in choosing commission members—with the majority parties in the Senate and the House receiving three picks each, while the minority parties in each house get two picks each. This is the configuration of an

equivalent commission recently created by the House, and it has other notable precedent, in the form of the National Commission on Terrorism, created by Congress in 1999, and headed by former Ambassador Paul Bremer.

There are three other changes from the text of S. 1867. The amendment emphasizes that the Commission should build upon the work of Congressional committees and other inquiries, especially the joint inquiry of the Senate and House Intelligence Committees regarding the terrorist attacks. We do not by any means intend this change to suggest that the Commission should avoid looking at specific issues related to intelligence just because the Committees had investigated the same issues. Rather, the Commission should use the Committees' fine report as a resource, as it continues to review the role of the intelligence community.

The amendment also provides that the Vice Chairperson of the Commission, in addition to the Chairperson and others, can issue subpoenas. The amendment envisions a Vice-Chairperson with powers and responsibilities essentially equivalent to that of the Chair. This model worked very well in the case of the National Commission on Terrorism. Finally, the amendment makes technical improvements to the bill's alternative subpoena enforcement mechanism.

As Senator MCCAIN and I envision it, the commission would have purview over a broad range of areas. Of course, it would examine intelligence shortcomings, which are at the very core of our failure to anticipate September 11th. But it could also scrutinize a variety of other factors—law enforcement, immigration and border control, foreign policy, commercial aviation, for example—before recommending reforms.

Commission members would be private citizens—not elected officials—with expertise in a range of subjects related to what went wrong on September 11th. And the commission would have subpoena power and the right to meet in private session. It would also have enough time, a top level staff, ample investigatory powers, and adequate funding to perform its job properly.

We are not interested in using this commission to point fingers across the room. I hope and believe that an independent commission will make the government as a whole look in the mirror. After all, it is our common security, and improving it is our common responsibility.

We have a history of learning from history. America's first day of infamy, Pearl Harbor, was followed both by congressional investigations and by an independent commission. In the wake of other national tragedies—the assassination of President Kennedy, for example, and the Challenger explosion—similar independent investigations were launched immediately.

In the last two decades, investigative panels were convened after devastating terrorist attacks against U.S. military and diplomatic facilities, including the Marine barracks in Beirut; Khobar Towers in Saudi Arabia; U.S. embassies in Kenya and Tanzania; and the USS Cole. In 1989—after months of pressure from Congress and families of victims—the first President Bush created a commission to investigate the Pan Am bombing over Lockerbie, Scotland.

Essential lessons were learned from each of these inquiries, and the inquiries represent a recognition in the value of immediately reviewing terrorist attacks, to provide vital information about possible vulnerabilities which could be corrected. The commission we propose would build on those examples.

I have heard the criticism that recommendations of commissions are not followed, and therefore the modest expense in establishing them is not justified. Yet past commissions, with a small investment of resources, have had a real impact. Just ask Donald Rumsfeld: the Commission to Assess the Ballistic Missile Threat to the United States, which he chaired, recast our assumptions about the ballistic missile threat. What better evidence can there be than the homeland security legislation we are debating today, modeled closely on the recommendations of the prescient Hart-Rudman Commission? The National Commission on Terrorism issued a litany of policy prescriptions ranging from domestic law enforcement to intelligence to foreign policy—a number of those immediately passed the Senate, and more have been implemented since the September 11 attacks. And if in the past we had been lulled into complacency that we were safe against terrorism within our borders, how can anyone doubt that the enormity of the September 11 attacks will not keep this nation focused on what needs to be done?

At our Governmental Affairs Committee hearing on the commission bill in February, Columbia University Professor Richard Betts, who served on the National Commission on Terrorism, said an independent commission is important because it would conduct a quote ''sober investigation that the public could have confidence is as objective as humanly possible.'' This is our goal.

I have met with families of September 11th victims on several occasions, and their desire for this commission is the strongest argument I can present on its behalf. The persistent advocacy of Stephen Push, Kristen Breitweiser, Mary Fetchet, Beverly Eckert, Monica Gabrielle, and many others—despite their devastating loss—has inspired my profound respect.

Husbands, wives, and children were murdered on September 11th. Their survivors need to come to terms with what happened so that they may move on with their lives. The families want answers to questions that echo in my own mind and heart: Why was such a simple plan so successful in achieving its evil goals? What opportunities were missed to prevent the destruction?

At a June rally organized by family members in support of this legislation, Mindy Kleinberg, a mother of three who lost her husband, Alan, on September 11th, told the New York Times—''I want to be able to look into the eyes of my children, and tell them the evil is over there, that they are safe, and that their country is secure. Nine months have passed, and I still cannot do that. I do not have answers.''

Let us help these families—and the nation they represent—find closure. Three thousand men, women, and children of America's family were murdered. We need definitive answers that force us to face what happened and why—answers that will ultimately lead to a stronger and better America, and an America less tortured by piecemeal speculations about what might have been.

President John F. Kennedy said, ''In the long history of the world, only a few generations have been granted the role of defending freedom in its hour of maximum danger. I do not shrink from this responsibility; I welcome it.''

We too must welcome it, with a strong vote in favor of creating this commission so that we might live well-informed and therefore safer lives in the future.

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

Mr. LIEBERMAN. Mr. President, I will stand by what I have said before in behalf of the commission.

I yield the floor at this point to my friend from Connecticut under the previous order.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I will keep an eye on the door. If our friend from Arizona comes through the door, I will abbreviate my remarks.

(The remarks of Mr. DODD are printed in today's RECORD under ''Morning Business.'')

Mr. DODD. I see my colleague from Arizona on the floor. I know he wishes to be heard on this amendment.

I yield the floor to my colleague from Arizona.

Mr. MCCAIN. I thank my colleague from Connecticut.

Mr. President, are we still going to vote at 2:15?

The PRESIDING OFFICER. All time has been extended by 2 minutes.

Mr. MCCAIN. By 2 minutes. I will take about 3 minutes, if that is OK with my other friend from Connecticut.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the Senator from Arizona, who has been such a leader in this effort, be allowed to speak for up to 5 minutes.

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

Mr. MCCAIN. I thank the Chair and thank my friend from Connecticut, Senator DODD. And I hope he will always yield to me when I arrive on the floor. I appreciate it.

Mr. President, I rise today to urge my colleagues to vote to create a commission, composed of the most credible people in America, that will tell the American people the truth about how our Government was not prepared for the threat of catastrophic terrorism last September.

To question American policies and practices in the months and years before September 11 is not to engage in a political witch hunt intended to score partisan points against one administration or another. To probe deeply but fairly into American policies predating the terrorist attacks is to examine the scale of American leaders' failure to imagine and plan for a contingency that was not, in fact, unimaginable. By American leaders, I mean the Congress, as well as other branches of Government. A thorough, nonpartisan investigation would provide an informed basis for the current administration and the Congress to take all necessary measures to ensure that our country is prepared to meet the challenges of this age of terrorism.

On Friday, the White House announced its support for an independent commission to address ''the panapoly of other important and related issues as they may relate to September 11 and ''strengthen our ability to prevent and defend against terrorism and protect the security of the American public.'' We will continue to work with the administration to refine our legislation and appreciate their support. We look forward to continuing our dialogue with the White House as the homeland security bill moves through conference. We are also pleased to have the support of Senators SHELBY and GRAHAM, the Senate leaders of the joint congressional investigation into last year's attacks.

The attacks on September 11 represented more than a failure of intelligence. They highlighted a failure of national policy to respond to the development of a global terror network implacably hostile to American interests. In 1989, the United States walked away from Afghanistan after fighting a proxy war against occupying Soviet forces. The subsequent civil war created the conditions for the rise of the Taliban, as the Afghan people submitted to a totalitarian government that imposed order over the chaos of warlord rule. The United States stood by passively as the Taliban formed an alliance with Osama bin Laden that turned Afghanistan into a sovereign training camp for al-Qaida to prepare its attacks on America as it built a global network of terror. American leaders, including those of us in Congress, watched and knew all of this.

The United States declined to respond meaningfully to terrorist attacks against our interests throughout the previous decade—again, a failure of national policy over the course of successive administrations and many Congresses that encouraged our enemies to perceive us as weak and unwilling to defend our interests. The 1993 bombing of the World Trade Center; the 1995 and 1996 bombings of American targets in Saudi Arabia; the 1998 attacks on our Embassies in Kenya and Tanzania; the 2000 bombing of the USS *Cole*—all of these attacks were preludes of growing intensity to the attacks against New York and Washington, DC.

In retrospect, a pattern becomes clear, a period in which the preeminent threat to American national security arose from the ashes of war and chaos in Afghanistan while the United States preoccupied itself elsewhere. We need to absorb the lessons of our failure so that, as after other national tragedies such as Pearl Harbor and the Kennedy assassination, we can tell those we are privileged to lead that evil men will never perpetrate such horror again. This commission will help us do that.

I thank my dear friend and colleague, the Senator from Connecticut, Mr. LIEBERMAN, for his leadership, and I look forward to us completing this job.

I thank the Chair and yield the floor.

Mr. LIEBERMAN. Mr. President, is there time remaining?

The PRESIDING OFFICER. There are 2½ minutes remaining in opposition.

Mr. LIEBERMAN. I thank the Chair.

I wanted to say a personal word about the extraordinary way in which the families of so many of those who were lost on September 11 have taken their unspeakable losses and personal grief and turned it into remarkable, continuing acts of advocacy for action by our Government to guarantee, as best any human can, that no other families will suffer the losses that they have suffered.

These families have pushed relentlessly, and with such principle and purpose, for the creation of this commission to answer the question that they naturally ask, that we all ask but they ask it with a personal poignancy: How could this have happened?

Earlier this year, at a rally of family members in support of the creation of just such a commission as our amendment would provide, Mindy Kleinberg, a mother of three, who lost her husband, Alan, last September 11, said:

> I want to be able to look into the eyes of my children and tell them the evil is over there, that they are safe, and that their country is secure. . . . Months have passed, and I still cannot do that. I do not have answers.

The purpose of this commission is to provide those answers for Mrs. Kleinberg, for her children, for all the survivors and friends, and for all Americans, to make sure their Government is doing everything it humanly can to prevent anything like the tragic attacks of September 11 of 2001 from ever happening again.

I think this is our best way to do that. I urge the adoption of this amendment.

I yield back the remaining time that I have.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4694. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 90, nays 8, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—90

Akaka	Dorgan	McCain
Allard	Durbin	McConnell
Allen	Edwards	Mikulski
Bayh	Ensign	Miller
Bennett	Enzi	Murkowski
Biden	Feingold	Murray
Bingaman	Feinstein	Nelson (FL)
Boxer	Fitzgerald	Nelson (NE)
Breaux	Frist	Nickles
Brownback	Graham	Reed
Bunning	Grassley	Reid
Burns	Hagel	Roberts
Byrd	Harkin	Rockefeller
Campbell	Hatch	Santorum
Cantwell	Helms	Sarbanes
Carnahan	Hollings	Schumer
Carper	Hutchinson	Sessions
Chafee	Hutchison	Shelby
Cleland	Inhofe	Smith (NH)
Clinton	Jeffords	Smith (OR)
Collins	Johnson	Snowe
Conrad	Kennedy	Specter
Corzine	Kerry	Stabenow
Craig	Kohl	Stevens
Crapo	Kyl	Thompson
Daschle	Landrieu	Thurmond
Dayton	Leahy	Torricelli
DeWine	Levin	Warner
Dodd	Lieberman	Wellstone
Domenici	Lincoln	Wyden

NAYS—8

Bond	Gregg	Thomas
Cochran	Lott	Voinovich
Gramm	Lugar	

NOT VOTING—2

Baucus	Inouye

The amendment (No. 4694) was agreed to.

Mr. LIEBERMAN. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding we are now on the homeland security legislation; is that correct?

The PRESIDING OFFICER. We are.

Mr. REID. Mr. President, I have spoken with the minority. I ask unanimous consent that the Senator from West Virginia, the President pro tempore of the Senate, be recognized to speak for up to 1 hour as in morning business. I have spoken with Senator GRAMM, and he is not quite ready to offer his amendment. He said he would be ready at or about 3 o'clock. I ask unanimous consent that at 3:40 p.m. we return to this bill. At that time, Senator SANTORUM indicated he might be present in the Chamber to talk about legislation he has. At that time, we will move forward on the legislation, hoping Senator GRAMM is ready to offer his amendment.

The PRESIDING OFFICER (Mrs. CLINTON). Without objection, it is so ordered.

The Senator from West Virginia.

PROGRESS ON THE FISCAL YEAR 2003 APPROPRIATIONS BILLS

Mr. BYRD. Madam President, the appropriations process is stalled. To use an overused expression: It is dead in the water. Certain Members in the other body have asserted that progress on the 13 appropriations bills for the fiscal year that begins October 1 has been slowed because Senate Democrats want to have a spending spree. Nothing could be further from the truth.

Nearly 2 months ago, on July 25, the Senate Appropriations Committee reported the thirteenth and final appropriations bill for fiscal year 2003, the earliest this has been accomplished since 1988. All 13 bills are bipartisan, and all 13 bills are fiscally responsible. There was not a single vote in committee against any of the 13 bills. Republicans and Democrats on the committee voted for these bills.

The bills totaled $768.1 billion and are consistent with the committee allocation approved by a vote of 29 to 0 in June. The 13 bills are consistent with the $768.1 billion allocation that was approved by the Senate Budget Committee when it reported its budget resolution last March. The bills are consistent with the $768.1 billion allocation that was supported by 59 Members of the Senate when the allocation was voted on during floor debate on the Defense authorization bill on June 20.

The holdup in the appropriations process is because the White House is giving marching orders to the House of Representatives. Regrettably, the House Appropriations Committee has reported only 8 of the bills compared to the Senate Appropriations Committee's 13. The House has passed only 5 of those 8 bills.

I stress that the holdup is not the fault of the House Appropriations Committee chaired by Mr. YOUNG of Florida. It is not the fault of that committee. They have wanted to do their work.

The holdup is a result of the House Republican leadership decision to stop all House floor action on appropriations bills. Perhaps the decision is being handed down from on high to the House Republican leadership. The House has not adopted an appropriations bill since July 24. With only 1 week to go before the beginning of the fiscal year, the House has not passed an appropriations bill in almost 9 weeks.

For the record, let me state that there is no scheme in the Senate to explode spending—none. Surely I would have heard about it if there were such. The Senate Appropriations Committee has produced 13 bills that total $768.1 billion plus $2.2 billion in emergency spending for FEMA disaster relief, low-income home energy assistance, and funds to fight fires. The committee also approved an additional $2.2 billion of advance appropriations for programs to help educate disadvantaged and disabled children. No tricks. As Shakespeare said: There are no tricks in plain and simple faith. No hiding the ball; no hat trick here.

Our 13 bills have been available for all the world to see for 2 months. The House is not moving forward as a result of a political dispute over the ceiling for spending in fiscal year 2003. The House Republican leadership, in collaboration with the White House, is insisting on the level of $759.1 billion. Yet the House Appropriations Committee has not been able to stretch those dollars far enough to write their bills.

The House Republican leadership has been informed by many members of their own caucus that they cannot vote for the Labor-HHS-Education bill at the levels requested by the President because that bill shortchanges America's classrooms and ignores our pressing health care needs. Yet, inexplicably, instead of changing course, the House Republican leadership has shut the appropriations process down.

Could it be because, with an election looming some members of the House want to avoid certain votes? If the Republican leadership has forsaken its duty to make careful choices for the American people and is driving the Congress toward a long-term continuing resolution, that means putting the Government on auto-pilot. This is the worst possible way to govern. It allows for obfuscation and abuse. It ignores critical needs.

In order to cover the politics involved which are the real reasons for the delay, the administration characterizes the $13 billion of additional spending in the Senate bills as ''wasteful spending.'' Frankly, this is just simplistic, political rhetoric.

The administration tries to point political fingers at the Senate charging that we are spending too much on domestic programs. But where is the real growth in spending? The President proposed a 13 percent, or $45 billion, increase in spending for our Nation's defense programs. Let us note that the $759 billion ceiling forced the House to cut the President's request for the Department of Defense by $1.6 billion. The $768 billion ceiling available in the Senate allowed the Senate to restore $1.2 billion of that cut in DoD and the funds are being used for military readiness programs, for essential military construction programs, and for counter terrorism projects. In addition, the Senate was able to add $375 million to the President's February request for nuclear programs at the Department of Energy.

The President proposed a 25 percent increase in domestic homeland security programs. The $768 billion Senate level permitted the Senate to fully fund essential homeland defense investments such as additional firefighting funds, additional funds for port security, State and local law enforcement, and border security. Unfortunately, the House ceiling on spending is so low that the House Appropriations Committee has not even been able to mark up the Veterans/HUD/Independent Agencies bill and the Commerce/Justice/State bill which provide funding for many homeland defense programs. Yet the White House requested these increases, and they are obviously critically important for the security of our people.

When it comes to domestic programs other than homeland defense, the President proposed to freeze spending at the FY 2002 levels. That is a hard freeze with no adjustment for inflation or for other factors such as a growing population or growing unemployment. The $768 billion Senate level permitted the Senate Appropriations Committee to increase domestic programs by 2.6 percent. Not 13 percent, not 25 percent, just 2.6 percent for the domestic programs that serve our Nation.

And for what did we use that 2.6 percent increase?

We used it to increase funding for veterans medical care by $1.1 billion above the President's request. There are currently over 280,000 veterans on waiting lists for VA medical care. The President's request just did not adequately fund veterans' needs.

If I ever saw a veteran, there sits one in the chair presiding over the Senate of the United States. There is a man who has given everything but his life for this country. I would be ashamed to run against him.

With war drums beating all around us, I think we ought to be very careful to send the message to our veterans that we will take care of their present and future needs.

Last year, Congress passed the No Child Left Behind Act with broad, bipartisan support. But, this law becomes nothing but an unfunded mandate on our local governments if the Federal funding is not there for States to implement the new act. It takes money to reduce class sizes, to provide teacher training, to invest in new technology and to develop meaningful assessment tools. The Senate Committee bill increases education funding by $3.2 billion, or 6.5 percent, six times the meager 1 percent increase proposed by the President. Rhetoric is fine, but when it comes to our children's education we have to put our money where our mouth is, as the old saying goes.

The Senate used the 2.6 percent increase to make sure that we could keep Amtrak operating. A bankrupt Amtrak would mean that 23,000 employees would be thrown on to the unemployment line. Some 500 communities served by Amtrak would lose intercity passenger rail service forever, including 130 communities that have no air service whatsoever, and 113 communities that don't even have intercity bus service. It means the termination not just of Amtrak service across the Nation but also the termination of commuter rail service from Boston to California because many of these services are either operated under contract

by Amtrak or they run over railroad tracks that are owned by Amtrak. Some 1.7 million citizens that ride Amtrak each month will lose service. So will roughly 4.2 million citizens that use those commuter rail services each month. If you think the highways are crowded during the morning and evening commuting times, just wait until Amtrak and the commuter rail systems are terminated overnight.

Last, January, in the State of the Union, the President said, ''When America works, America prospers, so my economic security plan can be summed up in one word: jobs.'' Yet his budget proposed to dramatically cut highway spending below last year's level. For every billion dollars we spend on highways, we create 42,000 jobs. The Senate bill provides an obligation limit that restores the $8.6 billion cut proposed by the President's request, saving over 350,000 jobs. The President talks about jobs but the modest increase in domestic spending contained in the Senate bills actually creates jobs.

We used the 2.6 percent increase to provide for a $184 million increase above the President's request for the Securities and Exchange Commission. If the Congress is serious about rooting out corporate fraud, the SEC needs the resources to hire investigators and to fund the newly established Public Company Accounting Oversight Board, as authorized in the Sarbanes-Oxley Corporate Accountability Act of 2002.

We used the 2.6 percent increase to increase funding for job-training programs by more than half a billion dollars over the President. This is at a time when more than 8 million Americans are unemployed and there has been an increase of more than one million unemployed persons in just the last 12 months.

We used the 2.6 percent increase to restore over $94 million in cuts proposed by the President in Fossil Energy Research and Development programs and provide for a $58 million increase.

If the administration wants to reduce the nation's dependence on foreign oil, it is not going to do so by cutting our investment in fossil fuels, as proposed by the President. At a time when a new war in the Gulf may have long-term implications for this nation's energy security, it is vitally important that the United States continue to explore and develop new technologies which allow us to tap our own abundant energy supplies. We should have been working on energy independence diligently for the last 20 years. But the oil interests that bankroll politicians have been too strong. Now we see the cost of bowing to King Oil.

We used the modest increase in domestic spending to increase funding by $200 million above the President's request for Head Start. In his State of the Union Address, the President stated that: ''We need to prepare our children to read and succeed in school with improved Head Start and early childhood development programs.'' The Senate bill would result in 17,000 more low-income children being served.

We used the 2.6 percent increase to restore over $900 million of cuts proposed by the President in Justice Department programs for State and local law enforcement. With State and local governments cutting their budgets—and they are cutting them. We read about cuts in the budgets for the States of Maryland and Virginia. With State and local governments cutting their budgets in response to the recent recession, does the President think that we will make our Nation more secure by cutting law enforcement grants to State and local governments?

These are just a few examples of how the Senate used the modest $13 billion increase above the House allocation. Is that $13 billion increase excessive? No.

Is it wasteful? No.

I believe it is prudent. It is thoughtful. It is the result of careful decision making, done on a bipartisan basis. And most of it has gone to fund either national defense or homeland security.

The choices we make in the Congress about how we allocate the people's money should be based on hard work and careful analysis. It should not be based on a simplistic review of the facts, nor should it be distorted by the save-your-hide mentality—the save-your-hide mentality—of an election year. Recently, the Congress approved a $5.1 billion emergency contingency fund, including $2.5 billion for homeland defense programs. Based on the recommendation of Office of Management and Budget Director Mitch Daniels, the President chose to cancel that funding, explaining that it was ''wasteful spending.'' Yet, with one exception, he chose not to identify the ''wasteful spending.'' Was it the airport security funding or the funding to secure our nation's nuclear weapons complex? Was it the funds to train and equip our Nation's firefighters? Was it the funding for veterans medical care or the funding to fulfill the President's commitment to fight the global AIDS epidemic? Which of these programs that protect American lives does the President consider to be ''wasteful''?

The President never answered those questions. Instead, the one example of wasteful spending that the President chose to give was $2 million for a single project, which the President himself has chosen to fund in the 2003 budget. If it was wasteful spending in 2002, why is it not wasteful spending in 2003? If it is worth spending in 2003, why not spend it in 2002? The rest of the money he did not spend, he gave no reason for withholding. It was money for homeland security. It was money to make us safer here at home. Sometimes, I just have to question the sincerity of an effort on homeland security which seems based almost wholly on sound bites.

The President, through his Director of the Office of Management and Budget, is currently working with the House Republican leadership to force the funding of the entire domestic side of the Government into a long-term continuing resolution for nearly half the fiscal year. Something is going on. They want to put the education of our children, the care of our veterans, and our investments in homeland security on automatic pilot at last year's funding levels because we are in an election year.

Last week, the President's chief economic adviser, Lawrence Lindsey, was asked by a reporter for the Wall Street Journal what he thought the cost of the war in Iraq might be and what the impact of that cost might be on our Nation's economy. He responded by estimating that the cost would likely be between $100 billion and $200 billion. How about that. That is just pocket change—small. Oh, somewhere between $100 billion and $200 billion. When asked what the impact of that $100–$200 billion expenditure would be on the economy, the President's chief economic adviser said, ''That's nothing.'' Nothing.

The administration believes that $100–$200 billion of spending on the war on Iraq will have no impact on the economy, but $13 billion more of needed spending on our nation's education, public health, veterans medical care and transportation systems is wasteful.

In just 2 years the projected $359 billion surplus for Fiscal Year 2003 has swung wildly to a projected deficit of $145 billion. The Senate Budget Committee estimates that of that $504 billion swing, $404 billion came from reduced revenues or interest payments on those reduced revenues. In other words, 80 percent of the lost surplus in Fiscal Year 2003 came from reduced revenues. Another 5 percent came from increased defense spending. Another 9 percent of the lost surplus came from expenditures related to the response to the attacks of September 11, 2001. Approximately 4 percent came from increased mandatory spending such as the farm bill. And, how about domestic spending? How much of the $504 billion swing in the surplus estimate came from domestic discretionary spending? Just 1 percent.

Just 1 percent of that dramatic swing in the surplus estimate for Fiscal Year 2003 came about from increased discretionary spending. Yet, this small portion of the budget is what the White House political manipulators will endeavor to highlight and blame for every blemish in our fiscal picture.

The game, of course, is to wrap the bills up, take them behind closed doors—aha, I have been behind those closed doors—take them behind closed doors, where this White House is most comfortable and do deals that benefit the White House. Never mind about the horrendous and irresponsible policy of government by continuing resolution. Never mind, never mind C.R.s.

Let me give you just a few examples of what will happen if we have a continuing resolution until March, compared to the levels in the bi-partisan

Senate Appropriations Committee-reported bills. Now listen:

The number of farm operating loans, during the most important part of the growing season, will be cut from 6,643 to 3,435. That is not all.

The number of multi-family homes built in rural America will be reduced by 2,500.

The number of homes in rural America that will be rehabilitated for low-income families will be reduced by 8,243.

The funding to help State and local governments—hear me now. Can you hear me now, Governor Wise, down there in Charlestown, WV? Governor Wise, listen.

Funding to help State and local governments develop their capacity to respond to or prevent terrorist attacks would be reduced from $2 billion in the Senate bill to only $651 million under the continuing resolution.

The Immigration and Naturalization Service is at a critical juncture in developing a comprehensive entry/exit system to protect our Nation's borders. Only $13.3 million would be available under a CR compared to $362 million in the Senate bill, resulting in a significant delay in this system.

I should repeat that statement.

The Immigration and Naturalization Service is at a critical juncture in developing a comprehensive entry/exit system to protect our Nation's borders. Only $13.3 million would be available under a continuing resolution compared to $362 million in the Senate bill resulting in a significant delay in this system.

The Securities and Exchange Commission would have to terminate all hiring, including 100 additional staff funded in the last supplemental to investigate corporate fraud.

Hear this now. Nuclear plants in Tennessee and Texas will have to lay off 240 security guards.

Every 6 seconds another person is infected with the AIDS virus. Every 6 seconds—1, 2, 3, 4, 5, 6—another person is infected with the AIDS virus.

AIDS has killed more than 25 million people, and at the rate at which it is spreading, the number of people to die of AIDS-related causes may reach 65 million by the year 2020—just 18 years from now. Each year, mother-to-child transmission of the AIDS virus kills half a million children, and infects another 600,000. On June 19, President Bush announced, with considerable fanfare, a $500 million initiative to save children from AIDS. He said: ''Today, I call on other industrialized nations and international organizations to join this crucial effort to save children from disease and death.'' Yet under a continuing resolution, international AIDS funding would be cut by $225 million.

Come, my western friends.

Critical funding for fighting fires that have been raging across the land would be eliminated;

$716 million worth of anti-terrorism, force protection projects sought by the Defense Department—projects that are designed to better protect our military installations at home and abroad from terrorist attack—would be put on hold.

More than $1 billion worth of family housing construction projects and another $1 billion worth of barracks construction would be stopped dead in their tracks. Military personnel and their families, already facing the strains of war, would be dealt further delays in what is their number one quality-of-life issue.

A long-term continuing resolution will severely undermine the ability of the new Transportation Security Administration to improve aviation security and security in all other transportation modes. Many of the requirements of the new Transportation Security Act are going to require large expenditures in the first quarter of fiscal year 2003. These expenditures involve continued purchases of explosive detection equipment to keep bombs from being placed on our airliners. Funds are also needed to hire new federal screeners and make our nation's seaports more secure.

A long-term continuing resolution will likely result in the bankruptcy of Amtrak. Amtrak is still just barely surviving, managing its available cash to survive on a day-to-day basis until Congress can provide it a major necessary cash infusion as part of the appropriations process for 2003. If we suspend the completion of the appropriations process until the third quarter of the year, Amtrak will be declaring bankruptcy before Christmas. Bye, bye, Santa Claus.

A long-term continuing resolution would seriously undermine air safety. Just this past summer, we came within weeks of seeing the FAA furlough air traffic controllers for lack of available funding. A long term continuing resolution at current rates would result in not replacing the hundreds of air traffic controllers, safety inspectors and maintenance technicians that would retire or leave the agency during the first half of the fiscal year. The safety of our skies will be left to a continuously dwindling number of controllers. All this would be happening at a time when we are trying to get Americans to fly again after the events of September 11.

A long-term continuing resolution would result in the Customs Service having to defer the hiring of more than 628 inspectors and agents for posting at high-risk land and sea ports-of-entry.

Come on, now. Hasn't the President been out there talking about how we should ram through this homeland security bill?

A long-term continuing resolution would result, as I say again, in the Customs Service having to defer the hiring of more than 628 inspectors and agents for posting at high-risk land and sea ports of entry.

A long-term continuing resolution means thousands of FEMA fire grants, grants for interoperable communications equipment, grants to upgrade emergency operations centers, grants to upgrade search and rescue teams, grants for emergency responder training and grants to improve state and local planning would be delayed for at least 5 months.

Under a long-term CR, the VA health care system will be funded at a level that is $2.4 billion short of the level proposed in the Senate passed fiscal year 2003 VA-HUD bill. Without increased resources, VA may not be able to sustain open enrollment for all veterans.

Here it is. Friends, Romans, veterans, lend me your ears.

There are currently over 280,000 veterans on waiting lists for VA medical care. Under a long-term continuing resolution, the waiting list will more than double.

The VA will schedule 2.5 million fewer outpatient clinic appointments for veterans, and 235,000 fewer veterans will be treated in VA hospitals.

And these are only the items—I have just named a few—these are the only items which can be known and computed at this time. Only God knows—only God knows—what other nasty little problems will result from the OMB's—the Office of Management and Budget's—interpretation of the continuing resolution.

If President George W. Bush is planning to take our Nation to war again in the Persian Gulf, the American people should not have to worry about whether we are securing our homeland, whether their children are in small classes, with qualified teachers, whether Amtrak will go bankrupt or whether our veterans are getting proper care. This President, so eager for war abroad, should pause for a moment, and lay aside the war plans long enough to work with the Congress on a prudent and responsible level of spending here at home for the American people.

Madam President, I yield the floor.

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. DAYTON. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

Mr. DAYTON. I thank the Chair.

Madam President, I would like to ask the distinguished Senator from West Virginia, if he has a minute, a question.

The President took office saying he was going to change the tone of the debate in Washington. The Senator has served with a number of other Presidents—Democrat and Republican—in the past. I wonder if the Senator believes that the tone has been changed for the better or for the worse?

If I am not correct, hasn't the Senator attempted, on numerous occasions, to work in a constructive and cooperative fashion with the White House

in fashioning this budget, this spending plan; and hasn't the Senator been rebuffed in those efforts?

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. May I respond to the distinguished Senator from Minnesota. If the Senator is referring to the numerous occasions on which my dear colleague, Senator TED STEVENS—who sits across the other side of the aisle—and I sought to have the President send up to the Senate Appropriations Committee, as a witness, the distinguished former Governor of Pennsylvania, the Homeland Security Director, Mr. Tom Ridge, the answer is, yes, yes, yes. And we met with failure in all of our efforts.

We even wrote to the President, asking that he have Senator STEVENS and myself come down to the White House and appear before the President to make our case.

Mr. DAYTON. Madam President, may I also ask——

Mr. BYRD. May I say, Senator STEVENS and I weren't even shown the courtesy of a response from the President. Some of his underlings—I have great respect for them—some of his underlings responded: The answer is no.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DAYTON. I appreciate the Senator's candor with regard to the numbers that have been presented here today because it is my understanding—and I am glad the Senator refreshed my memory—that the spending proposals that the administration has sent to the Congress were, in fact, a significant increase, 9 percent, or I believe the Senator said a 13-percent increase in discretionary spending from this fiscal year over to the next, an unheard of increase in discretionary spending.

It is also my recollection—I believe the Senator pointed this out—that, with the change in the budget predictions, the country has gone from looking at surpluses over the next decade to looking at a string of deficits over the next decade.

It is this Senator's impression that the administration is trying to put the blame for this fiscal disarray on the Senate or on the House when, in fact, it is the administration's own tax and spending proposals which have created these deficits for this year and for next year, and for as far as the eye can see, and has caused this financial burden to be placed on future generations.

It seems to this Senator that this administration is trying, with these tiny little numbers, relatively speaking, to put the blame where it does not belong, which is on this body.

I wonder if the Senator will comment on that.

Mr. BYRD. Mr. President, the Senator is correct. The Senator from Minnesota is very perspicacious in his observations.

I am at a loss to understand why we should not be working on our appropriations bills. Here we have had one on this floor stalled for many days.

The distinguished Republican chairman of the House Appropriations Committee and the Democratic ranking minority member over there, and the ranking minority member over on this side of the Capitol, Senator STEVENS, and I have talked about it, moving our bills.

We had a meeting a few days ago, and the very able chairman of the House Appropriations Committee, Mr. YOUNG, from Florida, importuned me and my friend, Senator TED STEVENS, to please have a meeting with the able Speaker of the House and with the majority leader of the House and with the chairman of the House Appropriations Committee and the ranking member of the House Appropriations Committee—have a meeting and explain to them how necessary it is for us to move, get on these appropriations bills, have the conferences, bring back the conference reports, show some action, some progress on these appropriations bills.

And we got a turndown. We got a turndown, from what I understand through my staff. The House leadership, for whatever its reasons, did not want to have that meeting.

So here we are, marking time. Time is passing. We will soon be at the beginning of a new fiscal year, and the appropriations bills are dead in the water. Why?

Mr. DAYTON. Will the Senator yield for another question?

Mr. BYRD. Yes, I yield for a question.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DAYTON. I thank the Chair.

On that subject, I say to the Senator, I recall last year, with the new administration, there was considerable delay in the Senate receiving the administration's spending request, so there were delays in the process resulting from that. This year I believe the chairman of the Appropriations Committee took great measures to assure a timely disposition of these spending bills.

It is my understanding that the Senate Appropriations Committee reported these measures out in a very expeditious fashion so they could all be passed by the Senate and conferenced before the beginning of the new fiscal year.

Is that the record as the chairman has lived through it?

Mr. BYRD. Madam President, that is an accurate statement on the part of the able Senator from Minnesota. I believe the Appropriations Committee in the Senate completed our 13 appropriations bills almost 2 months ago—July 25, the earliest since 1988. If the world wants to see a committee that really operates in a bipartisan way, take a look at the Senate Appropriations Committee.

The Republican former chairman, Mr. STEVENS, and I and all of the members on that committee, Democrats and Republicans, work together. The subcommittee chairmen and the ranking members of those subcommittees work together. There is no bickering about politics in that committee.

Again, we have reported these 13 appropriations bills, and they have been just hanging out there. We can't get any movement. We can't get any work done. Why? Why all this holdup?

Why doesn't the White House, instead of pointing the finger at the Senate and saying, they are guilty of wasteful spending, or pointing to the Congress and saying, pass my homeland security bill, why doesn't the White House meet its responsibilities to the American people and provide homeland security by signing those appropriations bills?

No, the President apparently was advised by persons who seem to prefer to play politics over serving the American people by moving these appropriations bills and enhancing the homeland security of all Americans.

Mr. REID. Will the Senator yield for a question?

Mr. BYRD. I will gladly yield.

Mr. REID. Would the distinguished Senator from West Virginia explain to the American people what he and Senator STEVENS did so that all 13 appropriations bills would be within the so-called budget so that we would not exceed numbers that, if we had come here and passed a budget, it would have been the same?

Mr. BYRD. Madam President, the able Senator from Alaska, Mr. STEVENS—a man who is deserving of the title of ''The Alaskan of the 20th Century''—and I always work together closely. Our subcommittee chairmen and our subcommittee ranking members are equally as determined to serve their country by moving these appropriations bills along.

Senator STEVENS and I take the position that if Senators offer an amendment that puts us over the spending level, over the point where there have to be offsets, there will be offsets. The Senator from Alaska and I take a stand together. We will oppose amendments that add up to reckless spending. We don't have that in our committee. It is a fine example, and I am so proud of the service of Senator STEVENS. But our subcommittee chairmen and ranking members are just the same.

The Senator from Nevada is the chairman of the Energy and Water Subcommittee of the Committee on Appropriations. He and Senator DOMENICI work together the same way in their subcommittee.

Mr. REID. Will the Senator yield for another question?

Mr. BYRD. Yes.

Mr. REID. All 13 subcommittees, under the direction of Senators BYRD and STEVENS, made sure that we brought our bills out under the so-called 302(b) allocations, even though we didn't have them; isn't that true?

Mr. BYRD. Absolutely true.

Mr. REID. So all the Senate bills we passed were not budget busters; is that a fair statement?

Mr. BYRD. None of them were budget busters.

Mr. REID. If someone came to the floor and said: The reason we can't pass appropriations bills is because we haven't passed a budget, would it be a fair statement to say that is without basis in fact?

I should say, we don't have a budget, but as far as being the reason we don't do appropriations bills, that wouldn't be a very good reason, would it?

Mr. BYRD. No. We agreed in the committee that we would have a certain top line. We voted for that top line. It was unanimous, Republicans and Democrats there, and Republicans and Democrats in the Senate voted for that $768 billion top line. Yet the administration insists on standing by the $759 billion figure. That is just a $9 billion difference, just $9 billion. We are hung up over that $9 billion.

Ask the chairman of the Appropriations Committee in the House. He knows what the problem is. He knows that the administration has its feet in concrete when it comes to that top line figure. He, the chairman on the House side of the Appropriations Committee, knows that we need that top line which we in the Senate have already agreed on, $768 billion, if we are to come close to meeting the needs of the American people, talking about homeland security also.

Mr. REID. What the Senator is saying is for the Defense appropriations bill, which was approximately $350 billion, you are saying the other 12 appropriations bills were $9 billion over what the Office of Management and Budget wanted; is that what the Senator is saying?

Mr. BYRD. I am saying that is the difference, $9 billion. That is all that is holding us from going forward. Yet Mr. Lawrence Lindsey, the President's economic adviser, says with respect to what the anticipated cost of the war in Iraq will be——

Mr. REID. Up to $200 billion.

Mr. BYRD. Somewhere between $100 billion and $200 billion, chicken feed. That is nothing, he says. That is nothing. Yet $9 billion is like a bone in the throat to this OMB Director down here, Mitch Daniels, and the President and the administration. They are hung up on $9 billion. But when it comes to Iraq, no; $100 billion, no, $200 billion, no.

Mr. REID. One last question to the Senator from West Virginia, if we passed all of our appropriations bills out of here, including the Defense bill, passed them and took them to the House, we still have to go to conference; is that not true?

Mr. BYRD. That is true.

Mr. REID. And maybe if the President made a good case in conference, we would come back with less than $9 billion over the OMB; is that right?

Mr. BYRD. Well, I suppose if there were a good case made. But the good case has already been made to the contrary that we need that $9 billion more.

Mr. REID. But my point is that the process has been going on for 215 years. The House does its work; the Senate does its work. We go to conference. There you work out differences. It is my understanding they are not letting us pass bills because they are not passing House bills that we can even go to conference.

Mr. BYRD. Absolutely. The House has not passed the appropriations bills. The House Appropriations Committee—no fault of the Republican chairman of that committee and others on the committee—has not passed, has not reported out all of the 13 bills in the House. The House has reported eight bills. The House Appropriations Committee has reported 8 of the 13 bills. I am just talking about the reporting out by the committee.

We haven't done very well over here, either, because we are stalled on the Interior appropriations bill which has been before the Senate now for many days.

Mr. DAYTON. Will the Senator yield for one more question?

Mr. BYRD. Madam President, I yield for a question.

Mr. DAYTON. From what I understand from the discussion, the Senate Appropriations Committee has come out on time and on budget, and yet we are hung up in these delays. The Senator who chairs that committee, who has done everything right in order to meet these deadlines, today is on the Senate floor expressing the catastrophic effects that will result across the country from the failure to meet these deadlines.

This Senator presides a great deal and has not heard anyone else come before the Senate to express his dismay at the human consequences of the failure to come to this agreement.

I thank the Senator for bringing these matters to the attention of the Senate and ask, as a final question: What can we do now to try to stave off these catastrophes?

Mr. BYRD. Madam President, I hope the administration will come to its senses and stop playing politics. What I say, I say with great respect personally and individually to the leadership of the House, but for political reasons the House has not passed an appropriations bill—not a single one—in 9 weeks.

I have been in Congress now 50 years this year, and I don't recall, may I say to the distinguished Senator from Pennsylvania over here, ever in any administration, Democratic or Republican, seeing the likes of this. The House will not move its appropriations bills. The House is getting orders from on high—from on Mount Olympus, up there with the gods. So there we are. We are stalled, dead in the water. Here we are, within a few days of the new fiscal year.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

Mr. BYRD. Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Madam President, one quick comment about being stalled. I suggest that in defense of my colleagues in the House—and I try to be a defender of them in the Senate—I suspect one of the reasons is that we don't have a budget. It is very hard to mark up appropriations bills when you don't have an agreement between the two bodies. I think that is difficult.

The fact that the Senate has not passed a budget has put us in a situation where we have been unable to get conference reports—or even bills passed, in some cases—because of the uncertainty of what those numbers are.

Mr. BYRD. Will the Senator yield?

Mr. SANTORUM. I yield for a question.

Mr. BYRD. I will try to put a question mark after it. The House has a bill. We, on this side, agreed on it, and we had a vote in the Senate not too long ago. We got 59 votes; we lack 1 vote, or we would have had a budget. I hope we have another opportunity to vote.

Mr. SANTORUM. Madam President, yes, the House does have a budget, but the Senate does not. The Senate's top line number is higher than the House's. That is why we go through the budget process, so that we can have agreement between the two bodies on the top line number, and we can apportion the money accordingly. There is a discrepancy between the two bodies. That is what creates the problem for the House in being able to move their appropriations bills—that trap into which they may be entering.

That is not the reason I got up to talk. I know the good Senator has spent considerable time talking about this, and I respect his opinion. I wanted to very politely disagree with some of the conclusions in his discussion.

Mr. BYRD. Madam President, I didn't know the Senator disagreed with me.

Mr. SANTORUM. With the conclusion. My mother always told me to try to disagree without being disagreeable. I am trying to do that at this time.

Mr. BYRD. Well, the Senator is talking about mothers now.

Mr. SANTORUM. I figure I am on solid ground in that regard.

Mr. BYRD. Maybe.

THE CARE ACT

Mr. SANTORUM. Madam President, I rise to talk about an issue of grave importance. The Presiding Officer is from New York, and she knows of the great tragedy that has befallen her State as a result of 9/11, and the tremendous generosity that has been pouring out to the victims of terrorism in New York, northern Virginia, as well as Pennsylvania.

What I am sure Members know also is that, as a result of that tremendous outpouring of giving, in a lot of other

areas of the country charitable giving is actually off between 20 and 25 percent. Overall, charitable giving is up, but it has been channeled—legitimately so—toward the victims of terror.

As a result of that, and for other reasons, too, Senator LIEBERMAN and I have been working diligently with the President and our colleagues in the House to try to get a bill through the Congress this year because of its timeliness. It is a 2-year bill to try to get emergency help to faith-based organizations—but, frankly, if you read the legislation, to all nonprofit organizations that are out there trying to improve our society. This is a bill targeted at charitable organizations in an attempt to get more resources to them at a time when we have economic distress, wartime distress, as the war on terror goes on, and the distress coming from the terrorist attacks in the United States.

We are trying to respond in a compassionate way with resources to the very organizations that really do meet the human services needs. We are working in the Senate on a strong, bipartisan basis to try to find a consensus.

Now, this issue of the President's faith-based initiative has attracted a lot of controversy. Basically, it is centered around the issue of employment discrimination for those who would receive Federal dollars, whether they would be allowed to—because they are religious organizations—discriminate in employment.

Senator LIEBERMAN and I have attempted to build a bipartisan consensus to try to move a bill through the Senate and have chosen to set that issue aside, basically. Probably Senator LIEBERMAN and I have different views, and there are different views probably on both sides of the aisle. We thought this issue was so important, getting these resources at a time of economic need, at a time of war, to the nonprofit organizations was so important that, even though I believe this hiring discrimination language for nonprofit organizations is important, I was willing to set it aside. The President has agreed to set this aside in order to get bipartisan consensus to really work in the sort of bare bones, or the nuts and bolts, of what the President's initiative was about—getting help to charitable organizations, or to the ''armies of compassion,'' as he terms it.

Senator LIEBERMAN and I came up with the CARE Act, and I thank Senators BAUCUS and GRASSLEY. It has moved through the Finance Committee and has broad bipartisan support. It has the Presiding Officer's support and also the majority leader's support. He has announced his support for the legislation. It is, I believe, from most people's perspective, a noncontroversial bill.

There are some who I understand have some concerns about the legislation. We have some on our side, and I understand there are some on the Democratic side of the aisle with specific provisions of the bill. Over the past several months, Senator LIEBERMAN and I have been working with our leadership and the Democratic leadership trying to clear this legislation so we can get the bill considered on the floor, with some sort of time agreement, because we are close to wrapping up the session, and with some limitation on amendments.

I would be perfectly willing to allow for two, three, four, five, or whatever amendments are necessary to meet objections on both sides of the aisle. Frankly, I don't see many objections, per se, to the bill, although I understand there are some. I also know there are people—because this is a tax bill—who would like to see a variety of tax issues considered on this bill. I am willing, if that is how we will reach a consensus, and I think Senator LIEBERMAN will be willing to debate those.

We have been informed by the majority leader that he does not want that debate. He would like to limit this to one amendment on each side with a relatively tight time agreement. That was a little bit of a heavy lift from our side of the aisle, but I proceeded, with the help of the rest of our leadership team, to work through our side of the aisle to get some amendments in the managers' package, and from that side of the aisle also. Yet we came down here with, yes, we can whittle it down.

In fact, last week we cleared a unanimous consent request for one amendment on our side—the one by Senator GRAMM from Texas, who has an amendment to a provision that isn't in the CARE Act, but it is in the package on the floor. Senator GRAMM would like to have an amendment. We submitted that to the Finance Committee 2 weeks ago and to the Democratic leader 2 weeks ago. They have been able to review that amendment. We have been working on a managers' amendment, and last week we were able to get a consensus. I thank Senators GRASSLEY and BAUCUS and their staffs for working diligently in trying to run through and get the consensus managers' amendment, which has been shared with my Republican colleagues.

It is a rather voluminous amendment, I might add. It is 200-some pages. That amendment was shared—and I thank the Finance Committee staff—with the Republican leader and with the minority Finance Committee members. We have that amendment. It is my understanding that amendment has been cleared on both sides.

We are at a point now where we have an amendment that has been available for 2 weeks on our side of the aisle. We have been able to hold off all other amendments, and I guarantee I have a long list of Senators who would like to offer amendments to this bill. But in the spirit of trying to pass what I believe is very important legislation—and I think most Members would agree getting help to charitable organizations during a time of economic stress and war is a good thing to do. It is a short period. It is not a long and permanent change to the Tax Code. It is a short period of infusion of resources into the charitable community. We now are at a place where we can try to move forward.

I know the Senator from Nevada, who is in the Chamber, the Senator from Connecticut and the Senator from South Dakota, Mr. DASCHLE, have been trying to work on the Democratic side of the aisle to clear this amendment and this bill and try to get unanimous consent.

I will propound a unanimous consent request, and I am curious to hear the comments from the majority whip as to where we are in the state of play on the Democratic side of the aisle at this point. The reason I do so, I want to announce beforehand, is that last week when I came to the floor, having worked this now for several weeks, I said it is important we try to bring this issue to a head, and if we could not get a unanimous consent agreement offered by the leader that I would do so to attempt to provide to the Senate a better understanding of where this process stands and the likelihood for success in getting this done between now and the end of the session.

UNANIMOUS CONSENT REQUEST

Madam President, I ask unanimous consent that at a time determined by the majority leader, after consultation with the Republican leader, the Senate proceed to the consideration of Calendar No. 496, H.R. 7, which is the House-passed President's faith-based initiative, and that it be considered under the following limitation: That there be 1 hour for general debate on the bill equally divided between the two managers; that the only amendment in order, other than a managers' substitute, be the following: One first-degree amendment offered by Senator REED of Rhode Island regarding charitable choice; and one first-degree amendment to be offered by Senator GRAMM of Texas regarding land/water sales or exchanges; that the amendments be limited to 60 minutes each to be divided between the proponents and opponents.

Finally, I ask unanimous consent that following the disposition of the above amendments and expiration of debate, the bill be read for a third time and the Senate proceed to a vote on passage of the bill, with no further intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Madam President, reserving the right to object, I think there is agreement by the vast majority of Senators on both sides of the aisle that this faith-based bill is important; that it is an important initiative we need to address. Fortunately, Senator LIEBERMAN, who has worked hand in hand with the Senator from Pennsylvania, is in the Chamber. I do not know

of anyone better qualified to work on this issue than the Senator from Connecticut, who has devoted much of his life to issues such as this and sets an example on faith-based issues generally. We should listen to him, and certainly we will.

Senators LIEBERMAN and SANTORUM have crafted a bill that avoids many of the pitfalls some believe are contained in the House bill. As the Senator from Pennsylvania knows, we have also diligently worked to secure a unanimous consent agreement that would allow for consideration of this important legislation.

It is frustrating. We have not yet been able to work it out, but there is a lot of frustration on a lot of different issues in the Senate at this time.

We have been advised by a number of Senators, as late as this morning, that we need more time to work through some of the details of this unanimous consent request.

Again, I appreciate Senator SANTORUM's and Senator LIEBERMAN's commitment to this issue, but I object at this time.

The PRESIDING OFFICER. Objection is heard.

The Senator from Connecticut.

Mr. LIEBERMAN. Madam President, if I may, objection has been heard, but I thank both my colleague from Pennsylvania and my colleague from Nevada for their statements. I share the frustration of the Senator from Pennsylvania and the disappointment with our inability to reach an agreement to allow for consideration of the CARE Act, which started out much broader. We have worked on it and really got it down to its essence and it is a good bill. It employs an expanding number of tax incentives to encourage charitable contributions.

The Senator from Pennsylvania said not just faith-based organizations but all charitable organizations. It is kind of a community-based or civic-based, nonprofit-based bill. It has the support of 22 cosponsors in the Senate. The occupant of the chair, the junior Senator from New York, is one of our original cosponsors. It is supported by the President, by the majority leader, Senator DASCHLE, as we said, and by 1,600—I repeat, 1,600—religious and community groups and social service providers, large and small, across the country.

We ought to pass this bill. It is one of the best bills we take up this year for not just faith-based groups but for our communities.

For reasons that are sometimes clear and sometimes not, some of our colleagues are holding up action on the CARE Act. Some who are objecting have not yet disclosed their identity. Given the fact that time is slipping away in this session, I appeal to my colleagues to not let this opportunity to help make our country as good as our values slip away, and let's particularly not squander the bipartisan consensus we have achieved on this method of transforming the good will in our country into more good work.

A lot of effort has gone into crafting this bill by people on both sides. I particularly thank Senator DASCHLE and his staff for the work they have done. Ideally, we can agree, as the Senator's unanimous consent proposal stated, to have one amendment on each side. Maybe we could agree on a couple more, if that is necessary. Let's have an open debate. Let's move the bill forward. Let's deliver this unique CARE package to its rightful destination, which is on the President's desk.

I hate to have Senator SANTORUM and me in a position where we start to look for a vehicle to which we can attach this as an amendment. We should not have to do that. I hope, working together, we can avoid that and get this legislation passed.

I thank my colleagues, and I yield the floor.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

The Senator from Oklahoma.

LEGISLATIVE PROGRESS

Mr. NICKLES. Madam President, I will make a couple of comments concerning the budget and the appropriations process. A couple of days ago we heard the majority leader being very critical of the President, talking about his lack of working with Congress and it is his fault we have a budget deficit. Earlier today, we heard the chairman of the Appropriations Committee being critical of the President. It looks like a lot of people are throwing rocks at the White House. Maybe that is the easy thing to do, but we should be looking internally and saying: What have we done?

We have not passed a budget, and because we have not passed a budget for the first time since the Budget Act was passed in 1974, we do not have a budget that has the same figures with the House. Every other year—and I have been in the Senate for 22 years—we have always had a budget.

Basically, the House and the Senate agree on numbers and then we pass appropriations bills. Every year we have been able to do that, except for this year. We have less than a week to go. Next Monday the fiscal year expires, and we have passed 3 out of 13 appropriations bills. That is probably the worst record in Senate history—certainly since the Budget Act passed. Shame on us.

And then to say it is the administration's fault or it is the House's fault—I heard somebody say it is the House's fault because the House has not passed very many. That is not our constitutional responsibility. Our responsibility is to pass our bills. We do not have to wait for the House. The tradition is, the Senate waits on the House, but we do not have to wait on the House. We certainly do not have to spend 4 weeks on the Interior appropriations bill.

This is our fourth week on the Interior appropriations bill. The Interior bill can, could, and should be done in 1, 2 or, at most, 3 days. It is ridiculous to think we have been on the bill for 4 weeks, and we still do not have an end in sight.

Some have said the Republicans are filibustering the bill. No Republican is filibustering the Interior bill and no Republican is filibustering the homeland security bill; none, not one. We have offered an amendment. I noticed the Democrats offered an amendment. They are entitled to offer amendments. We are entitled to have votes on those amendments. For some reason, the majority has come to this conclusion to file cloture.

Filing cloture on the Interior bill does nothing. Even if cloture was granted, it does not prohibit somebody from offering an amendment. They filed cloture on an amendment, not on the bill. So that process is going nowhere fast.

Now we have another cloture vote scheduled on homeland security, as if that is going to deny us having a chance to vote on the President's homeland security bill. That is not going to happen. It should not happen.

My compliments to Senator GRAMM and Senator MILLER. They have put together the President's package. They have made some modifications to try and accommodate Members. They are entitled to a vote. This idea of we are going to have cloture on the bill so they will not be able to offer their amendment is absurd, and it is not going to happen. So people can file all the cloture motions they want, but it does not move the process of the Senate.

We can move it. We can pass these bills. On the Interior bill, all someone has to do is move to table the amendment. Let's find out where the votes are. That is what we used to do. If the managers of the amendment do not like it, they can move to table it. They do not need to file cloture. They do not need a supermajority; just move to table it. It may well have the votes.

Certainly the President is entitled to have a vote on homeland security. It would be absurd to invoke cloture so that amendment would not be allowed. It brings home the fact the Senate is dysfunctioning; the Senate is not working. We had a very important energy bill. Did it go through committee? No. Did Senators who have experience and expertise in the energy issues get to mark up the bill? No. It came on the floor of the Senate. We spent 6 or 7 weeks working on marking up the bill on the Senate floor, and now it is in

the conference. Hopefully, something will come out of that.

Did the Senate pass a prescription drug bill? No. Was it marked up in the Finance Committee? No. Did we have a markup? Did Members on the Finance Committee, some of whom have experience and expertise on prescription drugs and Medicare—every major Medicare expansion has passed through the Finance Committee in a bipartisan vote. We did not have a markup this year. We did not even have a chance to offer amendments. Yet we spent 2, 3, 4 weeks on the floor trying to mark up something on the floor with no result, with no prescription drug benefit being offered. The House was able to pass it. We were not.

The same thing is true for the Medicare give-back bill. The House was able to do that, in conjunction with the prescription drugs. Some are saying let's put together a give-back bill and run that through.

We are going to give providers, hospitals, and doctors more money, but we are not going to give prescription drugs to seniors who really need them, who do not have them, or who are maybe low-income? I am not sure that is very fair.

The Senate is flat not working.

In the Finance Committee last week, we are going to have a small business bill. Two or three Senators put together a bill, $16 billion. There are some tax increases. There was no consensus whatsoever in doing it, except maybe to help somebody politically, but it was not a question of, is this really going to stimulate small business?

Most people realize it is a stalking horse for a person to offer a minimum wage increase which really would hurt small business.

I look at the number of judges, and we have confirmed 78 judges. Some say that is great. In President Bush's first 2 years, 78 judges have been confirmed, which is 61 percent of the judges that he has nominated. Maybe that sounds pretty good, but in looking at President Clinton, he got 129 judges in his first 2 years. He got 90 percent of his judges; President Bush has 61 percent. President Bush 1 got 71 judges. That was 93 percent of the judges he nominated. President Reagan got 89 judges, which was 98 percent of the judges he nominated in his first 2 years, but President Bush only has 61 percent.

When it comes to circuit court judges, the President only has 14 of 32. He has 43 percent of his circuit court judges confirmed. For whatever reason, it seems as if the majority, the Democrats on the Judiciary Committee, do not want circuit court judges to be appointed by President Bush, so they are holding up several outstanding, well-qualified nominees, for ages.

Miguel Estrada is finally going to get a hearing on Thursday. He was nominated a year ago May. He has argued 15 cases before the Supreme Court. He has outstanding qualifications, graduated the top of his class from Columbia and Harvard, was an assistant U.S. attorney, and an assistant solicitor. He finally gets to have a hearing.

Then there is John Roberts who was nominated a year ago May. He has argued 35 cases before the Supreme Court, and he is yet to get a hearing, probably will not get a hearing this year. What is fair about that?

When people are patting themselves on the back because we have confirmed 78 judges and they are saying that is a lot, well, not when Bill Clinton got 90 percent and President Bush gets 61 percent; not when the current President Bush gets 43 percent of his circuit court judges and President Clinton got 86 percent. President Bush 1 and President Reagan both got 95 percent of their circuit court judges.

All of a sudden, when it comes to circuit court judges, we are just going to go slow on those; they are going to have to wait a year and a half to get a hearing, if they get a hearing. I do not think that is fair.

If we add together the fact that we have not done a budget, we have not done appropriations bills, we have not been confirming the number of judges that we traditionally have for the previous three Presidents, when we have not done a prescription drug bill, when we have not marked up an energy bill through the committee so it is stuck in conference, this Congress, this Senate, has not been working.

For people to say it is the President's fault or it is the House's fault, I disagree. The House has been pretty productive in their legislative efforts. They passed a prescription drug bill. They passed a budget. They have passed more appropriations bills than we have, and they would have passed more had we passed a budget. If this Senate would have passed a budget—which, incidentally, 60 votes are not needed to pass a budget. Fifty-one votes are needed to pass a budget. If this Senate would have passed a budget, these appropriations bills could have gone forward.

To cast aspersions blaming the House or the President for not getting the work done, the blame belongs right here. The Senate has not done its work. We have not passed a budget. We have not passed appropriations bills. Next Monday is the end of the fiscal year. Shame on us. This is the first year I have been in the Senate that we have not gotten our work even close to being done. It is not as though the bills are stuck in conference and we have not resolved the differences. We have not gotten the bills out of the Senate, and that is really not very acceptable.

The Senate needs to work. We need to do our work. We have not done our work, certainly this past year.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. CANTWELL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

ORDER OF PROCEDURE

Mr. REID. Madam President, we have a number of Members on the minority side who wish to speak. The Senator from New Hampshire has been waiting for quite some time. He actually wants to offer an amendment on this bill. With the Gramm amendment pending, we would rather he didn't do that at this time. It is my understanding Senator DEWINE wishes to speak as in morning business.

Mr. DEWINE. Actually, it is on the bill.

Mr. REID. On the bill? You are not planning to offer an amendment or anything at this stage?

Mr. DEWINE. No, I am not offering an amendment.

Mr. REID. I see that the floor staff has returned. Could we have the ability to enter into an agreement at this stage?

Mr. GREGG. I suggest that I speak for 10 minutes with the understanding that no amendment be offered, and the Senator from Ohio be allowed to speak for 10 minutes with the understanding that no amendment will be offered.

Mr. REID. It is my understanding the Senator wishes more than 10 minutes.

Mr. GREGG. Twenty minutes?

Mr. DEWINE. Fifteen.

Mr. REID. Madam President, I ask unanimous consent that—we don't have the agreement yet worked out—the Senator from New Hampshire be recognized for up to 10 minutes to speak as in morning business and that the Senator from Ohio—it doesn't matter, you can speak on the bill if you would rather. We are on the bill, so the Senator from New Hampshire will be allowed to speak for up to 10 minutes on the bill, and then the Senator from Ohio will be allowed to speak for up to 15 minutes on the bill. There would be no amendments offered by the two Senators, and following the statement of the Senator from Ohio, the Senator from Nevada would be recognized.

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

HOMELAND SECURITY ACT OF 2002—Continued

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (H.R. 5005) to establish the Department of Homeland Security, and for other purposes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Madam President, I thank the leader for his courtesy in orchestrating this so I can speak briefly. I hope to offer an amendment, and I

want to outline what the amendment is. I understand that the parliamentary situation, or the order of events, is that Senator GRAMM has the first amendment and, until that is worked out, this amendment will not necessarily be in order.

This amendment will address a very significant issue. It is a sense-of-the-Senate amendment dealing with the question of how we are dealing with the national policy on the smallpox vaccination.

As many people in America are probably aware, smallpox is probably one of the most virulent potential biological weapons that can be used anywhere in the world. It had, however, been significantly contracted in its availability. There were only two sites that actually possessed the actual smallpox germ; one was in Russia and the other was in the United States. Both of those were considered to be very secure. There is, however, concern that other individuals in the world may be trying to develop a smallpox strain, and if they are able to do that, the potential for devastating biological attack would be overwhelming.

I think it is important that people understand, as a preface to this issue, that, if a smallpox epidemic—or even a single incident of smallpox—breaks out anywhere in the world, it is reasonable to assume today that it is breaking out because there is somebody who has possession over the smallpox strain and is willing to use it in an aggressive, violent way and is willing to use it in a terrorist act. In other words, there is no way today you could have a natural breakout of smallpox anywhere in the world.

If, for instance, a single case of smallpox were found somewhere on the North American continent, one could immediately presume that terrorists had possession of the smallpox disease and were willing to spread it. That has a huge potential for loss of life.

Smallpox is a disease that spreads extremely quickly and is hard to control. How do we address this? Essentially, because we thought we had beaten smallpox as a disease, we didn't have in place a large stockpile of vaccination as a nation, or even across the world. There is very little stockpile of vaccine. We did have some stockpile and it was quite old—approximately 15 to 30 years old. It was a small amount. But after determination, it is now thought that even that small amount can be subdivided and we can produce maybe as much as 70 million doses.

We are in the process of developing, on the production side of the agenda in the U.S., with the pharmaceutical companies—and not only here but overseas—the capacity to bring online large amounts of dosage of smallpox vaccine. We expect that we will have enough dosage of smallpox vaccine within a relatively short time that, if we desire to do so, we could vaccinate every individual in our Nation.

Why don't we immediately do that and make that our national policy? The reason the decision has not been made to go forward to vaccinate the entire country is that there is a downside to the smallpox vaccine as it is presently developed; that is, approximately 1 percent of the people vaccinated, we know, will be significantly harmed and possibly even die. If you vaccinate 260 million people, you are looking at a significant death toll—in the hundreds, at a minimum—as a result of that vaccination regime. We know who those people usually are. They are usually people suffering from certain types of allergies, and we know they are people who are aged, infirm, or who have other weaknesses in their immune systems.

What has been the policy decision so far? The first policy decision, on which I greatly congratulate this Congress and the administration, was to put in place the regime so we could produce an adequate amount of vaccine. The second policy put forward as the concept of how we will address the smallpox breakout is that we will do a concentric circular event. In other words, we will surround the incident of smallpox with a vaccination of everybody in the area in an expanding circle. It is a pebble in a pool approach. If somebody threw a pebble in the small pond, it spreads outward. In the event of a smallpox outbreak, we are going to vaccinate everybody around the people infected, hopefully, containing the output. That is the plan as it is presently proposed. In addition, the plan is to vaccinate all first responders in the country.

What is the problem with that plan? It is very unlikely that our public health capability would allow us to vaccinate enough people fast enough to make the concentric circle approach be absolutely secure. We would probably experience an expansive medical emergency that would lead to a fairly significant loss of life should a single case of smallpox break out in the United States.

I am not saying it is not a reasonable approach, but it is an approach that probably has a significant likelihood that it will not be totally successful. We will have a significant success rate, but the success rate will be limited. Therefore, the loss of life will still be significant.

What is America to do? Basically, I think we can place confidence in our public health community that the vaccines are being developed and brought online. In addition, I believe we should, as a national policy, be willing to say to any American, once we have the smallpox vaccine in place, that in order to vaccinate the population generally—and it will be in place certainly by next June, and maybe earlier—we should be able to say to any citizen who feels strongly that they want to be vaccinated that you may be vaccinated.

In addition to the concentric circle approach, which I endorse, we should be able to say, if you are an American citizen, you have the right to go to your medical practitioner and ask them for a smallpox vaccination. If the physician determines you are not in an adverse category and that it is appropriate for you, thus, limiting the loss of life as a result of the 1 percent problem, then you ought to be able to get that vaccination.

That is what this sense of the Senate says. It says that, once we have obtained the necessary dosage level, which has been federalized, in order to vaccinate our population generally, then any American citizen will have the right to go to their physician and obtain that vaccine and be vaccinated.

It makes great sense to do this because, as a practical matter, it will first bring a calmness to the circumstance, which is important. Secondly, should there be an outbreak, it will obviously mean that a large percentage of America has been vaccinated already. Many people, I suspect, will take advantage of that option if it is out there.

Thirdly, I think it is good public health policy. I also think it should be done at no charge. I believe we, as a government, have an obligation to protect our citizens as a primary responsibility and, therefore, the Federal Government should pick up the cost of the vaccine as it is distributed.

So that is what this sense of the Senate says. It doesn't say that the concentric circle approach isn't good. It says, in addition to that, we should give all Americans, once we have obtained the vaccine capability that we know we are going to obtain, we should give them, in consultation with their physician, the opportunity to be vaccinated. I believe that is good health policy.

Certainly, as we proceed down the road and debate this homeland security bill, I intend to take the opportunity to offer this sense-of-the-Senate amendment.

I yield the floor.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from Ohio is recognized.

Mr. DEWINE. Mr. President, approximately 3 hours ago, the Senate passed the Lieberman-McCain amendment to create an independent national commission to investigate the events leading to and following the September 11 terrorist attacks. I voted in favor of that amendment. I come to the floor this afternoon to briefly explain why and explain what I hope that commission will do and what I hope it won't spend a lot of time doing.

I believe that commission should focus on what the joint Senate-House Intelligence Committee's investigation focused on in looking at the September 11 tragedy.

As a member of that committee, I have argued that we should be looking at not just what led up to September 11, not just finding out what the failures were, but also, and much more importantly, looking toward the future

and trying to determine what we can do to change, what we can do to improve our intelligence operation, our intelligence network.

I believe that should be the same focus of the national commission. The national commission will inherit the work our joint committee has done. Shortly, we will be done with our work. The national commission will not only have our work, but it will have other information available to it. It will have the information that has been dug up by some very good reporters. It will have additional information, and so the foundation clearly will be laid.

The commission will not have to spend a lot of time rehashing the errors that were made. What I hope the commission will spend most of its time on, though, is the future. I would like to talk a little bit about that future this afternoon and what I think we need to do.

Knowing what failures have occurred in the past certainly is vital, but it is not enough. Knowing what we should do in the future is really what is important. The creation of this independent commission presents us with the opportunity to build on our current congressional intelligence investigation.

One of the reasons I did vote in favor of this commission is that I believe our Senate and House intelligence investigation stopped too early. We had a deadline. I thought the deadline was a mistake. I still think it is a mistake. Because we have that deadline, we have not been able to focus on the big picture issues of where we need to go in this country.

The language of the McCain-Lieberman amendment that was adopted this afternoon clearly provides the commission with the opportunity to get into these big picture issues.

I quote from that amendment. The amendment specifies the commission may

> . . . identify, review, and evaluate the lessons learned from the terrorist attacks of September 11, 2001, regarding the structure, coordination, management policies, and procedures of the Federal Government.

There is more to that. Those are words that I think are very important because those words, if this becomes law, will give this commission a great opportunity to look at these big picture issues about which I am talking.

What am I talking about? Let me give some examples. I believe the commission should take a serious look at the role of the Director of Central Intelligence. I believe it is time to give the DCI the necessary authority and the ability to truly direct our overall intelligence operations. Quite simply, we need to empower the DCI to do the job.

We all know the facts. Currently, the DCI, while he is in charge of our intelligence, only controls about 15 to 20 percent of the budget. This is an issue that has to be examined, and it has to be looked at, no matter how people come down on this issue. I know it is a contentious issue, and it may divide this Senate, it may divide the commission, but we need to look at it.

We had the opportunity in our joint committee the other day to hear from Sandy Berger, Anthony Lake, and Brent Scowcroft on a panel. All three of them said with various degrees of language that we need to make a change in the DCI, we need to make the DCI more powerful, we need to enable him to get the job done. That is an issue at which we should look.

Second, I believe we must seriously examine the long-term resource issues that confront us, not just now but over the long haul—over the next decade, maybe over the next two decades, or three decades. Are we providing the resources we need for our intelligence community? And are we providing them in the right way? Do they know they are going to have the necessary resources, as much as anybody can ever know year to year with Congress? But do they have some indication those resources are going to be there so they can get the job done? How much resources do they, in fact, need to protect us?

Maybe a good way of looking at it is to say, if tomorrow we were struck again and we are all in shock again, what would be our reaction? What would we do to the budget then? Maybe we need to ask ourselves that question and go ahead and do it now.

The next question I hope the commission looks at is: Do we have the human resources available within the agencies themselves? Are we going to get the necessary people because ultimately it comes down to people. We have good people. They are doing a good job. They are working 14, 15, 16 hours a day, but there is only so much they can do. How many more people do we need? My guess is we need a lot more people based on what I have seen. In the counterterrorism center, for example, in the CIA, FBI, we need a lot more people.

Do we have the right technology is another question the commission should look at, and do we have enough of it to get the job done in the new world in which we live? The technology the FBI has is not good. If any major business in this country had that technology, somebody would be fired; a lot of people would be fired. It is shameful. It is wrong. It is not fair to the employees, and it is not fair to the American people. We are, frankly, responsible for that. We are responsible for that failure. We have an obligation to change that. That is another issue at which this commission should look.

The commission should ask us and the American people: What is our long-term commitment to intelligence?

Finally, I think the commission needs to examine the Foreign Intelligence Surveillance Act, the FISA statute, and determine what changes are necessary to make sure we are getting intelligence from this source to help prevent future attacks. We made improvements in FISA. The Patriot Act was an improvement. Quite frankly, Congress has been derelict in its duty over two decades to have good oversight over FISA. It has been a hidden court, as it was designed to be; a secret court, as it was designed to be. Yet we have not figured out some way through the Intelligence Committees to have good oversight to find out how the law we wrote as representatives of the American people is truly being interpreted.

For the first time we have a court decision that has come out of the FISA court. It is not public, but we can at least look at it. It is the first one, to my knowledge, that has been published in 2 decades. I do not happen to agree with the decision, but we can look at it. It is being appealed. We will have an opportunity to see what the court of appeals says about that, but at least that part of the debate is out there.

We must continue to look for ways to fulfill our oversight responsibility in the Congress. That is an issue that the commission should look at as well.

These are a few of the issues I think the commission needs to look at. Let me say, however, it is not just the commission's responsibility. I voted for this amendment, not because I felt it would be solely the commission's responsibility to look at these issues; I believe the Senate Intelligence Committee has an obligation to look at these big-picture issues in the months and years ahead. I believe the House has the same obligation. I simply believed that with an additional commission issuing reports in 6 months, 12 months, 18 months, that would be an added voice, an added set of eyes, more expertise, to look at some of these issues this country should be debating.

Ultimately, we need a serious national debate about all of these issues and so many more, even those that are outside the realm of the intelligence community. In examining the intelligence component, if we have learned anything from September 11, it is that our security, our safety, and the safety of our loved ones, is intrinsically linked to the quality of that intelligence. So we must do all we can to improve the quality of that intelligence. The ability to share that information with the appropriate agencies is involved with our national security. As Members of the House and Senate Intelligence Committees, as Members of this Senate, we have an obligation to examine these issues. We must debate them. The proposed commission can certainly play a productive role in these debates and in these investigations. Therefore, I was pleased this afternoon to support its creation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I ask unanimous consent that following the cloture vote on the Lieberman amendment tomorrow, if cloture is not invoked, the Senate remain on the homeland defense bill and

Senator GRAMM of Texas be recognized to offer an amendment; that there be two hours of debate equally divided between Senators GRAMM and LIEBERMAN or their designees; that at the conclusion of that time the amendment continue to be debatable and Senator DASCHLE or his designee be recognized.

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

Mr. REID. Mr. President, the amendment we have been waiting for for some time will be offered in the morning, or as soon as the vote is completed, as the unanimous consent request indicated.

It appears the two managers have some amendments they can clear on this homeland security bill. That being the case, we will stay on the bill. When the amendments are cleared, we will go to a period for morning business until Senators have said all they wish to say, and then we will recess until tomorrow. We hope this is the beginning of the end of this bill. I think we have made progress to get to this point. As I have indicated, we have been trying to get this amendment now for about the second week, so finally we are there. This is a big amendment. We will determine how it is going to be disposed of sometime tomorrow.

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

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

ORDER OF PROCEDURE

Mr. REID. Mr. President, Senator DORGAN is here and wishes to speak as if in morning business. I ask unanimous consent that he be recognized for up to 20 minutes, and that following his statement, we return to the bill.

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

The Senator from North Dakota.

TERRORISM AND THE ECONOMY

Mr. DORGAN. Mr. President, I would like to speak about several important issues facing the Senate at the moment: namely, the situation with Iraq, and the state of our economy.

First, let me speak about Iraq. And let me begin by saying that I don't think there is any question that Saddam Hussein is not following the terms of surrender at the end of the gulf war. He has failed to live up to any one of those terms or conditions.

I was at the Incirlik Base in Turkey and visited with the pilots who are flying over the northern area of Iraq enforcing the no-fly zone. These pilots fly in harm's way. They are often shot at by the ground forces of the Iraqi Army. The fact is, Saddam Hussein has violated virtually everything to which he previously agreed.

I don't think there is any question that this is a bad person, who poses a real threat. He wants access to nuclear weapons. He has access, apparently, to chemical and biological weapons. And the President says we ought to do something about this threat posed by Saddam Hussein. I agree that we should. The question is, How?

The President went to the United Nations. And I think that was the right thing to do. The Secretary of State is now asking the Security Council to join us and pass another enforcement resolution so we can, with other countries, begin to enforce coercive inspections in Iraq to make sure that, if they have weapons of mass destruction, they are destroyed, and to make sure they are never able to acquire weapons of mass destruction, especially nuclear weapons.

But there are other avenues that we should also pursue. I have thought for 10 years, since the end of the gulf war, that this country should press for the formation of an international criminal tribunal at the United Nations to indict and try Saddam Hussein as a war criminal.

I don't know whether at the end of the day there is going to be a regime change in Iraq or not. I hope there is. I believe there ought to be a regime change, but I am not sure whether that is going to happen. If it doesn't happen, I still think we ought to push for the creation of an international war crimes tribunal, so that Saddam Hussein is indicted and convicted.

There is ample evidence—both in this country and also in the United Nations—to indict and convict this man of war crimes.

I spoke on the floor some years ago about a young boy and his family who lay dead on the ground in Iraq—victims of weapons of mass destruction unleashed by Saddam Hussein that killed thousands of those people. He is the only leader I know of in this world who has used weapons of mass destruction against his own citizens. So there is ample evidence for that and other reasons to indict, try, and convict Saddam Hussein for crimes against humanity.

I have never understood the reluctance of this Government to push ahead to do that. I have never understood that. Senator SPECTER from Pennsylvania and I offered a resolution—I think it was about 5 years ago in the Senate—calling on the State Department to go to the United Nations and attempt to get a war crimes tribunal so we could indict, try, and convict this man as a convicted war criminal. I think whenever we talk about Saddam Hussein, we should be talking about a convicted war criminal.

Had we done what we should have done 10 years ago and 5 years ago, that is what we would now call him, because the evidence is so substantial about what he has done to his own people, to people in the region, to his neighbors, the weapons he has used—there is just no question that this man, even in absentia, would be tried and found guilty as a war criminal.

I think even today our State Department should press that case, even as we are pressing for coercive inspections and contemplating taking action again against the country of Iraq.

I have asked my staff to talk to the staff of the Senator from Pennsylvania about offering that resolution once again in the Senate. It passed the Senate 4 or 5 years ago without a dissenting vote. Yet nothing has happened with respect to Saddam Hussein and Iraq and the creation of a war crimes tribunal at the United Nations to indict and to try him.

Let me turn to the economy for a moment. Because while the Iraq issue is vitally important, we have other very big challenges that are largely being ignored. The President and some in this Chamber don't want to talk about this, but the fact is our economy is in some significant trouble. We have some people whose responsibility it is to be involved in fiscal policy who say: What trouble? Things are going just fine. This is just a little bit of a correction. Things will be fine. Just wait and do nothing. Things will work their way out.

The fact is, we have come to an intersection in this country unlike any we have ever arrived at before. Just a year and a half ago, President Bush proposed a fiscal policy. He came to office, and said: What I see in this country is 10 years of surpluses, and big ones at that. That money belongs to the taxpayer. Let us give it back. Let us have a $1.7 billion tax cut.

I did not vote for that because I said I thought we ought to be a little more conservative. I don't think we can see 3 months ahead, let alone 10 years ahead. I think the conservative thing to do would be to attempt to be a little more moderate in how we deal with fiscal policy and not lock in a $1.7 billion reduction in revenue.

I lost that argument. The majority in this Chamber and the other Chamber voted for a $1.7 billion tax cut over 10 years. The President celebrated and his supporters celebrated. Everyone talked about how wonderful that was. Mr. Greenspan, down at the Federal Reserve Board, thought that was fine, too.

It wasn't very much past that—some months past that—when we discovered the country was in a recession. If we had been in a recession at the time we were talking about these expected 10 years of surpluses, would we have made a different decision? Maybe.

Not much more than a couple of months beyond that we had the terrorist attacks against our country on September 11. Had we known we were going to face a recession and the terrorist attacks on our country on September 11 that caused such a devastating loss of life, would we have said let us put in place a $1.7 billion tax cut? I think we might have made different decisions.

Then, on top of that, we had the technology bubble burst and the stock market began to act like a yo-yo with more down than up.

On top of all that, we had the corporate scandals in which we saw some of the largest corporations in this country—Enron, to name one. I chaired the hearings in the Commerce Committee investigating Enron. We saw the executives of that company and others run these companies into the ground. They cheated and lied to the investors and to the employees. The board of directors finally had their own investigation into their own company. Do you know what they said? They said: What we found inside our company was ''appalling.'' They said: We found this corporation was reporting $1 billion in earnings that it didn't earn.

To give a small example of what was going on, the chief financial officer of that corporation invested $25,000 of his own money into a corporation, a partnership—a corporation in which he had a proprietary interest—and he took out $4.5 million 60 days later.

Let me say that again.

He invested $25,000 of his own money and then took out $4.5 million 60 days later.

I come from a town of 300 people. We call that stealing in my hometown.

In corporation after corporation, we see all of these corporations and the books being recalculated and company executives being led away in handcuffs.

There are a lot of great companies in this country, and a lot of great CEOs. Make no mistake about that. Some people say it is just a few bad apples. That is true. How big is the orchard with bad apples?

It is just too many corporations, too many accounting firms, and too many law firms that are the enablers that allowed all of this to happen and too many executives with larceny in their hearts who don't understand this wasn't their money. This was the investors' money.

What you have is an intersection of a recession, a terrorist attack, corporate scandal, the tech bubble bursting, and the stock market collapsing.

Yet, the Administration is telling us that they don't even want to talk about the economy, as if the circumstances had not changed at all.

When people sit around a supper table and talk about their lives, most families talk about some key things. Do we have good jobs? Do our jobs pay well? Do we have job security? Do our kids go to good schools? Do grandpa and grandma have access to good health care? Do we live in a safe neighborhood? Those are all the questions that affect the lives of America's families.

Do we have job security? Let me give you an example. A fellow wrote to me. He said: My life savings as an employee of the Enron Corporation—he worked for a pipeline corporation that was a subsidiary—were in Enron stock. It was worth $330,000. I saved for years to put together $330,000 in my 401(k) account in Enron stock. It is all that I have. That $330,000 is now worth $1,700.

Is that a problem? You bet your life it is a problem for that family, and so many other families across this country who have seen their life savings dissipate.

Now, people say: Well, that is just anecdotal information about this family or that family. But it is not that. The average 401(k) account in this country has lost one-third of its value. These are the life savings of people, the retirement savings of people. It has lost one-third of its value.

Do you think that is going to have an impact on our economy? Of course it is. Our economy is all about people's expectations about the future.

I used to teach economics. I overcame that, nonetheless, and have been able to go on and do some other things productively. The field of economics is not much more than psychology pumped up by helium. It is just people estimating what might or might not happen.

Our economy is very simple. If our future is a bright, rosy future, if people are confident about the future, then they do things that manifest that confidence. They buy a house, buy a car, take a trip; they do the things that represent people who are confident in their future. And that expands the economy.

When people lack confidence in the future, they do the exact opposite. They decide not to take the trip. They don't buy the car. They don't buy the house. They defer purchases they might have otherwise made. As a result, economy contracts.

So we are in a situation where we have an economy that is in some trouble. It is not growing. People are not confident about the future. They see corporate scandals. They are worried about investing in a corporation. They are worried about the method by which we ask people to invest in a share of stock in a company they never visited with executives they don't know, with accounting firms they are supposed to trust but now do not.

And still we have the Administration and some in the Senate saying: Well, what is the problem? We don't need to revisit any of these circumstances. We don't need to talk about fiscal policy. We don't need to talk about the economy.

They are wrong. We need to talk about jobs. What is happening in jobs? We need to talk about the economy, economic growth, and opportunity. We need to talk about this country's fiscal responsibility, its budget mess.

There isn't anyone in this Chamber who can get up and talk about how this budget adds up, because it does not. We have a fiscal policy that is sorely out of balance, and everybody knows it. Everyone wants to pretend that is not the case. And it starts with the President.

Now, what is the record?

Job losses. We are not expanding. We are losing jobs at this point. Private-sector jobs are down, down sharply.

Weak economic growth. In fact, some indicators suggest we may have almost no growth at the present time.

We have an anemic economy, there is no question about that.

Declining business investment.

A falling stock market. Just take a check over the last week or two; in fact, go back 6 years to find when the NASDAQ was as low as it was yesterday.

Shrinking retirement accounts. I have just described that. An average family having a 401(k) is losing a third of its value.

Eroding consumer confidence.

Rising health care costs. One of the issues we ought to talk about on the floor of the Senate is this: rising health care costs. It also explodes the Federal deficit, causes havoc with every State budget, especially causes chaos with the budgets of families.

We are trying to say to the American people and the pharmaceutical industry: The prices you are charging for prescription drugs are outrageous. You charge the American people the highest prices in the world for prescription drugs, and it is unfair.

Yet, when you take on that industry in this Chamber, asking, ''how do you justify this; how do you justify to a woman who has breast cancer that the drug Tamoxifin is going to cost her 10 times as much in the United States as you charge for the identical drug in Canada; how do you justify that,'' there is no answer. It is a deafening silence.

But yet you can't get effective legislation through the Congress because we have too many here who support the pharmaceutical industry. The big, powerful, and strong make a great deal of money, and they like the status quo.

We are going to focus on an economic forum of sorts in the coming couple of weeks, to see if we can get together people who want to talk about the economy who have contrasting views about the economy, and to see if we can begin a debate about what ought to be done.

We have too many people out of work. We have too many people who have lost too much money in the market. We have an erosion of confidence. We have a budget deficit that is escalating.

We could not get appropriations bills through the floor of the Senate by the October first date. Why? We could not get a budget? Why? Because none of it adds up. And everyone in this Chamber knows it does not add up.

How do you add up a circumstance where you have less revenue coming in, and you decide you have to do $45 billion more for defense in 1 year, probably something close to $30 billion more for homeland security in 1 year? Add that additional spending on top of a fiscal policy in which you have either slow growth or a recession, and less

money coming in, and therefore higher deficits, and then what is left for the things that represent domestic discretionary spending, including health care and education?

What is left to try to do something that says to kids: Your education matters because our future is in our schoolrooms? We believe that every young child ought to walk through the door of a schoolroom where their parents are able to say: We have sent our child to the best schoolroom in the world.

How do you do that when there is no money left for education or health care because we have a fiscal policy that does not add up because 18 months ago we said we were going to have surpluses for 10 straight years, and 18 months later—following a war, a recession, stock market collapse, corporate scandals, and more—we now have turned surpluses into big deficits.

I think it is time—long past the time—for this Congress to have an honest, real, aggressive, significant debate about this country's economy: what is wrong; how do we fix it; what has worked; what works; what is right; what does not work, and how do we repair it.

I began by talking about Iraq. The situation in Iraq is very important. But our economy is also vitally important. We have been the economic engine for this world. When the economy in Asia was soft, we still were the economic engine that provided strength. When the economies of Europe were soft, the American economy was still the economic engine. Take a look what is happening to the American economy today, and it is not working well.

This Congress has a responsibility to begin a thoughtful, sober, serious discussion about what works and what does not with our economy, and how we construct a new fiscal policy to fix that which is wrong. The President has a responsibility to join us as well. At the present time he talks only about foreign policy. Foreign policy is important, but it is not exclusive. This President has a responsibility to join us. It is his fiscal policy. He won 18 months ago. It is his fiscal policy that now helps create large deficits rather than large surpluses. He must join us in trying to determine what we can do to pull ourselves out of this morass.

This country can do better, but it needs good public policy coming from this Congress.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The 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.

HOMELAND SECURITY ACT OF 2002—Continued

Mr. DASCHLE. Mr. President, I come to the floor at the end of the day to remind our colleagues that there will be two votes tomorrow morning. They will both be cloture votes. Those votes are ones we have cast before. This will be the third cloture vote on the drought and firefighting amendment that has been pending for weeks. It will be the second vote on homeland security.

I am troubled by the rhetoric I hear off the floor with regard to Democratic efforts to slow this legislation down. I find it quite ironic that while there are some who suggest it is Democrats holding up this legislation and criticize us for doing so, it is the Democrats voting virtually with unanimity in support of cloture to end debate on both bills.

This is the fourth week we will be on this legislation.

I don't know what agendas are being played out. Some may think maybe the longer we wait to vote on these things, the more advantageous it is for one side or the other. There is a lot of work left to be done. I know the American people expect us to complete our work on homeland defense, and our farmers and ranchers and firefighters certainly expect us to have acted by now on the assistance they need so desperately.

How cynical can it be for some to suggest, in the name of whatever, that we can hold up drought assistance, hold up firefighting assistance, hold up the extraordinary help this represents, in the name of whatever issue? I have said this before on the Senate floor, and I will say it again now. Just getting cloture on the Byrd amendment, which includes $5 billion or more in drought assistance, and almost a billion dollars in firefighter assistance—to get cloture on that amendment in no way precludes other amendments. It certainly doesn't preclude any Senator from offering the forest health amendment or anything else on the bill itself. It doesn't preclude that.

So there is absolutely no reason Senators should oppose cloture on the drought and firefighters amendment—unless they are not serious about providing help in the first place. You have to wonder, after the third cloture vote, if people are truly serious about providing help; if they are serious when they say they want to provide some response to firefighters and drought victims in the agricultural areas of our country.

You would have to believe if they were serious they would vote for cloture, they would send this amendment and this bill into conference, and we would get this job done. You would think that.

All of the machinations and explanations and all of the excuses ring very hollow to ranchers and farmers and firefighters when they note that we are now in the third week of this filibuster from the other side, depriving these very people the sustenance they need to survive.

Mr. President, there can be no explanation. So I hope the vote tomorrow will have a different result. I hope all these political strategies, as they play themselves out, have played their course. I hope we can say, on a bipartisan basis, that the time has come for us to send a clear message to ranchers and farmers and firefighters that we are going to get them that help. I hope we can do that.

Tomorrow is our chance because I will tell you if we don't get cloture tomorrow, we send just the opposite message—that in politics we can say anything we want and not be held accountable. We can say we are for you, but we can always think of a reason we are not at the end of the day.

There is a great deal of cynicism in ranch and farm country and the forests as we fight these fires right now. People are shaking their heads wondering what in Heaven's name could be holding up this help. I cannot explain it, and I don't think anybody else can satisfactorily. They can come to the floor and say they are not filibustering. They can come to the floor and say there are other issues that are more important. They can come to the floor and try to explain in a hundred different ways, but there is no explanation. There is no excuse. There is no way to look in the eyes of those farmers and ranchers or firefighters and say: Just wait another week, wait another month. You have waited long enough, but we are going to make you wait a little longer.

You cannot do that.

So tomorrow is a big test. Are we serious about drought assistance? Are we serious about firefighter assistance? Are we serious about getting this job done and sending the right message? We will know the answer by late morning.

The same could be said about homeland security. As I noted, we have already had one cloture vote. I am told the amendment offered by our Republican friends is germane. So there really is no reason to vote for cloture and bring this bill to a close. We have so much more work to be done. A day doesn't go by when three or four colleagues on both sides of the aisle come to me and say: When are we getting out? When are we going to be able to go home?

The answer to that rests, in part, on tomorrow. If we can support cloture and get this legislation passed, if we can move this agenda forward, with all the other things that have to be done, there is no reason we cannot meet our adjournment day.

Mr. President, I just come to the floor to urge my colleagues not to fall into the trap—the rhetoric trap—of attempting to explain why you are for homeland security, why you are for drought assistance, why you are for firefighting assistance, why you are for completing our work on time—and then turning around and voting against cloture, voting against bringing this

debate to a close, after a month of legislative activity on the Senate floor.

I will be watching. I know the American people will be watching. Tomorrow is a very big day. Tomorrow is a day when we will see who is sincere and who is not; who is prepared to bring help to those needy farmers and ranchers and firefighters, and who is not; who is prepared to answer the President who said just yesterday that the Senate needs to get its act together to pass homeland security. Tomorrow is our chance.

So let's see whether we seize the moment and take that chance and do what we need to do to get the job done. I am sure on both sides of the aisle colleagues recognize the importance of doing just that. So we will have a chance to prove it tomorrow morning on the cloture vote.

The PRESIDING OFFICER (Mr. DAYTON). The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, to respond to the majority leader, I totally disagree with many of the statements that were made. There is no one on this side of the aisle filibustering the Interior or homeland security bills. No one. None. I know. We are willing to vote. I am embarrassed that we have spent 3 weeks on the Interior bill. Cloture is not filed on the Interior bill; cloture is filed on one amendment. Even if cloture was invoked, the amendments can still be offered. Senators have a right to offer amendments. I just mention that.

If the majority leader wants to move forward on the bill, table the amendment. That is the way to do it. I know the majority leader knows that. I will table the amendment if that will help him. If I was managing the bill, I would try to move the bill. I used to be chairman of that subcommittee. It is embarrassing to me that the Senate has been on this and homeland security for now the fourth week. That is not the way to manage appropriations bills. I am embarrassed we haven't passed but three appropriations bills. I just mention that to my colleague.

Having a cloture vote on the Interior bill is a total waste of time. Even if it is invoked, you can waste 3 days, and then the sponsors of the amendment can still offer the amendment to the bill. That is correct. Cloture on homeland security is a waste of time. I tell the majority leader that because it would deny the Senator from Texas and the Senator from Georgia the chance to offer the President's substitute. I know the leader knows we have enough votes to make sure they know they are going to get enough votes on the substitute.

There is a tendency around here to file cloture thinking that will always expedite matters, but certainly it is not the case with the appropriations bills. It will not work, I am informing the majority leader.

I am also saying, with regard to filing a cloture motion on homeland security, we are not going to let that deny the President the opportunity to offer his proposal. We can have all the cloture votes you want, but it does not move us any quicker to passing drought relief or additional money for firemen. It will not happen.

If you want to dispose of that amendment, we can table it and find out where the votes are. The Senator from Idaho is entitled to have a vote on his amendment. There is money in it for fire. He is saying we should reform our processes in managing the forests. He has a right to do that.

I know Senator REID and I have managed bills in the past. Senators have offered amendments, and the ones we did not like, we would usually table, and if we were not successful, we would usually drop it in conference, but we would manage the bill. This bill is not being managed. Neither bill is being managed. So we are now on our fourth week on two bills when both should have been done in a relatively short period of time.

I mention that to the majority leader. File all the cloture motions you want, but if you want to move forward on the bill, I think we should just vote on these amendments and we can be done.

I mention that as friendly advice. I would like to see the Senate work and see the Senate work much better, but I did want to clarify—I have said this about four times—no one on the Republican side of the aisle is filibustering either of these two bills.

I think it is in our best interest for the Senate and for the Congress to pass both bills. I am willing to work with the majority leader to do that. I offer a suggestion: If people do not like the Craig amendment, move to table it or come up with an alternative where we vote side by side on different alternatives.

I had understood there was going to be a motion to table the Craig amendment, and then there was going to be a Bingaman amendment which is comparable. Ways can be worked out. Senator CRAIG is entitled to a vote on his amendment, and Senator BINGAMAN may be entitled to a vote on his amendment. We can dispose of that, finish the Interior bill, get it to conference, and hopefully work it out with the House.

I also hope we can do that with the remainder of the other appropriations bills. It is embarrassing for me not to have passed more appropriations bills through the Senate, through the House, and to the President. He is entitled to have an opportunity to sign or veto appropriations bills, and we are not giving that to him.

I make those comments and friendly suggestions to my friend. I do want to reemphasize that no one on the Republican side is filibustering either of these bills. I wanted to make sure that is clear. I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, as always, I appreciate the friendly advice from my friend and colleague, the Senator from Oklahoma. He is a student of the legislative process. He has every right to be embarrassed. If he wants to come to the floor to express how embarrassed he is, I certainly would not want to keep him from doing that, and I appreciate his candor.

As to the appropriations bills, the House has sent us five. This is the fourth one that we have taken up. There are eight bills that are mired, that are languishing in the House of Representatives because the House Republican leadership cannot appear to find whatever wherewithal may be required to move the legislation forward. They have not sent them to the Senate so, obviously, we cannot bring them up. We are waiting patiently for additional legislative action on the part of the House. I am hopeful they will send it soon because they are the ones who should be embarrassed.

I must say the Senator from Oklahoma is certainly within his rights to express himself and in characterizing these votes against cloture in any way he sees fit. That is the right of every Senator. I do not blame him for not wanting to be accused of filibustering this legislation, but I think anyone, just an objective observer would be hard pressed to say: We are not filibustering, but we are going to vote against cloture.

What is cloture? Cloture is the means by which you bring an end to the debate on a particular bill or an amendment. That is what cloture is. I can read the rule. I can clearly, I am sure, share with my colleagues exactly what the rule says with regard to how one ends a filibuster, how one ends extended debate. How do you do that? You file cloture.

When our Republican colleagues were in the majority, they used to fill the tree. They used to load up the amendment tree and then file cloture so that not only would they end debate, they would keep it from beginning. We would not even start the debate when our colleagues would come to the floor and not end it but prevent it.

I have said I will not do that. We will have debates, but there comes a time, and I would say any objective observer would say at the end of 4 weeks, that is a pretty good time. I mean, just to pick a number—4 weeks of debate. We file cloture now for the third time on the Interior appropriations bill to end debate. That is what it will say tomorrow morning.

We will support it. Our colleagues are going to oppose it, and then they are going to say: But we are not against ending debate; we are not filibustering.

If you can convince anybody of that, you are a better speaker and a more persuasive person than I am. Bless your heart if you can do that. I am telling you, this is a filibuster, purely, simply, and without question. You vote against cloture for the third time, you

vote to filibuster; you vote not to end debate; you vote to extend, and the bottom line is—forget all the parliamentary procedural gobbledygook—you are telling ranchers, and farmers, and firefighters they are going to wait a lot longer. That is what you are telling them.

Forget the filibuster. Just remember what it means to extend debate in this case. It means they wait longer. It means that regardless of whatever excuses you can come up with, you continue to deny these people the chance to get help. That is what it means, pure and simple. They understand that in South Dakota. I think they even understand that in Oklahoma. But regardless of whether they understand it in Washington, we will have the chance once more to demonstrate who is for getting that help and who is not. That is what that vote is tomorrow. I yield the floor.

The PRESIDING OFFICER. The assistant Republican leader.

Mr. NICKLES. Mr. President, I compliment my colleague from South Dakota because he got his people some help. He was able to pass an amendment that would allow them to clean up their forests and maybe prevent forest fires, but the rest of the people in the country did not get the so-called Daschle amendment. He was able to get it. I do not know how. It went through. We did not have a vote on it. We did not have a lot of discussion because a lot of us would have said it should have been national. So Senator CRAIG offered an amendment that said we want part of the reforms—not all the reforms—Senator DASCHLE was successful in getting to help South Dakota.

We are saying, in forest management, because we have forest fires breaking out all across the country, we should be able to clean up some of the diseased and dead trees so we do not have kindling for further fires. That is the essence of the Craig amendment.

We are entitled to a vote on that amendment. We did not get to vote on Senator DASCHLE's amendment. We did not get a vote on that. We are not even saying we should have that policy nationally, but we should have part of it to reduce the cause and incidents of forest fires.

In the underlying bill, we have money for forest fires, and we have money for drought. Senator CRAIG says: Let's have improvement in forest management simultaneously. He has a right to offer that amendment. Cloture, as Senator DASCHLE is trying to invoke, would make it impossible for Senator CRAIG to offer that amendment on the firefighting money.

Interestingly enough, it would not prevent him from offering it to the rest of the bill. Senator DASCHLE is not offering cloture on the bill. He is offering it on one amendment. I am tempted to say we agree to cloture; that would be fine with me. And then Senator CRAIG can offer the amendment to the bill. So cloture is getting us nowhere fast. We do not need this.

I implore the majority leader: Let the Senate work. If you do not want the Craig amendment to pass, move to table it, and we move on. You roll with the punches. You win some, you lose some.

Evidently, some people on the Democratic side of the aisle do not want to vote on the Craig amendment. I hope people understand that is what it is about. I am protecting the right of the minority to offer an amendment.

I tell the majority, we are going to offer this amendment. Whether it is an amendment to Senator BYRD's amendment or someplace else on the bill, we are going to offer the amendment. We are not going to be denied the opportunity to offer an amendment. I have to protect my Members' rights, and I will do so aggressively.

So I urge the majority leader to withdraw the cloture vote. If he wants to have cloture, he is not going to get it. We are going to insist on the right to offer amendments.

The same thing would apply to homeland security. If cloture is invoked, then we do not even get to have a vote on the President's homeland security bill.

Senator GRAMM and Senator MILLER have a bipartisan bill, which the President has worked on. They have agreed upon it, they have adjusted it, they have worked on it, and they are entitled to offer their amendment. If cloture is invoked on homeland security, they do not even get to offer that amendment. So cloture is a tool not just to shut off the debate, it is a tool used to deny Members the right to offer their amendments.

This is the fourth week we have been on these two bills, and we have made very little progress. We have had very few votes because people do not want to vote? This side is willing to vote. We have been willing to vote on the Craig amendment for weeks. Let's vote. The way to bring a vote to a head if you cannot get somebody on this side ready to vote and that side is not ready to vote, you move to table it. That is a nondebatable motion. You get a vote. Let's find out where the votes are.

If somebody does not want to vote, why are they in the Senate? We are delaying one bill for weeks because some people do not want to vote on one amendment. It is ridiculous. We used to manage these bills in ways that if a Senator did not like the amendment and got beat on the floor, he might drop it in conference, or try and change it. But to just say we are going to keep filing cloture, as if that is trying to bring a filibuster, there is no filibuster. If there is a filibuster, it is on the Democrat side; it is not on the Republican side. We are ready to vote. I have heard the sponsors of this amendment say we are ready to vote, we are ready to vote. So to say this is going to risk drought assistance and fire assistance does not fly. We are ready to vote. Let's vote up or down on the amendment. Let's vote today. Let's vote tomorrow. Let's vote the next day. How many weeks do we need to be on it?

I am ready to win. I am ready to lose. We are exhausted on the debate, but we keep having it. This is about the fifth debate I have given, not on the substance but on cloture, because the majority keeps filing cloture. They are going to keep filing cloture. Why? It is to no avail.

We are not going to get cloture and deny Senator GRAMM and Senator MILLER the opportunity to offer the President's substitute or the President's proposal for national homeland security. That is not going to work. Everybody knows that. It is not going to work.

Why in the world would we adopt cloture and deny Senator CRAIG the amendment dealing with forest fire management? Senator DASCHLE was able to get in a management proposal that dealt with his forests. My compliments to him. I like people taking care of their States. I like people doing forest management in their States, working out agreements with environmentalists. Evidently, that happened in Senator DASCHLE's case so they can harvest some timber and get rid of some of the dead timber. That is great. Why can we not do that for the rest of the country? Are we not entitled to offer that amendment?

I believe Senator CRAIG's amendment is scaled down in comparison to what Senator DASCHLE was able to do in South Dakota. My compliments to Senator DASCHLE for helping his State, but I think other people are entitled to offer amendments that would protect their States. Their States are burning. Their States are not just asking us to give them more money for fire assistance, but they want to change the policy so we do not have so many fires next year and the next year.

They are entitled to offer that amendment, and if people disagree with that amendment, they are entitled to vote against it or they are entitled to table it. But to file what I think are frivolous cloture motions undermines the whole purpose of the Senate.

I am a student of the Senate. I love the Senate. Cloture should be used rarely, when there is a real extended debate. We have not had an extended debate. We are ready to vote. So it is a method where some people are trying to use it to stop amendments that are not liked and on which they do not want to vote.

Again, the Senator from Idaho, the Senators from the West, are entitled to say we want at least part of what the majority leader was able to do in his State. We are going to protect the rights of the minority to be able to offer amendments. We are going to protect the rights of Senator GRAMM and Senator MILLER to offer the President's proposal. Cloture on these two bills is not going to work. It would not work anyway.

I am tempted to say let's give cloture and then offer the amendment tomorrow after we wait 30 hours; waste a

couple of days and then offer the amendment again. We can do that. Maybe we should do that. It might prove our point that cloture is not the way to go when filing amendments dealing with appropriations bills. It really does not let the Senate work. The Senate should work, but frankly the Senate is not working.

Fingers can be pointed at the House of Representatives, but the reason why the House has not done more bills is because there has not been a budget. The House has passed a budget and the Senate has not passed a budget.

When I say I am embarrassed for the Senate, I am embarrassed for the majority because they have not passed a budget. They did not even bring a budget resolution to the floor of the Senate. A budget does not take 60 votes to pass. It takes 51 votes to pass in the Senate. For the first time since 1974, the majority did not bring a budget to the floor of the Senate. Because we do not have a budget, we do not have like figures between the House and the Senate. We do not have figures in the Senate because we have not passed it.

So fingers can be pointed at the House and one can say the House has only passed so many appropriations bills, but they have passed more than the Senate has. There is nothing in the Constitution that says the Senate has to wait on the House to pass appropriations bills. That has been the tradition, but it is not mandatory. If the House is not doing its work, we should go ahead and pass our appropriations bills, period.

I mentioned this to Chairman Byrd, and I hope we will do that. The Senate should pass appropriations bills. If the House has not passed them, let us pass them.

The end of the fiscal year is next Monday. I cannot remember any time in my 22 years in the Senate that the Senate has done so little in the appropriations process with 1 week to go in the fiscal year. Shame on the Senate. People can point fingers at the President that he would not give us an extra $9 billion—really, I think the difference is closer to $13 billion. Between the Senate Democrats and the President of the United States, I believe it is about $13 billion. Why don't we pass everything we agree on or take the House figure and then if Senators want to pass another $9 billion, do that in a supplemental? We could do that.

So we could pass the bulk of the $759 billion and then for the additional $9 billion or $12 billion, that could be put in a supplemental and the President could sign or veto it. At least then we would have done our job and we would be able to have appropriations for the bulk of the Federal Government.

Right now we are not doing anything. We are not functioning. The Senate is becoming dysfunctional. To only pass three appropriations bills at this late stage is very irresponsible, and I do not get any comfort by having fingers pointed at the House or the White House. The Senate is the one that did not pass the budget, and the Senate has not passed its appropriations bills.

We are an equal branch to the White House. So why don't we do our work? We are an equal division to the House of Representatives. If the House is not doing its work, let's do our work. It goes back to the budget because if we have a budget, we have similar levels to work from, and then, since the House and the Senate are working from the same levels, they have something to go to conference with and come up with suitable compromises.

This should not be this difficult. I am flabbergasted this is our fourth week now on the Interior appropriations bill, a bill that has total spending of about $18 billion or $19 billion. The $18 billion is a very small amount in the total scheme of Federal appropriations, which is more like $760 billion. It should not take us 4 weeks to do that. If it is going to take us 4 weeks to do the Interior bill, we are never going to finish the larger bills.

If the majority leader wants to have more cloture votes, that is fine, but I think the managers of the bill should come down to the floor and say it is time for us to move on. Let's either vote up or down on the amendments or let's move to table the amendments, finish these appropriations bills, and get our work done as we have the constitutional responsibility to get our work done.

I yield the floor.

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. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

Mr. REID. Mr. President, I am not going to spend a lot of time responding to my friend, the assistant Republican leader. But I say, no matter what you call a filibuster, it is still a filibuster. We are 4 weeks on two bills. Check the history of this body. How often do we spend 4 weeks on a bill? We do not unless there is a filibuster, and that is what we have here. The majority leader, Senator DASCHLE, is trying to stop debate so we can go ahead and finish these bills.

The President has told everybody he wants homeland security, but he sure is acting strangely if he really wants this legislation passed. There is simply nothing to show the President really wants this bill. In fact, what this is showing is that on this issue, Iraq, and anything else he can do to keep away from domestic policy, he is doing it. We have a stumbling, staggering, faltering economy, and we should do something about it.

We have in the dark holes of the other body, these conference committees, legislation that has been held up for months and months. There is terrorism insurance. Important? Of course it is. We have major construction projects—I will bet in Minneapolis and other places in Minnesota and in Las Vegas and other places—that are being held up because we don't have terrorism insurance. Why? They won't let us complete a bill. Election reform—we had another debacle in Florida—still no election reform, held up in conference; bankruptcy reform, held up in conference with the House; Patients' Bill of Rights, held up in conference with the House; generic drugs, held up in the House.

We haven't done our appropriations bills because they will not move them in the House. This is a filibuster. They are doing everything they can to keep away from the fact that the stock market is at its lowest in 6 years. The stock market drop is more than in the time of the Great Depression. There were 2 million unemployed persons in the last 2 years—additional unemployed people. We had a huge surplus, in the trillions of dollars, a year ago at this time. We are now broke.

So this is a filibuster. It is a filibuster. It is a filibuster.

Mr. President, are we on the homeland security bill at this time?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENTS NOS. 4515, 4568, AND 4565

Mr. REID. At this time I ask unanimous consent it be in order to consider the following amendments: No. 4515, No. 4568, and No. 4565.

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

Mr. REID. Mr. President, I ask unanimous consent these amendments be considered and agreed to and the motion to reconsider be laid upon the table.

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

The amendments were agreed to, as follows:

(Purpose: To provide funding for the construction of the Automated Commercial Environment computer system and to ensure the continuation of certain functions of the Customs Service)

Section 131 is amended by adding at the end the following:

(f) CONTINUATION OF CERTAIN FUNCTIONS OF THE CUSTOMS SERVICE.—

(1) IN GENERAL.—

(A) PRESERVATION OF CUSTOMS FUNDS.—Notwithstanding any other provision of this Act, no funds available to the United States Customs Service or collected under paragraphs (1) through (8) of section 13031(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(1) through (8)) may be transferred for use by any other agency or office in the Department.

(B) CUSTOMS AUTOMATION.—Section 13031(f) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)) is amended—

(i) in paragraph (1), by striking subparagraph (B) and inserting the following:

''(B) amounts deposited into the Customs Commercial and Homeland Security Automation Account under paragraph (5).'';

(ii) in paragraph (4), by striking ''(other than the excess fees determined by the Secretary under paragraph (5))''; and

(iii) by striking paragraph (5) and inserting the following:

''(5)(A) There is created within the general fund of the Treasury a separate account that shall be known as the 'Customs Commercial and Homeland Security Automation Account'. In each of fiscal years 2003, 2004, and 2005 there shall be deposited into the Account from fees collected under subsection (a)(9)(A), $350,000,000.

''(B) There is authorized to be appropriated from the Customs Commercial and Homeland Security Automation Account for each of fiscal years 2003 through 2005 such amounts as are available in that Account for the development, establishment, and implementation of the Automated Commercial Environment computer system for the processing of merchandise that is entered or released and for other purposes related to the functions of the Department of Homeland Security. Amounts appropriated pursuant to this subparagraph are authorized to remain available until expended.

''(C) In adjusting the fee imposed by subsection (a)(9)(A) for fiscal year 2006, the Secretary of the Treasury shall reduce the amount estimated to be collected in fiscal year 2006 by the amount by which total fees deposited to the Customs Commercial and Homeland Security Automation Account during fiscal years 2003, 2004, and 2005 exceed total appropriations from that Account.''.

(2) ADVISORY COMMITTEE ON COMMERCIAL OPERATIONS OF THE UNITED STATES CUSTOMS SERVICE.—Section 9503(c) of the Omnibus Budget Reconciliation Act of 1987 (Public Law 100–203; 19 U.S.C. 2071 note) is amended—

(A) in paragraph (1), by inserting ''in consultation with the Secretary of Homeland Security'' after ''Secretary of the Treasury'';

(B) in paragraph (2)(A), by inserting ''in consultation with the Secretary of Homeland Security'' after ''Secretary of the Treasury'';

(C) in paragraph (3)(A), by inserting ''and the Secretary of Homeland Security'' after ''Secretary of the Treasury''; and

(D) in paragraph (4)—

(i) by inserting ''and the Under Secretary of Homeland Security for Border and Transportation'' after ''for Enforcement''; and

(ii) by inserting ''jointly'' after ''shall preside''.

(3) CONFORMING AMENDMENT.—Section 311(b) of the Customs Border Security Act of 2002 (Public Law 107–210) is amended by striking paragraph (2).

(Purpose: To provide that the review of transportation security enhancements required by section 170 include motor carriers, motor coaches, pipelines, highways, and hazardous materials transportation)

Strike section 170 and insert the following:

SEC. 170. REVIEW OF TRANSPORTATION SECURITY ENHANCEMENTS.

(a) REVIEW OF TRANSPORTATION VULNERABILITIES AND FEDERAL TRANSPORTATION SECURITY EFFORTS.—The Comptroller General shall conduct a detailed, comprehensive study which shall—

(1) review all available intelligence on terrorist threats against aviation, seaport, rail, motor carrier, motor coach, pipeline, highway, and transit facilities and equipment;

(2) review all available information on vulnerabilities of the aviation, seaport, rail, motor carrier, motor coach, pipeline, highway, and transit modes of transportation to terrorist attack; and

(3) review the steps taken by public and private entities since September 11, 2001, to improve aviation, seaport, rail, motor carrier, motor coach, pipeline, highway, and transit security to determine their effectiveness at protecting passengers, freight (including hazardous materials), and transportation infrastructure from terrorist attack.

(b) REPORT.—

(1) CONTENT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall prepare and submit to Congress, the Secretary, and the Secretary of Transportation a comprehensive report, without compromising national security, containing—

(A) the findings and conclusions from the reviews conducted under subsection (a); and

(B) proposed steps to improve any deficiencies found in aviation, seaport, rail, motor carrier, motor coach, pipeline, highway, and transit security, including, to the extent possible, the cost of implementing the steps.

(2) FORMAT.—The Comptroller General may submit the report in both classified and redacted format if the Comptroller General determines that such action is appropriate or necessary.

(c) RESPONSE OF THE SECRETARY.—

(1) IN GENERAL.—Not later than 90 days after the date on which the report under this section is submitted to the Secretary, the Secretary shall provide to the President and Congress—

(A) the response of the Department to the recommendations of the report; and

(B) recommendations of the Department to further protect passengers and transportation infrastructure from terrorist attack.

(2) FORMATS.—The Secretary may submit the report in both classified and redacted formats if the Secretary determines that such action is necessary or appropriate.

(d) REPORTS PROVIDED TO COMMITTEES.—In furnishing the report required by subsection (b), and the Secretary's response and recommendations under subsection (c), to the Congress, the Comptroller General and the Secretary, respectively, shall ensure that the report, response, and recommendations are transmitted to the Senate Committee on Commerce, Science, and Transportation, the Senate Committee on Environment and Public Works, and the House of Representatives Committee on Transportation and Infrastructure.

(Purpose: To make changes to the Office for State and Local Government Coordination)

On page 103, strike line 17 and all that follows through page 112, line 4, and insert the following:

SEC. 137. OFFICE FOR STATE AND LOCAL GOVERNMENT COORDINATION.

(a) ESTABLISHMENT.—There is established within the Office of the Secretary the Office for State and Local Government Coordination, to be headed by a director, which shall oversee and coordinate departmental programs for and relationships with State and local governments.

(b) RESPONSIBILITIES.—The Office established under subsection (a) shall—

(1) coordinate the activities of the Department relating to State and local government;

(2) assess, and advocate for, the resources needed by State and local government to implement the national strategy for combating terrorism;

(3) provide State and local government with regular information, research, and technical support to assist local efforts at securing the homeland;

(4) develop a process for receiving meaningful input from State and local government to assist the development of the Strategy and other homeland security activities; and

(5) prepare an annual report, that contains—

(A) a description of the State and local priorities in each of the 50 States based on discovered needs of first responder organizations, including law enforcement agencies, fire and rescue agencies, medical providers, emergency service providers, and relief agencies;

(B) a needs assessment that identifies homeland security functions in which the Federal role is duplicative of the State or local role, and recommendations to decrease or eliminate inefficiencies between the Federal Government and State and local entities;

(C) recommendations to Congress regarding the creation, expansion, or elimination of any program to assist State and local entities to carry out their respective functions under the Department; and

(D) proposals to increase the coordination of Department priorities within each State and between the States.

(c) HOMELAND SECURITY LIAISON OFFICERS.—

(1) DESIGNATION.—The Secretary shall designate in each State and the District of Columbia not less than 1 employee of the Department to serve as the Homeland Security Liaison Officer in that State or District.

(2) DUTIES.—Each Homeland Security Liaison Officer designated under paragraph (1) shall—

(A) provide State and local government officials with regular information, research, and technical support to assist local efforts at securing the homeland;

(B) provide coordination between the Department and State and local first responders, including—

(i) law enforcement agencies;

(ii) fire and rescue agencies;

(iii) medical providers;

(iv) emergency service providers; and

(v) relief agencies;

(C) notify the Department of the State and local areas requiring additional information, training, resources, and security;

(D) provide training, information, and education regarding homeland security for State and local entities;

(E) identify homeland security functions in which the Federal role is duplicative of the State or local role, and recommend ways to decrease or eliminate inefficiencies;

(F) assist State and local entities in priority setting based on discovered needs of first responder organizations, including law enforcement agencies, fire and rescue agencies, medical providers, emergency service providers, and relief agencies;

(G) assist the Department to identify and implement State and local homeland security objectives in an efficient and productive manner;

(H) serve as a liaison to the Department in representing State and local priorities and concerns regarding homeland security;

(I) consult with State and local government officials, including emergency managers, to coordinate efforts and avoid duplication; and

(J) coordinate with Homeland Security Liaison Officers in neighboring States to—

(i) address shared vulnerabilities; and

(ii) identify opportunities to achieve efficiencies through interstate activities .

(d) FEDERAL INTERAGENCY COMMITTEE ON FIRST RESPONDERS AND STATE, LOCAL, AND CROSS-JURISDICTIONAL ISSUES.—

(1) IN GENERAL.—There is established an Interagency Committee on First Responders and State, Local, and Cross-jurisdictional Issues (in this section referred to as the ''Interagency Committee'', that shall—

(A) ensure coordination, with respect to homeland security functions, among the Federal agencies involved with—

(i) State, local, and regional governments;

(ii) State, local, and community-based law enforcement;

(iii) fire and rescue operations; and

(iv) medical and emergency relief services;

(B) identify community-based law enforcement, fire and rescue, and medical and emergency relief services needs;

(C) recommend new or expanded grant programs to improve community-based law enforcement, fire and rescue, and medical and emergency relief services;

(D) identify ways to streamline the process through which Federal agencies support community-based law enforcement, fire and rescue, and medical and emergency relief services; and

(E) assist in priority setting based on discovered needs.

(2) MEMBERSHIP.—The Interagency Committee shall be composed of—

(A) a representative of the Office for State and Local Government Coordination;

(B) a representative of the Health Resources and Services Administration of the Department of Health and Human Services;

(C) a representative of the Centers for Disease Control and Prevention of the Department of Health and Human Services;

(D) a representative of the Federal Emergency Management Agency of the Department;

(E) a representative of the United States Coast Guard of the Department;

(F) a representative of the Department of Defense;

(G) a representative of the Office of Domestic Preparedness of the Department;

(H) a representative of the Directorate of Immigration Affairs of the Department;

(I) a representative of the Transportation Security Agency of the Department;

(J) a representative of the Federal Bureau of Investigation of the Department of Justice; and

(K) representatives of any other Federal agency identified by the President as having a significant role in the purposes of the Interagency Committee.

(3) ADMINISTRATION.—The Department shall provide administrative support to the Interagency Committee and the Advisory Council, which shall include—

(A) scheduling meetings;

(B) preparing agenda;

(C) maintaining minutes and records;

(D) producing reports; and

(E) reimbursing Advisory Council members.

(4) LEADERSHIP.—The members of the Interagency Committee shall select annually a chairperson.

(5) MEETINGS.—The Interagency Committee shall meet—

(A) at the call of the Secretary; or

(B) not less frequently than once every 3 months.

(e) ADVISORY COUNCIL FOR THE INTERAGENCY COMMITTEE.—

(1) ESTABLISHMENT.—There is established an Advisory Council for the Interagency Committee (in this section referred to as the ''Advisory Council'').

(2) MEMBERSHIP.—

(A) IN GENERAL.—The Advisory Council shall be composed of not more than 13 members, selected by the Interagency Committee.

(B) DUTIES.—The Advisory Council shall—

(i) develop a plan to disseminate information on first response best practices;

(ii) identify and educate the Secretary on the latest technological advances in the field of first response;

(iii) identify probable emerging threats to first responders;

(iv) identify needed improvements to first response techniques and training;

(v) identify efficient means of communication and coordination between first responders and Federal, State, and local officials;

(vi) identify areas in which the Department can assist first responders; and

(vii) evaluate the adequacy and timeliness of resources being made available to local first responders.

(C) REPRESENTATION.—The Interagency Committee shall ensure that the membership of the Advisory Council represents—

(i) the law enforcement community;

(ii) fire and rescue organizations;

(iii) medical and emergency relief services; and

(iv) both urban and rural communities.

(3) CHAIRPERSON.—The Advisory Council shall select annually a chairperson from among its members.

(4) COMPENSATION OF MEMBERS.—The members of the Advisory Council shall serve without compensation, but shall be eligible for reimbursement of necessary expenses connected with their service to the Advisory Council.

(5) MEETINGS.—The Advisory Council shall meet with the Interagency Committee not less frequently than once every 3 months.

Mr. REID. Mr. President, I would say to all those within the sound of my voice, this action has been cleared by both Senators THOMPSON and LIEBERMAN, the two managers of this bill.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent we proceed to a period of morning business with Senators permitted to speak therein for not to exceed 10 minutes each.

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

U.S. MILITARY CONSTRUCTION IN EUROPE

Mrs. FEINSTEIN. Mr. President, as chair of the Military Construction Appropriations Subcommittee, I have the opportunity and responsibility to take a close look at our military's construction needs throughout the world.

During our August recess, I chose to take a closer look at an initiative recently implemented by the Army in Europe called ''Efficient Basing''. This initiative is a two part process that will streamline the Army's infrastructure needs in Germany and in Italy.

The plan will direct much needed funds to consolidate U.S. bases throughout Germany, and better position an airborne battalion south of the Alps in Vicenza, Italy to more quickly respond to the possibility of crisis in the Transcaucasus, the Balkans, the Middle East and Africa.

Although the costs for this initiative could total nearly $1 billion when complete, there is little doubt that it will both dramatically reduce the long term costs of basing our forces in Western Europe and provide better strategic positioning for regional conflicts and the global war on terrorism.

This aptly named ''Efficient Basing'' initiative is being guided by the U.S. Army's European Commander in Chief, Gen. Montgomery Meigs. General Meigs invited me to Europe to take a closer look at the work in progress and allow him the opportunity to justify the costs associated with the program. As a result, I went to Camp Ederle, in Vicenza, Italy, and was able to see first hand the real efficiency of this tremendously large task and recognize the actual savings to be gained.

I would like to take a few minutes to recognize the degree of dedication and service to our country that is often overlooked.

Whether fighting a war, or carrying out the daily administrative tasks necessary to provide protection for America at home and abroad, our military commanders and the soldiers within their command display a level of dedication, efficiency, and selflessness that is awe inspiring.

We ask a lot of our soldiers, sailors, Marines and airmen. And, without question, they are up to the task, whatever it might be.

Let me give just a couple of examples: In his nearly 35 years of military service, General Meigs and his wife, Mary-Ann have moved their family 24 times. That's not just soldier dedication, that's family dedication—all for the sake of our freedom. This sacrifice is recognized throughout the world, not only by Americans, but by our allies and partners as well.

In the wake of September 11, a strangely surprising and caring act took place on the part of our Italian allies. In less than 24 hours, the Carabinieri—Italian police—in a show of force protection, came out in large numbers to surround our Vicenza base, Camp Ederle.

The base didn't solicit their presence. It was given voluntarily.

Acts like this do not just happen—they take time and the creation of a rapport built on admiration and years of interaction with our commanders and soldiers. The actions of the Carabinieri was, in part, a response to a lasting friendship—a friendship forged by men like MG Robert Wagner, the Southern European Task Force, SETAF, Commander.

General Wagner, a shining example for all to follow, is one hundred percent engaged with the leaders of the community—the mayor, the director of the Carabinieri, and businesses leaders throughout northern Italy.

The relationships and mutual admiration did not just happen by virtue of his position. It was developed over time, by him and by his predecessors, who hosted dinners and got to know these leaders and their needs, as well as expressing his concerns for our soldiers and the community in which they live and work.

The relationship between General Wagner and the community is priceless, but the care and concern he expresses for his soldiers is even more evident.

I was pleasantly amazed by the spontaneously unsolicited comments by persons like the local base librarian, who takes pride in his facilities and the services that he is able to provide to

some 750 daily visitors. The same type of pride was exhibited by the director of the commissary, who manages a clean, well stocked facility and therefore plays a critical role in the morale and welfare of those who defend us.

A long time concern of mine has been the high operational tempo, or more simply put, the rate at which our service members are deployed away from their home base, whether for training, or deployed in reaction to a crisis.

In Vicenza, Italy, I met an impressive young man—a Californian—1SG Noel Fernando. First Sergeant Fernando, a native of Salinas, California, talked to me about his highly trained Airborne unit's operational tempo.

Sergeant Fernando, a hard worker who achieved his very high enlisted rank at an early age, assured me that more organized planning and early notification to family members regarding deployment schedules has reduced the trauma experienced by younger soldiers and their loved ones. They are now better able to anticipate deployments and plan accordingly.

Another distinguished member of our military forces is Gen. Joe Ralston. General Ralston is the Commander in Chief, U.S. European Command and the NATO Supreme Allied Commander Europe.

As Commander in Chief of U.S. European Command, he is the senior U.S. military officer and commander of a unified combatant command with an area of responsibility that includes 89 nations in Europe, Africa and the Middle East. General Ralston will be retiring soon, and just like many service members before, he and his family have sacrificed much of their lives for our freedom.

I was pleased to have been escorted by General Ralston to the sites of several upcoming military construction projects in the Mons, Belgium area.

The first is a barracks complex that will accommodate soldiers at the ''one-plus-one'' housing standard. Another project will add a classroom to the SHAPE, Supreme Headquarters Allied Powers Europe, elementary school.

While there, I had an opportunity to visit this site and visit with the students and teachers. I am pleased to report that the administrators of this and other military schools in Europe have been able to reduce the student to teacher ratio significantly, thus offering a quality education for our military dependents.

In summary, I would like to emphasize the important role that our officers, enlisted members, and their families play in creating good will around the world for the people of America.

As I have mentioned previously, all of these people dedicate their lives, and to a certain degree their personal freedom, to ensure our nation's remains free. These military service members and their families deserve quality facilities wherever they might be stationed.

This is why, I feel honored to sit as chair of the Appropriations Military Construction Subcommittee, because it allows me to make a difference in the living and working conditions for our troops who are willing to make the ultimate sacrifice on our nation's behalf. I am dedicated to providing first class facilities for them both at home and abroad.

Lastly, it is with great pride that I commend those service members like General Ralston, General Meigs, General Wagner and First Sergeant Fernando, who have for decades sought to ensure a better quality of life for our fighting force.

U.S. INTERNATIONAL TRADE POLICY

Mr. GRASSLEY. Mr President, this year marks an historic turning point for U.S. international trade policy. For the first time in over eight years the Congress renewed the President's authority to negotiate new trade agreements. This authority, called Trade Promotion Authority, reestablishes the traditional partnership on trade between the Congress and the Executive branch. It allows us to work together to open new markets for American exports, set fair rules of conduct for U.S. investors overseas, and help raise the standard of living for millions of people around the world.

The negotiating objectives and procedures laid out in the Bipartisan Trade Promotion Authority Act represent a very careful substantive and political balance on some very complex and difficult issues such as investment, labor and the environment, and the relationship between Congress and the Executive branch during international trade negotiations.

Because this balance is so delicate, I was somewhat dismayed to learn recently that some groups and Members of Congress are trying to push for interpretations of certain provisions of the TPA bill that do not comport with the negotiating objectives laid out in the Bipartisan Trade Promotion Authority Act. For example, an article in the September 18, 2002 edition of National Journal's CongressDaily noted that ''a group of labor officials who were active in the fight against, TPA, are meeting in the offices of the AFL-CIO. At the top of their agenda: mapping a plan to ensure future trade agreements include strong provisions on labor rights and the environment. Labor officials plan to hold future agreements to standards set in an earlier free-trade agreement reached with Jordan, which they consider a model of backing up labor and environmental provisions with enforceable sanctions.'' Some Members of Congress are even arguing that future agreements must follow the ''Jordan Standard'' on labor and environment in order to meet the objectives laid out in the TPA bill. Perhaps even more ominous were the public remarks of the Chairman of the Senate Finance Committee who urged the administration to follow the model of the Jordan Free Trade Agreement ''exactly'' in implementing the labor and environment provisions of the Bipartisan Trade Promotion Authority Act.

On this issue, I respectfully disagree with my colleague from Montana. In fact, I think this would be a serious mistake. The negotiating objectives in the TPA bill set the parameters for future trade negotiations, not some past agreement like the Jordan FTA that was negotiated during the Clinton Administration. To follow the provisions of this past agreement ''exactly'' would ignore the clear will of Congress as set forth in the TPA bill. Even more disconcerting is that such a stark litmus test ignores that basic premise that the most appropriate mechanisms to improve labor and environment standards abroad differ from country to country and agreement to agreement. In short, one size does not fit all.

Trying to solve complex environmental and labor issues with rigid constructs will do nothing to actually improve environmental or labor standards abroad. At the same time, demanding that our trading partners accept specific language laid out in past agreements during trade negotiations will come at a heavy price for our farmers and workers, as our trading partners can demand significant concessions on other issues, such as agriculture, in exchange for our rigid insistence that they accept specific language from our trade negotiators. The Administration and Members of Congress need to remember that the underlying premise of the TPA Act is to provide the President and our trade negotiators with flexibility so they can negotiate the best trade agreements for the American people. It is not intended, nor should it be used, to try to tie the President's hands on any particular issue.

It is also troubling that some advocacy groups are pushing to ensure that future free trade agreements adhere to their version of so-called ''Jordan Standard.'' I think it bears repeating that it is the negotiating objectives laid out in the Trade Promotion Authority bill that should guide the Administration in future trade negotiations, not a single free trade agreement that was concluded long before TPA became law.

I also believe it would be a political miscalculation to insist that new trade agreements must follow the ''Jordan Standard'' to gain support in Congress. First, no one really knows what the ''Jordan Standard'' is. In fact, when we held a hearing on the Jordan Free Trade Agreement on March 20, 2001 in the Senate Finance Committee, one of the most controversial issues raised was what the labor and environmental provisions of the Jordan Free Trade Agreement actually mean. For example, former United States Trade Representative Charlene Barshefsky testified that the labor and environment provisions in the Jordan FTA ''while

restating the existing commitment of both countries to environmental protection and the ILO's core labor standards, neither imposes new standards nor bars change or reform of national laws as each country sees fit.''

Ambassador Michael Smith, former Deputy United States Trade Representative and the first American Ambassador to the General Agreement on Tariffs and Trade, testified that ''Articles 5 and 6 [of the Jordan FTA] as written are largely fluff, open to widely differing, even if plausible, interpretations and, as such, causes for possible unfortunate differences between Jordan and the United States in the years ahead as the agreement is implemented. Articles 5 and 6 do not advance the ''cause'' of either international environmental or labor affairs and add only confusion to what should be a straightforward free trade agreement. Indeed, the only result I can foresee is countries adopting lower environmental and labor standards for fear of themselves being unable to effectively enforce higher standards hardly a desired result.''

During the hearing it became clear that labor and environment provisions, and their relationship to the dispute settlement procedures established in the Jordan FTA, are highly controversial. A number of groups, including the American Farm Bureau Federation and the U.S. Chamber of Commerce, strongly opposed including the labor and environment provisions in the Jordan FTA without some clarification from the Administration that these provisions would not be implemented in a trade restrictive manner. Many members of the Republican party, including myself, shared these concerns. Had the U.S. Government not agreed to side letters with the Hashemite Kingdom of Jordan, clarifying that these and other provisions would not be implemented in a manner that results in blocking trade, it is highly likely that the agreement would not have gained the support of the Republican caucus in the Senate, and may not have passed the Senate at all. And, if the proposed agreement had not been with our good friend and ally Jordan, side letters may not have been enough.

I think this represents an important political reality which the Administration must gauge in entering into new free trade agreements. Almost 90 percent of the Republican Caucus in the House and Senate supported passage of Trade Promotion Authority. In contrast, only 12 percent of the House Democratic Caucus and 40 percent of the Senate Democratic Caucus supported the bill. And the price for that support was high. Clearly, if future free trade agreements are going to pass Congress, the strong support of the Republican caucus will be key.

In short, I am deeply concerned that some advocacy groups and Members of Congress are pushing the Administration to adhere to a highly controversial and vague ''Jordan Standard'' which does not have the strong support of the Congress and that is not clearly reflected in the Trade Promotion Authority negotiating objectives. While the labor, environment, and dispute settlement negotiating objectives in the Bipartisan Trade Promotion Authority Act are loosely based on provisions found in the Jordan Free Trade Agreement, there is clearly a distinction between the two. In implementing the will of Congress as embodied in the Trade Promotion Authority Act, it is critically important for the administration to keep this distinction in mind if future agreements are to gain the support of myself and other strong supporters of free trade in the Congress.

Before I conclude I would like to talk about another important development in U.S. trade policy. Last week, for the very first time, the bipartisan, bicameral Congressional Oversight Group, COG, met with Ambassador Zoellick to discuss pending and future trade agreements. The COG was created by the Trade Promotion Authority Act to provide an additional consultative mechanism for Members of Congress and to provide advice to the U.S. Trade Representative on trade negotiations.

The COG is comprised of: the Chairmen and Ranking Members of the Finance and Ways and Means Committees; three additional members from the Senate Finance Committee, no more than two of whom may be of the same political party; three additional Members of the House Ways and Means Committee, no more than two of whom may be of the same political party; and the chairman and ranking member or their designees of the committees of the House or Senate which would have, under the Rules of the House or Senate, ''jurisdiction over provisions of law affected by a trade agreement negotiations for which are conducted at any time during that Congress.''

The purpose of the COG is to ''consult and provide advice to the Trade Representative regarding the formulation of specific objectives, negotiating strategies and positions, the development of the applicable trade agreement, and compliance and enforcement of the negotiated commitments under the trade agreement.'' In addition, each member of the COG is to be accredited as an official adviser to the United States delegation in the negotiations. However, those Senators or Members who are Members of the COG because they are the chairman or ranking member of a Committee which has ''jurisdiction over provisions of law affected by trade negotiations'' are to be accredited as advisors only on those provisions which would fall under their Committee's jurisdiction.

The TPA bill makes it clear that the COG is a mechanism for enhanced consultations and that it is not designed to serve as a referendum on new agreements or on particular negotiating positions.

I am pleased to report that our first meeting was a great success. A number of Senators and Members of the House from both political parties attended the meeting, including the chairmen and ranking members of both the Senate Finance and House Ways and Means Committees. During the meeting Ambassador Zoellick expressed his strong support for enhanced consultations and his keen interest in meeting with the COG on a regular basis. I certainly would support his enthusiastic efforts.

The TPA bill also requires the chairmen and ranking members of both the Finance and Ways and Means Committees to establish guidelines for the exchange of information between the Congress and the Executive branch. I plan to work diligently to ensure that these guidelines are feasible and that the resulting exchange of information is meaningful.

With the passage of the Bipartisan Trade Promotion Authority Act of 2002, we begin a new phase in the history of U.S. trade policy. Although the bill contains some new buttons and bows, the underlying premise of the bill remains the same as it was decades ago to give the administration the tools it needs to liberalize trade and create new opportunities for America's farmers, ranchers and workers. As the Ranking Member of the Senate Finance Committee, I intend to ensure that the Trade Promotion Authority Act is implemented in a manner that does just that.

VISIT OF TAIWAN'S FIRST LADY CHEN WU SUE-JEN

Mr. ROCKEFELLER. Mr. President, Washington is graced this week by the visit of Madame Chen Wu Sue-Jen, the First Lady of Taiwan and a distinguished humanitarian and advocate for human rights. Mrs. Chen has worked tirelessly to promote human rights and democratization on Taiwan. In tandem with her husband, President Chen Shui-Bien, Mrs. Chen has worked to open up the Taiwanese political system and ensure that the Taiwan Government reflects all its citizens' views and interests. Taiwan's democracy serves as an model to Chinese-speaking people around the world, and as compelling evidence that human rights and democracy are truly universal aspirations.

The struggle for democratization is never quick or easy, and in Mrs. Chen's case, it led to very personal sacrifice. When leaving a campaign rally in 1985, she was hit by a vehicle that left her paralyzed from the waist down. While some might view that as a justification to withdraw from public life, in the case of Mrs. Chen, it only reinforced her commitment to public service, and she went on to serve with distinction in Taiwan's legislature. Her experience has also given her a profound sense of identification with the disabled, whom she has worked as First Lady to support. While here in Washington, Mrs. Chen will meet with the Red Cross and the National Rehabilitation Hospital

to discuss the work she has done in Taiwan to promote the rights of the disabled.

It has been pointed out that Mrs. Chen's visit is the first visit by a First Lady of the Republic of China since Soong May-ling, better known here as Madame Chiang, traveled to Washington to ask for U.S. support in 1943. Since that turbulent period, America has maintained close ties with the Republic of China. The United States has had, and will continue to have, a unique partnership with Taiwan, and the people on Taiwan should remain assured that they have no better friend than the United States.

But this week's historic milestone also marks a good opportunity to reflect the vast distance the Republic of China has traveled between 1943 and now. Today when Taiwan talks with the United States, it does so as a vibrant democracy, a flourishing economy, a major trading partner and investor in the United States, and an important partner of the U.S. in our efforts to preserve peace and stability in East Asia.

There is no better reflection of today's Taiwan than this dedicated woman who embodies so many of the positive changes that have occurred on the island. This week's visit will give Americans an opportunity to deepen their understanding of Taiwan by meeting with one of its most accomplished and articulate representatives. It gives me great pleasure to welcome my friend, Madame Chen Wu, to Washington. I urge my colleagues to take this opportunity to get to know her, you will be glad you did.

Mr. MURKOWSKI. Mr. President, I welcome Taiwan's First Lady, Madame Chen Wu Sue-jen, to Washington, D.C. and remark on her considerable accomplishments. As many of my colleagues are aware, Madame Chen Wu was paralyzed from the waist down after being hit by an automobile in 1985, and is permanently confined to a wheelchair. Despite this tragic event, Madame Chen Wu has persevered.

In 1986, when her husband, now President Chen Shui-bian, was imprisoned on political charges, Madame Chen Wu ran on her husband's behalf for a seat in the national legislature—and won. Since then, she has played a crucial role as confidant and supporter to President Chen as he progressed from legislator to Mayor of Taipei and now in this current office.

The courage and optimism Madame Chen Wu demonstrates, in spite of her physical limitation, serves as a source of inspiration for all. Continuously upbeat in life, Madame Chen provides tremendous support to all who know her. Her strength of character has done much to transform the role of Taiwan's First Lady.

So, it is with great pleasure that I welcome Madame Chen Wu to the United States, to Washington, D.C., and am confident that her visit will only serve to strengthen U.S.-Taiwan relations.

Mr. SMITH of New Hampshire. Mr. President, I rise to speak about Taiwan's First Lady, Madam Chen Wu Sue-jen, who is visiting Washington this week for the first time in her capacity as First Lady. As a dear friend of Taiwan, and on behalf of my colleagues in the United States Senate, I would like to welcome Madam Chen Wu to Washington. I hope her visit is pleasant and productive.

Mr. President, Madam Chen Wu is truly a delightful and remarkable lady. I am in awe of her courage in the face of adversary. I am especially moved by her refusal to allow being a victim of an automobile accident, which rendered her disabled, from ending her outspoken advocacy for democracy in Taiwan.

Madam Chen Wu successfully ran for office herself, becoming a lawmaker. She later focused her efforts to make her husband one of Taiwan's eminent political figures. Her dreams and hopes for him became fulfilled when Chen Shui-bian was elected president of the Republic of China in 2000.

Since taking office, President Chen has exhibited great leadership and courage in the face of the People's Republic of China's constant menace. President Chen has also shown his compassion and friendship to the American people in the wake of the tragic attacks on the citizens of the United States of America. I am certain these fine traits have been honed in part through the example Madam Chen Wu has played in his life.

To this day, First Lady, Madam Chen Wu has not changed. She is still the same Chen Wu Sue-jen of years ago: an innocent schoolgirl from Matou, Tainan County, Taiwan. She has retained all the charm and grace of a young Taiwanese girl who later became a wife, mother, politician and First Lady.

The United States of America welcomes you, Madam Chen Wu.

U.S.A. PATRIOT ACT

Mr. HATCH. Mr. President, I ask unanimous consent that on behalf of the listed Senators, a joint statement of myself, Senator THURMOND, Senator KYL, Senator DEWINE, Senator SESSIONS, and Senator MCCONNELL regarding the Committee on the Judiciary, be printed in the RECORD.

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

THE U.S.A. PATRIOT ACT IN PRACTICE: SHEDDING LIGHT ON THE FISA PROCESS

Prior to the U.S.A. PATRIOT Act of 2001, the Foreign Intelligence Surveillance Act of 1978 authorized the government to gather intelligence on agents of foreign powers with less stringent requirements than those required for surveillance of domestic criminals. The courts interpreted FISA as requiring that gathering foreign intelligence be the ''primary purpose'' of the surveillance of the foreign agent. See United States v. Duggan, 743 F.2d 59, 77 (2nd Cir. 1984); United States v. Truong Dinh Hung, 629 F.2d 908 (4th Cir. 1980), cert. denied, 454 U.S. 1154 (1982).

This statutory regime worked well during the cold war for conducting surveillance on spies who were either foreign nationals employed by foreign government working under diplomatic cover at foreign embassies in the United States, or United States persons in this country who had been recruited to spy by foreign intelligence agencies. Both were clearly ''agents of a foreign power,'' and gathering foreign intelligence on the activities of these targets was generally the ''primary purpose,'' if not the only purpose, of the surveillance.

The statutory regime did not work as well with respect to terrorists, who did not work for a foreign government, who often financed their operations with criminal activities, such as drug dealing, and who began to target American interests. It was more difficult to determine if such terrorists were ''agents of a foreign power'' and it was difficult for the government to keep the appropriate types of investigators, intelligence or criminal, involved in the operation.

To determine what the ''primary purpose'' of a surveillance was, courts looked to what type of federal investigators were managing and directing the surveillance operation. If intelligence investigators managed and directed the surveillance, courts interpreted the primary purpose of the surveillance to be gathering foreign intelligence, thus requiring the government to comply with the less stringent FISA surveillance procedures. On the other hand, if criminal investigators managed and directed the surveillance, courts interpreted the primary purpose of the surveillance to be gathering criminal evidence, thus requiring the government to comply with the more stringent Title III wiretap procedures or to exclude the evidence from court. In short, the courts held that there could be only one primary purpose, and it was either gathering foreign intelligence or gathering criminal evidence. See, e.g., Truong, 629 F.2d at 912–13.

The attacks on September 11, 2001, appeared to be orchestrated by the Al Qaeda, an international terrorist organization, with no embassies or diplomats, and whose operatives were loosely associated small groups who often engaged in criminal activities. The intelligence agencies and criminal investigators were unable to analyze and disseminate information needed to detect and prevent the September 11th attacks partly because of restrictions on their ability to share information and coordinate tactical strategies in order to disrupt foreign terrorist activities. It was apparent that the existing court interpretation of the FISA requirement of ''primary purpose'' impeded the sharing and coordination of information between criminal and intelligence investigators on foreign terrorists.

Accordingly, Congress enacted the USA Patriot Act, in part, to replace the ''primary purpose'' requirement with a less stringent requirement, and to increase consultation and coordination efforts between intelligence and federal law enforcement officers to investigate and protect against foreign terrorist threats. See Sections 218 and 504. Three replacement standards were discussed for determining how large a purpose gathering foreign intelligence must be in order for a FISA warrant to issue: (1) a substantial purpose; (2) a significant purpose; and (3) a purpose. With multiple purposes in an investigation of an international terrorist, there could be only one ''primary'' purpose, but more than one ''substantial'', ''significant,'' or ''a'' purposes. A ''substantial'' purpose of gathering foreign intelligence was viewed to be less than primary, but more than a de

minimis purpose. A ''significant'' purpose of gathering foreign intelligence was deemed to be less than ''significant,'' but more than a de minimis purpose. And ''a purpose'' of gathering foreign intelligence was deemed to include a de minimis purpose.

Congress chose the word ''significant'' purpose to replace the existing FISA requirement of a ''primary'' purpose. By this we intended that the purpose to gather intelligence could be less than the main or dominant purpose, but nonetheless important and not de minimis. Because a significant purpose of gathering foreign intelligence was not the primary or dominant purpose, it was clear to us that in a FISA search or surveillance involving multiple purposes, gathering criminal evidence could be the primary purpose as long as gathering foreign intelligence was a significant purpose in the investigation. See generally, e.g., United States v. Soto-Silva, 129 F.3d 340, 347 (5th Cir. 1997) (holding that a defendant who maintained a house for the ''primary purpose'' of taking care of a family member also maintained the house for a ''significant purpose'' of distributing marijuana).

The Department of Justice confirmed the meaning of the change from primary purpose to significant purpose in a letter supporting the amendment sent on October 1, 2001, to the Chairmen and Ranking Members of the House and Senate Judiciary and Intelligence Committees. The Department stated that the amendment would recognize that ''the courts should not deny [the President] the authority to conduct intelligence searches even when the national security purpose is secondary to criminal prosecution.''

The understanding of increased cooperation between intelligence and law enforcement was confirmed by voices in the House and the Senate in the days and weeks immediately following the new FISA standard. ''This legislation authorizes the sharing of information between criminal investigators and those engaged in foreign intelligence-gathering. It provides for enhanced wiretap and surveillance authority. It brings the basis building blocks of a criminal investigation, pen registers and trap and trace provisions, into the 21st century to deal with e-mails and Internet communications.'' 147 Cong. Rec. H7196 (daily ed. Oct. 23, 2001) (statement of Rep. SENSENBRENNER). ''The core provisions of the legislation we passed in the Senate 2 weeks ago remain firmly in place. For instance, in the future, our law enforcement and intelligence communities will be able to share information and cooperate fully in protecting our Nation against terrorist attacks.'' 147 Cong. Rec. S11016 (daily ed. Oct. 25, 2001) (statement of Sen. HATCH).

In addition, a news publication confirmed the general understanding on Capitol Hill during the consideration of the U.S.A. PATRIOT Act. The Congressional Quarterly reported separately on October 8, 9, and 23, 2001: ''Under the measure, for example, law enforcement could carry out a FISA operation even of the primary purpose was a criminal investigation.'' Congr. Q., House Action Reports, Fact Sheet No. 107–33, at p. 3 (Oct. 9, 2001); see Cong. Q., House Action Reports, Legislative Week, at p. 3 (Oct. 23, 2001); Cong. Q., House Action Reports, Legislative Week, a p. 13 (Oct. 8, 2001). FISA may not be used ''even if the primary purpose is a criminal investigation.'' Cong. Q. Billwatch Brief, H.R. 3162 (Oct. 23, 2001).

It was our intent when we included the plain language of Section 218 of the U.S.A. PATRIOT Act and when we voted for the Act as a whole to change FISA to allow a foreign intelligence surveillance warrant to be obtained when ''a significant'' purpose of the surveillance was to gather foreign intelligence, even when the primary purpose of the surveillance was the gathering of criminal evidence.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred September 22, 2002, in West Hollywood, CA. Two men brutally attacked a 55 year old gay man walking in West Hollywood, the second such attack in West Hollywood this month. The assailants beat the victim with a baseball bat and metal pipe while yelling anti-gay slurs. The attackers, who match the description of the men who attacked a 34 year old actor on September 1, fled when a cab driver stopped to help the victim. The victim received treatment at Cedars-Sinai Medical Center following the assault.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

ADDITIONAL STATEMENTS

TRIBUTE TO DR. ROBERT P. MAGGARD AND CHARLES MILBURN

● Mr. BURNS. Mr. President, I rise today to congratulate two outstanding Montanans, whose enthusiasm and work ethic exhibit the true spirit of our Nation.

Each year the Experience Works program salutes our nations senior workforce. This non-profit organization selects an Outstanding Older Worker from each of the 50 States and Puerto Rico to pay tribute to the contributions that our older individuals are making in the workforce as well as in their communities.

This Year Montana will be saluting the 2001 Outstanding Worker, Dr. Robert P. Maggard and the 2002 Outstanding Worker, Mr. Charles E. Milburn.

Dr. Maggard, originally from Omaha, Nebraska, served in World War II, and then graduated from Creighton University where he studied dentistry. Dr. Maggard, moved to Yellowstone Valley, Montana and began his practice in the 1950's. He sold his practice in 1987 and began working with the Elite Denture center, which allows dentistry service at a reasonable price to thousands who would not otherwise be able to afford it.

Charles Milburn retired from his long career in retail in New York City, to return home to his native state of Montana. After one year of retirement he began volunteering with the Computerized Books for the Blind. He quickly became the organizations most productive volunteer. He currently works at the Disability Services for Students and is now the president of Roxie M. Anderson Memorial fund which gives help to young teenage mothers.

These two men are truly worthy of the Outstanding Older Worker award. This award represents the dedication these men have exhibited throughout their lives, and both the state of Montana and I are proud of their hard work.●

IN MEMORY OF JAMIE CHRISTENSON AND ERIC HURST

● Mr. HARKIN. Mr. President, I rise today to offer my thoughts and prayers to the family of Jamie Christenson of Marshalltown, Iowa and Eric Hurst of Ventura, California. Bob and Debra Christenson suffered a terrible loss this summer when their young daughter, Jamie, died in a tragic swimming accident in Minnesota at the young age of 17. The Hurst family lost Eric, only 24, as he valiantly attempted to save Jamie's life.

Jamie Christenson was one of 53 campers from Trinity Lutheran Church in Marshalltown who were at Camp Vermillion, near Cook, Minnesota. While on a canoeing trip on the afternoon of July 30, Jamie and her friends took a break from carrying their canoes around the more treacherous falls and began cooling off in the waters near Upper Basswood Falls, in Minnesota's Boundary Waters Canoe Area Wilderness.

Beyond the falls, Jamie and a group of campers donned life preservers and entered the water. There, in what had appeared to be calm and shallow waters, Jamie was caught in a swift undercurrent and pulled below the river.

Several campers and boaters in the area rushed to her rescue, including Eric Hurst, who was working on the river as a canoe guide. Sadly, the river claimed both of their lives.

The State of Minnesota and Governor Jesse Ventura have each issued a posthumous certificate of commendation for heroism to the family of Eric Hurst. It is my hope that the Senate can act in some similar fashion, or, that there can be some other Federal recognition of Eric's efforts to save Jamie's life.

As the father of two daughters, I can think of no pain deeper than to lose a child. I offer my deepest condolences to Bob and Debra, their family, and to Jamie's many friends, as well as to the family and friends of Eric Hurst. In times of such pain, words fall far short of comfort we wish we could provide to those in mourning, but even words are we can offer.

So I offer the words of the Greek poet Aeschylus: ''In our sleep, pain which

cannot forget falls drop by drop upon the heart until, in our own despair, against our will, comes wisdom through the awful grace of God.''

To the Christenson family and the Hurst family, I offer these words as a prayer for an end to their sorrow.●

LEO JOHN SWEENEY JR. AND CATHERINE EILEEN CLAFFEY SWEENEY'S 25TH WEDDING ANNIVERSARY

● Mr. CARPER. Mr. President, I rise today to congratulate John and Eileen Sweeney, who will celebrate their 25th wedding anniversary on November 25, 2002.

As they celebrate this milestone in their lives, they will surely reflect on the many changes, successes, and accomplishments they have experienced together over the last 25 years. Theirs is a journey of which they can be proud.

Leo John Sweeney Jr. is the son of the late Leo John Sweeney Sr. and Isabelle Moore Sweeney, and is a lifelong Wilmingtonian. He is a graduate of St. Elizabeth's Elementary School and Salesianum High School. His wife, Catherine Eileen Claffey Sweeney, is the daughter of the late John J. Claffey and Alice G. Rowan Claffey, and is also from Wilmington. She is a graduate of St. Paul's Elementary School and St. Paul's Commercial School.

John and Eileen met and began dating in early 1976 and became engaged in June 1977. They were married on November 25, 1977, at St. Joseph's on the Brandywine Roman Catholic Church in Wilmington. They made a welcoming home on South Broom Street.

A lieutenant, John has worked at the Wilmington Fire Department for 28 years. In 1961, he played in Delaware's Annual Blue and Gold All-Star Football Game, and, on the 25th anniversary of the Blue/Gold Game in 1980, John began umpiring these games. He continues to umpire high school football games today.

Eileen has worked for the Catholic Diocese for 30 years and has also served as Publicity Chair for the St. Patrick's Day Parade Committee. In 1994, she opened an Irish Shop in the Forty-Acres neighborhood. We have shared many laughs together at the Irish Culture Club of Delaware over the years.

Today, I congratulate John and Eileen on their 25th wedding anniversary. Both have shown great service and commitment to their family and their community. I know that their years together hold many beautiful memories. It is my hope that those ahead will be filled with continued joy and contentment. I wish them both the very best in all that lies ahead.●

HONORING ANNA MARIE O'LOUGHLIN

● Mr. CORZINE. Mr. President, I rise today to honor Anna Marie O'Loughlin, a woman who has dedicated more than a decade of her life to advocating and caring for children in the foster care and adoption system. Her boundless energy, courage, and commitment to children make her an outstanding parent and an asset to the State of New Jersey. I congratulate her on recieving of the 2002 Congressional Angel in Adoption Award.

In 1991, Anna Marie O'Loughlin and her husband, Frank, adopted their first child from the New Jersey Division of Youth and Family Services, DYFS. Jason, a toddler born drug and alcohol addicted, suffered multiple learning disabilities as a result of his unfortunate start in life.

Five years later, Anna Marie and Frank adopted another child, a 10-year-old boy with an attachment disorder. Later that same year, the O'Loughlins volunteered to serve as foster parents, receiving their first foster child, an infant girl, in January of 1997. Seven months later the infant girl's biological sister joined the family. Anna Marie and Frank adopted both girls in December 2000.

In January 2001, Anna Marie left a thenty-year career in order to be more consistently available to her children, and opened her home and heart, this time as an emergency placement foster home for older children and teenagers. Children aged 2 to 17 passed through her home, some in the middle of the night, and moved on when DYFS found a foster home. Anna Marie established a particularly special relationship with one of these children, a 16-year-old boy who had been in multiple homes and treatment facilities. He would soon be forced to leave the foster care system due to his age, and would have been left to face an uncertain future on his own. However, Anna Marie stepped in with her characteristic determination to change that outcome, and in January 2002, the O'Loughlin home became a permanent foster home for this young man.

Over the course of these years, Anna Marie also became an outspoken advocate for children in the foster care and adoption system. She has served on the board of Concerned Parents for Adoption in a variety of positions, including president from 1996 to 2000. Currently, Anna Marie works as a co-trainer for adoptive and foster parent applicants. She presents workshops at the Concerned Parents for Adoption conference on older child adoption and teenage issues, offering a wealth of experience and practical knowledge.

Anna Marie has said that she cannot help feeling that her work is making a difference. Indeed, she has reached out to children in desperate need to offer them a better life. As our nation reaffirms its commitment to service, Anna Maria is a shining example. Again, I congratulate Anna Marie on her well-deserved recognition, and I thank her for her tireless efforts on behalf of children.●

RICHARD I. BONG WORLD WAR II HERITAGE CENTER

● Mr. KOHL. Mr. President, it is my honor today to celebrate the opening of the Richard I. Bong World War II Heritage Center in Superior, WI.

The Richard I. Bong World War II Heritage Center honors World War II participants both on the home front and on the battle front. Named for America's Ace of Aces and Congressional Medal of Honor recipient, MAJ Richard Bong, the new center tells visitors of all ages about World War II through the eyes of those who participated in the war effort.

Major Bong, a native of Poplar, WI, fell in love with aviation as a small boy, watching mail planes fly over the family farm. In 1940, at the age of 20, he became a flying cadet in the U.S. Army Air Corps. Major Bong downed 40 enemy aircraft in the Pacific theater of war and made Poplar famous. Today would have been Major Bong's 82nd birthday. We celebrate by opening the Richard I. Bong World War II Heritage Center which not only honors Major Bong's war efforts but also pays tribute to all brave veterans who never saw themselves as heroes but truly embody the word.●

IN RECOGNITION OF DR. RICHARD RYAN'S RETIREMENT FROM DES MOINES UNIVERSITY

● Mr. HARKIN. Mr. President, one of Iowa's foremost leaders in medical and health sciences education, Dr. Richard M. Ryan Jr., has announced his retirement from Des Moines University at the end of this December. Today, I rise to acknowledge his many contributions to health care in the State of Iowa, the Nation and the world.

Dr. Ryan's career reflects his lifelong commitment to community and population-based medicine. He began his career with a doctoral degree in public health from Harvard University, and has continued to serve on numerous academic and health boards, professional organizations, committees, and task forces.

Harvard University, Boston University, and Tufts University have all been a part of Dr. Ryan's distinguished career in medical education and health services administration. Iowa was fortunate to attract Dr. Ryan in 1996, when he became president of Des Moines University.

Among his many accomplishments, Dr. Ryan created a new Public Health Program, significantly expanded the Des Moines University research enterprise, and laid the foundation for a campus revitalization plan. Under Dr. Ryan's leadership the University recently established a Geriatric Education Center on campus. Through all of these efforts, Dr. Ryan has helped to expand the reach and recognition of the University's medical and health sciences programs in Iowa and across the Nation.

Additionally Dr. Ryan has helped forge new partnerships within the community and state. The university's modern research laboratories welcome students from Iowa's public and private undergraduate institutions. Faculty and students from the University provide ongoing health care services and educational opportunities to students and teachers in the younger grade levels within the community.

A Navy veteran, Dr. Ryan has also distinguished himself through commitment to the welfare of veterans. He served as senior health consultant to the Chief of Health Services for the U.S. Coast Guard and as executive consultant to six medical directors of the Veterans Administration.

In addition to serving both public and private health care interests in the U.S., Dr. Ryan is highly regarded for his experience and expertise in international medicine. He has served as a consultant to ministries of health and education in Saudi Arabia, Yemen, Bahrain, Kuwait, Qatar, and Russia.

Although I am saddened to see this great man retire, he has assured me that he intends to remain active and available to serve where needed, helping to ensure access to health care for all.

I commend Dr. Ryan for his commitment to the health care needs of the people of Iowa and the Nation through his many years of visionary leadership and dedicated service.●

NATIONAL OVARIAN CANCER AWARENESS MONTH

● Mrs. CARNAHAN. Mr. President, September is National Ovarian Cancer Awareness Month, and I want to draw your attention to some sobering facts.

Ovarian cancer is very difficult to diagnose and even more challenging to treat. While it is encouraging that scientific reports have shown an improvement in survival rates for women with ovarian cancer in recent years, sadly, the 5-year survival rate remains barely 50 percent. The American Cancer Society estimates that over 25,500 women are diagnosed with ovarian cancer and 14,500 women die from the disease annually. Poor long-term survival rates are mostly due to the lack of a reliable method of detection, with less than one-third of all ovarian cancer cases detected at the critical early stages when the disease is most treatable.

Since Congress established the Department of Defense Ovarian Cancer Research Program, OCRP, in 1997, the program has addressed the urgent problem of early detection by funding comprehensive research initiatives. The OCRP promotes research in ovarian cancer prevention and engages experts from multiple disciplines in genuinely collaborative efforts. The innovative proposals funded through the program foster new directions in research and strengthen long-term ovarian cancer research capabilities and networking among institutions.

Last year, I was proud to join Senator LANDRIEU and several of my colleagues in sponsoring Senate Resolution 163 designating a week in September as ''National Ovarian Cancer Awareness Week.'' This resolution passed the Senate unanimously.

On April 30, I along with many of my colleagues sent a letter to the Defense Appropriations Subcommittee leadership requesting that funding for the Department of Defense, DOD, Ovarian Cancer Research Program be increased to $15 million in fiscal year 2003. While the Senate-passed bill did not include this level of funding, it did include $10 million for this important project. The House version completely cut funding. This funding level is currently being worked out in conference.

We must remain steadfast in our quest to ultimately conquer this terrible disease. I urge my colleagues to heed the slogan of the National Ovarian Cancer Coalition: ''Ovarian Cancer . . . It Whispers . . . So Listen.'' To the one woman in 55 who will develop this disease during her lifetime, let me assure you, I'm listening.●

ISRAEL'S HEBREW UNIVERSITY

● Mr. MCCAIN. Mr. President, the civilized world was shocked and outraged when Palestinian militants planted a bomb on July 31, 2002 in a cafeteria at Hebrew University in Jerusalem. The bomb ultimately killed nine young people, including five young Americans, and injured an additional 80 people.

I agree with President George W. Bush, who condemned ''in as strong as possible terms the attack that took place in Israel'' and characterized those behind the bombings as ''killers who hate the thought of peace.''

What made the attack particularly heinous and unforgivable was the Hebrew University is an institution that constitutes an island of sanity and hope in a region that often seems to exemplify the opposite of those virtues.

Professor Menachem Magidor, President of Hebrew University, articulated these points in a letter published by The New York Times on August 9, 2002. He stated that this ''was more than a murderous act. Specifically targeted against the heart of an academic campus, it was also an attack on what the university symbolizes and aspires to: understanding, tolerance and the quest for peace.''

He went on to state that ''The ethnic composition of the victims attests to the diversity and pluralism of our university family. The victims includes Jews and Palestinians, as well as citizens of the United States, France, Italy, South Korea, Turkey and Japan. Our university, where more than 10 percent of the 23,000 students are of Arab descent, is one of the very few places in which a meaningful dialogue between Jews and Arabs still takes place.''

Hebrew University is, indeed, a unique and special institution. It is the oldest comprehensive institution of higher learning in Israel, and considered to be among the world's great universities.

The laying of the cornerstone for the university on Mt. Scopus in July 1918 was attended by Muslims, Jews and Christians. This set the tone for a university dedicated from its very beginnings to the pursuit of knowledge for the benefit not only of the then fledgling Jewish community of the land of Israel and for world Jewry, but also for all of the peoples of the region—including Muslims and Christians—and for humanity generally.

Seven years later, on April 1, 1925, the Hebrew University of Jerusalem was opened at a gala ceremony attended by leaders of world Jewry including the University's founding father, Chaim Weizmann, who would become in 1948 the first President of the new nation of Israel. Albert Einstein, one of the intellectual giants of the modern work, was also among the founding fathers of the institution.

As Palestine was then part of the British mandate, the British were represented by Lord Balfour, Viscount Allenby and Sir Herbert Samuel, all pivotal figures in the history of the region.

The University's first three research institutes were in microbiology, chemistry and Jewish studies, and the school began with a total of 33 faculty members and 141 students. The University awarded its first Master's degrees to 13 graduates in 1931.

By the time the British announced that they would leave Palestine in 1947, the University had grown into a well established research and teaching institution. As a result of the fighting in Jerusalem during the War of Independence in 1948, the University was cut off from the main Israei-held sectors in the city. The University was forced to seek other quarters and its facilities were scattered throughout Jerusalem.

Construction began in 1953 on a new campus in the Givat Ram section of Jerusalem. Together with Hadassah Medical Organization, a few years later, Hebrew University began construction of a medical science campus in Ein Kerem in southwest Jerusalem.

By 1967, enrollment exceeded 12,500 at the two campuses in Jerusalem and Rehovot. The reunification of Jerusalem, as a result of the Six Day War in June 1967, enabled the university's leaders to restore and expand the original campus on Mt. Scopus. The Rothberg International School was opened there in 1971 and by 1981, Mt. Scopus was again the main campus for the university.

Thus, since its modest beginning, with its handful of students and staff, the university has grown remarkably to include an enrollment of some 23,000 students on four campuses, three of them in Jerusalem and another in Rehovot.

But this is a story of more than buildings. The university offers basic

and advanced educational opportunities in virtually all fields of higher education, from humanities to the social sciences, chemistry, physics, life sciences, law, medicine, agriculture, engineering, social work, education and numerous other fields of study too numerous to mention. It offers degrees at all levels including B.A., B.S., Master's and Ph.D.

Although it attracts students of the front rank from all over Israel and abroad due to its reputation as a leading teaching institution, the university is also renowned internationally for the research carried out there in all of the sciences.

These research projects, numbering in the thousands, involve in many cases cooperative efforts with leading scientists and scholars, among them a substantial number of Americans. To get an idea of the quality of the research being pursued, one need only examine the leading scientific journals, such as Science or Nature, to see how often the names of Hebrew University researchers appear on their pages.

It is significant that scholars and researchers based at Hebrew University have competed for and received many grants from numerous American agencies and departments including NIH, NIST, DARPA, and USAID. Those in charge of reviewing such grant proposals have come to respect the substantive quality of the work done at Hebrew University. It is worth noting that many of these proposals are made in cooperation with American institutions, which has served to enhance the close relations between our people and especially our scientists. The results of these projects have benefitted Americans, Israelis and all mankind.

But it is more than the quality of its teaching and research that I wish to emphasize today in speaking about the special nature of the Hebrew University of Jerusalem.

Indeed, there are many outstanding universities in our own country and elsewhere that are making significant contributions to our knowledge and to the progress of our world.

What I really want to stress is the singularity of this university in its vigorous efforts towards meeting the desperate need for the furtherance of those human values which we so treasure in our own country and which we consider to be the foundation stones of decent societies everywhere.

Specifically, I am speaking of elements that to us seem basic and which we probably take for granted: the free and unfettered pursuit of information, freedom of expression, tolerance for people of different religious, races and ethnic origins and for those whose world views may be different from our own. In brief, I am speaking of an openness that—all too sadly—does not exist in many societies and in many parts of the world.

It is precisely this pluralistic and tolerant spirit which has characterized the Hebrew University since its earliest days and which has through the years attracted students and scholars from the four corners of the world.

The student body today is a diverse and pluralistic one, made up of Israelis—Jews and Arabs—as well as foreign students of all religions, races and ethnic origins.

These students study and live together within the university community, contributing in no small measure—perhaps unconsciously—to the development of a world based on informed coexistence and peace, rather than one grounded in ignorance and hatred, doomed to eternal conflict and purposeless death and suffering.

Long before anyone dreamed of dialogue between Israelis and Palestinians, the Hebrew University, through one of its institutes named for one of our great Presidents of the last century—the Harry S. Truman Research Institute for the Advancement of Peace—initiated and developed substantial cooperative academic and research projects involving scholars from Israel and from its Arab neighbors Egypt, Jordan, the West Bank and Gaza.

Nowhere were there so many Arab and Israeli researchers involved in cooperative ventures aimed at achieving a better and mutually beneficial future than at the Hebrew University. These projects involved numerous academic disciplines: the social and exact sciences, agriculture, medicine, dental medicine and others.

Scores of practically oriented plans and reports were drawn up by these teams as to how to proceed regarding the resolution of such difficult issues as the sharing of water resources, the delineation of borders, and the protection of the environment. In addition, the university has conducted numerous in-service training courses for Arab professionals.

It is precisely the yearning and searching for the solving of age-old conflicts, for peaceful resolution that the savage advocates of hate and murder sought to strike down in their despicable bombing attack at the Hebrew University. But the human spirit is not so easily discouraged or defeated.

In condemning the bombing attack on the Hebrew University, the president of the American Council on Education, David Ward, took note of this significant aspect of the university. He wrote that: ''The Hebrew University of Jerusalem has played a critical role in promoting co-existence between Israelis and Palestinians—as well as among people of all nationalities, religions and cultures. The terrible act at the Mount Scopus campus was intended to prevent the type of human interaction and discourse that can facilitate peaceful change in a more complex and challenging world.''

It is this kind of hopeful spirit that was so brutally and viciously assaulted in the murderous bombing attack that took place at the Hebrew University's Frank Sinatra Student Center cafeteria on July 31, 2002.

This was more than another senseless terror attack, aimed at killing and maiming innocent people. It was an attack—knowingly or unknowingly—against everything that not just the Hebrew University but all of the free world holds dear.

Just as the American people are firm in their resolve not to allow the perpetrators of September 11th to destroy our society or our commitment to decency and peace, so too the people of Israel, including the Hebrew University community, are determined not to lose heart because of those who would seek to destroy that spirit of humanity which has been so devotedly cultivated there over the years.

Hebrew University's President Magidor stated that this was ''an attack on understanding, tolerance and the quest for peace. [It] is a crime not only against Israel or the Jewish people, it is a crime against the free and enlightened world.''

In the wake of this tragedy, President Magidor then asked himself ''whether it still makes sense to strive for a peaceful society based on reason and understanding.'' Given the circumstances, his conclusion is both remarkable and also a perfect summation for the ethos of this institution. He concluded his letter to The New York Times by stating that ''the answer came to me clearly, and it is summarized by the Hebrew word 'davka'—'despite everything'. We must not let them kill our drive of peace.''

A bridge of co-existence in the strife-torn Middle East, the Hebrew University of Jerusalem, has been damaged. But it has not been destroyed, neither physically nor spiritually. That bridge will be repaired. It will be stronger even than it was in the past. And it will continue to serve as a source of pride and inspiration to the people of Israel, the United States, and all people everywhere who treasure life and liberty as the supreme human values.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the PRESIDING OFFICER laid before the Senate message from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ENTITLED ''PLAN COLOMBIA/ANDEAN COUNTERDRUG INITIATIVE SEMI-ANNUAL OBLIGATION REPORT'' FOR FISCAL YEAR 2002: TO THE COMMITTEE ON FOREIGN RELATIONS—PM 112

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was transmitted, pursuant to law, the report entitled ''Plan Colombia/Andean Counterdrug Initiative Semi-Annual Obligation Report'' for Fiscal Year 2002: to the Committee on Foreign Relations:

To the Congress of the United States:

Pursuant to section 3204(e), of Public Law 106–246, I am providing a report prepared by my Administration detailing the progress of spending by the executive branch during the first two quarters of Fiscal Year 2002 in support of Plan Colombia.

GEORGE W. BUSH.

THE WHITE HOUSE, *September 23, 2002.*

NOTICE ENTITLED ''CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO UNITA'' THAT WAS DECLARED IN EXECUTIVE ORDER 12685—PM 113

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act, 50 U.S.C. 1622(d) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the emergency declared with respect to the National Union for the Total Independence of Angola (UNITA) is to continue in effect beyond September 26, 2002, to the *Federal Register* for publication. The most recent notice continuing this emergency was published in the *Federal Register* on September 25, 2001 (66 Fed. Reg. 49084).

The circumstances that led to the declaration on September 26, 1993, of a national emergency have not been resolved. The actions and policies of UNITA pose a continuing unusual and extraordinary threat to the foreign policy of the United States. United Nations Security Council Resolutions 864 (1993), 1127 (1997), and 1173 (1998) continue to oblige all member states to maintain sanctions. Discontinuation of the sanctions would have a prejudicial effect on the prospects for peace in Angola. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on UNITA to reduce its ability to pursue its military operations.

GEORGE W. BUSH.

THE WHITE HOUSE, *September 23, 2002.*

PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO NATIONAL UNION FOR THE TOTAL INDEPENDENCE OF ANGOLA (UNITA) DECLARED IN EXECUTIVE ORDER 12865 OF SEPTEMBER 26, 1993—PM 114

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I am providing a 6-month report prepared by my Administration on the national emergency with respect tot he National Union for the Total Independence of Angola (UNITA) that was declared in Executive Order 12865 of September 26, 1993.

GEORGE W. BUSH.

THE WHITE HOUSE, *September 23, 2002.*

MESSAGE FROM THE HOUSE

At 6:17 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 bills:

H.R. 486. An act for the relief of Barbara Makuch.

H.R. 487. An act for the relief of Eugene Makuch.

H.R. 4558. An act to extend the Irish Peace Process Cultural and Training Program.

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–9092. A communication from the Assistant Secretary of Indian Affairs, transmitting, pursuant to law, the report of a rule entitled ''Law and Order on Indian Reservations'' (RIN1076–AE19) received on September 17, 2002; to the Committee on Indian Affairs.

EC–9093. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC–9094. A communication from the Legislative and Regulatory Activities Division, Comptroller of the Currency, Administrator of National Banks, transmitting, pursuant to law, the report of a rule entitled ''Debt Cancellation Contracts and Debt Suspension Agreements'' (12 CFR Part 37) received on September 20, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–9095. A communication from the Acting General Counsel, Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations'' (Doc. No. FEMA–P–7614) received on September 20, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–9096. A communication from the Acting General Counsel, Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations'' (Doc. No. FEMA–B–7429) received on September 20, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–9097. A communication from the Acting General Counsel, Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Suspension of Community Eligibility'' (Doc. No. FEMA–7791) received on September 20, 2002; to the Committee on Banking , Housing, and Urban Affairs.

EC–9098. A communication from the Acting Assistant Attorney General for Administration, Justice Management Division, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Inmate Physical and Mental Health Records System'' received on September 10, 2002; to the Committee on the Judiciary.

EC–9099. A communication from the Acting Assistant Attorney General for Administration, Justice Management Division, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Flight Training Candidates File System submitted by Foreign Terrorist Tracking Task Force'' received on September 10, 2002; to the Committee on the Judiciary.

EC–9100. A communication from the Acting Assistant Attorney General for Administration, Justice Management Division, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Inmate Trust Fund Accounts and Commissary Record System'' received on September 10, 2002; to the Committee on the Judiciary.

EC–9101. A communication from the Administrator, Small Business Administration, transmitting, pursuant to law, a Report on Minority Small Business and Capital Ownership Development for Fiscal Year 2001; to the Committee on Small Business and Entrepreneurship.

EC–9102. A communication from the Assistant Secretary for Water and Science, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Public Conduct on Bureau of Reclamation Lands and Projects'' (RIN1006–AA44) received on September 20, 2002; to the Committee on Energy and Natural Resources.

EC–9103. A communication from the Assistant Secretary for Water and Science, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Law Enforcement Authority at Bureau of Reclamation Projects'' (RIN1006–AA42) received on September 20, 2002; to the Committee on Energy and Natural Resources.

EC–9104. A communication from the Assistant Secretary for Administration and Management, Department of Labor, transmitting, pursuant to law, the report of the discontinuation of service in acting role and a nomination confirmed for the position of Commissioner of Labor Statistics, received on September 20, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC–9105. A communication from the Assistant Secretary for Administration and Management, Department of Labor, transmitting, pursuant to law, the report of the discontinuation of service in acting role and a nomination confirmed for the position of Assistant Secretary for Disability Employment Policy, received on September 20, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC–9106. A communication from the Acting Assistant General Counsel for Regulations, Office of Special Education and Rehabilitative Services, Department of Education, transmitting, pursuant to law, the report of a rule entitled ''Disability and Rehabilitation Research Projects (DRRP) Program'' received on September 17, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC–9107. A communication from the Director, Corporate Policy and Research Department, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled ''Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits'' received on September 20, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC–9108. A communication from the Senior Legal Advisor, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Eligibility Requirements in Part 78 Regarding 12 GHz Cable Television Relay Service'' (Doc. No. 99–250) received on September 17, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9109. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Triclopyr; Pesticide Tolerance'' (FRL7196–7) received on September 17, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9110. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Tolylfuanid; Pesticide Tolerance'' (FRL7200–5) received on September 17, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9111. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Methoxyfednozide; Pesticide Tolerance'' (FRL7198–5) received on September 17, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9112. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Indoxacarb; Pesticide Tolerance for Emergency Exemption'' (FRL7274–9) received on September 17, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9113. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Halosulfuron-methyl; Pesticide Tolerance'' (FRL7200–8) received on September 17, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9114. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Fluroxypyr 1-mehtylheptyl ester; Pesticide Tolerances for Emergency Exemptions'' (FRL7198–3) received on September 17, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9115. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Diflubenzuron; Pesticide Tolerances for Emergency Exemption'' (FRL7273–7) received on September 17, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9116. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Diflubenzuron; Pesticide Tolerances'' (FRL7200–4) received on September 17, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9117. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Azoxystrobin; Pesticide Tolerances'' (FRL7198–9) received on September 17, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–9118. A communication from the Trial Attorney, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''List of Nonconforming Vehicles Decided to be Eligible for Importation'' (RIN2127–AI79) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9119. A communication from the Assistant Secretary for Communications and Information, Department of Commerce, transmitting, pursuant to law, the report of the Technology Opportunities Program (TOP) and the Public Telecommunications Facilities Program (PTFP) grants for Fiscal Year 2001; to the Committee on Commerce, Science, and Transportation.

EC–9120. A communication from the Acting Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations; Crazy Horse Campground, Colorado River, Lake Havasu, AZ'' ((RIN2115–AA97)(2002–0187)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9121. A communication from the Acting Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Liferaft Servicing Intervals'' (RIN2115–AG28) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9122. A communication from the Attorney-Advisor, Maritime Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of MARAD's Regulations Establishing and Administering Deposit Funds Authorized by Section 1109 of the Merchant Marine Act, 1936, as Amended'' (RIN2133–AB47) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9123. A communication from the Deputy Assistant Secretary, Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Licensing Jurisdiction for ''Space Qualified'' Items and Telecommunications Items for Use on Board Satellites'' (RIN0694–AC49) received on September 19, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9124. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Empresa Brasileria de Aeronautica S.A. (EMBRAER) Model EMB–135 and –145 Series Airplanes'' ((RIN2120–AA64)(2002–0408)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9125. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Turbomeca S.A. Makila Models 1A, 1A1, and 1A2 Turboshaft Engines'' ((RIN2120–AA64)(2002–0414)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9126. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Rolls-Royce plc Models Spey 506–14A, 555–15, 555–15H, 555–15N, and 555–15P Turbojet Engines'' ((RIN2120–AA64)(2002–0410)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9127. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Eurocopter France Model SA330F, SA330G, SA330J, AS332C, AS332L, and AS332L1 Helicopters'' ((RIN2120–AA64)(2002–0413)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9128. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Bombardier-Rotax GmbH Type 912 F and 914 F Series Reciprocating Engines; Correction'' ((RIN2120–AA64)(2002–0412)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9129. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Using Agency for Restricted Area 2534 A and B, Vandenburg Air Force Base, CA'' ((RIN2120–AA66)(2002–0152)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9130. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Revision of Class E Airspace; Springhill Airport, Springhill, LA'' ((RIN2120–AA66)(2002–0149)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9131. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Scott Field Airport, Mangum, OK'' ((RIN2120–AA66)(2002–0150)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9132. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class D Airspace; Stillwater Municipal Airport, Stillwater, OK'' ((RIN2120–AA66)(2002–0151)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9133. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: CFM International CFM56 Series Turbofan Engines'' ((RIN2120–AA64)(2002–0411)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9134. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of

a rule entitled ''Airworthiness Directives: Eurocopter France Model AS332C, L, L1, and Model SA330F, G, and J'' ((RIN2120–AA64)(2002–0415)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9135. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 747–100, 747–100B, 747–100B SUD, 747–200B, 747–300, 747SP, and 747SR Series Airplanes'' ((RIN2120–AA64)(2002–0409)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

EC–9136. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class E Airspace, Coppertown, MT'' ((RIN2120–AA66)(2002–0153)) received on September 20, 2002; to the Committee on Commerce, Science, and Transportation.

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. KYL (for himself and Mr. MCCAIN):

S. 2992. A bill to provide for adjustments to the Central Arizona Project in Arizona, to authorize the Gila River Indian Community water rights settlement, to reauthorize and amend the Southern Arizona Water Rights Settlement Act of 1982, and for other purposes; to the Committee on Energy and Natural Resources.

By Ms. LANDRIEU:

S. 2993. A bill to amend the Higher Education Act of 1965 to require institutions of higher education to preserve the educational status and financial resources of military personnel called to active duty; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. LINCOLN:

S. 2994. A bill to amend the Internal Revenue Code of 1986 to provide for the immediate and permanent repeal of the estate tax on family-owned businesses and farms, and for other purposes; to the Committee on Finance.

By Mr. HOLLINGS (for himself and Mr. CLELAND):

S. 2995. A bill to improve economic opportunity and development in communities that are dependent on tobacco production, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. KOHL (for himself, Mr. SESSIONS, and Mrs. FEINSTEIN):

S. 2996. A bill to amend title 11, United States Code, to limit the value of certain real and personal property that a debtor may elect to exempt under State or local law, and for other purposes; to the Committee on the Judiciary.

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 2997. A bill to designate the Department of Veterans Affairs outpatient clinic in New London, Connecticut, as the ''John J. McGuirk Department of Veterans Affairs Outpatient Clinic''; to the Committee on Veterans' Affairs.

By Mr. DODD (for himself, Mr. GREGG, Mr. KENNEDY, Ms. COLLINS, Mr. WELLSTONE, and Mr. DEWINE):

S. 2998. A bill to reauthorize the Child Abuse Prevention and Treatment Act, the Family Violence Prevention and Services Act, the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and the Abandoned Infants Assistance Act of 1988, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. BOXER:

S. 2999. A bill to authorize the project for environmental restoration, Pine Flat Dam, Fresno County, California; to the Committee on Environment and Public Works.

By Mr. HARKIN (for himself, Mr. BROWNBACK, Mr. KENNEDY, and Mr. SPECTER):

S. 3000. A bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mrs. LINCOLN:

S. Con. Res. 146. A concurrent resolution supporting the goals and ideas of National Take Your Kids to Vote Day; to the Committee on Rules and Administration.

By Mr. BURNS:

S. Con. Res. 147. A concurrent resolution encouraging improved cooperation with Russia on energy development issues; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 732

At the request of Mr. THOMPSON, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 732, a bill to amend the Internal Revenue Code of 1986 to reduce the depreciation recovery period for certain restaurant buildings, and for other purposes.

S. 868

At the request of Mr. FEINGOLD, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 868, a bill to amend the Employee Retirement Income Security Act of 1974, Public Health Service Act, and the Internal Revenue Code of 1986 to require that group and individual health insurance coverage and group health plans provide coverage and group health plans provide coverage of cancer screening.

S. 917

At the request of Ms. COLLINS, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 917, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts received on account of claims based on certain unlawful discrimination and to allow income averaging for backpay and frontpay awards received on account of such claims, and for other purposes.

S. 1304

At the request of Mr. KERRY, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1304, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of oral drugs to reduce serum phosphate levels in dialysis patients with end-stage renal disease.

S. 1651

At the request of Mr. DORGAN, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 1651, a bill to establish the United States Consensus Council to provide for a consensus building process in addressing national public policy issues, and for other purposes.

S. 1967

At the request of Mr. KERRY, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 1967, a bill to amend title XVIII of the Social Security Act to improve outpatient vision services under part B of the medicare program.

S. 2053

At the request of Mr. FRIST, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 2053, a bill to amend the Public Health Service Act to improve immunization rates by increasing the distribution of vaccines and improving and clarifying the vaccine injury compensation program, and for other purposes.

S. 2268

At the request of Mr. MILLER, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 2268, a bill to amend the Act establishing the Department of Commerce to protect manufacturers and sellers in the firearms and ammunition industry from restrictions on interstate or foreign commerce.

S. 2544

At the request of Mr. LEVIN, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 2544, a bill to amend the Federal Water Pollution Control Act to authorize the Administrator of the Environmental Protection Agency to make grants for remediation of sediment contamination in areas of concern, to authorize assistance for research and development of innovative technologies for such remediation, and for other purposes.

S. 2596

At the request of Mrs. BOXER, the names of the Senator from Nevada (Mr. REID), the Senator from Hawaii (Mr. INOUYE) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 2596, a bill to amend the Internal Revenue Code of 1986 to extend the financing of the Superfund.

S. 2633

At the request of Mr. DURBIN, his name was withdrawn as a cosponsor of S. 2633, a bill to prohibit an individual from knowingly opening, maintaining, managing, controlling, renting, leasing, making available for use, or profiting from any place for the purpose of

manufacturing, distributing, or using any controlled substance, and for other purposes.

S. 2667

At the request of Mr. DODD, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 2667, a bill to amend the Peace Corps Act to promote global acceptance of the principles of international peace and nonviolent coexistence among peoples of diverse cultures and systems of government, and for other purposes.

S. 2795

At the request of Mr. KERRY, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 2795, a bill to amend title XVIII of the Social Security Act to provide for payment under the prospective payment system for hospital outpatient department services under the medicare program for new drugs administered in such departments as soon as the drug is approved for marketing by the Commissioner of Food and Drugs.

S. 2821

At the request of Mr. FRIST, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 2821, a bill to establish grants to provide health services for improved nutrition, increased physical activity, obesity prevention, and for other purposes.

S. 2869

At the request of Mr. KERRY, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 2869, a bill to facilitate the ability of certain spectrum auction winners to pursue alternative measures required in the public interest to meet the needs of wireless telecommunications consumers.

S. 2892

At the request of Mr. KENNEDY, the name of the Senator from Missouri (Mrs. CARNAHAN) was added as a cosponsor of S. 2892, a bill to provide economic security for America's workers.

S. 2894

At the request of Mr. MCCONNELL, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 2894, a bill to provide for the protection of the flag of the United States, and for other purposes.

S. 2896

At the request of Mrs. HUTCHISON, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 2896, a bill to enhance the operation of the AMBER Alert communications network in order to facilitate the recovery of abducted children, to provide for enhanced notification on highways of alerts and information on such children, and for other purposes.

S. 2953

At the request of Mr. CAMPBELL, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 2953, a bill to redesignate the Colonnade Center in Denver, Colorado, as the ''Cesar E. Chavez Memorial Building''.

S. 2968

At the request of Mr. SARBANES, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 2968, a bill to amend the American Battlefield Protection Act of 1996 to authorize the Secretary of the Interior to establish a battlefield acquisition grant program.

S. RES. 266

At the request of Mr. ROBERTS, the names of the Senator from Louisiana (Mr. BREAUX) and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. Res. 266, a resolution designating October 10, 2002, as ''Put the Brakes on Fatalities Day''.

S. RES. 270

At the request of Mr. CAMPBELL, the names of the Senator from Michigan (Mr. LEVIN) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. Res. 270, a resolution designating the week of October 13, 2002, through October 19, 2002, as ''National Cystic Fibrosis Awareness Week''.

S. RES. 307

At the request of Mr. TORRICELLI, the names of the Senator from Michigan (Ms. STABENOW) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. Res. 307, a resolution reaffirming support of the Convention on the Prevention and Punishment of the Crime of Genocide and anticipating the commemoration of the 15th anniversary of the enactment of the Genocide Convention Implementation Act of 1987 (the Proxmire Act) on November 4, 2003.

S. RES. 326

At the request of Mr. BIDEN, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. Res. 326, a resolution designating October 18, 2002, as ''National Mammography Day''.

S. CON. RES. 11

At the request of Mrs. FEINSTEIN, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. Con. Res. 11, a concurrent resolution expressing the sense of Congress to fully use the powers of the Federal Government to enhance the science base required to more fully develop the field of health promotion and disease prevention, and to explore how strategies can be developed to integrate lifestyle improvement programs into national policy, our health care system, schools, workplaces, families and communities.

AMENDMENT NO. 4581

At the request of Mr. MURKOWSKI, the names of the Senator from Wyoming (Mr. ENZI) and the Senator from Oklahoma (Mr. INHOFE) were added as cosponsors of amendment No. 4581 intended to be proposed to H.R. 5005, a bill to establish the Department of Homeland Security, and for other purposes.

AMENDMENT NO. 4607

At the request of Mr. THOMAS, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of amendment No. 4607 intended to be proposed to H.R. 5005, a bill to establish the Department of Homeland Security, and for other purposes.

AMENDMENT NO. 4694

At the request of Mr. LEAHY, his name was added as a cosponsor of amendment No. 4694 proposed to H.R. 5005, a bill to establish the Department of Homeland Security, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KYL (for himself and Mr. MCCAIN):

S. 2992. A bill to provide for adjustments to the Central Arizona Project in Arizona, to authorize the Gila River Indian Community water rights settlement to reauthorize and amend the Southern Arizona Water Rights Settlement Act of 1982, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. KYL. Mr. President, on behalf of Senator MCCAIN and myself I am introducing legislation today that would codify the largest water claims settlement in the history of Arizona. This bill represents the tremendous efforts of literally hundreds of people in Arizona and here in Washington over a period of five years. Looking ahead, this bill could ultimately be nearly as important to Arizona's future as was the authorization of the Central Arizona Project, CAP, itself.

Since Arizona began receiving CAP water from the Colorado River, litigation has divided water users over how the CAP water should be allocated and exactly how much Arizona was required to repay the Federal Government. This bill will, among other things, codify the settlement reached between the United States and the Central Arizona Water Conservation District over the State's repayment obligation for costs incurred by the United States in constructing the Central Arizona Project. It will also resolve, once and for all, the allocation of all remaining CAP water. This final allocation will provide the stability necessary for State water authorities to plan for Arizona's future water needs. In addition, approximately 200,000 acre-feet of CAP water will be made available to settle various Indian water claims in the State. The bill would also authorize the use of the Lower Colorado River Basin Development Fund, which is funded solely from revenues paid by Arizona entities, to construct irrigation works necessary for tribes with congressionally approved water settlements to use CAP water.

Title II of this bill settles the water rights claims of the Gila River Indian Community. It allocates nearly 100,000 acre-feet of CAP water to the Community, and provides funds to subsidize

the costs of delivering CAP water and to construct the facilities necessary to allow the Community to fully utilize the water allocated to it in this settlement. Title III provides for long-needed amendments to the 1982 Southern Arizona Water Settlement Act for the Tohono O'odham Nation, which has never been fully implemented.

This bill will allow Arizona cities to plan for the future, knowing how much water they can count on. The Indian tribes will finally get ''wet'' water, as opposed to the paper rights to water they have now, and projects to use the water. In addition, mining companies, farmers, and irrigation delivery districts can continue to receive water without the fear that they will be stopped by Indian litigation.

While some minor issues remain, we have every confidence that these issues will be resolved before a hearing is scheduled. In addition, before the next Congress begins its work we hope that negotiations with the San Carlos Apache Tribe, the only party not yet included in the settlement, will move forward so that all claims can be resolved by this bill.

In summary, this bill is vital to the citizens of Arizona and will provide the certainty needed to move forward with water use decisions. Furthermore, the United States can avoid litigating water rights and damage claims and satisfy its trust responsibilities to the Tribes. The parties have worked many years to reach consensus rather than litigate, and I believe this bill represents the best opportunity to achieve a fair result for all the people of Arizona.

Mr. MCCAIN. Mr. President, I am pleased to join my colleague, Senator KYL, as a co-sponsor of this important legislation, the Arizona Water Settlements Act of 2002, which would ratify negotiated settlements for Central Arizona Project, CAP, water allocations to municipalities, agricultural districts and Indian tribes, state CAP repayment obligations, and final adjudication of long-standing Indian water rights claims.

These settlements reflect five years of intensive negotiations by State, Federal, tribal, municipal, and private parties. I commend all those involved in these negotiations for their extraordinary commitment and diligence to reach this final stage in the settlement process. I also praise my colleague, Senator JON KYL, and Interior Secretary Gale Norton, for their leadership in facilitating these settlements. From my experience in legislating past agreements, I recognize the enormous challenge of these negotiations, and I appreciate their personal dedication to this settlement process.

This legislation is vitally important to Arizona's future because these settlements will bring greater certainty and stability to Arizona's water supply by completing the allocation of CAP water supplies. Pending water rights claims by various Indian tribes and non-Indian users will be permanently settled as well as the repayment obligations of the state of Arizona for construction of the CAP.

I join with Senator KYL today to express support for the agreements embodied in this bill and to encourage conclusion of this settlement process in the near future. Significant progress has been made in resolving key issues since we last sponsored a bill to facilitate this agreement in the 106th Congress. Some of these key issues pertain to the final apportionment of CAP water supplies, cost-sharing of CAP construction and water delivery systems, amendment of the 1982 settlement agreement with the Tohono O'odham Nation, mitigation measures necessitated by sustained drought conditions, and equitable apportionment of drought shortages.

While this bill reflects agreements reached on a host of issues after an intensive and extended effort by the numerous parties involved, it is important to emphasize that this bill does not represent the final settlement. All parties recognize that a very limited number of the provisions of this bill may be modified as the negotiations continue. We fully expect that the legislative process will culminate with a final agreement early in the next congressional session.

We introduce this bill today as an expression of our strong support of the various parties to successfully achieve conclusion to this process. The Arizona Water Settlements Act will be a historic accomplishment that will benefit all citizens of Arizona, the tribal communities, and the United States.

By Ms. LANDRIEU:

S. 2993. A bill to amend the Higher Education Act of 1965 to require institutions of higher education to preserve the educational status and financial resources of military personnel called to active duty; to the Committee on Health, Education, Labor, and Pensions.

Ms. LANDRIEU. Mr. President, when the President gives the order to activate Reservists and National Guardsmen, the lives of those men and women are put on hold. Businesses, careers, and families are left behind so that America's interests may be served. Students make up a substantial part of our National Guard and Reserve forces. When these students are activated, it jeopardizes their academic standing, as well as their scholarships and grants. This bill would preserve their academic standing for the duration of their service as well as a 1-year period that follows that service. It would also preserve their scholarships and grants, as well as entitle them to a refund of unused tuition and fees. Federal laws already safeguards the employment status of activated Reservists and Guardsmen. It is time that we extend the same guarantee to students.

This legislation would require colleges, universities, and community colleges to grant National Guardsmen and Reservists a leave of military absence when they are called to active duty. This leave of absence would last while the student is serving on active duty and a 1-year period at the conclusion of active service. This bill would preserve the academic credits that the student had earned before being activated. It would also preserve the scholarships and grants awarded to the student before being activated. Under this legislation, students would be entitled to receive a refund of tuition and fees or credit the tuition and fees to the next period of enrollment after the student returns from military leave. If a student elects to receive a refund, it would allow them to receive a full refund, minus the percentage of time the student spent enrolled in classes.

The protections that are already afforded our Reservists and Guardsmen are appropriate considering the hardships they endure on the Nation's behalf. We need to acknowledge the many college students who are in the ranks of the Guard and Reserve and extend to them the protections they deserve. In this day of uncertainty on the world stage, our Reservists must be prepared to be called up at a moments notice. Once they get to their duty station, they need to focus all of their attention on the mission. This legislation provides our student Reservists with the proper safeguards on their academic career which will allow them to accomplish their mission.

By Mrs. LINCOLN:

S. 2994. A bill to amend the Internal Revenue Code of 1986 to provide for the immediate and permanent repeal of the estate tax on family-owned businesses and farms, and for other purposes; to the Committee on Finance

Mrs. LINCOLN. Mr. President, just over one year ago, when budget surpluses reached over $5 trillion, Congress passed a tax cut bill that, in part, began the process providing estate and gift tax relief. Now, in 2002, the surpluses have disappeared, and Congress is making no progress on further estate tax relief. The reason for the stalemate is that some will vote only for complete repeal, while others offer targeted proposals based on prior tax laws that proved to be too complex and intrusive. In this environment, we are losing ground on coming to a fair resolution of this issue, and in the meantime, the current state of the law places many family-owned businesses in an uncertain and precarious position.

These are the same American-owned businesses that Congress initially sought to help when this effort began in the mid-1990's. Given these circumstances, I believe we must explore new ways to immediately and permanently target relief for these businesses, which are so important to our American economy. My bill does not seek to change current law to repeal the estate tax. It would leave in place

the increases in the unified credit, the decreases in rates, and the repeal of the estate tax in 2010. My bill would only seek to rectify the special circumstances of family-owned businesses and farms, in an attempt, not to inflame the issue further, but to resolve this issue now and forever for those this effort was originally intended to help.

A serious problem for family-owned businesses is the rollercoaster-ride that current law places them on. Under the 2001 estate tax cut, family-owned businesses pay the estate tax until 2010 with modest reductions, and then the tax is completely repealed for one year. Then, in 2011, these businesses resume paying the tax at the high pre-2001 rates. Such a disparity in tax, depending on when one dies, causes great uncertainty for a business that must meet payroll, hire new people, make new capital investments, and service debt. Under this tax regime, we have made business planning virtually impossible. These family-owned businesses deserve better.

In fashioning a targeted approach for family-owned businesses, it is important to learn from the important lessons of the past. The Lincoln bill recognizes these lessons and seeks to reflect a thoughtful approach, which includes the good lessons learned and avoids the bad ones.

In 1995, Senator Dole and Senator Pryor introduced the Family Business Estate Relief Act, S. 1086. The government budget faced deficits, so the sponsors took a targeted approach to estate tax relief for family-owned businesses. Many in this body, on both sides of the aisle, supported Senators Dole and Pryor in this effort. The bill was an instant hit with overwhelming bipartisan support, and the support of most every small business trade association.

In 1997, the Qualified Family-Owned Business rules, in IRC Section 2057, were enacted into law. During the debate on these new rules, sponsors of the bill stated their concern that family farms and businesses are too often forced out of business at the death of a key family member. While this liquidity concern was all too real, it spawned an inadequate solution.

Over the years since enactment, the Family-Owned Business rules were roundly and rightly criticized for their unnecessary complexity, intrusiveness into family decisions, and paltry tax benefit. Finally, in 2001, Congress threw in the towel on the targeted approach of Section 2057, and repealed it after 2004. This experience, in many ways, poisoned the waters for estate tax relief for family-owned businesses, but I am confident we can do better.

So, I would like to propose an immediate and permanent plan for family-owned businesses. It is a targeted approach in times of budget deficits, and it is a conceptual approach, which, in the past, has garnered bipartisan support in times of political division. But given the hard lessons learned by Section 2057, my bill is not complex or intrusive. For those who don't believe a targeted approach can work, I urge you to take a look and study the Lincoln bill to immediately and permanently repeal the estate tax for family owned farms and businesses.

Maybe one of the most important lessons learned is that the original goal was too limiting. So we have broadened our focus and we make clear our new goal. Simply put, the goal of the Lincoln bill that no family-owned farm or business will ever pay the estate tax, the same as publicly held businesses, which face no estate tax liability. If we focus merely on the liquidity of a family's estate, then we stop well short of treating American family farms and businesses the same as the GE's, Citigroups, and Ciscos of the world. We can do better. We must do better. And we must do better sooner than 2010. And we cannot afford to revert to pre-2001 law down the road. It is simply unacceptable.

With a new goal in mind, the Lincoln bill greatly simplifies the rules and delivers immediate and permanent repeal of the estate tax on family-owned businesses and farms. In doing so, the Lincoln bill throws away several troubling and burdensome provisions of Section 2057, including the 50-percent liquidity test, material participation rules for heirs, the passive income test, and recapture tax provisions. Further, the bill provides sensible working capital rules, to encourage family-owned businesses to grow, add new jobs, and make new capital investments.

I ask unanimous consent that the text of the bill in the RECORD along with a detailed description of ''What's Not in the Lincoln Bill'' which contrasts this new proposal to Section 2057.

It is my hope that Americans who own family businesses will seriously consider my bill and not dismiss it out of hand because of past failures to target estate tax relief. I urge them to read my bill and consider the possibility for estate tax relief for them that can be done immediately and permanently.

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

S. 2994

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 ''Estate Tax Repeal Acceleration (ExTRA) for Family-Owned Businesses and Farms Act''.

SEC. 2. REPEAL OF ESTATE TAX ON FAMILY-OWNED BUSINESSES AND FARMS.

(a) REPEAL OF QUALIFIED FAMILY-OWNED BUSINESS INTEREST.—Part IV of subchapter A of chapter 11 of the Internal Revenue Code of 1986 (relating to taxable estate) is amended by striking section 2057.

(b) CARRYOVER BUSINESS INTEREST EXCLUSION.—Part IV of subchapter A of chapter 11 of the Internal Revenue Code of 1986 (relating to taxable estate) is amended by inserting after section 2058 the following new section:

''SEC. 2059. CARRYOVER BUSINESS INTERESTS.

''(a) GENERAL RULES.—

''(1) ALLOWANCE OF DEDUCTION.—For purposes of the tax imposed by section 2001, in the case of an estate of a decedent to which this section applies, the value of the taxable estate shall be determined by deducting from the value of the gross estate the adjusted value of the carryover business interests of the decedent which are described in subsection (b)(2).

''(2) APPLICATION OF CARRYOVER BASIS RULES.—With respect to the adjusted value of the carryover business interests of the decedent which are described in subsection (b)(2), the rules of section 1023 shall apply.

''(b) ESTATES TO WHICH SECTION APPLIES.—

''(1) IN GENERAL.—This section shall apply to an estate if—

''(A) the decedent was (at the date of the decedent's death) a citizen or resident of the United States,

''(B) the executor elects the application of this section under rules similar to the rules of paragraphs (1) and (3) of section 2032A(d) and files the agreement referred to in subsection (e), and

''(C) during the 8-year period ending on the date of the decedent's death there have been periods aggregating 5 years or more during which—

''(i) the carryover business interests described in paragraph (2) were owned by the decedent or a member of the decedent's family, and

''(ii) there was material participation (within the meaning of section 2032A(e)(6)) by the decedent, a member of the decedent's family, or a qualified heir in the operation of the business to which such interests relate.

''(2) INCLUDIBLE CARRYOVER BUSINESS INTERESTS.—The carryover business interests described in this paragraph are the interests which—

''(A) are included in determining the value of the gross estate (other than qualified spousal property with respect to which an aggregate spousal property basis increase is allocated under section 1023(c)),

''(B) are acquired by any qualified heir from, or passed to any qualified heir from, the decedent (within the meaning of section 2032A(e)(9)), and

''(C) are subject to the election under paragraph (1)(B).

''(3) RULES REGARDING MATERIAL PARTICIPATION.—For purposes of paragraph (1)(C)(ii)—

''(A) in the case a surviving spouse, material participation by such spouse may be satisfied under rules similar to the rules under section 2032A(b)(5),

''(B) in the case of a carryover business interest in an entity carrying on multiple trades or businesses, material participation in each trade or business is satisfied by material participation in the entity or in 1 or more of the multiple trades or businesses, and

''(C) in the case of a lending and finance business (as defined in section 6166(b)(10)(B)(ii)), material participation is satisfied under the rules under subclause (I) or (II) of section 6166(b)(10)(B)(i).

''(c) ADJUSTED VALUE OF THE CARRYOVER BUSINESS INTERESTS.—For purposes of this section—

''(1) IN GENERAL.—The adjusted value of any carryover business interest is the value of such interest for purposes of this chapter (determined without regard to this section), as adjusted under paragraph (2).

''(2) ADJUSTMENT FOR PREVIOUS TRANSFERS.—The Secretary may increase the value of any carryover business interest by that portion of those assets transferred from such carryover business interest to the decedent's taxable estate within 3 years before the date of the decedent's death.

''(d) CARRYOVER BUSINESS INTEREST.—

''(1) IN GENERAL.—For purposes of this section, the term 'carryover business interest' means—

''(A) an interest as a proprietor in a trade or business carried on as a proprietorship, or

''(B) an interest in an entity carrying on a trade or business, if—

''(i) at least—

''(I) 50 percent of such entity is owned (directly or indirectly) by the decedent and members of the decedent's family,

''(II) 70 percent of such entity is so owned by members of 2 families, or

''(III) 90 percent of such entity is so owned by members of 3 families, and

''(ii) for purposes of subclause (II) or (III) of clause (i), at least 30 percent of such entity is so owned by the decedent and members of the decedent's family.

For purposes of the preceding sentence, a decedent shall be treated as engaged in a trade or business if any member of the decedent's family is engaged in such trade or business.

''(2) LENDING AND FINANCE BUSINESS.—For purposes of this section, any asset used in a lending and finance business (as defined in section 6166(b)(10)(B)(ii)) shall be treated as an asset which is used in carrying on a trade or business.

''(3) LIMITATION.—Such term shall not include—

''(A) any interest in a trade or business the principal place of business of which is not located in the United States,

''(B) any interest in an entity, if the stock or debt of such entity or a controlled group (as defined in section 267(f)(1)) of which such entity was a member was readily tradable on an established securities market or secondary market (as defined by the Secretary) at any time,

''(C) that portion of an interest in an entity transferred by gift to such interest within 3 years before the date of the decedent's death, and

''(D) that portion of an interest in an entity which is attributable to cash or marketable securities, or both, in any amount in excess of the reasonably anticipated business needs of such entity.

In any proceeding before the United States Tax Court involving a notice of deficiency based in whole or in part on the allegation that cash or marketable securities, or both, are accumulated in an amount in excess of the reasonably anticipated business needs of such entity, the burden of proof with respect to such allegation shall be on the Secretary to the extent such cash or marketable securities are less than 35 percent of the value of the interest in such entity.

''(4) RULES REGARDING OWNERSHIP.—

''(A) OWNERSHIP OF ENTITIES.—For purposes of paragraph (1)(B)—

''(i) CORPORATIONS.—Ownership of a corporation shall be determined by the holding of stock possessing the appropriate percentage of the total combined voting power of all classes of stock entitled to vote and the appropriate percentage of the total value of shares of all classes of stock.

''(ii) PARTNERSHIPS.—Ownership of a partnership shall be determined by the owning of the appropriate percentage of the capital interest in such partnership.

''(B) OWNERSHIP OF TIERED ENTITIES.—For purposes of this section, if by reason of holding an interest in a trade or business, a decedent, any member of the decedent's family, any qualified heir, or any member of any qualified heir's family is treated as holding an interest in any other trade or business—

''(i) such ownership interest in the other trade or business shall be disregarded in determining if the ownership interest in the first trade or business is a carryover business interest, and

''(ii) this section shall be applied separately in determining if such interest in any other trade or business is a carryover business interest.

''(C) INDIVIDUAL OWNERSHIP RULES.—For purposes of this section, an interest owned, directly or indirectly, by or for an entity described in paragraph (1)(B) shall be considered as being owned proportionately by or for the entity's shareholders, partners, or beneficiaries. A person shall be treated as a beneficiary of any trust only if such person has a present interest in such trust.

''(e) AGREEMENT.—The agreement referred to in this subsection is a written agreement signed by each person in being who has an interest (whether or not in possession) in any property designated in such agreement consenting to the application of this section with respect to such property.

''(f) OTHER DEFINITIONS AND APPLICABLE RULES.—For purposes of this section—

''(1) QUALIFIED HEIR.—The term 'qualified heir' means a United States citizen who is—

''(A) described in section 2032A(e)(1), or

''(B) an active employee of the trade or business to which the carryover business interest relates if such employee has been employed by such trade or business for a period of at least 10 years before the date of the decedent's death.

''(2) MEMBER OF THE FAMILY.—The term 'member of the family' has the meaning given to such term by section 2032A(e)(2).

''(3) APPLICABLE RULES.—Rules similar to the following rules shall apply:

''(A) Section 2032A(b)(4) (relating to decedents who are retired or disabled).

''(B) Section 2032A(e)(10) (relating to community property).

''(C) Section 2032A(e)(14) (relating to treatment of replacement property acquired in section 1031 or 1033 transactions).

''(D) Section 2032A(g) (relating to application to interests in partnerships, corporations, and trusts).

''(4) SAFE HARBOR FOR ACTIVE ENTITIES HELD BY ENTITY CARRYING ON A TRADE OR BUSINESS.—For purposes of this section, if—

''(A) an entity carrying on a trade or business owns 20 percent or more in value of the voting interests of another entity, or such other entity has 15 or fewer owners, and

''(B) 80 percent or more of the value of the assets of each such entity is attributable to assets used in an active business operation,

then the requirements under subsections (b)(1)(C)(ii) and (d)(3)(D) shall be met with respect to an interest in such an entity.''.

(c) MODIFICATION OF TREATMENT OF MARITAL DEDUCTION; LIMITATION ON STEP-UP IN BASIS.—Section 2056 of the Internal Revenue Code of 1986 (relating to bequests, etc., to surviving spouses) is amended by adding at the end the following new subsection:

''(e) APPLICATION OF CARRYOVER BASIS RULES.—With respect to the value of the interests of the decedent which are described in subsection (a), the rules of section 1023 shall apply.''.

(d) CARRYOVER BASIS RULES FOR CARRYOVER BUSINESS INTERESTS AND SPOUSAL PROPERTY.—Part II of subchapter O of chapter 1 of the Internal Revenue Code of 1986 (relating to basis rules of general application) is amended by inserting after section 1022 the following new section:

''SEC. 1023. TREATMENT OF CARRYOVER BUSINESS INTERESTS AND SPOUSAL PROPERTY.

''(a) IN GENERAL.—Except as otherwise provided in this section—

''(1) qualified property acquired from a decedent shall be treated for purposes of this subtitle as transferred by gift, and

''(2) the basis of the person acquiring qualified property from such a decedent shall be the lesser of—

''(A) the adjusted basis of the decedent, or

''(B) the fair market value of the property at the date of the decedent's death.

''(b) QUALIFIED PROPERTY.—For purposes of this section, the term ''qualified property' means—

''(1) the carryover business interests of the decedent with respect to which an election is made under section 2059(b)(1)(B), and

''(2) the qualified spousal property.

''(c) ADDITIONAL BASIS INCREASE FOR PROPERTY ACQUIRED BY SURVIVING SPOUSE.—

''(1) IN GENERAL.—In the case of property to which this subsection applies and which is qualified spousal property, the basis of such property under subsection (a) shall be increased by its spousal property basis increase.

''(2) SPOUSAL PROPERTY BASIS INCREASE.—For purposes of this subsection—

''(A) IN GENERAL.—The spousal property basis increase for property referred to in paragraph (1) is the portion of the aggregate spousal property basis increase which is allocated to the property pursuant to this section.

''(B) AGGREGATE SPOUSAL PROPERTY BASIS INCREASE.—In the case of any estate, the aggregate spousal property basis increase is $3,000,000.

''(3) QUALIFIED SPOUSAL PROPERTY.—For purposes of this section, the term 'qualified spousal property' means any interest in property which passes or has passed from the decedent to the decedent's surviving spouse with respect to which a deduction is allowed under section 2056.

''(4) DEFINITIONS AND SPECIAL RULES.—

''(A) PROPERTY TO WHICH SUBSECTION APPLIES.—The basis of property acquired from a decedent may be increased under this subsection only if the property was owned by the decedent at the time of death.

''(B) RULES RELATING TO OWNERSHIP.—

''(i) JOINTLY HELD PROPERTY.—In the case of property which was owned by the decedent and another person as joint tenants with right of survivorship or tenants by the entirety—

''(I) if the only such other person is the surviving spouse, the decedent shall be treated as the owner of only 50 percent of the property,

''(II) in any case (to which subclause (I) does not apply) in which the decedent furnished consideration for the acquisition of the property, the decedent shall be treated as the owner to the extent of the portion of the property which is proportionate to such consideration, and

''(III) in any case (to which subclause (I) does not apply) in which the property has been acquired by gift, bequest, devise, or inheritance by the decedent and any other person as joint tenants with right of survivorship and their interests are not otherwise specified or fixed by law, the decedent shall be treated as the owner to the extent of the value of a fractional part to be determined by dividing the value of the property by the number of joint tenants with right of survivorship.

''(ii) REVOCABLE TRUSTS.—The decedent shall be treated as owning property transferred by the decedent during life to a qualified revocable trust (as defined in section 645(b)(1)).

''(iii) POWERS OF APPOINTMENT.—The decedent shall not be treated as owning any property by reason of holding a power of appointment with respect to such property.

''(iv) COMMUNITY PROPERTY.—Property which represents the surviving spouse's one-half share of community property held by the decedent and the surviving spouse under the community property laws of any State or possession of the United States or any foreign country shall be treated for purposes of

this section as owned by, and acquired from, the decedent if at least one-half of the whole of the community interest in such property is treated as owned by, and acquired from, the decedent without regard to this clause.

''(C) PROPERTY ACQUIRED BY DECEDENT BY GIFT WITHIN 3 YEARS OF DEATH.—

''(i) IN GENERAL.—This subsection shall not apply to property acquired by the decedent by gift or by inter vivos transfer for less than adequate and full consideration in money or money's worth during the 3-year period ending on the date of the decedent's death.

''(ii) EXCEPTION FOR CERTAIN GIFTS FROM SPOUSE.—Clause (i) shall not apply to property acquired by the decedent from the decedent's spouse unless, during such 3-year period, such spouse acquired the property in whole or in part by gift or by inter vivos transfer for less than adequate and full consideration in money or money's worth.

''(D) STOCK OF CERTAIN ENTITIES.—This subsection shall not apply to—

''(i) stock or securities of a foreign personal holding company,

''(ii) stock of a DISC or former DISC,

''(iii) stock of a foreign investment company, or

''(iv) stock of a passive foreign investment company unless such company is a qualified electing fund (as defined in section 1295) with respect to the decedent.

''(E) FAIR MARKET VALUE LIMITATION.—The adjustments under this subsection shall not increase the basis of any interest in property acquired from the decedent above its fair market value in the hands of the decedent as of the date of the decedent's death.

''(d) PROPERTY ACQUIRED FROM THE DECEDENT.—For purposes of this section, the following property shall be considered to have been acquired from the decedent:

''(1) Property acquired by bequest, devise, or inheritance, or by the decedent's estate from the decedent.

''(2) Property transferred by the decedent during his lifetime—

''(A) to a qualified revocable trust (as defined in section 645(b)(1)), or

''(B) to any other trust with respect to which the decedent reserved the right to make any change in the enjoyment thereof through the exercise of a power to alter, amend, or terminate the trust.

''(3) Any other property passing from the decedent by reason of death to the extent that such property passed without consideration.

''(e) COORDINATION WITH SECTION 691.—This section shall not apply to property which constitutes a right to receive an item of income in respect of a decedent under section 691.

''(f) CERTAIN LIABILITIES DISREGARDED.—

''(1) IN GENERAL.—In determining whether gain is recognized on the acquisition of property—

''(A) from a decedent by a decedent's estate or any beneficiary other than a tax-exempt beneficiary, and

''(B) from the decedent's estate by any beneficiary other than a tax-exempt beneficiary, and in determining the adjusted basis of such property, liabilities in excess of basis shall be disregarded.

''(2) TAX-EXEMPT BENEFICIARY.—For purposes of paragraph (1), the term 'tax-exempt beneficiary' means—

''(A) the United States, any State or political subdivision thereof, any possession of the United States, any Indian tribal government (within the meaning of section 7871), or any agency or instrumentality of any of the foregoing,

''(B) an organization (other than a cooperative described in section 521) which is exempt from tax imposed by chapter 1,

''(C) any foreign person or entity (within the meaning of section 168(h)(2)), and

''(D) to the extent provided in regulations, any person to whom property is transferred for the principal purpose of tax avoidance.

''(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.''.

(e) CLERICAL AMENDMENTS.—

(1) The table of sections for part IV of subchapter A of chapter 11 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 2057 and by inserting after the item relating to section 2058 the following new item:

''Sec. 2059. Carryover business exclusion.''.

(2) The table of sections for part II of subchapter O of chapter 1 of such Code is amended by inserting after the item relating to section 1022 the following new item:

''Sec. 1023. Treatment of carryover business interests and spousal property.''.

(f) EFFECTIVE DATES.—The amendments made by this section shall apply to estates of decedents dying, and gifts made—

(1) after December 31, 2002, and before January 1, 2010, and

(2) after December 31, 2011.

COBI V. QFOBI—WHAT'S NOT IN THE LINCOLN BILL TO REPEAL THE ESTATE TAX FOR FAMILY-OWNED BUSINESSES

The Qualified Family-Owned Business rules, enacted in 1997, have been roundly, and rightly, criticized for their complexity and paltry tax benefit. Even more troubling, the rules have been criticized for their intrusiveness into a business owner's activities, and for their subjectivity, which allow for large areas of disagreement with the IRS. What went wrong with this effort to free family-owned businesses from the estate tax?

In 1997, the primary concern expressed by proponents of these rules was that family-owned farms and businesses are ''too often forced out of businesses upon the death of a key owner.'' While this concern was, and is, all to real, it does not translate into a worthy goal on how we should treat American family-owned farms and businesses.

Sure, the government should not force these businesses to shut down, but the real point is that we must not stop there, we must encourage them to grow, add new jobs, and make new capital investments. In short, the 1997 qualified family-owned business rules were well intentioned, but they yielded a solution that is too limited and unworkable. So, we went back to the drawing board, taking with us the lessons learned from the qualified family-owned business rules.

The first task was to restate our concern and our goal. Simply put, the reformulated goal of the Lincoln bill is that no family-owned farm and business will ever pay the estate tax. It is often stated that family-owned businesses are subject to an estate tax that can reach over one-half the value of the business. This is true, but on top of this liability, a family-owned business is subject to estate tax liability each time that one generation passes the business to another generation. So, a family-owned business can pay the estate tax more than once over its lifetime.

In contrast, publicly held companies are never impacted by the estate tax. At the very least, we should treat family-owned businesses the same as publicly owned businesses life GE, IBM, and Cisco, which face no estate tax liability. Thus, our goal should be that no family-owned farm or business will ever pay the estate tax.

In pursuit of this goal, the Lincoln bill sheds many of the unnecessary and complex provisions under current law, and in doing so, it provides our best chance to enact immediate and permanent repeal of the estate tax for America's family owned farms and businesses.

The Lincoln bill includes the following improvements to current law:

1. Elimination of the Dollar Limitation on the Tax Benefit. Since the goal of the Lincoln bill is that no family-owned business will ever pay the estate tax, it places no arbitrary dollar or size limit on family-owned businesses. A deceased taxpayer's estate may elect to treat an unlimited portion of the decendent's estate as Carryover Business Interest, COBI. A COBI remains subject to all income and capital gain taxes with no basis adjustment.

Family-owned businesses, regardless of size, will be treated the same as their publicly held competitors, and thus, the economic disadvantage and distortion created by the estate tax on family-owned businesses would be eliminated.

2. Elimination of the 50-Percent Qualification Requirement. The principal argument in the past for repeal of the estate tax is its potential for forcing liquidation of a family-owned farm or business. Pursuant to this concern, the law, passed in 1997, created an extremely complex requirement that the value of the business must be at least 50 percent of the decedent's gross estate. Under this theory, it was presumed that a decedent's estate could afford to pay the tax if the business makes up 49 percent of the estate, but not if it is 50 percent of the estate. This example highlights the folly of this requirement, but it also demonstrates the importance of estate tax planning techniques in order to comply and receive the tax benefit. In the end, such a rule creates inequities among similarly situated taxpayers and benefits those with the best tax planning advise. Such incentives should be reduced whenever possible.

Under the Lincoln bill, this arbitrary requirement is eliminated, so that no family-owned farm or business would ever pay the estate tax, regardless of the portion of the estate that is comprised of the family-owned business. All family-owned businesses will no longer be required to shut down or plan to pay the estate tax. Instead, these businesses can increase working capital for expansion. The elimination of this requirement will also dramatically reduce complexity in the tax code and the subjectivity associated with the administration of the provision by the IRS.

3. Elimination of the Material Participation Requirements for Heirs. The material participation standard requires the IRS to measure a family member's activities on an hour-to-hour basis. This qualified family-owned business rules use this standard such that the IRS is required to monitor the activities of the heir for 10 years. This standard has been widely criticized as too intrusive. This may be the understatement of the year, and on top of that, it is an outrageous requirement the IRS could never effectively carry out if we wanted them to do so. Under the Lincoln bill, an heir is not required to participate in the business. Still, if he or she decides to sell or dispose of the COBI, capital gains and income taxes will continue to be payable and calculated using the decedent's carryover basis. But the estate tax will never put them out of business.

4. Elimination of the Recapture Provisions. Since the Lincoln bill does not require heirs to participate, recapture provisions are not necessary and therefore eliminated. The absence of these complex, arbitrary, and intrusive provisions eliminates the need for the IRS to monitor the daily activities of an heir for 10 years, a clearly intrusive requirement under current law.

5. Elimination of Passive Income Test. Under current law, a family owned business does not qualify for the tax benefit if more than 35 percent of its adjusted gross income is passive income in the tax year, which includes the decedent's date of death. This chance one-year arbitrary measurement of passive income is an insufficient and unreliable test of whether a family owned business has active business income. Further, the test is unnecessary in the face of a reasonable and workable passive asset test, as included in the Lincoln bill. See 6 below.

6. Modification of the Working Capital Rules. Under current law, a qualified family owned business may not hold cash or marketable securities in excess of the day-to-day working capital needs of the business. This rule does not recognize that family-owned businesses must retain liquid funds to expand by incurring debt or acquiring another business.

The Lincoln bill provides a standard that allows family owned businesses to retire debt and expand without facing the burden of the imposition of the estate tax. The standard under the Lincoln bill would allow the family owned business to own cash and securities ''reasonably anticipated business needs.'' This standard is well established under current law, regulations, and IRS audit guidelines.

In any event, in order to prevent any predeath ''stuffing,'' cash or marketplace securities shall be treated as passive assets if such cash or marketplace securities are transferred to the entity with 3 years of the decedent's date of death in any event. On the flip side, the IRS shall have the authority to increase the value of the COBI by that portion of those assets transferred from the COBI to the taxable estate within 3 years before the decedent's death.

By Mr. HOLLINGS (for himself and Mr. CLELAND):

S. 2995. A bill to improve economic opportunity and development in communities that are dependent on tobacco production, and for other purposes, to the Committee on Agriculture, Nutrition, and Forestry.

Mr HOLLINGS. Mr. President, I rise to introduce a bill that the distinguished Senator from Georgia, Mr. CLELAND, and I are sponsoring to assist rural farming communities that have become dependent on tobacco in finding ways to diversify.

Right to the point: The tobacco program as we know it today is not sustainable for tobacco producers or the communities that have become dependent on tobacco for their standard of living. For too many years, too many people in this Chamber ignored the problem of the tobacco program, while addressing every other farm issue under the sun, and we now run the risk of putting tobacco farmers out of business with no concern for the impacts on rural communities. It is in the best interest of not only tobacco farmers and their communities, but of the future health of Americans, to pass this legislation

South Carolina has about 2,000 honest, hard-working tobacco farmers who, of late, can't make ends meet because the demand for tobacco is down so far. It's not that everyone in the world has all of a sudden stopped using tobacco. It's that American companies are using foreign-grown tobacco. It's cheaper for corporations to go to Brazil, or China, or Vietnam, than to buy tobacco from South Carolina or Georgia. The same thing that happened to textile workers in this country is now happening to our farmers, who have bills to pay, and children to send to college, and everything else like that.

In addition to low demand, farmers are in trouble because of past Federal policies intended to encourage farmers to get out of this business, which have instead led them to totally rely on tobacco. At the recommendation of the President's Tobacco Commission, we need to kick the habit of quota subsidies for tobacco farmers or this charade will never end.

Any legislation that fails to focus on the tobacco problem as a community, is not dealing with the problem as a whole. We have to help tobacco communities diversify their economic base, or they will plummet into further economic distress. This legislation provides these communities with the tools to attract new industries and, thus, new and different kinds of jobs for the area. We can't expect to buy farmers out, try to take care of them with a short-term fix, and not take care of the communities' long-term future.

This legislation does just that by making quota buy outs for farmers mandatory, offering special incentives for growers who transition their land from tobacco production and providing meaningful community assistance to bring economic development and diversify the rural economy.

Obviously, every one in this Chamber will want to know: how will we pay for it? What will these buyouts cost a government that this year is running a $412 billion budget deficit? It will not cost the American taxpayer a single dime. I will be paid for by fees assessed on manufacturers based on market share. We used a similar funding mechanism in the LEAF Act that had the full support of tobacco growing states.

When you come right down to it, this is a balancing act to fix a broken farm program without decimating rural communities and without cost to the American taxpayer. This is as balanced a way as Senator CLELAND and I know how to deal with this. The legislation has the support of the health care community and the tobacco growers alike. We have received letters of support from the Alliance for Health Economic and Agriculture Development, the Campaign for Tobacco Free Kids, the South Carolina Tobacco Growers Association, the South Carolina Farm Bureau, Flue-Cured Tobacco Cooperative Stabilization Corporation, and the Burley Tobacco Growers Cooperative Association. We urge your support.

By Mr. KOHL (for himself, Mr. SESSIONS, and Mrs. FEINSTEIN):

S. 2996. A bill to amend title 11, United States Code, to limit the value of certain real and personal property that a debtor may elect to exempt under State or local law, and for other purposes; to the Committee on the Judiciary.

Mr. KOHL. Mr. President, I rise today to introduce the Bankruptcy Abuse Reform Act of 2002. The Senate is very familiar with the issue of the homestead exemption. We have voted to close the homestead loophole in each of the past three Congresses. Each and every time, the Senate strongly supported our proposal to close the homestead loophole and prohibit wealthy debtors from moving to Florida or Texas to shield their multi-million dollar mansions from their creditors.

In practical terms, the unlimited homestead exemption means that a person can declare bankruptcy in Houston, for example, wipe out most of their debts, but shield from creditors a house worth an infinite amount. Our amendment will generously cap the homestead exemption at $125,000, that is, it permits a debtor to keep $125,000 of equity in his or her home after declaring bankruptcy.

This provision should be law by now. Unfortunately, the politics of the bankruptcy bill generally and this provision specifically have prevented the homestead loophole from being closed once and for all. During the course of this debate, we accepted a compromise that was weaker than we would have wanted, but would get at the worst abusers. It was not all that we wanted, nor was it that is needed, but is was a good first step.

To those that argue that the compromise that we agreed to is enough, we say it only got at some of the abusers who will use this provision in the law. Certainly, no matter how well we draft it, we will not be able to anticipate everything that some clever lawyer or devious debtor will think of to find a way around it. The only way to ensure that no debtor will be able to take advantage of this loophole is for the Congress to pass a hard cap. Only then can we be certain that the loophole would be closed once and for all.

It appears now, however, that the bankruptcy reform bill has stalled and may not be considered before the Congress adjourns for the year. It would be a miscarriage of justice to permit the year to end without addressing the most scandalous abuse of the bankruptcy laws in an era when numerous corporate executives will surely use the homestead exemption to protect millions of dollars from their creditors.

The country has been stunned recently by stories of corporate malfeasance, insider dealing, and fraud. And, not by fly-by-night companies, but rather the worst wrongdoing went on in companies that were entrusted with the nest eggs of millions of Americans in pension plans and mutant funds. Those investments have been lost. And, yet there is every chance that the people who caused these nightmares may walk away from their misdeeds and seek shelter in their luxury homes.

Whether we are discussing Ken Lay's $7.1 million, 13,000 square foot condominium or Andrew Fastow's newly built multi-million dollar home in one of Houston's swankiest neighborhoods, or Scott Sullivan's $15 million estate in Boca Raton, one thing is clear; these former executives must not be permitted to continue to live like kings in bankruptcy while their former employees are looking for their next paycheck.

Debtors should not be able to avoid their creditors through luck of geography or through strategic bankruptcy planning. The bottom line is that bankruptcy must be a refuge of last resort, not a financial planning tool for Ken Lay, Scott Sullivan or a host of others. It would be a shame if this Congress were not able to close the most egregious abuse of all in the bankruptcy laws. It is time to close the homestead exemption loophole once and for all.

I ask unanimous consent that the text of the Bankruptcy Abuse Reform Act of 2002 be printed in the RECORD.

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

S. 2996

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Bankruptcy Abuse Reform Act of 2002''.

SEC. 2. LIMITATION.

Section 522 of title 11, United States Code, is amended—

(1) in subsection (b)(2)(A), by inserting ''subject to subsection (n),'' before ''any property''; and

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

''(n)(1) As a result of electing under subsection (b)(2)(A) to exempt property under State or local law, a debtor may not exempt any amount of interest that exceeds, in the aggregate, $125,000 in value in—

''(A) real or personal property that the debtor or a dependent of the debtor uses as a residence;

''(B) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

''(C) a burial plot for the debtor or a dependent of the debtor.

''(2) The limitation under paragraph (1) shall not apply to an exemption claimed under subsection (b)(3)(A) by a family farmer for the principal residence of that farmer.''.

By Mr. DODD (for himself, Mr. GREGG, Mr. KENNEDY, Ms. COLLINS, Mr. WELLSTONE, and Mr. DEWINE):

S. 2998. A bill to reauthorize the Child Abuse Prevention and Treatment Act, the Family Violence Prevention and Services Act, the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and the Abandoned Infants Assistance Act of 1988, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. DODD. Mr. President, I rise today with my colleague from New Hampshire, Senator GREGG, to introduce the Keeping Children and Families Safe Act. We are pleased to be joined by Senators KENNEDY, COLLINS, WELLSTONE, and DEWINE.

Child abuse and neglect continue to be significant problems in the United States. Recent reports present startling indications of child maltreatment in the United States.

About 3 million referrals concerning the welfare of about 5 million children were made to Child Protection Services, CPS, agencies throughout the Nation in 2000. Of these referrals, about two-thirds, 62 percent, were ''screened-in'' for further assessment and investigation. Professionals, including teachers, law enforcement officers, social service workers, and physicians made more than half, 56 percent, of the screened-in reports. About 879,000 children were found to be victims of child maltreatment. About two-thirds, 63 percent, suffered neglect, including medical neglect; 19 percent were physically abused; 10 percent were sexually abused; and 8 percent were emotionally maltreated.

Many of these children fail to receive adequate protection and services. Nearly half, 45 percent, of these children failed to receive services.

The most tragic consequence of child maltreatment is death. The April maltreatment summary data released by the Department of Health and Human Services, HHS, shows that about 1,200 children died of abuse and neglect in 2000. Children younger than six years of age accounted for 85 percent of child fatalities and children younger than one year of age accounted for 44 percent of child fatalities.

Child abuse is not a new phenomenon. For more than a decade, numerous reports have called attention to the tragic abuse and neglect of children and the inadequacy of our Child Protection Services, CPS, systems to protect our children.

In 1990, the U.S. Advisory Board on Child Abuse and Neglect concluded that ''child abuse and neglect is a national emergency.'' In 1995, the U.S. Advisory Board on Child Abuse and Neglect reported that ''State and local CPS caseworkers are often overextended and cannot adequately function under their current caseloads.'' The report also stated that, ''in many jurisdictions, caseloads are so high that CPS response is limited to taking the complaint call, making a single visit to the home, and deciding whether or not the complaint is valid, often without any subsequent monitoring of the family.''

A 1997 General Accounting Office, GAO, report found, ''the CPS system is in crisis, plagued by difficult problems, such as growing caseloads, increasingly complex social problems and underlying child maltreatment, and ongoing systemic weaknesses in day-to-day operations.'' According to GAO, CPS weaknesses include ''difficulty in maintaining a skilled workforce; the inability to consistently follow key policies and procedures designed to protect children; developing useful case data and record-keeping systems, such as automated case management; and establishing good working relationships with the courts.''

According to the May 2001 ''Report from the Child Welfare Workforce Survey: State and County Data and Findings'' conducted by the American Public Human Services Association, APHSA, the Child Welfare League of America, CWLA, and the Alliance for Children and Families, annual staff turnover is high and morale is low among CPS workers. The report found that CPS workers had an annual turnover rate of 22 percent, 76 percent higher than the turnover rate for total agency staff. The ''preventable'' turnover rate was 67 percent, or two-thirds higher than the rate for all other direct service workers and total agency staff. In some States, 75 percent or more of staff turnovers were preventable.

States rated a number of retention issues as highly problematic. In descending order they are: workloads that are too high and/or demanding; caseloads that are too high; too much worker time spent on travel, paperwork, courts, and meetings; workers not feeling valued by the agency; low salaries; supervision problems; and insufficient resources for families and children.

To prevent turnover and retain quality CPS staff, some States have begun to increase in-service training, increase education opportunities, increase supervisory training, increase or improve orientation, increase worker safety, and offer flex-time or changes in office hours. Most States, however, continue to grapple with staff turnover and training issues.

Continued public criticism of CPS efforts, continued frustration by CPS staff and child welfare workers, and continued abuse and neglect, and death, of our Nation's children, served as the backdrop as we sought to draft a CAPTA reauthorization bill this year.

The Child Protection System mission must focus on the safety of children. To ensure that the system works as intended, CPS needs to be appropriately staffed. The staff need to receive appropriate training and cross-training to better recognize substance abuse and domestic violence problems. Triage can help in communities with numerous abuse reports so that those reports where children are most at-risk of imminent harm can be prioritized. More collaborations in communities between CPS, health agencies, including mental health agencies, schools, and community-based groups can help to strengthen families. Prevention programs and activities to prevent child abuse and neglect for families at-risk can improve the likelihood that a child will grow up in a home without violence, abuse, or neglect.

Beyond the CAPTA title of this legislation, our bill reauthorizes the Family Violence Prevention and Services Act, including the creation of a new program to address the needs of children

who witness domestic violence, the Adoption Opportunities Act, and the Abandoned Infants Assistance Act.

There is not much time before Congress adjourns for the session. And there are many outstanding issues for Congress to address. Child protection ought not be a partisan issue. I urge my colleagues to join us in supporting this bill and to strengthen child protection laws before we adjourn for the year.

I ask unanimous consent that a summary of the bill be printed in the RECORD, followed by the text of the bill.

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

KEEPING CHILDREN AND FAMILIES SAFE ACT
BRIEF SUMMARY

The Child Abuse Prevention and Treatment Act, CAPTA, authorizes research and demonstration projects related to preventing and treating child abuse and neglect, grants to States to improve child protection systems and, grants to support community-based family resource and support services. Authorization for CAPTA expired with FY2001 but Congress has continued to fund its programs.

Reauthorizes CAPTA with increased funding. The bill would reauthorize CAPTA through FY2007 and authorized $200 million for CAPTA programs. The FY2002 appropriation for CAPTA programs was $81.6 million.

Encourages new training and better qualifications for child and family service workers. The bill would recommend grants for a variety of training programs and research activities designed to improve training to child protective services and other child and family service workers, including supervisors. Suggested projects include: training workers on how to best work with families from initial investigation through treatment; cross-training to better recognize neglect, domestic violence or substance abuse in a family; training to strengthen linkages between Child Protection Services (CPS) and health agencies including physical and mental health services; and to promote partnerships that offer creative approaches to meet the needs of abused children; as well as training for CPS workers on their legal duties. The bill would also encourage attention to staff recruitment and retention issues.

Encourages links between agencies to improve services to children. The bill would seek to create or improve links between child protection services and education, health, mental health, and judicial systems to ensure that children who are abused and neglected are properly identified and receive referrals to appropriate services. It would further encourage greater collaboration between child protective services and the juvenile justice system to ensure that children who move between these two systems do so smoothly and receive appropriate services. In addition, the bill would promote partnerships between public agencies and community-based organizations to provide child abuse and neglect prevention and treatment programs. The bill would also require States, as a condition of receiving State grant money, to have policies and procedures to have triage for the referral of a child not at imminent risk of harm to a community or voluntary child maltreatment prevention service; to improve the training, retention, and supervision of caseworkers; to address the needs of infants who have been prenatally exposed to illegal substances, including referral to CPS and other services; to have provisions requiring CPS workers to inform individuals of child maltreatment allegations made against them; and to perform background checks on all adults in prospective foster care households.

Strengths and expands the National Child Abuse Clearinghouse. The role of the National Child Abuse Clearinghouse would be strengthened and expanded to not only maintain information about effective child abuse prevention programs, but also to maintain information about best practices used for improving CPS and best practices for making referrals related to addressing the physical, developmental, and health needs of abused and neglected children.

Broadens access to technical assistance and grant funds. CAPTA currently authorize the Department of Health and Human Services, HHS, to fund certain kinds of child maltreatment related demonstration programs and to provide certain technical assistance. In general, grants or contracts may be made with public and nonprofit private entities. The bill would allow for-profit private entities to access technical assistance and to operate HHS-funded demonstration programs.

Strengthens local oversight. States are now required to appoint citizen review panels to oversee the policies and procedures of State and local child protection service agencies. The bill would require these panels to also study agency ''practices,'' do public outreach and allow for public comment, and include recommendations for changes in an annual report to the State. States would be required to make a written response regarding whether or how they will incorporate the recommendations to improve the State and local child protection systems.

Requires new study. The bill would require HHS to conduct the 4th National Incidence Study of Child Abuse and Neglect and to report its findings within 4 years of enactment of the legislation. The last National Incidence Study was conducted in 1993.

Revises Title II Community-Based Family Resource and Support Grants. The bill revises Title II to support community-based efforts to develop, operate, enhance, and where appropriate, to network, initiatives aimed at the prevention of child abuse and neglect and supports coordinated resources and activities to better strengthen and support families to reduce the likelihood of child abuse and neglect.

Title II reauthorizes the Family Violence Prevention and Services Act (FVPSA), which provides assistance to states, Tribes, and Tribal organizations to assist in efforts to increase public awareness about family violence and provide immediate shelter and related assistance to victims of family violence and their children. The reauthorization: extends the authorization of existing programs to 2007; repeals three programs: The Family Member Abuse and Documentation Project, Model State Leadership Grants, and the Youth Education and Domestic Violence Program; increases the authorization for the National Domestic Violence Hotline to $5 million; carves out 10 percent of State Grant funds for State Domestic Violence Coalitions; allows for the Secretary to retain administrative funds to implement and evaluate FVPSA programs; establishes a highly secure electronic network to link domestic violence shelters and service providers and the National Domestic Violence Hotline on a confidential website. The website would provide a continuously updated list of shelter availability anywhere in the United States at any time and would provide comprehensive information describing the services each shelter provides such as medical, social and bilingual services. It would also provide internet access to shelters that do not have appropriate technology; creates the Children Exposed to Domestic Violence Program to provide funds for: shelters and other domestic violence service providers to run programs to address the physical, emotional and logistical needs of children who enter programs with their mothers who are abused; training of child welfare, and where appropriate, court and law enforcement personnel to assist them in addressing cases where child abuse and domestic violence intersect; and, nonprofit agencies to bring various service providers together to design and implement intervention programs for children who witness domestic violence.

Makes several technical corrections to the bill.

Title III of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, as amended (Public Law 95–266) authorizes the Adoption Opportunities Program. The program is intended to eliminate barriers to adoption and to provide permanent homes for children who would benefit from adoption, particularly special needs children and disabled infants with life-threatening conditions.

Seeks to eliminate interjurisdictional barriers to adoption. As part of a revised and updated findings section, the bill would explicitly include the elimination of jurisdictional barriers to adoption. It notes that the Adoption and Safe Families Act of 1997 prohibited delay or denial of placement of a child across jurisdictional lines, where an appropriate adoptive family was available. The bill would require the Secretary of HHS to fund public or private entities, including States, to eliminate barriers to placing children for adoption across jurisdictional lines. Purposes of this funding would include: developing a uniform homestudy standard and protocols for acceptance of homestudies between States and jurisdictions; developing models of financing cross-jurisdictional placements; expanding capacity of all adoption exchanges to serve increasing numbers of children, including older children least likely to currently be adopted; developing training materials and training social workers on preparing and moving children across State lines; and developing and supporting models for networking among agencies, adoption exchanges, and parent support groups across jurisdictional boundaries.

Within one year of enactment, the bill would require HHS, in consultation with the General Accounting Office, to facilitate interjurisdictional adoption of foster children. Separately, the bill would also make interjurisdictional adoption issues, including financing and best practices, a part of a larger study HHS would be required to conduct on adoption placements. Current law generally allows HHS to fund services provided by public and nonprofit private agencies only. The bill generally allows HHS to include for-profit agencies among eligible grantees.

Increases funding for Adoption Opportunities grants. The current authorization for Adoption Opportunities is $20 million. The bill would increase the authorization to $40 million for FY2003 and such sums as necessary for FY2004–FY2007. (The Adoption Opportunities program received an appropriation of $27.4 million for FY2002.)

The Abandoned Infants Assistance Act of 1988, as amended, Public Law 100–505, authorizes demonstration grants to public and private nonprofit agencies for activities such as preventing the abandonment of infants, identifying and addressing the needs of abandoned infants, recruiting and training foster families for abandoned children, providing residential care for infants and young children who cannot live with their families or be placed in foster care, providing respite

care for families and foster families, and recruiting and training health and social services personnel to work with abandoned children.

Broadens priority for services. Under current law grantees must ensure priority for their services is given to abandoned infants and young children who are HIV-infected, perinatally exposed to HIV, or perinatally drug-exposed. The bill would maintain priority service for these children but would also broaden the priority category to include abandoned infants and young children who have ''life threatening illness[es]'' or ''other special medical need[s].''

Requires studies. The bill would require that HHS conduct a study that: estimates the number of infants and young children who are relinquished, abandoned or found deceased in the United States and the number of young children who are HIV positive, have a life-threatening illness or other special medical need, or have been perinatally exposed to HIV or a dangerous drug; estimates the annual number of infants and young children who are victims of homicide; determines the characteristics of parents who have abandoned a child within a year of the child's birth; and estimates the annual costs incurred by all levels of government to provide housing and care for abandoned infants and young children.

The bill would further require HHS to report findings of this study to Congress not later than 36 months after enactment of the legislation. Separately, HHS would be required to evaluate and report on effective intervention methods to prevent abandonment of children and effective ways of responding to the needs of abandoned children.

Increases funds for Abandonment Infants Assistance grants. The current authorization for Abandoned Infants Assistance is $35 million. The bill would increase authorization to $45 million for FY2003 and such sums as necessary for FY2004–FY2007. The Abandoned Infants Assistance program received an appropriation of $12.2 million for FY2002.

S. 2998

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 ''Keeping Children and Families Safe Act of 2002''.

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

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

SEC. 101. FINDINGS.

Section 2 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 note) is amended—

(1) in paragraph (1), by striking ''close to 1,000,000'' and inserting ''approximately 900,000'';

(2) by redesignating paragraphs (2) through (11) as paragraphs (4) through (13), respectively;

(3) by inserting after paragraph (1) the following:

''(2)(A) more children suffer neglect than any other form of maltreatment; and

''(B) investigations have determined that approximately 63 percent of children who were victims of maltreatment in 2000 suffered neglect, 19 percent suffered physical abuse, 10 percent suffered sexual abuse, and 8 percent suffered emotional maltreatment;

''(3)(A) child abuse can result in the death of a child;

''(B) in 2000, an estimated 1,200 children were counted by child protection services to have died as a result of abuse or neglect; and

''(C) children younger than 1 year old comprised 44 percent of child fatalities and 85 percent of child fatalities were younger than 6 years of age;'';

(4) by striking paragraph (4) (as so redesignated), and inserting the following:

''(4)(A) many of these children and their families fail to receive adequate protection and treatment;

''(B) slightly less than half of these children (45 percent in 2000) and their families fail to receive adequate protection or treatment; and

''(C) in fact, approximately 80 percent of all children removed from their homes and placed in foster care in 2000, as a result of an investigation or assessment conducted by the child protective services agency, received no services;'';

(5) in paragraph (5) (as so redesignated)—

(A) in subparagraph (A), by striking ''organizations'' and inserting ''community-based organizations'';

(B) in subparagraph (D), by striking ''ensures'' and all that follows through ''knowledge,'' and inserting ''recognizes the need for properly trained staff with the qualifications needed''; and

(C) in subparagraph (E), by inserting before the semicolon the following: '', which may impact child rearing patterns, while at the same time, not allowing those differences to enable abuse'';

(6) in paragraph (7) (as so redesignated), by striking ''this national child and family emergency'' and inserting ''child abuse and neglect''; and

(7) in paragraph (9) (as so redesignated)—

(A) by striking ''intensive'' and inserting ''needed''; and

(B) by striking ''if removal has taken place'' and inserting ''where appropriate''.

Subtitle A—General Program

SEC. 111. NATIONAL CLEARINGHOUSE FOR INFORMATION RELATING TO CHILD ABUSE.

(a) FUNCTIONS.—Section 103(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5104(b)) is amended—

(1) in paragraph (1), by striking ''all programs,'' and all that follows through ''neglect; and'' and inserting ''all effective programs, including private and community-based programs, that show promise of success with respect to the prevention, assessment, identification, and treatment of child abuse and neglect and hold the potential for broad scale implementation and replication;'';

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

(3) by redesignating paragraph (2) as paragraph (3);

(4) by inserting after paragraph (1) the following:

''(2) maintain information about the best practices used for achieving improvements in child protective systems;''; and

(5) by adding at the end the following:

''(4) provide technical assistance upon request that may include an evaluation or identification of—

''(A) various methods and procedures for the investigation, assessment, and prosecution of child physical and sexual abuse cases;

''(B) ways to mitigate psychological trauma to the child victim; and

''(C) effective programs carried out by the States under this Act; and

''(5) provide for and disseminate information relating to various training resources available at the State and local level to—

''(A) individuals who are engaged, or who intend to engage, in the prevention, identification, and treatment of child abuse and neglect; and

''(B) appropriate State and local officials to assist in training law enforcement, legal,

judicial, medical, mental health, education, and child welfare personnel.''.

(b) COORDINATION WITH AVAILABLE RESOURCES.—Section 103(c)(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5104(c)(1)) is amended—

(1) in subparagraph (E), by striking ''105(a); and'' and inserting ''104(a);'';

(2) by redesignating subparagraph (F) as subparagraph (G); and

(3) by inserting after subparagraph (E) the following:

''(F) collect and disseminate information that describes best practices being used throughout the Nation for making appropriate referrals related to, and addressing, the physical, developmental, and mental health needs of abused and neglected children; and''.

SEC. 112. RESEARCH AND ASSISTANCE ACTIVITIES AND DEMONSTRATIONS.

(a) RESEARCH.—Section 104(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5105(a)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) in the first sentence, by inserting '', including longitudinal research,'' after ''interdisciplinary program of research''; and

(ii) in the second sentence, by striking ''may'' and inserting ''shall primarily'';

(B) in subparagraph (B), by inserting before the semicolon the following: '', including the effects of abuse and neglect on a child's development and the identification of successful early intervention services or other services that are needed'';

(C) in subparagraph (C)—

(i) by striking ''judicial procedures'' and inserting ''judicial systems, including multidisciplinary, coordinated decisionmaking procedures''; and

(ii) by striking ''and'' at the end; and

(D) in subparagraph (D)—

(i) in clause (viii), by striking ''and'' at the end;

(ii) by redesignating clause (ix) as clause (x); and

(iii) by inserting after clause (viii), the following:

''(ix) the incidence and prevalence of child maltreatment by a wide array of demographic characteristics such as age, sex, race, household relationship, family structure, school enrollment and education attainment, disability, grandparents as caregivers, labor force status, work status in previous year, and income in previous year; and'';

(E) by redesignating subparagraph (D) as subparagraph (I); and

(F) by inserting after subparagraph (C), the following:

''(D) the evaluation and dissemination of best practices consistent with the goals of achieving improvements in the child protective services systems of the States in accordance with paragraphs (1) through (12) of section 106(a);

''(E) effective approaches to interagency collaboration between the child protection system and the juvenile justice system that improve the delivery of services and treatment, including methods for continuity of treatment plan and services as children transition between systems;

''(F) an evaluation of the redundancies and gaps in the services in the field of child abuse and neglect prevention in order to make better use of resources;

''(G) the nature, scope, and practice of voluntary relinquishment for foster care or State guardianship of low income children who need health services, including mental health services;

''(H) the information on the national incidence of child abuse and neglect specified in clauses (i) through (xi) of subparagraph (H); and'';

(2) by redesignating paragraph (2) as paragraph (4);

(3) by inserting after paragraph (1) the following:

''(2) RESEARCH.—The Secretary shall conduct research on the national incidence of child abuse and neglect, including the information on the national incidence on child abuse and neglect specified in subparagraphs (i) through (ix) of paragraph (1)(I).

''(3) REPORT.—Not later than 4 years after the date of the enactment of the Keeping Children and Families Safe Act of 2002, the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate a report that contains the results of the research conducted under paragraph (2).''.

(b) PROVISION OF TECHNICAL ASSISTANCE.—Section 104(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5105(b)) is amended—

(1) in paragraph (1), by striking ''nonprofit agencies and'' and inserting ''private agencies and community-based''; and

(2) in paragraph (2)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(D) effective approaches being utilized to link child protective service agencies with health care, mental health care, and developmental services to improve forensic diagnosis and health evaluations, and barriers and shortages to such linkages.''.

(c) DEMONSTRATION PROGRAMS AND PROJECTS.—Section 104 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5105) is amended by adding at the end the following:

''(e) DEMONSTRATION PROGRAMS AND PROJECTS.—The Secretary may award grants to, and enter into contracts with, States or public or private agencies or organizations (or combinations of such agencies or organizations) for time-limited, demonstration projects for the following:

''(1) PROMOTION OF SAFE, FAMILY-FRIENDLY PHYSICAL ENVIRONMENTS FOR VISITATION AND EXCHANGE.—The Secretary may award grants under this subsection to entities to assist such entities in establishing and operating safe, family-friendly physical environments—

''(A) for court-ordered, supervised visitation between children and abusing parents; and

''(B) to safely facilitate the exchange of children for visits with noncustodial parents in cases of domestic violence.

''(2) EDUCATION IDENTIFICATION, PREVENTION, AND TREATMENT.—The Secretary may award grants under this subsection to entities for projects that provide educational identification, prevention, and treatment services in cooperation with preschool and elementary and secondary schools.

''(3) RISK AND SAFETY ASSESSMENT TOOLS.—The Secretary may award grants under this subsection to entities for projects that provide for the development of risk and safety assessment tools relating to child abuse and neglect.

''(4) TRAINING.—The Secretary may award grants under this subsection to entities for projects that involve innovative training for mandated child abuse and neglect reporters.

''(5) COMPREHENSIVE ADOLESCENT VICTIM/VICTIMIZER PREVENTION PROGRAMS.—The Secretary may award grants to organizations that demonstrate innovation in preventing child sexual abuse through school-based programs in partnership with parents and community-based organizations to establish a network of trainers who will work with schools to implement the program. The program shall be comprehensive, meet State guidelines for health education, and should reduce child sexual abuse by focusing on prevention for both adolescent victims and victimizers.''.

SEC. 113. GRANTS TO STATES AND PUBLIC OR PRIVATE AGENCIES AND ORGANIZATIONS.

(a) DEMONSTRATION PROGRAMS AND PROJECTS.—Section 105(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(a)) is amended—

(1) in the subsection heading, by striking ''DEMONSTRATION'' and inserting ''GRANTS FOR'';

(2) in the matter preceding paragraph (1)—

(A) by inserting ''States,'' after ''contracts with,'';

(B) by striking ''nonprofit''; and

(C) by striking ''time limited, demonstration'';

(3) in paragraph (1)—

(A) in subparagraph (A), by striking ''education, social work, and other relevant fields'' and inserting ''law enforcement, judiciary, social work and child protection, education, and other relevant fields, or individuals such as court appointed special advocates (CASAs) and guardian ad litem,'';

(B) in subparagraph (B), by striking ''nonprofit'' and all that follows through ''; and'' and inserting ''children, youth and family service organizations in order to prevent child abuse and neglect;'';

(C) in subparagraph (C), by striking the period and inserting a semicolon;

(D) by adding at the end the following:

''(D) for training to support the enhancement of linkages between child protective service agencies and health care agencies, including physical and mental health services, to improve forensic diagnosis and health evaluations and for innovative partnerships between child protective service agencies and health care agencies that offer creative approaches to using existing Federal, State, local, and private funding to meet the health evaluation needs of children who have been subjects of substantiated cases of child abuse or neglect;

''(E) for the training of personnel in best practices to promote collaboration with the families from the initial time of contact during the investigation through treatment;

''(F) for the training of personnel regarding their responsibilities to protect the legal rights of children and families;

''(G) for improving the training of supervisory and nonsupervisory child welfare workers;

''(H) for enabling State child welfare agencies to coordinate the provision of services with State and local health care agencies, alcohol and drug abuse prevention and treatment agencies, mental health agencies, and other public and private welfare agencies to promote child safety, permanence, and family stability;

''(I) for cross training for child protective service workers in recognizing situations of substance abuse, domestic violence, and neglect; and

''(J) for developing, implementing, or operating information and education programs or training programs designed to improve the provision of services to disabled infants with life-threatening conditions for—

''(i) professionals and paraprofessional personnel concerned with the welfare of disabled infants with life-threatening conditions, including personnel employed in child protective services programs and health care facilities; and

''(ii) the parents of such infants.'';

(4) by redesignating paragraph (2) and (3) as paragraphs (3) and (4), respectively;

(5) by inserting after paragraph (1), the following:

''(2) TRIAGE PROCEDURES.—The Secretary may award grants under this subsection to public and private agencies that demonstrate innovation in responding to reports of child abuse and neglect, including programs of collaborative partnerships between the State child protective services agency, community social service agencies and family support programs, schools, churches and synagogues, and other community agencies, to allow for the establishment of a triage system that—

''(A) accepts, screens, and assesses reports received to determined which such reports require an intensive intervention and which require voluntary referral to another agency, program, or project;

''(B) provides, either directly or through referral, a variety of community-linked services to assist families in preventing child abuse and neglect; and

''(C) provides further investigation and intensive intervention where the child's safety is in jeopardy.'';

(6) in paragraph (3) (as so redesignated), by striking ''(such as Parents Anonymous)'';

(7) in paragraph (4) (as so redesignated)—

(A) by striking the paragraph heading;

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

(C) in subparagraph (B)—

(i) by striking ''(B) KINSHIP CARE.—'' and inserting the following:

''(4) KINSHIP CARE.—

''(A) IN GENERAL.—''; and

(ii) by striking ''nonprofit''; and

(8) by adding at the end the following:

''(5) LINKAGES BETWEEN CHILD PROTECTIVE SERVICE AGENCIES AND PUBLIC HEALTH, MENTAL HEALTH, AND DEVELOPMENTAL DISABILITIES AGENCIES.—The Secretary may award grants to entities that provide linkages between State or local child protective service agencies and public health, mental health, and developmental disabilities agencies, for the purpose of establishing linkages that are designed to help assure that a greater number of substantiated victims of child maltreatment have their physical health, mental health, and developmental needs appropriately diagnosed and treated.''.

(b) DISCRETIONARY GRANTS.—Section 105(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(b)) is amended—

(1) by striking paragraph (1);

(2) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively;

(3) by inserting after paragraph (2) (as so redesignated), the following:

''(3) Programs based within children's hospitals or other pediatric and adolescent care facilities, that provide model approaches for improving medical diagnosis of child abuse and neglect and for health evaluations of children for whom a report of maltreatment has been substantiated.''; and

(4) in paragraph (4)(D), by striking ''nonprofit''.

(c) EVALUATION.—Section 105(c) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(c)) is amended—

(1) in the first sentence, by striking ''demonstration'';

(2) in the second sentence, by inserting ''or contract'' after ''or as a separate grant''; and

(3) by adding at the end the following: ''In the case of an evaluation performed by the recipient of a grant, the Secretary shall make available technical assistance for the evaluation, where needed, including the use of a rigorous application of scientific evaluation techniques.''.

(d) TECHNICAL AMENDMENT TO HEADING.—The section heading for section 105 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106) is amended to read as follows:

''SEC. 105. GRANTS TO STATES AND PUBLIC OR PRIVATE AGENCIES AND ORGANIZATIONS.''.

SEC. 114. GRANTS TO STATES FOR CHILD ABUSE AND NEGLECT PREVENTION AND TREATMENT PROGRAMS.

(a) DEVELOPMENT AND OPERATION GRANTS.—Section 106(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(a)) is amended—

(1) in paragraph (3)—

(A) by inserting '', including ongoing case monitoring,'' after ''case management''; and

(B) by inserting ''and treatment'' after ''and delivery of services'';

(2) in paragraph (4), by striking ''improving'' and all that follows through ''referral systems'' and inserting ''developing, improving, and implementing risk and safety assessment tools and protocols'';

(3) by striking paragraph (7);

(4) by redesignating paragraphs (5), (6), (8), and (9) as paragraphs (6), (8), (9), and (12), respectively;

(5) by inserting after paragraph (4), the following:

''(5) developing and updating systems of technology that support the program and track reports of child abuse and neglect from intake through final disposition and allow interstate and intrastate information exchange;'';

(6) in paragraph (6) (as so redesignated), by striking ''opportunities'' and all that follows through ''system'' and inserting ''including safety training opportunities and requirements for child protection workers'';

(7) by inserting after paragraph (6) (as so redesignated) the following:

''(7) improving the skills, qualifications, and availability of individuals providing services to children and families, and the supervisors of such individuals, through the child protection system, including improvements in the recruitment and retention of caseworkers;'';

(8) by striking paragraph (9) (as so redesignated), and inserting the following:

''(9) developing and facilitating training protocols for individuals mandated to report child abuse or neglect;

''(10) developing, implementing, or operating programs to assist in obtaining or coordinating necessary services for families of disabled infants with life-threatening conditions, including—

''(A) existing social and health services;

''(B) financial assistance; and

''(C) services necessary to facilitate adoptive placement of any such infants who have been relinquished for adoption;

''(11) developing and delivering information to improve public education relating to the role and responsibilities of the child protection system and the nature and basis for reporting suspected incidents of child abuse and neglect;''; and

(9) in paragraph (12) (as so redesignated), by striking the period and inserting a semicolon;

(10) by adding at the end the following:

''(13) supporting and enhancing interagency collaboration between the child protection system and the juvenile justice system for improved delivery of services and treatment, including methods for continuity of treatment plan and services as children transition between systems; or

''(14) supporting and enhancing collaboration among public health agencies, the child protection system, and private community-based programs to provide child abuse and neglect prevention and treatment services (including linkages with education systems) and to address the health needs, including mental health needs, of children identified as abused or neglected, including supporting prompt, comprehensive health and developmental evaluations for children who are the subject of substantiated child maltreatment reports.''.

(b) ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—Section 106(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(b)) is amended—

(A) in paragraph (1)(B)—

(i) by striking ''provide notice to the Secretary of any substantive changes'' and inserting the following: '' provide notice to the Secretary—

''(i) of any substantive changes; and'';

(ii) by striking the period and inserting ''; and''; and

(iii) by adding at the end the following:

''(ii) any significant changes to how funds provided under this section are used to support the activities which may differ from the activities as described in the current State application.'';

(B) in paragraph (2)(A)—

(i) by redesignating clauses (ii), (iii), (iv), (v), (vi), (vii), (viii), (ix), (x), (xi), (xii), and (xiii) as clauses (iii), (v), (vi), (vii), (ix), (x), (xi), (xii), (xiii), (xiv), (xv) and (xvi), respectively;

(ii) by inserting after clause (i), the following:

''(ii) policies and procedures (including appropriate referrals to child protection service systems and for other appropriate services) to address the needs of infants born and identified with illegal substance abuse or withdrawal symptoms resulting from prenatal drug exposure;'';

(iii) in clause (iii) (as so redesignated), by inserting ''risk and'' before ''safety'';

(iv) by inserting after clause (iii) (as so redesignated), the following:

''(iv) triage procedures for the referral of a child not at risk of imminent harm to a community organization or voluntary preventive service;'';

(v) in clause (vii)(II) (as so redesignated), by striking '', having a need for such information in order to carry out its responsibilities under law to protect children from abuse and neglect'' and inserting '', as described in clause (viii)'';

(vi) by inserting after clause (vii) (as so redesignated), the following:

''(viii) provisions to require disclosures of confidential information to any Federal, State, or local government entity, or any agent of such entity, that has a need for such information in order to carry out its responsibilities under law to protect children from abuse and neglect;'';

(vii) in clause (xii) (as so redesignated)—

(I) by inserting ''who has received training appropriate to the role, and'' after ''guardian ad litem,''; and

(II) by inserting ''who has received training appropriate to that role'' after ''advocate'';

(viii) in clause (xiv) (as so redesignated), by striking ''to be effective not later than 2 years after the date of enactment of this section'';

(ix) in clause (xv) (as so redesignated)—

(I) by striking ''to be effective not later than 2 years after the date of enactment of this section''; and

(II) by striking ''and'' at the end;

(x) in clause (xvi) (as so redesignated), by striking ''clause (xii)'' each place that such appears and inserting ''clause (xv)''; and

(xi) by adding at the end the following:

''(xvii) provisions and procedures to require that a representative of the child protective services agency shall, at the initial time of contact with the individual subject to a child abuse and neglect investigation, advise the individual of the complaints or allegations made against the individual, in a

manner that is consistent with laws protecting the rights of the informant;

''(xviii) provisions and procedures for improving the training, retention, and supervision of caseworkers; and

''(xix) not later than 2 years after the date of enactment of the Keeping Children and Families Safe Act of 2002, provisions and procedures for requiring criminal background record checks for prospective foster and adoptive parents and other adult relatives and non-relatives residing in the household;''; and

(C) in paragraph (2), by adding at the end the following flush sentence:

''Nothing in subparagraph (A) shall be construed to limit the State's flexibility to determine State policies relating to public access to court proceedings to determine child abuse and neglect.''.

(2) LIMITATION.—Section 106(b)(3) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(b)(3)) is amended by striking ''With regard to clauses (v) and (vi) of paragraph (2)(A)'' and inserting ''With regard to clauses (vi) and (vii) of paragraph (2)(A)''.

(c) CITIZEN REVIEW PANELS.—Section 106(c) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(c)) is amended—

(1) in paragraph (4)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i)—

(I) by striking ''and procedures'' and inserting '', procedures, and practices''; and

(II) by striking ''the agencies'' and inserting ''State and local child protection system agencies''; and

(ii) in clause (iii)(I), by striking ''State'' and inserting ''State and local''; and

(B) by adding at the end the following:

''(C) PUBLIC OUTREACH.—Each panel shall provide for public outreach and comment in order to assess the impact of current procedures and practices upon children and families in the community and in order to meet its obligations under subparagraph (A).''; and

(2) in paragraph (6)—

(A) by striking ''public'' and inserting ''State and the public''; and

(B) by inserting before the period the following: ''and recommendations to improve the child protection services system at the State and local levels. Not later than 6 months after the date on which a report is submitted by the panel to the State, the appropriate State agency shall submit a written response to the State and local child protection systems that describes whether or how the State will incorporate the recommendations of such panel (where appropriate) to make measurable progress in improving the State and local child protective system''.

(d) ANNUAL STATE DATA REPORTS.—Section 106(d) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(d)) is amended by adding at the end the following:

''(13) The annual report containing the summary of the activities of the citizen review panels of the State required by subsection (c)(6).''.

SEC. 115. MISCELLANEOUS REQUIREMENTS RELATING TO ASSISTANCE.

(a) IN GENERAL.—Section 108 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106d) is amended by adding at the end the following:

''(d) GAO STUDY.—Not later than February 1, 2003, the Comptroller General of the United States shall conduct a survey of a wide range of State and local child protection service systems to evaluate and submit to Congress a report concerning—

''(1) the current training (including cross-training in domestic violence or substance abuse) of child protective service workers in the outcomes for children and to analyze and evaluate the effects of caseloads, compensation, and supervision on staff retention and performance;

''(2) the efficiencies and effectiveness of agencies that provide cross-training with court personnel; and

''(3) recommendations to strengthen child protective service effectiveness to improve outcomes for children.

''(e) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary should encourage all States and public and private agencies or organizations that receive assistance under this title to ensure that children and families with limited English proficiency who participate in programs under this title are provided materials and services under such programs in an appropriate language other than English.

''(f) ANNUAL REPORT ON CERTAIN PROGRAMS.—A State that receives funds under section 106(a) shall annually prepare and submit to the Secretary a report describing the manner in which funds provided under this Act, alone or in combination with other Federal funds, were used to address the purposes and achieve the objectives of section 105(a)(4)(B).''.

(b) OPPORTUNITY PASSPORTS.—

(1) IN GENERAL.—Section 105(a)(4) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(a)(3)) (as so redesignated) is amended by adding at the end the following:

''(B) OPPORTUNITY PASSPORTS AND OTHER ASSISTANCE.—

''(i) GRANTS.—The Secretary, in collaboration with the John H. Chafee Foster Care Independence Board (under section 477 of the Social Security Act), may make grants to eligible partnerships of public agencies or private nonprofit organizations in not more than 10 States to assist the partnerships in developing and implementing methods of providing long- and short-term financial security for youth in foster care and youth aging out of foster care. A partnership shall be eligible for a grant under this subparagraph if such partnership has a board of directors that includes representatives of youth in foster care and aging out of foster care.

''(ii) USE OF FUNDS.—

''(I) IN GENERAL.—A partnership that receives a grant under clause (i) shall use the funds made available through the grant to carry out 1 or more of the activities described in subclauses (II) or (III).

''(II) OPPORTUNITY PASSPORTS.—The partnership may use the funds to develop and provide, for youth in foster care and aging out of foster care, electronic opportunity passports, electronic cards or secure Internet databases that contain medical records, legal identification (analogous to a Social Security card or birth certificate), and school transcripts, to ensure that the youth can carry or readily access the vital information.

''(III) INDIVIDUAL DEVELOPMENT ACCOUNTS.—The partnership may use the funds to establish and provide individual development accounts, to assist youth in foster care and aging out of foster care to obtain post-secondary education, pay for housing, pay for medical care, or operate a business. In establishing and providing such an account, the partnership shall provide a small amount of seed money and shall require the account holder to attend money management training and contribute to the account before receiving access to the account.

''(iii) ACCOUNTS MAINTAINED AFTER ADOPTION.—An account established for an individual under this subparagraph shall not terminate as a result of the adoption of the individual.

''(iv) OTHER FEDERAL ASSISTANCE.—The amount of assistance provided to an individual under this subparagraph may be disregarded for purposes of determining the individual's eligibility for, or the amount of, any other Federal or Federally supported assistance, except that the total amount of assistance to an individual under this subparagraph and under other Federal and Federally supported programs shall not exceed the total cost of attendance, as defined in section 472 of the Higher Education Act of 1965, and except that the partnership shall take appropriate steps to prevent duplication of benefits under this and other Federal or Federally supported programs.

''(v) PRIVACY.—Information concerning an individual that is obtained by a partnership in the implementation of this subparagraph shall remain private and confidential and shall not be disclosed without the informed consent of the individual or otherwise in accordance with applicable Federal, State, or local laws relating to medical privacy. An entity that discloses information in violation of this clause shall be subject to applicable Federal, State or local laws relating to the unlawful disclosure of confidential information.

''(vi) DEFINITION.—In this subparagraph, the term 'youth aging out of foster care' means children who are—

''(I) leaving foster care because such children have attained the maximum age for foster care eligibility in a State; and

''(II) transitioning to independent living, as determined by the Secretary.''.

(2) FUNDING.—Section 112 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106h) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) in subsection (a)(1), by inserting ''(other than section 105(a)(4)(B))'' after ''title''; and

(3) by inserting after subsection (a) the following:

''(b) OPPORTUNITY PASSPORTS.—There are authorized to be appropriated to carry out section 105(a)(4)(B) $10,000,000 for fiscal year 2003 and such sums as may be necessary for each subsequent fiscal year. Of the amount appropriated in each such fiscal year, not less than 75 percent of such amount shall be used as provided for under clause (ii)(II) of such section.''.

SEC. 116. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION.—Section 112(a)(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106h(a)(1)) is amended to read as follows:

''(1) GENERAL AUTHORIZATION.—There are authorized to be appropriated to carry out this title $120,000,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 through 2007.''.

(b) DEMONSTRATION PROJECTS.—Section 112(a)(2)(B) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106h(a)(2)(B)) is amended—

(1) by striking ''Secretary make'' and inserting ''Secretary shall make''; and

(2) by striking ''section 106'' and inserting ''section 104''.

Subtitle B—Community-Based Grants for the Prevention of Child Abuse

SEC. 121. PURPOSE AND AUTHORITY.

(a) PURPOSE.—Section 201(a)(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116(a)(1)) is amended to read as follows:

''(1) to support community-based efforts to develop, operate, expand, enhance, and, where appropriate to network, initiatives aimed at the prevention of child abuse and neglect, and to support networks of coordinated resources and activities to better strengthen and support families to reduce the likelihood of child abuse and neglect; and''.

(b) AUTHORITY.—Section 201(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116(b)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A) by striking ''Statewide'' and all that follows through the dash, and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect (through networks where appropriate) that are accessible, effective, culturally appropriate, and build upon existing strengths that—'';

(B) in subparagraph (F), by striking ''and'' at the end; and

(C) by striking subparagraph (G) and inserting the following:

''(G) demonstrate a commitment to meaningful parent leadership, including among parents of children with disabilities, parents with disabilities, racial and ethnic minorities, and members of other underrepresented or underserved groups; and

''(H) provide referrals to early health and developmental services;''; and

(2) in paragraph (4)—

(A) by inserting ''through leveraging of funds'' after ''maximizing funding'';

(B) by striking ''a Statewide network of community-based, prevention-focused'' and inserting ''community-based and prevention-focused''; and

(C) by striking ''family resource and support program'' and inserting ''programs and activities designed to prevent child abuse and neglect (through networks where appropriate)''.

(c) TECHNICAL AMENDMENT TO TITLE HEADING.—Title II of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116) is amended by striking the heading for such title and inserting the following:

''TITLE II—COMMUNITY–BASED GRANTS FOR THE PREVENTION OF CHILD ABUSE AND NEGLECT''.

SEC. 122. ELIGIBILITY.

Section 202 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116a) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking ''a Statewide network of community-based, prevention-focused'' and inserting ''community-based and prevention-focused''; and

(ii) by striking ''family resource and support programs'' and all that follows through the semicolon and inserting ''programs and activities designed to prevent child abuse and neglect (through networks where appropriate);''

(B) in subparagraph (B), by inserting ''that exists to strengthen and support families to prevent child abuse and neglect'' after ''written authority of the State)'';

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''a network of community-based family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect (through networks where appropriate)'';

(B) in subparagraph (B), by striking ''to the network'';

(C) in subparagraph (C), by striking ''to the network''; and

(3) in paragraph (3)—

(A) in subparagraph (A), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities to prevent child abuse and neglect (through networks where appropriate)'';

(B) in subparagraph (B), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities to prevent child abuse and neglect (through networks where appropriate)'';

(C) in subparagraph (C), by striking ''and training and technical assistance, to the Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''training, technical assistance, and evaluation assistance, to community-based and prevention-focused programs and activities to prevent child abuse and neglect (through networks where appropriate)''; and

(D) in subparagraph (D), by inserting '', parents with disabilities,'' after ''children with disabilities''.

SEC. 123. AMOUNT OF GRANT.

Section 203(b)(1)(B) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116b(b)(1)(B)) is amended—

(1) by striking ''as the amount leveraged by the State from private, State, or other non-Federal sources and directed through the'' and inserting ''as the amount of private, State or other non-Federal funds leveraged and directed through the currently designated''; and

(2) by striking ''the lead agency'' and inserting ''the current lead agency''.

SEC. 124. EXISTING GRANTS.

Section 204 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5115c) is repealed.

SEC. 125. APPLICATION.

Section 205 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116d) is amended—

(1) in paragraph (1), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities to prevent child abuse and neglect (through networks where appropriate)'';

(2) in paragraph (2)—

(A) by striking ''network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities to prevent child abuse and neglect (through networks where appropriate)''; and

(B) by striking '', including those funded by programs consolidated under this Act,'';

(3) by striking paragraph (3), and inserting the following:

''(3) a description of the inventory of current unmet needs and current community-based and prevention-focused programs and activities to prevent child abuse and neglect, and other family resource services operating in the State;'';

(4) in paragraph (4), by striking ''State's network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect'';

(5) in paragraph (5), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect'';

(6) in paragraph (7), by striking ''individual community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect'';

(7) in paragraph (8), by striking ''community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect'';

(8) in paragraph (9), by striking ''community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect'';

(9) in paragraph (10), by inserting ''(where appropriate)'' after ''members'';

(10) in paragraph (11), by striking ''prevention-focused, family resource and support program'' and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect''; and

(11) by redesignating paragraph (13) as paragraph (12).

SEC. 126. LOCAL PROGRAM REQUIREMENTS.

Section 206(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116e(a)) is amended—

(1) in the matter preceding paragraph (1), by striking ''prevention-focused, family resource and support programs'' and inserting ''and prevention-focused programs and activities designed to prevent child abuse and neglect'';

(2) in paragraph (3)(B), by inserting ''voluntary home visiting and'' after ''including''; and

(3) by striking paragraph (6) and inserting the following:

''(6) participate with other community-based and prevention-focused programs and activities to prevent child abuse and neglect in the development, operation and expansion of networks where appropriate.''.

SEC. 127. PERFORMANCE MEASURES.

Section 207 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116f) is amended—

(1) in paragraph (1), by striking ''a Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities to prevent child abuse and neglect'';

(2) by striking paragraph (3), and inserting the following:

''(3) shall demonstrate that they will have addressed unmet needs identified by the inventory and description of current services required under section 205(3);'';

(3) in paragraph (4),

(A) by inserting ''and parents with disabilities,'' after ''children with disabilities,'';

(B) by striking ''evaluation of'' the first place it appears and all that follows through ''under this title'' and inserting ''evaluation of community-based and prevention-focused programs and activities to prevent child abuse and neglect, and in the design, operation and evaluation of the networks of such community-based and prevention-focused programs'';

(4) in paragraph (5), by striking '', prevention-focused, family resource and support programs'' and inserting ''and prevention-focused programs and activities designed to prevent child abuse and neglect'';

(5) in paragraph (6), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect'';

and

(6) in paragraph (8), by striking ''community based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect''.

SEC. 128. NATIONAL NETWORK FOR COMMUNITY-BASED FAMILY RESOURCE PROGRAMS.

Section 208(3) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116g(3)) is

amended by striking ''Statewide networks of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to prevent child abuse and neglect''.

SEC. 129. DEFINITIONS.

(a) CHILDREN WITH DISABILITIES.—Section 209(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116h(1)) is amended by striking ''given such term in section 602(a)(2)'' and inserting ''given the term 'child with a disability' in section 602(3)''.

(b) COMMUNITY-BASED AND PREVENTION-FOCUSED PROGRAMS AND ACTIVITIES TO PREVENT CHILD ABUSE AND NEGLECT.—Section 209 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116h) is amended by striking paragraphs (3) and (4) and inserting the following:

''(3) COMMUNITY-BASED AND PREVENTION-FOCUSED PROGRAMS AND ACTIVITIES TO PREVENT CHILD ABUSE AND NEGLECT.—The term 'community-based and prevention-focused programs and activities to prevent child abuse and neglect' includes organizations such as family resource programs, family support programs, voluntary home visiting programs, respite care programs, parenting education, mutual support programs, and other community programs that provide activities that are designed to prevent or respond to child abuse and neglect.''.

SEC. 130. AUTHORIZATION OF APPROPRIATIONS.

Section 210 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116i) is amended to read as follows:

''SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this title $80,000,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 through 2007.''.

TITLE II—AMENDMENTS TO FAMILY VIOLENCE PREVENTION AND SERVICES ACT

Subtitle A—Reauthorization of Grant Programs

SEC. 201. STATE DEMONSTRATION GRANTS.

(a) UNDERSERVED POPULATIONS.—Section 303(a)(2)(C) of the Family Violence Prevention and Services Act (42 U.S.C. 10402(a)(2)(C)) is amended by striking ''underserved populations,'' and all that follows and inserting the following: ''underserved populations, as defined in section 2003 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg–2);''.

(b) REPORT.—Section 303(a) of the Family Violence Prevention and Services Act (42 U.S.C. 10402(a)) is amended by adding at the end the following:

''(5) Upon completion of the activities funded by a grant under this title, the State grantee shall submit to the Secretary a report that contains a description of the activities carried out under paragraph (2)(B)(i).''.

SEC. 202. SECRETARIAL RESPONSIBILITIES.

Section 305(a) of the Family Violence Prevention and Services Act (42 U.S.C. 10404(a)) is amended—

(1) by striking ''an employee'' and inserting ''1 or more employees'';

(2) by striking ''of this title.'' and inserting ''of this title, including carrying out evaluation and monitoring under this title.''; and

(3) by striking ''The individual'' and inserting ''Any individual''.

SEC. 203. EVALUATION.

Section 306 of the Family Violence Prevention and Services Act (42 U.S.C. 10405) is amended in the first sentence by striking ''Not later than two years after the date on which funds are obligated under section 303(a) for the first time after the date of the enactment of this title, and every two years thereafter,'' and inserting ''Every 2 years,''.

SEC. 204. INFORMATION AND TECHNICAL ASSISTANCE CENTERS.

Section 308 of the Family Violence Prevention and Services Act (42 U.S.C. 10407) is amended by striking subsection (g).

SEC. 205. GENERAL AUTHORIZATION OF APPROPRIATIONS.

Section 310(a) of the Family Violence Prevention and Services Act (42 U.S.C. 10409(a)) is amended to read as follows:

''(a) IN GENERAL.—There is authorized to be appropriated to carry out this title $175,000,000 for each of fiscal years 2003 through 2007.''.

SEC. 206. GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

(a) FUNDING.—Section 311(g) of the Family Violence Prevention and Services Act (42 U.S.C. 10410(g)) is amended to read as follows:

''(g) FUNDING.—Of the amount appropriated pursuant to the authorization of appropriations under section 310(a) for a fiscal year, not less than 10 percent of such amount shall be made available to award grants under this section.''.

(b) REGULATIONS.—Section 311 of the Family Violence Prevention and Services Act (42 U.S.C. 10410) is amended by striking subsection (h).

SEC. 207. EVALUATION AND MONITORING.

Section 312 of the Family Violence Prevention and Services Act (42 U.S.C. 10412) is amended by adding at the end the following:

''(c) Of the amount appropriated under section 310(a) for each fiscal year, not more than 2 percent shall be used by the Secretary for evaluation, monitoring, and other administrative costs under this title.''.

SEC. 208. FAMILY MEMBER ABUSE INFORMATION AND DOCUMENTATION PROJECT.

Section 313 of the Family Violence Prevention and Services Act (42 U.S.C. 10413) is repealed.

SEC. 209. MODEL STATE LEADERSHIP GRANTS.

Section 315 of the Family Violence Prevention and Services Act (42 U.S.C. 10415) is repealed.

SEC. 210. NATIONAL DOMESTIC VIOLENCE HOTLINE GRANT.

(a) DURATION.—Section 316(b) of the Family Violence Prevention and Services Act (42 U.S.C. 10416(b)) is amended—

(1) by striking ''A grant'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), a grant''; and

(2) by adding at the end the following:

''(2) EXTENSION.—The Secretary may extend the duration of a grant under this section beyond the period described in paragraph (1) if, prior to such extension—

''(A) the entity prepares and submits to the Secretary a report that evaluates the effectiveness of the use of amounts received under the grant for the period described in paragraph (1) and contains any other information the Secretary may prescribe; and

''(B) the report and other appropriate criteria indicate that the entity is successfully operating the hotline in accordance with subsection (a).''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 316(f)(1) of the Family Violence Prevention and Services Act (42 U.S.C. 10416(f)(1)) is amended to read as follows:

''(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2003 through 2007.''.

SEC. 211. YOUTH EDUCATION AND DOMESTIC VIOLENCE.

Section 317 of the Family Violence Prevention and Services Act (42 U.S.C. 10417) is repealed.

SEC. 212. DEMONSTRATION GRANTS FOR COMMUNITY INITIATIVES.

(a) IN GENERAL.—Section 318(h) of the Family Violence Prevention and Services Act (42 U.S.C. 10418(h)) is amended to read as follows:

''(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $6,000,000 for each of fiscal years 2003 through 2007.''.

(b) REGULATIONS.—Section 318 of the Family Violence Prevention and Services Act (42 U.S.C. 10418) is amended by striking subsection (i).

SEC. 213. TRANSITIONAL HOUSING REAUTHORIZATION.

Section 319(f) of the Family Violence Prevention and Services Act (42 U.S.C. 10419(f)) is amended to read as follows:

''(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2003 through 2007.''.

SEC. 214. TECHNICAL AND CONFORMING AMENDMENTS.

The Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.) is amended as follows:

(1) In section 302(1) by striking ''demonstrate the effectiveness of assisting'' and inserting ''assist''.

(2) In section 303(a)—

(A) in paragraph (2)—

(i) in subparagraph (C), by striking ''State domestic violence coalitions knowledgeable individuals and interested organizations'' and inserting ''State domestic violence coalitions, knowledgeable individuals, and interested organizations''; and

(ii) in subparagraph (F), by adding ''and'' at the end; and

(B) by aligning the margins of paragraph (4) with the margins of paragraph (3).

(3) In section 305(b)(2)(A) by striking ''provide for research, and into'' and inserting ''provide for research into''.

(4) In section 311(a)—

(A) in paragraph (2)(K), by striking ''other criminal justice professionals,;'' and inserting ''other criminal justice professionals;'' and

(B) in paragraph (3)—

(i) in the matter preceding subparagraph (A), by striking ''family law judges,,'' and inserting ''family law judges,'';

(ii) in subparagraph (D), by inserting '', criminal court judges,'' after ''family law judges''; and

(iii) in subparagraph (H), by striking ''supervised visitations that do not endanger victims and their children'' and inserting ''supervised visitations or denial of visitation to protect against danger to victims or their children''.

Subtitle B—National Domestic Violence Hotline

SEC. 221. NATIONAL DOMESTIC VIOLENCE HOTLINE ENHANCEMENT.

The Family Violence Prevention and Services Act, as amended by section 211, is further amended by inserting after section 316 (42 U.S.C. 10416) the following:

''SEC. 317. NATIONAL DOMESTIC VIOLENCE HOTLINE ENHANCEMENT.

''(a) PURPOSES.—The purposes of this section are as follows:

''(1)(A) To provide a grant to develop a fully secure, continuously updated network of available domestic violence shelters and services across the United States.

''(B) To make the network available to entities consisting of the entity providing the National Domestic Violence Hotline, shelters nationwide, State and local domestic violence agencies, and other domestic violence organizations, to enable such entities to connect a victim of domestic violence to the

most safe, appropriate, and convenient shelter, while the victim remains on the telephone line, or in the most efficient way possible.

''(2) To ensure that domestic violence victims get the help the victims need in a single phone call.

''(b) GRANTS AUTHORIZED.—The Secretary shall award a grant to a nonprofit organization to establish and operate, after consultation and collaboration with appropriate officials of the Department of Health and Human Services, an Internet website (referred to in this section as the 'Website') that shall—

''(1) link, to the greatest extent possible, entities consisting of the entity providing the National Domestic Violence Hotline, every domestic violence shelter in the United States, State and local domestic violence agencies, and other domestic violence organizations so that such entities will be able to connect a victim of domestic violence to the most safe, appropriate, and convenient domestic violence shelter, while the victim remains on the telephone line, or in the most efficient way possible;

''(2) be highly secure; and

''(3) contain continuously updated information as to available services and space in domestic violence shelters across the United States, to the maximum extent practicable.

''(c) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, a nonprofit organization shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require. The application shall—

''(1) demonstrate the experience of the applicant in successfully developing and managing a technology-based network of domestic violence shelters;

''(2) demonstrate a record of success of the applicant in meeting the needs of domestic violence victims and their families; and

''(3) include a certification that the applicant will—

''(A) implement the highest level security system to ensure the confidentiality of the Website;

''(B) establish, within 5 years, a Website that links the entities described in subsection (b)(1);

''(C) consult with the entities described in subsection (b)(1) in developing and implementing the Website and providing Internet connections; and

''(D) otherwise comply with the requirements of this section.

''(d) USE OF GRANT AWARD.—The recipient of a grant award under this section shall—

''(1) collaborate with officials of the Department of Health and Human Services in a manner determined to be appropriate by the Secretary;

''(2) collaborate with the entity providing the National Domestic Violence Hotline in developing and implementing the network;

''(3) ensure that the Website is continuously updated;

''(4) ensure that the Website provides information describing the services of each domestic violence shelter to which the Website is linked, including information for individuals with limited English proficiency and information concerning access to medical care, social services, transportation, services for children, and other relevant services;

''(5) ensure that the Website provides up-to-the-minute information on available bed space in domestic violence shelters across the United States, to the maximum extent practicable;

''(6) provide training to the staff of the Hotline and to staff of the entities described in subsection (b)(1) regarding how to use the Website to best meet the needs of callers;

''(7) provide Internet access to domestic violence shelters in the United States that do not have the appropriate technology for such access, to the maximum extent practicable; and

''(8) ensure that after the third year of the Website project, the recipient will develop a plan to expand the sources of funding for the Website to include funding from public and private entities, although nothing in this paragraph shall preclude a grant recipient under this section from raising funds from other sources at any time during the 5-year grant period.

''(e) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed to require any shelter or service provider, whether public or private, to be linked to the website or to provide information to the entity receiving the grant or to the website.

''(f) DURATION OF GRANT.—The term of a grant awarded under this section shall be 5 years.

''(g) EVALUATION.—The Secretary shall annually—

''(1) conduct an evaluation of the grant program carried out under this section in a manner that shall be designed to derive information on—

''(A) the confidentiality of the Website;

''(B) the progress of the grant recipient in linking the entities described in subsection (b)(1) to the network described in subsection (c)(1);

''(C) the number of individuals served by the Website;

''(D) any decrease in the number of phone calls necessary to find shelter space for victims of domestic violence; and

''(E) other matters that the Secretary determines to be appropriate to ensure that the grant recipient is achieving the purposes of this section; and

''(2) submit to Congress a report on the results of that evaluation.

''(h) OVERSIGHT.—The Secretary shall have access to, monitor, and help ensure the security of the Website.

''(i) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this section—

''(A) $5,000,000 for fiscal year 2003; and

''(B) such sums as may be necessary for each of fiscal years 2004 through 2007.

''(2) ADMINISTRATIVE COSTS.—Of the amount made available to carry out this section for each fiscal year the Secretary may use not more than 2 percent for administrative costs associated with the grant program carried out under this section, of which not more than 5 percent shall be used to assist the entity providing the National Domestic Violence Hotline to participate in the establishment of the Website.''.

Subtitle C—Children Exposed to Domestic Violence Program

SEC. 231. PURPOSE.

It is the purpose of this subtitle to reduce the impact of exposure to domestic violence in the lives of children and youth.

SEC. 232. SERVICES FOR CHILDREN EXPOSED TO DOMESTIC VIOLENCE.

The Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.) is amended by adding at the end the following:

''SEC. 320. SERVICES FOR CHILDREN EXPOSED TO DOMESTIC VIOLENCE.

''(a) GRANTS AUTHORIZED.—The Secretary may award grants on a competitive basis to eligible entities for the purposes and in the manner described in paragraphs (1), (2), and (3) of section (d) for the benefit of children exposed to domestic violence.

''(b) ELIGIBILITY.—To be eligible to receive a grant under this section, an entity shall, as part of the application of the entity submitted under paragraph (1), (2), or (3) of subsection (d), describe the policies and procedures that entity has or will adopt to—

''(1) enhance or ensure the safety and security of a battered parent and, as a result, the child involved;

''(2) ensure that all services under this section are provided in a developmentally, linguistically, and culturally competent manner; and

''(3) ensure the confidentiality of child and adult victims of domestic violence in a manner that is consistent with applicable Federal and State law, including exempting domestic violence victim service providers from requirements to share confidential information about families receiving services except as required by law or with the informed, written consent of the adult victim being served.

''(c) GRANT AWARDS AND DISTRIBUTION.—

''(1) GRANT AWARDS.—The Secretary shall award grants under this section—

''(A) for periods of not more than 3 fiscal years; and

''(B) in amounts that are not less than $50,000 per fiscal year and not more than $300,000 per fiscal year.

''(2) DISTRIBUTION.—In awarding grants under this section, the Secretary shall—

''(A) ensure a reasonable geographical distribution among grantees in rural, urban, and suburban areas throughout the United States; and

''(B) consider the needs of underserved populations, as defined in section 2003 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg-2).

''(d) USE OF FUNDS.—

''(1) DIRECT SERVICES FOR CHILDREN EXPOSED TO DOMESTIC VIOLENCE.—

''(A) IN GENERAL.—An entity shall use amounts provided under a grant awarded for purposes of this paragraph to design or replicate, and implement, a program or provide services (in accordance with subparagraph (B)) using domestic violence intervention models to respond to the needs of children who—

''(i) are exposed to domestic violence; and

''(ii) have a parent or caregiver who is a victim of domestic violence and who is receiving services from such entity.

''(B) PROGRAM OR SERVICES.—The program or services described in subparagraph (A)—

''(i) shall be a new program or new services, or a new component (that is not offered by the entity on the date on which the entity submitted an application for the grant) of an existing program or services;

''(ii) shall provide direct counseling or appropriate services or advocacy for children who have been exposed to domestic violence;

''(iii) may include early childhood and mental health services;

''(iv) may provide services to assist in legal advocacy efforts on behalf of children with respect to issues related directly to services the children are receiving from the program or services described in subparagraph (A);

''(v) may include respite care, supervised visitation, and specialized services for children; and

''(vi) may provide additional services and resources for children including child care, transportation, educational support, respite care, supervised visitation, and access to specialized services for children, so long as the grantee does not use more than 25 percent of the amounts made available through the grant to enter into a contract with another organization to provide such additional services and resources.

''(C) GRANTEE REQUIREMENTS.—

''(i) APPLICATION.—With respect to grants for the use of funds under this paragraph, an eligible entity (as described in clause (ii) and subsection (b)) shall prepare and submit to the Secretary an application at such time, in

such manner, and containing such information as the Secretary may require, including a description of the intended uses of the grant funds consistent with subparagraphs (A) and (B).

''(ii) ELIGIBILITY.—To be eligible to receive a grant for the use of funds under this paragraph, an entity shall meet the requirements of section 303(a)(2)(A) or section 303(b)(1). Eligible entities may enter into partnerships with other agencies, organizations, or tribal entities to enhance the capacity of such entities to deliver effective services to children exposed to domestic violence.

''(2) GRANTS FOR TRAINING AND COLLABORATION AMONG CHILD WELFARE AGENCIES, DOMESTIC VIOLENCE VICTIM SERVICE PROVIDERS, COURTS, LAW ENFORCEMENT, AND OTHER ENTITIES.—

''(A) IN GENERAL.—An entity shall use amounts provided under a grant awarded for purposes of this paragraph to carry out a program or provide services to develop collaborative responses and provide cross-training to enhance community responses to cases where child abuse and neglect and domestic violence intersect.

''(B) PROGRAM OR SERVICES.—The program or services described in subparagraph (A) shall—

''(i) encourage cross training, education, and collaboration among child welfare agencies, domestic violence victim service providers, and (as applicable) courts (including family, criminal, juvenile courts, or tribal courts), law enforcement agencies, and other entities, to identify, assess, and respond appropriately to—

''(I) domestic violence in homes where children are present and may be exposed to the violence;

''(II) domestic violence in child protection cases; and

''(III) the needs of both child and adult victims of such violence;

''(ii) establish and implement policies, procedures, programs, and practices for child welfare agencies, domestic violence victim service providers, and (as applicable) courts (including family, criminal, juvenile, or tribal courts), law enforcement agencies, and other entities, that are consistent with the principles of protecting and increasing the safety and well being of children by—

''(I) tending to their immediate and longer term needs for treatment and support;

''(II) increasing the safety, autonomy, capacity, and financial security of non-abusing parents, including developing service plans that provide resources and support to non-abusing parents;

''(III) protecting the safety, security, and well-being of children by preventing their unnecessary removal from a non-abusing parent, or, in cases where removal of the child is necessary to protect the child's safety, taking the necessary steps to provide appropriate services to the child and the non-abusing parent to promote the safe and appropriately prompt reunification of the child with the non-abusing parent;

''(IV) recognizing the relationship between child abuse or neglect (including child sexual abuse) and domestic violence in a family, as well as the impact of and danger posed by the perpetrators' behavior on both child and adult victims; and

''(V) holding adult perpetrators of domestic violence, not child and adult victims of abuse or neglect, accountable for stopping the perpetrators' abusive behaviors;

''(iii) increase cooperation and enhance linkages between child welfare agencies, domestic violence victim service providers, and (as applicable) courts (including family, criminal, juvenile courts, or tribal courts), law enforcement agencies, and other entities to provide more comprehensive community-based services (including health, mental health, social service, housing, and neighborhood resources) to protect and to serve both child and adult victims;

''(iv) identify, assess, and respond appropriately to domestic violence in child protection cases; and

''(v) provide appropriate referrals to community-based programs and resources, such as health and mental health services, shelter and housing assistance for adult victims and their children, legal assistance and advocacy for adult victims, assistance for parents to help their children cope with the impact of exposure to domestic violence, appropriate intervention and treatment for adult perpetrators of domestic violence whose children are the subjects of child protection cases, and other necessary supportive services.

''(C) GRANTEE REQUIREMENTS.—

''(i) APPLICATION.—With respect to grants for the use of funds under this paragraph, an eligible entity (as described in clause (ii) and subsection (b)) shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including—

''(I) a description of the intended uses of the grant funds consistent with subparagraphs (A) and (B);

''(II) an outline and description of how training and other activities will be undertaken through the grant to promote collaboration;

''(III) an identification of the members of the partnership that will be responsible for carrying out the initiatives for which the partnership seeks the grant (including a description of roles of subcontractors and documentation of appropriate compensation of all partners, where relevant);

''(IV) documentation of any history of collaboration between child welfare agencies, domestic violence victim service providers, and (as applicable) courts (including family, criminal, juvenile courts, or tribal courts), law enforcement agencies, and other entities that have been involved in the development of the application; and

''(V) assurances that training and other activities described in subparagraph (B) will be provided to all levels of staff, will address appropriate practices for investigation, follow-up, screening, intake, assessment, and will provide services addressing the safety needs of child and adult victims in cases where child abuse and neglect and domestic violence intersect.

''(ii) ELIGIBILITY.—To be eligible to receive a grant for the use of funds under this paragraph, an entity shall be a partnership that—

''(I) shall include a State child welfare agency, a tribal organization that serves as a child welfare agency, or a local child welfare agency;

''(II) shall include a domestic violence victim service provider, such as a domestic violence victim service program, tribal domestic violence victim service program, or coalition or other private nonprofit organization carrying out a community-based domestic violence program that has a documented history of effective work concerning domestic violence and the impact that exposure to domestic violence has on children;

''(III) may include a State, tribal, or local court (including family, criminal, juvenile or tribal courts);

''(IV) may include a State or local law enforcement agency with responsibility for responding to reports of domestic violence and child abuse and neglect; and

''(V) may include any other such agencies or private nonprofit organizations with the capacity to provide effective help to the child and adult victims served by the partnership.

''(D) PRIORITY.—In awarding grants under this paragraph, the Secretary shall give priority to partnerships that include State or local courts (including family, criminal, juvenile, or tribal courts) and law enforcement agencies.

''(3) MULTISYSTEM INTERVENTIONS FOR CHILDREN EXPOSED TO DOMESTIC VIOLENCE.—

''(A) IN GENERAL.—An entity shall use amounts provided under a grant awarded for purposes of this paragraph to carry out a program or provide services to develop and implement multisystem intervention models to respond to the needs of children exposed to domestic violence.

''(B) PROGRAMS OR SERVICES.—The programs or services described in subparagraph (A) shall—

''(i) design and implement protocols and systems to identify and appropriately respond to the needs of children exposed to domestic violence who are participating in programs administered by the grantee;

''(ii) establish guidelines to evaluate the mental health needs of the children and make appropriate intervention recommendations;

''(iii) include the development or replication of an effective mental health treatment model to meet the needs of children for whom such treatment has been identified as appropriate;

''(iv) establish institutionalized procedures to enhance or ensure the safety and security of adult victims of domestic violence and, as a result, their children;

''(v) provide direct counseling or appropriate services or advocacy for adult victims of domestic violence and their children who have been exposed to domestic violence;

''(vi) establish or implement policies and protocols for maintaining the safety and confidentiality of the adult victims and their children;

''(vii) provide community outreach and training to enhance the capacity of professionals who work with children to appropriately identify and respond to the mental health needs of children who have been exposed to domestic violence;

''(viii) establish procedures for documenting interventions used for each child and family;

''(ix) establish plans to perform a systematic outcome evaluation to evaluate the effectiveness of the interventions;

''(x) ensure that all services are provided in a culturally competent manner; and

''(xi) provide appropriate remuneration to entities described in paragraph (2)(A) who participate in the partnership.

''(C) GRANTEE REQUIREMENTS.—

''(i) APPLICATION.—With respect to grants for the use of funds under this paragraph, an eligible entity (as described in clause (ii) and subsection (b)) shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including—

''(I) a description of the intended uses of the grant funds consistent with subparagraphs (A) and (B);

''(II) an outline of how multisystem interventions will be designed and implemented by the applicant, including submitting signed memoranda of understanding executed by the any partners of the applicant, describing the roles of each participating entity and the amount of remuneration each participating entity will receive;

''(III) a demonstration, to ensure that children of all ages utilizing services provided under the grant will have access to appropriate mental health services, of—

''(aa) the applicant's recognized history of providing advocacy, health care, child mental health, or crisis services for children in domestic violence cases; or

''(bb) the applicant's partnerships with providers having expertise in child mental health services; and

''(IV) a memorandum of understanding with the appropriate State or tribal coalition against domestic violence, to ensure coordination of and dissemination of information about activities to be carried out under the grant.

''(ii) ELIGIBILITY.—To be eligible to receive a grant for the use of funds under this paragraph, an entity shall be a collaborative partnership that includes—

''(I) a local private nonprofit organization that—

''(aa) carry out a domestic violence victim service program that provides shelter or related assistance; or

''(bb) has expertise in the field of providing services to victims of domestic violence and an understanding of the effects of exposure to domestic violence on children; and

''(II) other partners, such as courts (including family, criminal, juvenile, or tribal courts), schools, social service providers, health care providers, law enforcement, early childhood agencies, entities carrying out Head Start programs under the Head Start Act (42 U.S.C.9831 et seq.), or entities carrying out child protection, financial assistance, job training, housing, or children's mental health programs.

''(e) ANNUAL REPORTS.—An entity receiving a grant under this section shall report to the Secretary annually, at a minimum—

''(1) what services and, where appropriate, what collaborative efforts were provided with funds under this section;

''(2) the extent to which underserved populations were served with funds received under this section; and

''(3) how children exposed to domestic violence and, where appropriate, adult victims of domestic violence benefited from such the activities conducted under the grant.

''(f) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $20,000,000 for each of fiscal years 2003 through 2007. Amounts appropriated under this subsection shall remain available until expended.

''(2) ALLOCATION OF AMOUNTS.—Of the amount appropriated to carry out this section for each fiscal year, the Secretary shall—

''(A) make available not less than 33 percent of such amount for each of the programs described in subsection (d)(1);

''(B) make available not more than 3 percent of such amount for evaluation, monitoring, and other administrative costs associated with conducting activities under this section; and

''(C) make available not less than 10 percent of such amount for Indian tribes.''.

TITLE III—ADOPTION OPPORTUNITIES

SEC. 301. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.

Section 201 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5111) is amended—

(1) in subsection (a)—

(A) by striking paragraphs (1) through (4) and inserting the following:

''(1) the number of children in substitute care has increased by nearly 24 percent since 1994, as our Nation's foster care population included more than 565,000 as of September of 2001;

''(2) children entering foster care have complex problems that require intensive services, with many such children having special needs because they are born to mothers who did not receive prenatal care, are born with life threatening conditions or disabilities, are born addicted to alcohol or other drugs, or have been exposed to infection with the etiologic agent for the human immunodeficiency virus;

''(3) each year, thousands of children are in need of placement in permanent, adoptive homes;'';

(B) by striking paragraph (6);

(C) by striking paragraph (7)(A) and inserting the following:

''(7)(A) currently, there are 131,000 children waiting for adoption;''; and

(D) by redesignating paragraphs (5), (7), (8), (9), and (10) as paragraphs (4), (5), (6), (7), and (8) respectively; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by inserting '', including geographic barriers,'' after ''barriers''; and

(B) in paragraph (2), by striking ''a national'' and inserting ''an Internet-based national''.

SEC. 302. INFORMATION AND SERVICES.

Section 203 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5113) is amended—

(1) by striking the section heading and inserting the following:

''SEC. 203. INFORMATION AND SERVICES.'';

(2) by striking ''SEC. 203. (a) The Secretary'' and inserting the following:

''(a) IN GENERAL.—The Secretary'';

(3) in subsection (b)—

(A) by inserting ''REQUIRED ACTIVITIES.—'' after ''(b)'';

(B) in paragraph (1), by striking ''nonprofit'' each place that such appears;

(C) in paragraph (2), by striking ''nonprofit'';

(D) in paragraph (3), by striking ''nonprofit'';

(E) in paragraph (4), by striking ''nonprofit'';

(F) in paragraph (6), by striking ''study the nature, scope, and effects of'' and insert ''support'';

(G) in paragraph (7), by striking ''nonprofit'';

(H) in paragraph (9)—

(i) by striking ''nonprofit''; and

(ii) by striking ''and'' at the end;

(I) in paragraph (10)—

(i) by striking ''nonprofit''; each place that such appears; and

(ii) by striking the period at the end and inserting ''; and''; and

(J) by adding at the end the following:

''(11) provide (directly or by grant to or contract with States, local government entities, or public or private licensed child welfare or adoption agencies) for the implementation of programs that are intended to increase the number of older children (who are in foster care and with the goal of adoption) placed in adoptive families, with a special emphasis on child-specific recruitment strategies, including—

''(A) outreach, public education, or media campaigns to inform the public of the needs and numbers of older youth available for adoption;

''(B) training of personnel in the special needs of older youth and the successful strategies of child-focused, child-specific recruitment efforts; and

''(C) recruitment of prospective families for such children.'';

(4) in subsection (c)—

(A) by striking ''(c)(1) The Secretary'' and inserting the following:

''(c) SERVICES FOR FAMILIES ADOPTING SPECIAL NEEDS CHILDREN.—

''(1) IN GENERAL.—The Secretary'';

(B) by striking ''(2) Services'' and inserting the following:

''(2) SERVICES.—Services''; and

(C) in paragraph (2)—

(i) by realigning the margins of subparagraphs (A) through (G) accordingly;

(ii) in subparagraph (F), by striking ''and'' at the end;

(iii) in subparagraph (G), by striking the period and inserting a semicolon; and

(iv) by adding at the end the following:

''(H) day treatment; and

''(I) respite care.''; and

(D) by striking ''nonprofit''; each place that such appears;

(5) in subsection (d)—

(A) by striking ''(d)(1) The Secretary'' and inserting the following:

''(d) IMPROVING PLACEMENT RATE OF CHILDREN IN FOSTER CARE.—

''(1) IN GENERAL.—The Secretary'';

(B) by striking ''(2)(A) Each State'' and inserting the following:

''(2) APPLICATIONS; TECHNICAL AND OTHER ASSISTANCE.—

''(A) APPLICATIONS.—Each State'';

(C) by striking ''(B) The Secretary'' and inserting the following:

''(B) TECHNICAL AND OTHER ASSISTANCE.—The Secretary'';

(D) in paragraph (2)(B)—

(i) by realigning the margins of clauses (i) and (ii) accordingly; and

(ii) by striking ''nonprofit'';

(E) by striking ''(3)(A) Payments'' and inserting the following:

''(3) PAYMENTS.—

''(A) IN GENERAL.—Payments''; and

(F) by striking ''(B) Any payment'' and inserting the following:

''(B) REVERSION OF UNUSED FUNDS.—Any payment''; and

(6) by adding at the end the following:

''(e) ELIMINATION OF BARRIERS TO ADOPTIONS ACROSS JURISDICTIONAL BOUNDARIES.—

''(1) IN GENERAL.—The Secretary shall award grants to, or enter into contracts with, States, local government entities, public or private child welfare or adoption agencies, adoption exchanges, or adoption family groups to carry out initiatives to improve efforts to eliminate barriers to placing children for adoption across jurisdictional boundaries.

''(2) SERVICES TO SUPPLEMENT NOT SUPPLANT.—Services provided under grants made under this subsection shall supplement, not supplant, services provided using any other funds made available for the same general purposes including—

''(A) developing a uniform homestudy standard and protocol for acceptance of homestudies between States and jurisdictions;

''(B) developing models of financing cross-jurisdictional placements;

''(C) expanding the capacity of all adoption exchanges to serve increasing numbers of children;

''(D) developing training materials and training social workers on preparing and moving children across State lines; and

''(E) developing and supporting initiative models for networking among agencies, adoption exchanges, and parent support groups across jurisdictional boundaries.''.

SEC. 303. STUDY OF ADOPTION PLACEMENTS.

Section 204 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5114) is amended—

(1) by striking ''of this Act'' and inserting ''of the Keeping Children and Families Safe Act of 2002'';

(2) by striking ''to determine the nature'' and inserting ''to determine—

''(1) the nature'';

(3) by striking ''not licensed'' and all that follows through the period and inserting ''for profit;''; and

(4) by adding at the end the following:

''(2) how interstate placements are being financed across State lines;

''(3) recommendations on best practice models for both interstate and intrastate adoptions; and

''(4) how State policies in defining special needs children differentiate or group similar categories of children.''.

SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

Section 205(a) of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5115(a)) is amended to read as follows:

''There are authorized to be appropriated $40,000,000 for fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007 to carry out programs and activities authorized under this subtitle.''.

SEC. 305. ADOPTION ACTION PLAN.

(a) FINDINGS.—Congress finds that—

(1) the Adoption and Safe Families Act of 1997 mandated that ''the State shall not delay or deny the placement of a child for adoption when an approved family is available outside of the jurisdiction with responsibility for handling the case of the child'';

(2)(A) the policy and legal focus on expanding the pool of adoptive families for waiting children in foster care, as expressed by the Adoption and Safe Families Act of 1997, has brought attention to the need to improve interjurisdictional practice whether across State or county lines; and

(B) case workers, agency administrators, and State policy makers in many cases have resisted the use of interjurisdictional placements for children in their caseloads, citing practice, policy, legal, bureaucratic, and fiscal concerns;

(3) the National Conference of State Legislators has noted that among the many challenges 'interstate adoptions of special needs children has been complicated by a lack of familiarity with the Interstate Compact on the Placement of Children on the part of caseworkers and judges, the absence of a standard protocol for pre-placement home studies, delays in the Interstate Compact on the Placement of Children process, and similar issues'; and

(4) in its November 1999 report to Congress, the General Accounting Office found that public child welfare agencies have done little to improve the interjurisdictional adoption process.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services in consultation with the General Accounting Office shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Workforce of the House of Representatives a report that contains recommendations for an action plan to facilitate the interjurisdictional adoption of foster children.

TITLE IV—ABANDONED INFANTS ASSISTANCE

SEC. 401. FINDINGS.

Section 2 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by striking paragraph (1);

(2) in paragraph (2)—

(A) by inserting ''studies indicate that a number of factors contribute to'' before ''the inability of'';

(B) by inserting ''some'' after ''inability of'';

(C) by striking ''who abuse drugs''; and

(D) by striking ''care for such infants'' and inserting ''care for their infants'';

(3) by amending paragraph (5) to read as follows:

''(5) appropriate training is needed for personnel working with infants and young children with life-threatening conditions and other special needs, including those who are infected with the human immunodeficiency virus (commonly known as 'HIV'), those who have acquired immune deficiency syndrome (commonly know as 'AIDS'), and those who have been exposed to dangerous drugs;'';

(4) by striking paragraphs (6) and (7);

(5) in paragraph (8), by inserting ''by parents abusing drugs,'' after ''deficiency syndrome,'';

(6) in paragraph (9), by striking ''comprehensive services'' and all that follows through the semicolon at the end and inserting ''comprehensive support services for such infants and young children and their families and services to prevent the abandonment of such infants and young children, including foster care services, case management services, family support services, respite and crisis intervention services, counseling services, and group residential home services; and'';

(7) by redesignating paragraphs (2), (3), (4), (5), (8), (9), (10), and (11) as paragraphs (1) through (8), respectively.

(7) by adding at the end the following:

''(9) Private, Federal, State, and local resources should be coordinated to establish and maintain such services and to ensure the optimal use of all such resources.''.

SEC. 402. ESTABLISHMENT OF LOCAL PROGRAMS.

Section 101 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by striking the section heading and inserting the following:

''SEC. 101. ESTABLISHMENT OF LOCAL PROGRAMS.''; and

(2) by striking subsection (b) and inserting the following:

''(b) PRIORITY IN PROVISION OF SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to give priority to abandoned infants and young children who—

''(1) are infected with, or have been perinatally exposed to, the human immunodeficiency virus, or have a life-threatening illness or other special medical need; or

''(2) have been perinatally exposed to a dangerous drug.''.

SEC. 403. EVALUATIONS, STUDY, AND REPORTS BY SECRETARY.

Section 102 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended to read as follows:

''SEC. 102. EVALUATIONS, STUDY, AND REPORTS BY SECRETARY.

''(a) EVALUATIONS OF LOCAL PROGRAMS.—The Secretary shall, directly or through contracts with public and nonprofit private entities, provide for evaluations of projects carried out under section 101 and for the dissemination of information developed as a result of such projects.

''(b) STUDY AND REPORT ON NUMBER OF ABANDONED INFANTS AND YOUNG CHILDREN.—

''(1) IN GENERAL.—The Secretary shall conduct a study for the purpose of determining—

''(A) an estimate of the annual number of infants and young children relinquished, abandoned, or found deceased in the United States and the number of such infants and young children who are infants and young children described in section 223(b);

''(B) an estimate of the annual number of infants and young children who are victims of homicide;

''(C) characteristics and demographics of parents who have abandoned an infant within 1 year of the infant's birth; and

''(D) an estimate of the annual costs incurred by the Federal Government and by State and local governments in providing housing and care for abandoned infants and young children.

''(2) DEADLINE.—Not later than 36 months after the date of the enactment of the Keeping Children and Families Safe Act of 2002, the Secretary shall complete the study required under paragraph (1) and submit to the Congress a report describing the findings made as a result of the study.

''(c) EVALUATION.—The Secretary shall evaluate and report on effective methods of intervening before the abandonment of an infant or young child so as to prevent such abandonments, and effective methods for responding to the needs of abandoned infants and young children.''.

SEC. 404. AUTHORIZATION OF APPROPRIATIONS.

Section 104 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—

''(1) AUTHORIZATION.—For the purpose of carrying out this Act, there are authorized to be appropriated $45,000,000 for fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007.

''(2) LIMITATION.—Not more than 5 percent of the amounts appropriated under paragraph (1) for any fiscal year may be obligated for carrying out section 224(a).'';

(2) by striking subsection (b);

(3) in subsection (c)—

(A) in paragraph (1), by inserting ''AUTHORIZATION.—'' after ''(1)''; and

(B) in paragraph (2)—

(i) by inserting ''LIMITATION.—'' after ''(2)''; and

(ii) by striking ''fiscal year 1991.'' and inserting ''fiscal year 2002.''; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

SEC. 405. DEFINITIONS

Section 103 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended to read as follows:

''SEC. 103. DEFINITIONS.

''For purposes of this Act:

''(1) The terms 'abandoned' and 'abandonment', with respect to infants and young children, mean that the infants and young children are medically cleared for discharge from acute-care hospital settings, but remain hospitalized because of a lack of appropriate out-of-hospital placement alternatives.

''(2) The term 'acquired immune deficiency syndrome' includes infection with the etiologic agent for such syndrome, any condition indicating that an individual is infected with such etiologic agent, and any condition arising from such etiologic agent.

''(3) The term 'dangerous drug' means a controlled substance, as defined in section 102 of the Controlled Substances Act.

''(4) The term 'natural family' shall be broadly interpreted to include natural parents, grandparents, family members, guardians, children residing in the household, and individuals residing in the household on a continuing basis who are in a care-giving situation with respect to infants and young children covered under this subtitle.

''(5) The term 'Secretary' means the Secretary of Health and Human Services.''.

Mr. KENNEDY. Mr. President, I welcome this opportunity to join my colleagues in introducing the Keeping Children and Families Safe Act of 2002.

This bipartisan bill authorizes funding and programs that support more than 870,000 children in this country who are victims of child abuse and neglect each year. It is essential to do all we can to see that these very vulnerable children are protected and feel safe, in spite of the abuse and neglect they have suffered.

Every year in America, local child protective service agencies respond to approximately 3 million reports of child abuse or neglect. According to Prevent Child Abuse America, this problem costs the U.S. over $9 billion a year in direct and indirect costs. We owe it to the Nation's children to provide more effective prevention and treatment services.

Often these children are caught up in a system that fails to protect them today. Nearly half of the children in substantiated cases of abuse receive no followup services. We can and must do better. Our bill will provide funding for grants to community-based and prevention-focused programs and activities to prevent child abuse and neglect.

In 2000, approximately 1,100 children died of abuse and neglect. Eight-five percent of these children were younger than 6. We know that early identification of risk and timely intervention can reduce abuse. One major prevention strategy shown to work is good parent education.

Effective action also means preparing those who investigate allegations of child abuse to assess the risk and ensure appropriate followup, so that children receive the medical and emotional treatment they need.

Included in this bill is Senator WELLSTONE's Children Who Witness Violence Act. This legislation is long overdue and very important in confronting the impact of domestic violence on children. It addresses the issue form multiple perspectives by supporting the development of intervention program for children who witness domestic violence. It takes advantage of local resources such as counselors, courts, schools, health care providers and battered women's programs to address the needs of children in violent homes.

Witnessing domestic violence directly affects school achievement. These children have higher levels of impaired concentration and poor school attendance. They are often labeled as underachievers and have difficulties in cognitive and academic functioning.

Research demonstrates that the effects of abuse can continue long after the bruises fade. We need to do much more to prevent abuse and help abused children find a way out of violence. I urge my colleagues to support this important legislation.

By Mr. HARKIN (for himself, Mr. BROWNBACK, Mr. KENNEDY, and Mr. SPECTER):

S. 3000. A bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities, and for other purposes; to the Committee on Health, Education, Labor and Pensions.

Mr. HARKIN. Mr. President, I am pleased to be joined by Senators BROWNBACK, KENNEDY, and SPECTER today in introducing legislation that will provide hope to Americans living with paralysis.

Recent news reports about the medical miracle Christopher Reeve has experienced this past year are an inspiration for every American living with paralysis as a result of a spinal cord injury. When it was announced that, for the firs time since his accident in 1995, Chris was able to wiggle his fingers and toes, there was hope for some of the two million Americans living with paralysis.

Today, through the Christopher Reeve Paralysis Act of 2002, we seek to achieve two primary goals. First to further advance the science needed to help those living with paralysis take their next step. And second, to time build quality of life programs throughout the country that will further advance full participation, independent living, self-sufficiency and equality of opportunity for individuals with paralysis and other physical disabilities.

Chris' recovery and recent scientific evidence show that there is hope for those living with paralysis . At research centers in the United States, Europe and Japan, new techniques of rigorous exercise have helped an estimated 500 persons with paraplegic with limited sensations in their lower bodies walk for short distances, unassisted or using walkers.

While the results of these new methods are quite miraculous, the limits of what physical exercise can do for patients remains grossly understudied. While each person and each injury in unique, and some people recover spontaneously, an estimated 200,000 Americans are living with spinal cord injuries that have not improved. Which therapy or combination of therapies will work for each person is unknown. Today 2 million Americans are living with paralysis, including spinal cord injury, stroke, cerebral palsy, multiple sclerosis, ALS and spina bifida. We need research to see how these new interventions work on the entire population on individuals living with paralysis.

What we do know is the ordinary repetitive motions used in most rehabilitation centers, like squeezing a ball, are almost certainly not enough to appropriately address neurological injuries.

Patients are usually told that after one year, two at the most, they will never make further progress in their abilities to move or feel sensation. Yet seven years after his accident, through a rigorous exercise plan, Chris Reeve is finally seeking results.

Due to efforts led by the National Institutes of Health and the Christopher Reeve Paralysis Foundation, our nation stands on the brink of amazing breakthroughs in science for those living with paralysis. However, the biotech and pharmaceutical industries have not invested in paralysis research because they believe the market does not support the private investment. There is an urgent need for the federal government to further step up its commitment in this area. The Christopher Reeve Paralysis Act would do just that.

By establishing Paralysis Research Consortia at the National Institute on Neurological Disorders and Stoke, we can substantially increase our ability to capitalize on research advances in paralysis. These consortia would be formed to explore unique scientific expertise and focus across the existing research centers at NINDS in an effort to further advance treatments, therapies and developments on one or more forms of paralysis that result from central nervous system trauma and stroke.

Additional breakthrough are under way in rehabilitation research on paralysis. Federal funding for rehabilitation research at the National Center for Medical Rehabilitation Research at NIH is showing real potential to improve functional mobility; prevent secondary complications like bladder and urinary tract infections and ulcers; and to develop improved assistive technology. These rehabilitation interventions have the potential to greatly reduce pain and suffering for those suffering from neurological disorders and str9oke and, at the same time, save millions in health care expenditures.

Over the past 20 years, overall days in the hospital and rehabilitation centers for those living with paralysis have been cut in half. Those living with paralysis face astronomical medical costs, and our best estimates tell us that only one-third of those individuals remain employed after paralysis. At least one-third of those living with paralysis have income of $15,000 or less.

To date, there are no State-based programs at CDC that address paralysis and other physical disability with the goal of improving health outcomes and prevent secondary complications. This bill will, for the first time, ensure that individuals living with paralysis get the information they need; have access to public health programs; and support in their communities to navigate services. Ultimately these programs will help remove the barriers to community participation and help improve quality of life. The bill also establishes hospital-based registries on paralysis to collect needed data on the true numbers of individuals with these conditions, and it invests in population-based research to see how individuals are faring.

We are on the brink of major breakthroughs for individuals impacted by neurological disorders and stroke that result in paralysis. This bill will ensure that the federal government does it part to help more than 2 million Americans.

When Christopher Reeve was injured, he put a face on an issue that has been neglected for too long. Since then, his tireless efforts to walk again, coupled with his passion and commitment to improve quality of life for others living with paralysis, make him a role model for everyone.

It is a pleasure, and an honor to lead a bipartisan group of Senators, along with the support of number of disability groups, including the American Stroke Association, the American Heart Association, the Christopher Reeve Paralysis Foundation, the National Family Caregivers Association, the National Spinal Cord Injury Association, Paralyzed Veterans of America and Eastern Paralyzed Veterans, in introducing this bill.

SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 146—SUPPORTING THE GOALS AND IDEAS OF NATIONAL TAKE YOUR KIDS TO VOTE DAY

Mrs. LINCOLN submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 146

Whereas voting is a civic duty and critical to democracy;

Whereas voting participation rates in the United States for all age groups have fallen dramatically since 1972;

Whereas voting participation rates are lower among young voters;

Whereas only 32 percent of individuals 18 through 24 years of age voted in the last Presidential election;

Whereas large numbers of young people feel disconnected from government;

Whereas many younger adults report that they do not know how to vote;

Whereas, according to a 2002 study by the Council for Excellence in Government, children who go to the polls with their parents are more likely to go to the polls and vote as adults than their peers;

Whereas parents should talk to their children about the importance of voting;

Whereas a number of businesses and organizations have designated November 5, 2002, as National Take Your Kids to Vote Day in order to encourage people to vote; and

Whereas many Americans will go to the polls on November 5, 2002, to elect a new Congress: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) supports the goals and ideas of National Take Your Kids to Vote Day;

(2) encourages all voting eligible parents with children who are younger than 18 years of age to talk to their children about the importance of voting and, if possible, take their children to the polls; and

(3) requests that the President issue a proclamation calling on the people of the United States to conduct appropriate ceremonies, activities, and programs to promote voting as a family tradition.

SENATE CONCURRENT RESOLUTION 147—ENCOURAGING IMPROVED COOPERATION WITH RUSSIA ON ENERGY DEVELOPMENT ISSUES

Mr. BURNS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 147

Whereas Russia, with its vast oil and gas resources, a growing and diverse number of private sector companies, and a renewed commitment to investment by international energy companies, is in a unique position to provide stability to an often volatile and insecure world energy market;

Whereas on June 6, 2002, Russia was granted market economy status by the United States;

Whereas the granting of market economy status is mutually beneficial to both Russia and the United States, and both governments should continue to pursue other measures to promote long-term engagement and integration of Russia into the world economy;

Whereas mutual efforts by Russia and the United States to bring greater stability to world energy markets and to sustain economic growth in both nations is a key way to ensure further engagement and integration of Russia with the world economy;

Whereas, recognizing Russia's progress on religious freedom and human rights, and its broad range of mechanisms to address remaining concerns, the President has requested that Congress terminate application to Russia of chapter 1 of title IV of the Trade Act of 1974 (commonly referred to as ''Jackson-Vanik'') and authorize the extension of normal trade relations to Russia; and

Whereas both Russia and the United States can play a critical role in supporting regional energy development and energy transportation corridor projects: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) encourages the Governments of Russia and the United States—

(A) to engage in a dialogue on energy development; and

(B) to consult widely with the governments of other independent states of the former Soviet Union and with other interested parties to promote exchanges on energy development and to seek support from the broadest cross section of business and civil societies;

(2) is committed to terminating the application to Russia of chapter 1 of title IV of the Trade Act of 1974 (commonly referred to as ''Jackson-Vanik'') and to authorizing the extension of normal trade relations to Russia;

(3) supports the actions of the Russian Duma designed to strengthen international investment in the Russian energy sector, such as—

(A) actions to permit the full implementation of energy projects on Sakhalin Island and in the Timan-Pechora region, all of which offer unique opportunities to increase the petroleum supplies of the United States and the world; and

(B) actions to encourage a regulatory and investment framework in Russia to expand Russia's oil and gas export capacities;

(4) supports the accession of Russia to the World Trade Organization; and

(5) supports continued high level and sustained exchanges on energy development between the Governments of Russia and the United States and between businesses in the two countries.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4699. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table.

SA 4700. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4701. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4702. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4703. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4704. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4705. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4706. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4707. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4708. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4709. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4710. Mr. GREGG (for himself, Mr. HOLLINGS, Mr. SHELBY, Mr. HARKIN, Mr. STEVENS, Mr. INOUYE, Mr. COCHRAN, Mr. HELMS, Mr. JOHNSON, Mr. SESSIONS, Mr. BINGAMAN, Mr. GRASSLEY, Ms. LANDRIEU, Mrs. FEINSTEIN, Mr. ALLEN, Mr. DOMENICI, Mrs. HUTCHISON, Mr. KOHL, and Mr. BURNS) submitted an amendment intended to be proposed by him to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4711. Ms. COLLINS (for herself and Mr. LEVIN) submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4712. Ms. COLLINS (for herself and Mr. LEVIN) submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4713. Mr. JEFFORDS (for himself, Mr. SMITH, of New Hampshire, and Ms. SNOWE) submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4714. Mr. JEFFORDS (for himself and Mrs. BOXER) submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4715. Mr. JEFFORDS submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4716. Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4717. Mr. LIEBERMAN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4718. Mr. SPECTER submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4719. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4720. Mr. EDWARDS (for himself, Mr. SCHUMER, and Mr. HATCH) submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4721. Mr. KOHL submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4722. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4723. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4724. Mr. BUNNING submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4725. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4726. Mr. DEWINE submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4727. Mrs. CARNAHAN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4728. Mr. GREGG submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, supra; which was ordered to lie on the table.

SA 4729. Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill S. 2995, to improve economic opportunity and development in communities that are dependent on tobacco production, and for other purposes; which was referred to the Committee on Agriculture, Nutrition, and Forestry.

SA 4730. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table.

SA 4731. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 5005, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA. 4699. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. EXCLUSION OF UNITED STATES PERSONS FROM DEFINITION OF FOREIGN POWER IN FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978 RELATING TO INTERNATIONAL TERRORISM.

Paragraph (4) of section 101(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801(a)) is amended to read as follows:

''(4) any person, other than a United States person, or group that is engaged in international terrorism or activities in preparation therefor;''.

SA 4700. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 103, strike line 17 and all that follows through page 112, line 4, and insert the following:

SEC. 137. OFFICE FOR STATE AND LOCAL GOVERNMENT COORDINATION.

(a) ESTABLISHMENT.—There is established within the Office of the Secretary the Office for State and Local Government Coordination, to be headed by a director, which shall oversee and coordinate departmental programs for and relationships with State and local governments.

(b) RESPONSIBILITIES.—The Office established under subsection (a) shall—

(1) coordinate the activities of the Department relating to State and local government;

(2) assess, and advocate for, the resources needed by State and local government to implement the national strategy for combating terrorism;

(3) provide State and local government with regular information, research, and technical support to assist local efforts at securing the homeland;

(4) develop a process for receiving meaningful input from State and local government to assist the development of the Strategy and other homeland security activities; and

(5) prepare an annual report, that contains—

(A) a description of the State and local priorities in each of the 50 States based on discovered needs of first responder organizations, including law enforcement agencies, fire and rescue agencies, medical providers, emergency service providers, and relief agencies;

(B) a needs assessment that identifies homeland security functions in which the Federal role is duplicative of the State or local role, and recommendations to decrease or eliminate inefficiencies between the Federal Government and State and local entities;

(C) recommendations to Congress regarding the creation, expansion, or elimination of any program to assist State and local entities to carry out their respective functions under the Department; and

(D) proposals to increase the coordination of Department priorities within each State and between the States.

(c) HOMELAND SECURITY LIAISON OFFICERS.—

(1) DESIGNATION.—The Secretary shall designate in each State and the District of Columbia not less than 1 employee of the Department to serve as the Homeland Security Liaison Officer in that State or District.

(2) DUTIES.—Each Homeland Security Liaison Officer designated under paragraph (1) shall—

(A) provide State and local government officials with regular information, research, and technical support to assist local efforts at securing the homeland;

(B) provide coordination between the Department and State and local first responders, including—

(i) law enforcement agencies;

(ii) fire and rescue agencies;

(iii) medical providers;

(iv) emergency service providers; and

(v) relief agencies;

(C) notify the Department of the State and local areas requiring additional information, training, resources, and security;

(D) provide training, information, and education regarding homeland security for State and local entities;

(E) identify homeland security functions in which the Federal role is duplicative of the State or local role, and recommend ways to decrease or eliminate inefficiencies;

(F) assist State and local entities in priority setting based on discovered needs of first responder organizations, including law enforcement agencies, fire and rescue agencies, medical providers, emergency service providers, and relief agencies;

(G) assist the Department to identify and implement State and local homeland security objectives in an efficient and productive manner;

(H) serve as a liaison to the Department in representing State and local priorities and concerns regarding homeland security;

(I) consult with State and local government officials, including emergency managers, to coordinate efforts and avoid duplication; and

(J) coordinate with Homeland Security Liaison Officers in neighboring States to—

(i) address shared vulnerabilities; and

(ii) identify opportunities to achieve efficiencies through interstate activities .

(d) FEDERAL INTERAGENCY COMMITTEE ON FIRST RESPONDERS AND STATE, LOCAL, AND CROSS-JURISDICTIONAL ISSUES.—

(1) IN GENERAL.—There is established an Interagency Committee on First Responders and State, Local, and Cross-jurisdictional Issues (in this section referred to as the ''Interagency Committee'', that shall—

(A) ensure coordination, with respect to homeland security functions, among the Federal agencies involved with—

(i) State, local, and regional governments;

(ii) State, local, and community-based law enforcement;

(iii) fire and rescue operations; and

(iv) medical and emergency relief services;

(B) identify community-based law enforcement, fire and rescue, and medical and emergency relief services needs;

(C) recommend new or expanded grant programs to improve community-based law enforcement, fire and rescue, and medical and emergency relief services;

(D) identify ways to streamline the process through which Federal agencies support community-based law enforcement, fire and rescue, and medical and emergency relief services; and

(E) assist in priority setting based on discovered needs.

(2) MEMBERSHIP.—The Interagency Committee shall be composed of—

(A) a representative of the Office for State and Local Government Coordination;

(B) a representative of the Health Resources and Services Administration of the Department of Health and Human Services;

(C) a representative of the Centers for Disease Control and Prevention of the Department of Health and Human Services;

(D) a representative of the Federal Emergency Management Agency of the Department;

(E) a representative of the United States Coast Guard of the Department;

(F) a representative of the Department of Defense;

(G) a representative of the Office of Domestic Preparedness of the Department;

(H) a representative of the Directorate of Immigration Affairs of the Department;

(I) a representative of the Transportation Security Agency of the Department;

(J) a representative of the Federal Bureau of Investigation of the Department of Justice; and

(K) representatives of any other Federal agency identified by the President as having a significant role in the purposes of the Interagency Committee.

(3) ADMINISTRATION.—The Department shall provide administrative support to the Interagency Committee and the Advisory Council, which shall include—

(A) scheduling meetings;

(B) preparing agenda;

(C) maintaining minutes and records;

(D) producing reports; and

(E) reimbursing Advisory Council members.

(4) LEADERSHIP.—The members of the Interagency Committee shall select annually a chairperson.

(5) MEETINGS.—The Interagency Committee shall meet—

(A) at the call of the Secretary; or

(B) not less frequently than once every 3 months.

(e) ADVISORY COUNCIL FOR THE INTERAGENCY COMMITTEE.—

(1) ESTABLISHMENT.—There is established an Advisory Council for the Interagency Committee (in this section referred to as the ''Advisory Council'').

(2) MEMBERSHIP.—

(A) IN GENERAL.—The Advisory Council shall be composed of not more than 13 members, selected by the Interagency Committee.

(B) DUTIES.—The Advisory Council shall—

(i) develop a plan to disseminate information on first response best practices;

(ii) identify and educate the Secretary on the latest technological advances in the field of first response;

(iii) identify probable emerging threats to first responders;

(iv) identify needed improvements to first response techniques and training;

(v) identify efficient means of communication and coordination between first responders and Federal, State, and local officials;

(vi) identify areas in which the Department can assist first responders; and

(vii) evaluate the adequacy and timeliness of resources being made available to local first responders.

(C) REPRESENTATION.—The Interagency Committee shall ensure that the membership of the Advisory Council represents—

(i) the law enforcement community;

(ii) fire and rescue organizations;

(iii) medical and emergency relief services; and

(iv) both urban and rural communities.

(3) CHAIRPERSON.—The Advisory Council shall select annually a chairperson from among its members.

(4) COMPENSATION OF MEMBERS.—The members of the Advisory Council shall serve without compensation, but shall be eligible for reimbursement of necessary expenses connected with their service to the Advisory Council.

(5) MEETINGS.—The Advisory Council shall meet with the Interagency Committee not less frequently than once every 3 months.

SA 4701. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 131, between lines 2 and 3, insert the following:

(d) REDUCTION OF AUTHORIZATIONS.—Each amount authorized by subsection (a)(1) shall be reduced by any appropriated amount used by Amtrak for the activity for which the amount is authorized.

SA 4702. Mr. MCCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 130, line 20, strike ''locomotives.'' and insert ''locomotives, upon a determination by the Secretary of Transportation that such emergency repairs are necessary for safety and security purposes.''

SA 4703. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 130, strike lines 18 through 20.

SA 4704. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 130, beginning with line 3, strike through line 2 on page 131.

SA 4705. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . RAILROAD SAFETY TO INCLUDE RAILROAD SECURITY.

(a) INVESTIGATION AND SURVEILLANCE ACTIVITIES.—Section 20105 of title 49, United States Code, is amended—

(1) by striking ''Secretary of Transportation'' in the first sentence of subsection (a) an inserting ''Secretary concerned'';

(2) by striking ''Secretary'' each place it appears (except the first sentence of subsection (a)) and inserting ''Secretary concerned'';

(3) by striking ''Secretary's duties under chapters 203–213 of this title'' in subsection (d) and inserting ''duties under chapters 203–213 of this title (in the case of the Secretary of Transportation) and duties under section 114 of this title (in the case of the Secretary of Homeland Security)'';

(4) by striking ''chapter.'' in subsection (f) and inserting ''chapter (in the case of the Secretary of Transportation) and duties under section 114 of this title (in the case of the Secretary of Homeland Security)''; and

(5) by adding at the end the following new subsection:

''(g) DEFINITIONS.—In this section—

''(1) the term 'safety' includes security; and

''(2) the term 'Secretary concerned' means—

''(A) the Secretary of Transportation, with respect to railroad safety matters concerning such Secretary under laws administered by that Secretary;' and

''(B) the Secretary of Homeland Security, with respect to railroad safety matters concerning such Secretary under laws administered by that Secretary.''.

(b) REGULATIONS AND ORDERS.—Section 20103(a) of such title is amended by inserting after ''1970,'' the following: ''When prescribing a security regulation or issuing a security order that affects the safety of railroad operations, the Secretary of Homeland Security shall consult with the Secretary.''.

(c) NATIONAL UNIFORMITY OF REGULATION.—Sction 20106 of such title is amended—

(1) by inserting ''and laws, regulations, and orders related to railroad security'' after ''safety'' in the first sentence;

(2) by inserting ''or security'' after ''safety'' each place it appears after the first sentence; and

(3) by striking ''Transportation'' in the second sentence and inserting ''Transportation (with respect to railroad safety matters), or the Secretary of Homeland Security (with respect to railroad security matters),''.

SEC. . HAZMAT SAFETY TO INCLUDE HAZMAT SECURITY.

(a) GENERAL REGULATORY AUTHORITY.—Section 5103 of title 49, United States Code, is amended—

(1) by striking ''transportation'' the first place it appears in subsection (b)(1) and inserting ''transportation, including security,'';

(2) by striking ''aspects'' in subsection (b)(1)(B) and inserting ''aspects, including security,,''; and

(3) by adding at the end the following:

''(c) CONSULTATION WITH SECRETARY OF HOMELAND SECURITY.—When prescribing a security regulation or issuing a security order that affects the safety of the transportation of hazardous material, the Secretary of Homeland Security shall consult with the Secretary.''.

(b) PREEMPTION.—Section 5125 of that title is ame4nded—

(1) by striking ''chapter or a regulation prescribed under this chapter'' in subsection (a)(1) and inserting ''chapter, a regulation prescribed under this chapter, or a hazardous materials transportation security regulation or directive issue by the Secretary of Homeland Security'';

(2) by striking ''chapter or a regulation prescribed under this chapter.'' in subsection (a)(2) inserting ''chapter, a regulation prescribed under this chapter, or a hazardous materials transportation security regulation or directive issued by the Secretary of Homeland Security.''; and

(3) by striking ''chapter or a regulation prescribed under this chapter,'' in subsection (b)(1) and inserting ''chapter, a regulation prescribed under this chapter, or a hazardous materials transportation security regulation or directive issued by the Secretary of Homeland Security,''.

SA 4706. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 130, beginning with line 3, strike through line 2 on page 131, and insert the following:

SEC. 168. RAIL SECURITY ENHANCEMENTS.

(a) EMERGENCY AMTRAK ASSISTANCE.—

(1) IN GENERAL.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak—

(A) $375,000,000 for systemwide security upgrades, including the reimbursement of extraordinary security-related costs determined by the Secretary of Transportation to have been incurred by Amtrak since September 11, 2001, and including the hiring and training additional police officers, canine-assisted security units, and surveillance equipment;

(B) $778,000,000 to be used to complete New York tunnel life safety projects and rehabilitate tunnels in Washington, D.C., and Baltimore, Maryland; and

(C) $55,000,000 for the emergency repair, and returning to service, of Amtrak passenger cars and locomotives, upon a determination by the Secretary of Transportation that such emergency repairs are necessary for safety and security purposes.

(2) AVAILABILITY OF APPROPRIATED FUNDS.—Amounts appropriated pursuant to paragraph (1) shall remain available until expended.

(3) PLAN REQUIRED.—The Secretary of Transportation may not make amounts available to Amtrak for obligation or expenditure under paragraph (1)—

(A) for implementing systemwide security upgrades, including the emergency repair of passenger cars and locomotives, until Amtrak has submitted to the Secretary of Transportation, and the Secretary has approved, after consultation with the Secretary of Homeland Security, a plan for such upgrades;

(B) for completing the tunnel life safety and rehabilitation projects until Amtrak has submitted to the Secretary of Transportation, and the Secretary has approved, an engineering and financial plan for such projects; and

(C) Amtrak has submitted to the Secretary of Transportation such additional information as the Secretary may require in order to ensure full accountability for the obligation or expenditure of amounts made available to Amtrak for the purpose for which the funds are provided.

(4) FINANCIAL CONTRIBUTION FROM OTHER TUNNEL USERS.—The Secretary of Transportation shall, taking into account the need for the timely completion of all life safety portions of the tunnel projects described in paragraph (3)(B)—

(A) consider the extent to which rail carriers other than Amtrak use the tunnels;

(B) consider the feasibility of seeking a financial contribution from those other rail carriers toward the costs of the projects; and

(C) obtain financial contributions or commitments from such other rail carriers if feasible.

(5) 50-PERCENT TO BE SPENT OUTSIDE THE NORTHEAST CORRIDOR.—The Secretary of Transportation shall ensure that up to 50 percent of the amounts appropriated pursuant to paragraph (1)(A) is obligated or expended for projects outside the Northeast Corridor.

(6) ASSESSMENT BY DOT INSPECTOR GENERAL.—

(A) INITIAL ASSESSMENT.—Within 60 days after the date of enactment of this Act, the Inspector General of the Department of Transportation shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report—

(i) identifying any overlap between capital projects for which funds are provided under such funding documents, procedures, or arrangements and capital projects included in Amtrak's 20-year capital plan; and

(ii) indicating any adjustments that need to be made in that plan to exclude projects for which funds are appropriated pursuant to paragraph (1).

(B) OVERLAP REVIEW.—The Inspector General shall, as part of the Department's annual assessment of Amtrak's financial status and capital funding requirements review the obligation and expenditure of funds under each such funding document, procedure, or arrangement to ensure that the expenditure and obligation of those funds are consistent with the purposes for which they are proved under this Act.

(7) COORDINATION WITH EXISTING LAW.—Amounts made available to Amtrak under this subsection shall not be considered to be Federal assistance for purposes of part C of subtitle V of title 49, United States Code.

(8) REDUCTION OF AUTHORIZATIONS.—Each amount authorized by paragraph (1) shall be reduced by any appropriated amount used by Amtrak for the activity for which the amount is authorized

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SA 4707. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 130, beginning with line 8, strike through line 2 on page 131, and insert the following:

SEC. 168. RAIL SECURITY ENHANCEMENTS.

(a) EMERGENCY AMTRAK ASSISTANCE.—

(1) IN GENERAL.— There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak—

(A) $375,000,000 for systemwide security upgrades, including the reimbursement of extraordinary security-related costs determined by the Secretary of Transportation to have been incurred by Amtrak since September 11, 2001, and including the hiring and training additional police officers, canine-assisted security units, and surveillance equipment;

(B) $778,000,000 to be used to complete New York tunnel life safety projects and rehabilitate tunnels in Washington, D.C., and Baltimore, Maryland; and

(C) $55,000,000 for the emergency repair, and returning to service, of Amtrak passenger cars and locomotives, upon a determination by the Secretary of Transportation that such emergency repairs are necessary for safety and security purposes.

(2) AVAILABILITY OF APPROPRIATED FUNDS.—Amounts appropriated pursuant to paragraph (1) shall remain available until expended.

(3) PLAN REQUIRED.—The Secretary of Transportation may not make amounts available to Amtrak for obligation or expenditure under paragraph (1)—

(A) for implementing systemwide security upgrades, including the emergency repair of passenger cars and locomotives, until Amtrak has submitted to the Secretary of Transportation, and the Secretary has approved, after consultation with the Secretary of Homeland Security, a plan for such upgrades;

(B) for completing the tunnel life safety and rehabilitation projects until Amtrak has submitted to the Secretary of Transportation, and the Secretary has approved, an engineering and financial plan for such projects; and

(C) Amtrak has submitted to the Secretary of Transportation such additional information as the Secretary may require in order to ensure full accountability for the obligation or expenditure of amounts made available to Amtrak for the purpose for which the funds are provided.

(4) FINANCIAL CONTRIBUTION FROM OTHER TUNNEL USERS.—The Secretary of Transportation shall, taking into account the need for the timely completion of all life safety portions of the tunnel projects described in paragraph (3)(B)—

(A) consider the extent to which rail carriers other than Amtrak use the tunnels;

(B) consider the feasibility of seeking a financial contribution from those other rail carriers toward the costs of the projects; and

(C) obtain financial contributions or commitments from such other rail carriers if feasible.

(5) REVIEW OF PLAN.—The Secretary of Transportation shall complete the review of the plan required by paragraph (3) and approve or disapprove the plan within 45 days after the date on which the plan is submitted by Amtrak. If the Secretary determines that the plan is incomplete or deficient, the Secretary shall notify Amtrak of the incomplete items or deficiencies and Amtrak shall, within 30 days after receiving the Secretary's notification, submit a modified plan for the Secretary's review. Within 15 days after receiving a modified plan from Amtrak, the Secretary shall either approve the modified plan, or, if the Secretary finds the plan is still incomplete or deficient, the Secretary shall approve the portions of the plan that are complete and sufficient, release associated funds, and Amtrak shall execute an agreement with the Secretary within 15 days thereafter on a process for completing the remaining portions of the plan.

(6) 50-PERCENT TO BE SPENT OUTSIDE THE NORTHEAST CORRIDOR.—The Secretary of Transportation shall ensure that up to 50 percent of the amounts appropriated pursuant to paragraph (1)(A) is obligated or expended for projects outside the Northeast Corridor.

(7) ASSESSMENTS BY DOT INSPECTOR GENERAL.—

(A) INITIAL ASSESSMENT.—Within 60 days after the date of enactment of this Act, the Inspector General of the Department of Transportation shall transmit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report—

(i) identifying any overlap between capital projects for which funds are provided under such funding documents, procedures, or arrangements and capital projects included in Amtrak's 20-year capital plan; and

(ii) indicating any adjustments that need to be made in that plan to exclude projects for which funds are appropriated pursuant to paragraph (1).

(B) OVERLAP REVIEW.—The Inspector General shall, as part of the Department's annual assessment of Amtrak's financial status and capital funding requirements review the obligation and expenditure of funds under each such funding document, procedure, or arrangement to ensure that the expenditure and obligation of those funds are consistent with the purposes for which they are provided under this Act.

(8) COORDINATION WITH EXISTING LAW.—Amounts made available to Amtrak under this subsection shall not be considered to be Federal assistance for purposes of part C of subtitle V of title 49, United States Code.

(9) REDUCTION OF AUTHORIZATIONS.—Each amount authorized by paragraph (1) shall be reduced by any appropriated amount used by Amtrak for the activity for which the amount is authorized.

SA. 4708. Mr. SANTORUM submitted an amendment intended to be proposed

by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ___—BAN ON PARTIAL-BIRTH ABORTIONS

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Partial-Birth Abortion Ban Act of 2002''.

SEC. ___02. FINDINGS.

Congress finds the following:

(1) A moral, medical, and ethical consensus exists that the practice of performing a partial-birth abortion—an abortion in which a physician delivers an unborn child's body until only the head remains inside the womb, punctures the back of the child's skull with a sharp instrument, and sucks the child's brains out before completing delivery of the dead infant—is a gruesome and inhumane procedure that is never medically necessary and should be prohibited.

(2) Rather than being an abortion procedure that is embraced by the medical community, particularly among physicians who routinely perform other abortion procedures, partial-birth abortion remains a disfavored procedure that is not only unnecessary to preserve the health of the mother, but in fact poses serious risks to the long-term health of women, and, in some circumstances, their lives. As a result, at least 27 States banned the procedure as did Congress, which voted to ban the procedure during the 104th, 105th, and 106th Congresses.

(3) In Stenberg v. Carhart, 530 U.S. 914, 932 (2000), the Supreme Court opined ''that significant medical authority supports the proposition that in some circumstances, [partial birth abortion] would be the safest procedure'' for pregnant women who wish to undergo an abortion. Thus, the Supreme Court struck down Nebraska's ban on partial-birth abortion procedures, concluding that it placed an ''undue burden'' on women seeking abortions because it failed to include an exception for partial-birth abortions deemed necessary to preserve the ''health'' of the mother.

(4) In reaching this conclusion, the Supreme Court deferred to the Federal district court's findings that the partial-birth abortion procedure was statistically and medically as safe as, and in many circumstances safer than, alternative abortion procedures.

(5) However, the great weight of evidence presented at the Stenberg trial and other trials challenging partial-birth abortion bans, as well as at extensive congressional hearings, demonstrates that a partial-birth abortion is never necessary to preserve the health of a woman, poses significant health risks to a woman upon whom the procedure is performed, and is outside of the standard of medical care.

(6) Despite the dearth of evidence in the Stenberg trial court record supporting the district court's findings, the United States Court of Appeals for the Eighth Circuit and the Supreme Court refused to set aside the district court's findings because, under the applicable standard of appellate review, they were not ''clearly erroneous''. A finding of fact is clearly erroneous ''when although there is evidence to support it, the reviewing court on the entire evidence is left with the definite and firm conviction that a mistake has been committed''. Anderson v. City of Bessemer City, North Carolina, 470 U.S. 564, 573 (1985) (quoting United States v. U.S. Gypsum Co. 333 U.S. 364, 395 (1948)). Under this standard, ''if the district court's account of the evidence is plausible in light of the record viewed in its entirety, the court of appeals may not reverse it even though convinced that had it been sitting as the trier of fact, it would have weighed the evidence differently''. Id. at 573-74.

(7) Thus, in Stenberg, the Supreme Court was required to accept the very questionable findings issued by the district court judge—the effect of which was to render null and void the reasoned findings and policy determinations of Congress and at least 27 State legislatures.

(8) However, under well-settled Supreme Court jurisprudence, Congress is not bound to accept the same findings as the Supreme Court was bound to accept in Stenberg under the ''clearly erroneous'' standard. Rather, Congress is entitled to reach its own findings—findings that the Supreme Court accords great deference—and to enact legislation based upon these findings so long as it seeks to pursue a legitimate interest that is within the scope of the Constitution, and draws reasonable inferences based upon substantial evidence.

(9) In Katzenbach v. Morgan, 384 U.S. 641 (1966), the Supreme Court articulated its highly deferential standard of review of congressional findings when it addressed the constitutionality of section 4(e) of the Voting Rights Act of 1965. Regarding Congress' finding that such section 4(e) would assist the Puerto Rican community in ''gaining nondiscriminatory treatment in public services'', the Supreme Court stated that ''[i]t was for Congress, as the branch that made this judgment, to assess and weigh the various conflicting considerations . . . . It is not for us to review the congressional resolution of these factors. It is enough that we be able to perceive a basis upon which the Congress might resolve the conflict as it did. There plainly was such a basis to support section 4(e) in the application in question in this case.''. Id. at 653.

(10) Katzenbach's highly deferential standard of review of Congress's findings was relied upon by the United States District Court for the District of Columbia when it upheld the ''bail-out'' provisions of the Voting Rights Act of 1965, stating that ''congressional fact finding, to which we are inclined to pay great deference, strengthens the inference that, in those jurisdictions covered by the Act, state actions discriminatory in effect are discriminatory in purpose''. City of Rome, Georgia v. United States, 472 F. Supp. 221 (D. D. C. 1979) aff'd City of Rome, Georgia v. United States, 446 U.S. 156 (1980).

(11) The Supreme Court continued its practice of deferring to findings in reviewing the constitutionality of the must-carry provisions of the Cable Television Consumer Protection and Competition Act of 1992. See Turner Broad. Sys., Inc. v. Fed. Communications Comm'n, 512 U.S. 622 (1994) (referred to in this section as ''Turner I'') and Turner Broad. Sys., Inc. v. Fed. Communications Comm'n, 520 U.S. 180 (1997) (referred to in this section as ''Turner II''). At issue in the Turner cases was Congress' finding that, absent mandatory carriage rules, the continued viability of local broadcast television would be ''seriously jeopardized''. In Turner I, the Supreme Court recognized that, as an institution, ''Congress is far better equipped than the judiciary to 'amass and evaluate the vast amounts of data' bearing upon an issue as complex and dynamic as that presented here''. 512 U.S. at 665–66. Although the Supreme Court recognized that ''the deference afforded to legislative findings does 'not foreclose our independent judgment of the facts bearing on an issue of constitutional law' '', its ''obligation to exercise independent judgment when First Amendment rights are implicated is not a license to reweigh the evidence de novo, or to replace Congress' factual predictions with our own. Rather, it is to assure that, in formulating its judgments, Congress has drawn reasonable inferences based on substantial evidence.''. Id. at 666.

(12) Three years later in Turner II, the Supreme Court upheld the ''must-carry'' provisions based upon Congress' findings, stating the Supreme Court's ''sole obligation is 'to assure that, in formulating its judgments, Congress has drawn reasonable inferences based on substantial evidence.' ''. 520 U.S. at 195. Citing its ruling in Turner I, the Supreme Court reiterated that ''[w]e owe Congress' findings deference in part because the institution 'is far better equipped than the judiciary to ''amass and evaluate the vast amounts of data'' bearing upon' legislative questions'' Id. at 195, and added that it ''owe[d] Congress' findings an additional measure of deference out of respect for its authority to exercise the legislative power''. Id. at 196.

(13) There exists substantial record evidence upon which Congress has reached its conclusion that a ban on partial-birth abortion is not required to contain a ''health'' exception, because the facts indicate that a partial-birth abortion is never necessary to preserve the health of a woman, poses serious risks to a woman's health, and lies outside the standard of medical care. Congress was informed by extensive hearings held during the 104th and 105th Congresses and passed a ban on partial-birth abortion in the 104th, 105th, and 106th Congresses. The findings of these hearings reflect the very informed judgment of Congress that a partial-birth abortion is never necessary to preserve the health of a woman, poses serious risks to a woman's health, lies outside the standard of medical care, and should, therefore, be banned.

(14) Pursuant to the testimony received during extensive legislative hearings during the 104th and 105th Congresses, Congress finds and declares that:

(A)(i) Partial-birth abortion poses serious risks to the health of a woman undergoing the procedure.

(ii) Those risks include, among other things—

(I) an increased risk of suffering from cervical incompetence, a result of cervical dilation, making it difficult or impossible for a woman successfully to carry a subsequent pregnancy to term;

(II) an increased risk of uterine rupture, abruption, amniotic fluid embolus, and trauma to the uterus as a result of converting a child to a footling breech position, a procedure which, according to a leading obstetrics textbook, ''there are very few, if any, indications for . . . other than for delivery of a second twin''; and

(III) a risk of lacerations and secondary hemorrhaging due to a doctor blindly forcing a sharp instrument into the base of the unborn child's skull while the child is lodged in the birth canal, an act that could result in severe bleeding, brings with it the threat of shock, and could ultimately result in maternal death.

(B) There is no credible medical evidence that partial-birth abortions are safe or are safer than other abortion procedures. No controlled studies of partial-birth abortion have been conducted nor have any comparative studies been conducted to demonstrate its safety and efficacy compared to other abortion methods. Furthermore, there have been no articles published in peer-reviewed journals that establish that partial-birth abortion is superior in any way to established abortion procedures. Indeed, there are

currently no medical schools that provide instruction on abortions that include instruction on partial-birth abortion in their curriculum, unlike other more commonly used abortion procedures.

(C) A prominent medical association has concluded that partial-birth abortion is ''not an accepted medical practice'', that it has ''never been subject to even a minimal amount of the normal medical practice development'', that ''the relative advantages and disadvantages of the procedure in specific circumstances remain unknown'', and that ''there is no consensus among obstetricians about its use''. The association has further noted that partial-birth abortion is broadly disfavored by both medical experts and the public, is ''ethically wrong'', and ''is never the only appropriate procedure''.

(D) Neither the plaintiff in Stenberg v. Carhart, nor the experts who testified on his behalf, have identified a single circumstance during which a partial-birth abortion was necessary to preserve the health of a woman.

(E) The physician credited with developing the partial-birth abortion procedure has testified that the physician has never encountered a situation where a partial-birth abortion was medically necessary to achieve the desired outcome and, thus, that partial-birth abortion is never medically necessary to preserve the health of a woman.

(F) A ban on the partial-birth abortion procedure will therefore advance the health interests of pregnant women seeking to terminate a pregnancy.

(G) In light of this overwhelming evidence, Congress and the States have a compelling interest in prohibiting partial-birth abortions. In addition to promoting maternal health, such a prohibition will draw a bright line that clearly distinguishes abortion and infanticide, preserves the integrity of the medical profession, and promotes respect for human life.

(H) Based upon Roe v. Wade, 410 U.S. 113 (1973) and Planned Parenthood v. Casey, 505 U.S. 833 (1992), a governmental interest in protecting the life of a child during the delivery process arises by virtue of the fact that during a partial-birth abortion, labor is induced and the birth process has begun. This distinction was recognized in Roe when the Supreme Court noted, without comment, that the Texas parturition statute, which prohibited one from killing a child ''in a state of being born and before actual birth'', was not under attack. This interest becomes compelling as the child emerges from the maternal body. A child that is completely born is a full, legal person entitled to constitutional protections afforded a ''person'' under the Constitution. Partial-birth abortions involve the killing of a child that is in the process, in fact mere inches away from, becoming a ''person''. Thus, the government has a heightened interest in protecting the life of the partially-born child.

(I) This interest, too, has not gone unnoticed in the medical community, where a prominent medical association has recognized that partial-birth abortion is ''ethically different from other destructive abortion techniques because the fetus, normally twenty weeks or longer in gestation, is killed outside of the womb''. According to this medical association, the '' 'partial birth' gives the fetus an autonomy which separates it from the right of the woman to choose treatments for her own body''.

(J) Partial-birth abortion also causes confusion among the medical, legal, and ethical duties of physicians to preserve and promote life, as the physician acts directly against the physical life of a child, whom the physician had just delivered, all but the head, out of the womb, in order to end that life. Partial-birth abortion thus appropriates the terminology and techniques used by obstetricians in the delivery of living children—obstetricians who preserve and protect the life of the mother and the child—and instead uses those techniques to end the life of the partially-born child.

(K) Thus, by aborting a child in a manner that purposefully seeks to kill the child after a child has begun the process of birth, partial-birth abortion undermines the public's perception of the appropriate role of a physician during the delivery process, and perverts a process during which life is brought into the world, in order to destroy a partially-born child.

(L) The gruesome and inhumane nature of the partial-birth abortion procedure and its disturbing similarity to the killing of a newborn infant promotes a complete disregard for infant human life that can only be countered by a prohibition of the procedure.

(M) The vast majority of babies killed during partial-birth abortions are alive until the end of the procedure. It is a medical fact, however, that unborn infants at this stage can feel pain when subjected to painful stimuli and that their perception of this pain is even more intense than that of newborn infants and older children when subjected to the same stimuli. Thus, during a partial-birth abortion procedure, a child will fully experience the pain associated with piercing the child's skull and sucking out the child's brain.

(N) Implicitly approving such a brutal and inhumane procedure by choosing not to prohibit it will further make society indifferent to the humanity of not only newborns, but all vulnerable and innocent human life, making it increasingly difficult to protect such life. Thus, Congress has a compelling interest in acting—indeed it must act—to prohibit this inhumane procedure.

(O) For these reasons, partial-birth abortion is never medically indicated to preserve the health of the mother, is in fact unrecognized as a valid abortion procedure by the mainstream medical community, poses additional health risks to the mother, blurs the line between abortion and infanticide in the killing of a partially-born child just inches from birth, causes confusion of the role of the physician in childbirth, and should, therefore, be banned.

SEC. ___03. PROHIBITION ON PARTIAL-BIRTH ABORTIONS.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 73 the following:

''CHAPTER 74—PARTIAL-BIRTH ABORTIONS

''Sec.
''1531. Partial-birth abortions prohibited.

''§ 1531. Partial-birth abortions prohibited

''(a) Any physician who, in or affecting interstate or foreign commerce, knowingly performs a partial-birth abortion and thereby kills a human fetus shall be fined under this title or imprisoned not more than 2 years, or both. This subsection does not apply to a partial-birth abortion that is necessary to save the life of a mother whose life is endangered by a physical disorder, physical illness, or physical injury, including a life-endangering physical condition caused by or arising from the pregnancy itself. This subsection takes effect 1 day after the date of enactment of the Partial-Birth Abortion Ban Act of 2002.

''(b) As used in this section—

''(1) the term 'partial-birth abortion' means an abortion in which—

''(A) the person performing the abortion deliberately and intentionally vaginally delivers a living fetus until, in the case of a head-first presentation, the entire fetal head is outside the body of the mother, or, in the case of breech presentation, any part of the fetal trunk past the navel is outside the body of the mother for the purpose of performing an overt act that the person knows will kill the partially delivered living fetus; and

''(B) performs the overt act, other than completion of delivery, that kills the partially delivered living fetus; and

''(2) the term 'physician' means a doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the State in which the doctor performs such activity, or any other individual legally authorized by the State to perform abortions, except that any individual who is not a physician or not otherwise legally authorized by the State to perform abortions, but who nevertheless directly performs a partial-birth abortion, shall be subject to the provisions of this section.

''(c)(1) The father, if married to the mother at the time she receives a partial-birth abortion procedure, and if the mother has not attained the age of 18 years at the time of the abortion, the maternal grandparents of the fetus, may in a civil action obtain appropriate relief, unless the pregnancy resulted from the plaintiff's criminal conduct or the plaintiff consented to the abortion.

''(2) Such relief shall include—

''(A) money damages for all injuries, psychological and physical, occasioned by the violation of this section; and

''(B) statutory damages equal to three times the cost of the partial-birth abortion.

''(d)(1) A defendant accused of an offense under this section may seek a hearing before the State Medical Board on whether the physician's conduct was necessary to save the life of the mother whose life was endangered by a physical disorder, physical illness, or physical injury, including a life-endangering physical condition caused by or arising from the pregnancy itself.

''(2) The findings on that issue are admissible on that issue at the trial of the defendant. Upon a motion of the defendant, the court shall delay the beginning of the trial for not more than 30 days to permit such a hearing to take place.

''(e) A woman upon whom a partial-birth abortion is performed may not be prosecuted under this section, for a conspiracy to violate this section, or for an offense under section 2, 3, or 4 of this title based on a violation of this section.''.

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 73 the following new item:

''74. Partial-birth abortions ..... 1531''.

SA 4709. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 137, between lines 8 and 9, insert the following:

SEC. 172. REQUIREMENT TO BUY CERTAIN ARTICLES FROM AMERICAN SOURCES.

(a) REQUIREMENT.—Except as provided in subsections (c) through (g), funds appropriated or otherwise available to the Department of Homeland Security may not be used for the procurement of an item described in subsection (b) if the item is not grown, reprocessed, reused, or produced in the United States.

(b) COVERED ITEMS.—An item referred to in subsection (a) is any of the following:

(1) An article or item of—

(A) food;
(B) clothing;
(C) tents, tarpaulins, or covers;
(D) cotton and other natural fiber products, woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric (including all textile fibers and yarns that are for use in such fabrics), canvas products, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles); or
(E) any item of individual equipment manufactured from or containing such fibers, yarns, fabrics, or materials.
(2) Specialty metals, including stainless steel flatware.
(3) Hand or measuring tools.
(c) AVAILABILITY EXCEPTION.—Subsection (a) does not apply to the extent that the Secretary of Homeland Security determines that satisfactory quality and sufficient quantity of any such article or item described in subsection (b)(1) or specialty metals (including stainless steel flatware) grown, reprocessed, reused, or produced in the United States cannot be procured as and when needed at United States market prices.
(d) EXCEPTION FOR CERTAIN PROCUREMENTS OUTSIDE THE UNITED STATES.—Subsection (a) does not apply to the following:
(1) Procurements outside the United States in support of combat operations.
(2) Procurements by vessels in foreign waters.
(3) Emergency procurements or procurements of perishable foods by an establishment located outside the United States for the personnel attached to such establishment.
(e) EXCEPTION FOR SPECIALTY METALS AND CHEMICAL WARFARE PROTECTIVE CLOTHING.—Subsection (a) does not preclude the procurement of specialty metals or chemical warfare protective clothing produced outside the United States if—
(1) such procurement is necessary—
(A) to comply with agreements with foreign governments requiring the United States to purchase supplies from foreign sources for the purposes of offsetting sales made by the United States Government or United States firms under approved programs serving defense requirements; or
(B) in furtherance of agreements with foreign governments in which both such governments agree to remove barriers to purchases of supplies produced in the other country or services performed by sources of the other country; and
(2) any such agreement with a foreign government complies, where applicable, with the requirements of section 36 of the Arms Export Control Act (22 U.S.C. 2776) and with section 2457 of title 10, United States Code.
(f) EXCEPTION FOR CERTAIN FOODS.—Subsection (a) does not preclude the procurement of foods manufactured or processed in the United States.
(g) EXCEPTION FOR SMALL PURCHASES.—Subsection (a) does not apply to purchases for amounts not greater than the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).
(h) APPLICABILITY TO CONTRACTS AND SUBCONTRACTS FOR PROCUREMENT OF COMMERCIAL ITEMS.—This section is applicable to contracts and subcontracts for the procurement of commercial items notwithstanding section 34 of the Office of Federal Procurement Policy Act (41 U.S.C. 430).
(i) GEOGRAPHIC COVERAGE.—In this section, the term ''United States'' includes the possessions of the United States.

SA 4710. Mr. GREGG (for himself Mr. HOLLINGS, Mr. SHELBY, Mr. HARKIN, Mr. STEVENS, Mr. INOUYE, Mr. COCHRAN, Mr. HELMS, Mr. JOHNSON, Mr. SESSIONS, Mr. BINGAMAN, Mr. GRASSLEY, Ms. LANDRIEU, Mrs. FEINSTEIN, Mr. ALLEN, Mr. DOMENICI, Mrs. HUTCHISON, Mr. KOHL, and Mr. BURNS) submitted an amendment intended to be proposed by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. DIRECTORATE OF EMERGENCY PREPAREDNESS AND RESPONSE.

(a) ESTABLISHMENT.—
(1) DIRECTORATE.—There is established within the Department the Directorate of Emergency Preparedness and Response.
(2) UNDER SECRETARY.—There shall be an Under Secretary for Emergency Preparedness and Response, who shall be appointed by the President, by and with the advice and consent of the Senate.
(b) RESPONSIBILITIES.—The Directorate of Emergency Preparedness and Response shall be responsible for the following:
(1) Carrying out all nonterrorism emergency preparedness activities carried out by the Federal Emergency Management Agency before the effective date of this division.
(2) Carrying out all terrorism and other hazard response activities carried out by the Federal Emergency Management Agency before the effective date of this division.
(3) Creating a National Crisis Action Center to act as the focal point for—
(A) monitoring emergencies;
(B) notifying affected agencies and State and local governments; and
(C) coordinating Federal support for State and local governments and the private sector in crises.
(4) Managing and updating the Federal response plan to ensure the appropriate integration of operational activities of the Department of Defense, the National Guard, and other agencies, to respond to acts of terrorism and other disasters.
(5) Coordinating activities among private sector entities, including entities within the medical community, and animal health and plant disease communities, with respect to recovery, consequence management, and planning for continuity of services.
(6) Developing and managing a single response system for national incidents in coordination with all appropriate agencies.
(7) Coordinating with other agencies necessary to carry out the functions of the Office of Emergency Preparedness.
(8) Collaborating with, and transferring funds to, the Centers for Disease Control and Prevention or other agencies for administration of the Strategic National Stockpile transferred under subsection (c)(6).
(9) Consulting with the Under Secretary for Science and Technology, Secretary of Agriculture, and the Director of the Centers for Disease Control and Prevention in establishing and updating the list of potential threat agents or toxins relating to the functions of the Select Agent Registration Program transferred under subsection (c)(7).
(10) Developing a plan to address the interface of medical informatics and the medical response to terrorism that address—
(A) standards for interoperability;
(B) real-time data collection;
(C) ease of use for health care providers;
(D) epidemiological surveillance of disease outbreaks in human health and agriculture;
(E) integration of telemedicine networks and standards;
(F) patient confidentiality; and
(G) other topics pertinent to the mission of the Department.
(11) Activate and coordinate the operations of the National Disaster Medical System as defined under section 102 of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Public Law 107–188).
(12) Performing such other duties as assigned by the Secretary.
(c) TRANSFER OF AUTHORITIES, FUNCTIONS, PERSONNEL, AND ASSETS TO THE DEPARTMENT.—The authorities, functions, personnel, and assets of the following entities are transferred to the Department:
(1) The Federal Emergency Management Agency, the 10 regional offices of which shall be maintained and strengthened by the Department, which shall be maintained as a distinct entity within the Department, except that those elements of the Office of National Preparedness of the Federal Emergency Management Agency that relate to terrorism shall be transferred to the Office of Domestic Preparedness established under this section.
(2) The National Office of Domestic Preparedness of the Federal Bureau of Investigation of the Department of Justice.
(3) The Office of Domestic Preparedness of the Department of Justice.
(4) Those elements of the Office of National Preparedness of the Federal Emergency Management Agency which relate to terrorism, which shall be consolidated within the Department in the Office for Domestic Preparedness established under this section.
(5) The Office of Emergency Preparedness within the Office of the Assistant Secretary for Public Health Emergency Preparedness of the Department of Health and Human Services, including—
(A) the Noble Training Center;
(B) the Metropolitan Medical Response System;
(C) the Department of Health and Human Services component of the National Disaster Medical System;
(D) the Disaster Medical Assistance Teams, the Veterinary Medical Assistance Teams, and the Disaster Mortuary Operational Response Teams;
(E) the special events response; and
(F) the citizen preparedness programs.
(6) The Strategic National Stockpile of the Department of Health and Human Services including all functions and assets under sections 121 and 127 of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Public Law 107–188).
(7) The functions of the Select Agent Registration Program of the Department of Health and Human Services and the United States Department of Agriculture, including all functions of the Secretary of Health and Human Services and the Secretary of Agriculture under sections 201 through 221 of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Public Law 107–188).
(d) OFFICE FOR DOMESTIC PREPAREDNESS.—
(1) ESTABLISHMENT.—There is established within the Directorate of Emergency Preparedness and Response the Office for Domestic Preparedness.
(2) DIRECTOR.—There shall be a Director of the Office for Domestic Preparedness, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director of the Office for Domestic Preparedness shall report directly to the Under Secretary for Emergency Preparedness and Response.
(3) RESPONSIBILITIES.—The Office for Domestic Preparedness shall have the primary responsibility within the executive branch of Government for the preparedness of the United States for acts of terrorism, including—

(A) coordinating preparedness efforts at the Federal level, and working with all State, local, tribal, parish, and private sector emergency response providers on all matters pertaining to combating terrorism, including training, exercises, and equipment support;

(B) in keeping with intelligence estimates, working to ensure adequate strategic and operational planning, equipment, training, and exercise activities at all levels of government;

(C) coordinating or, as appropriate, consolidating communications and systems of communications relating to homeland security at all levels of government;

(D) directing and supervising terrorism preparedness grant programs of the Federal Government for all emergency response providers;

(E) incorporating the Strategy priorities into planning guidance on an agency level for the preparedness efforts of the Office for Domestic Preparedness;

(F) providing agency-specific training for agents and analysts within the Department, other agencies, and State and local agencies and international entities;

(G) as the lead executive branch agency for preparedness of the United States for acts of terrorism, cooperating closely with the Federal Emergency Management Agency, which shall have the primary responsibility within the executive branch to prepare for and mitigate the effects of nonterrorist-related disasters in the United States; and

(H) assisting and supporting the Secretary, in coordination with other Directorates and entities outside the Department, in conducting appropriate risk analysis and risk management activities consistent with the mission and functions of the Directorate.

(4) FISCAL YEARS 2003 AND 2004.—During fiscal year 2003 and fiscal year 2004, the Director of the Office for Domestic Preparedness established under this section shall manage and carry out those functions of the Office for Domestic Preparedness of the Department of Justice (transferred under this section) before September 11, 2001, under the same terms, conditions, policies, and authorities, and with the required level of personnel, assets, and budget before September 11, 2001.

(5) REPORT.—Not later than the submission of the fiscal year 2005 budget request, the Secretary shall submit to Congress a detailed report containing a comprehensive, independent analysis, and recommendations addressing whether there should be a single office within the Department responsible for the domestic preparedness of the United States for all hazards, including terrorism and natural disasters. The analysis shall include an examination of the advantages, disadvantages, costs, and benefits of creating a single office for all hazards preparedness within the Department.

(e) REPORT.—Not later than 1 year after the date of enactment of this Act, the Under Secretary for Emergency Preparedness and Response shall submit a report to Congress on the status of a national medical informatics system and an agricultural disease surveillance system, and the capacity of such systems to meet the goals under subsection (b)(12) in responding to a terrorist attack.

(f) PREEMPTED PROVISIONS.—Notwithstanding any other provision of this Act, including any effective date provision, section 134 shall not take effect.

SA 4711. Ms. COLLINS (for herself and Mr. LEVIN) submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 11, strike lines 9 through 13, and insert the following:
homeland threats;

(D) minimize the damage, and assist in the recovery, from terrorist attacks or other natural or man-made crises that occur within the United States; and

(E) to the extent practicable, ensure the speedy, orderly, safe, and efficient flow of lawful traffic, travel, and commerce.

SA 4712. Ms. COLLINS (for herself and Mr. LEVIN) submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 25, between lines 11 and 12, insert the following:

(e) SPECIAL ASSISTANT TO THE SECRETARY.—

(1) RESPONSIBILITIES.—The Secretary shall appoint a Special Assistant to the Secretary who shall be responsible for—

(A) creating and fostering strategic communications with the private sector to enhance the primary mission of the Department to protect the American homeland;

(B) advising the Secretary on the impact of the Department's policies, regulations, processes, and actions on the private sector;

(C) interfacing with other relevant Federal agencies with homeland security missions to assess the impact of these agencies' actions on the private sector;

(D) creating and managing private sector advisory councils composed of representatives of industries and associations designated by the Secretary to advise the Secretary on homeland security policies, regulations, processes, and actions that affect the participating industries and associations;

(E) promoting existing public-private partnerships and developing new public-private partnerships to provide for collaboration and mutual support to address homeland security challenges; and

(F) assisting in the development and promotion of private sector best practices to secure critical infrastructure.

(2) DUPLICATION OF FUNCTIONS.—The Special Assistant to the Secretary shall avoid duplication of functions performed by the Directorate of Science of Technology in accordance with section 135.

SA 4713. Mr. JEFFORDS (for himself, Mr. SMITH of New Hampshire, and Ms. SNOWE) submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title I, add the following:

Subtitle G—First Responder Terrorism Preparedness

SEC. 199A. SHORT TITLE.

This subtitle may be cited as the ''First Responder Terrorism Preparedness Act of 2002''.

SEC. 199B. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the Federal Government must enhance the ability of first responders to respond to incidents of terrorism, including incidents involving weapons of mass destruction; and

(2) as a result of the events of September 11, 2001, it is necessary to clarify and consolidate the authority of the Federal Emergency Management Agency to support first responders.

(b) PURPOSES.—The purposes of this subtitle are—

(1) to establish within the Federal Emergency Management Agency the Office of National Preparedness;

(2) to establish a program to provide assistance to enhance the ability of first responders to respond to incidents of terrorism, including incidents involving weapons of mass destruction; and

(3) to address issues relating to urban search and rescue task forces.

SEC. 199C. DEFINITIONS.

(a) MAJOR DISASTER.—Section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)) is amended by inserting ''incident of terrorism,'' after ''drought),''.

(b) WEAPON OF MASS DESTRUCTION.—Section 602(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196(a)) is amended by adding at the end the following:

''(11) WEAPON OF MASS DESTRUCTION.—The term 'weapon of mass destruction' has the meaning given the term in section 2302 of title 50, United States Code.''.

SEC. 199D. ESTABLISHMENT OF OFFICE OF NATIONAL PREPAREDNESS.

Subtitle A of title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196 et seq.) is amended by adding at the end the following:

''SEC. 616. OFFICE OF NATIONAL PREPAREDNESS.

''(a) IN GENERAL.—There is established in the Federal Emergency Management Agency an office to be known as the 'Office of National Preparedness' (referred to in this section as the 'Office').

''(b) APPOINTMENT OF ASSOCIATE DIRECTOR.—

''(1) IN GENERAL.—The Office shall be headed by an Associate Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

''(2) COMPENSATION.—The Associate Director shall be compensated at the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

''(c) DUTIES.—The Office shall—

''(1) lead a coordinated and integrated overall effort to build, exercise, and ensure viable terrorism preparedness and response capability at all levels of government;

''(2) establish clearly defined standards and guidelines for Federal, State, tribal, and local government terrorism preparedness and response;

''(3) establish and coordinate an integrated capability for Federal, State, tribal, and local governments and emergency responders to plan for and address potential consequences of terrorism;

''(4) coordinate provision of Federal terrorism preparedness assistance to State, tribal, and local governments;

''(5) establish standards for a national, interoperable emergency communications and warning system;

''(6) establish standards for training of first responders (as defined in section 630(a)), and for equipment to be used by first responders, to respond to incidents of terrorism, including incidents involving weapons of mass destruction; and

''(7) carry out such other related activities as are approved by the Director.

''(d) DESIGNATION OF REGIONAL CONTACTS.—The Associate Director shall designate an officer or employee of the Federal Emergency

Management Agency in each of the 10 regions of the Agency to serve as the Office contact for the States in that region.

''(e) USE OF EXISTING RESOURCES.—In carrying out this section, the Associate Director shall—

''(1) to the maximum extent practicable, use existing resources, including planning documents, equipment lists, and program inventories; and

''(2) consult with and use—

''(A) existing Federal interagency boards and committees;

''(B) existing government agencies; and

''(C) nongovernmental organizations.''.

SEC. 199E. PREPAREDNESS ASSISTANCE FOR FIRST RESPONDERS.

(a) IN GENERAL.—Subtitle B of title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5197 et seq.) is amended by adding at the end the following:

''SEC. 630. PREPAREDNESS ASSISTANCE FOR FIRST RESPONDERS.

''(a) DEFINITIONS.—In this section:

''(1) FIRST RESPONDER.—The term 'first responder' means—

''(A) fire, emergency medical service, and law enforcement personnel; and

''(B) such other personnel as are identified by the Director.

''(2) LOCAL ENTITY.—The term 'local entity' has the meaning given the term by regulation promulgated by the Director.

''(3) PROGRAM.—The term 'program' means the program established under subsection (b).

''(b) PROGRAM TO PROVIDE ASSISTANCE.—

''(1) IN GENERAL.—The Director shall establish a program to provide assistance to States to enhance the ability of State and local first responders to respond to incidents of terrorism, including incidents involving weapons of mass destruction.

''(2) FEDERAL SHARE.—The Federal share of the costs eligible to be paid using assistance provided under the program shall be not less than 75 percent, as determined by the Director.

''(3) FORMS OF ASSISTANCE.—Assistance provided under paragraph (1) may consist of—

''(A) grants; and

''(B) such other forms of assistance as the Director determines to be appropriate.

''(c) USES OF ASSISTANCE.—Assistance provided under subsection (b)—

''(1) shall be used—

''(A) to purchase, to the maximum extent practicable, interoperable equipment that is necessary to respond to incidents of terrorism, including incidents involving weapons of mass destruction;

''(B) to train first responders, consistent with guidelines and standards developed by the Director;

''(C) in consultation with the Director, to develop, construct, or upgrade terrorism preparedness training facilities;

''(D) to develop, construct, or upgrade emergency operating centers;

''(E) to develop preparedness and response plans consistent with Federal, State, and local strategies, as determined by the Director;

''(F) to provide systems and equipment to meet communication needs, such as emergency notification systems, interoperable equipment, and secure communication equipment;

''(G) to conduct exercises; and

''(H) to carry out such other related activities as are approved by the Director; and

''(2) shall not be used to provide compensation to first responders (including payment for overtime).

''(d) ALLOCATION OF FUNDS.—For each fiscal year, in providing assistance under subsection (b), the Director shall make available—

''(1) to each of the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, $3,000,000; and

''(2) to each State (other than a State specified in paragraph (1))—

''(A) a base amount of $15,000,000; and

''(B) a percentage of the total remaining funds made available for the fiscal year based on criteria established by the Director, such as—

''(i) population;

''(ii) location of vital infrastructure, including—

''(I) military installations;

''(II) public buildings (as defined in section 13 of the Public Buildings Act of 1959 (40 U.S.C. 612));

''(III) nuclear power plants;

''(IV) chemical plants; and

''(V) national landmarks; and

''(iii) proximity to international borders.

''(e) PROVISION OF FUNDS TO LOCAL GOVERNMENTS AND LOCAL ENTITIES.—

''(1) IN GENERAL.—For each fiscal year, not less than 75 percent of the assistance provided to each State under this section shall be provided to local governments and local entities within the State.

''(2) ALLOCATION OF FUNDS.—Under paragraph (1), a State shall allocate assistance to local governments and local entities within the State in accordance with criteria established by the Director, such as the criteria specified in subsection (d)(2)(B).

''(3) DEADLINE FOR PROVISION OF FUNDS.—Under paragraph (1), a State shall provide all assistance to local government and local entities not later than 45 days after the date on which the State receives the assistance.

''(4) COORDINATION.—Each State shall coordinate with local governments and local entities concerning the use of assistance provided to local governments and local entities under paragraph (1).

''(f) ADMINISTRATIVE EXPENSES.—

''(1) DIRECTOR.—For each fiscal year, the Director may use to pay salaries and other administrative expenses incurred in administering the program not more than the lesser of—

''(A) 5 percent of the funds made available to carry out this section for the fiscal year; or

''(B)(i) for fiscal year 2003, $75,000,000; and

''(ii) for each of fiscal years 2004 through 2006, $50,000,000.

''(2) RECIPIENTS OF ASSISTANCE.—For each fiscal year, not more than 10 percent of the funds retained by a State after application of subsection (e) may be used to pay salaries and other administrative expenses incurred in administering the program.

''(g) MAINTENANCE OF EXPENDITURES.—The Director may provide assistance to a State under this section only if the State agrees to maintain, and to ensure that each local government that receives funds from the State in accordance with subsection (e) maintains, for the fiscal year for which the assistance is provided, the aggregate expenditures by the State or the local government, respectively, for the uses described in subsection (c)(1) at a level that is at or above the average annual level of those expenditures by the State or local government, respectively, for the 2 fiscal years preceding the fiscal year for which the assistance is provided.

''(h) REPORTS.—

''(1) ANNUAL REPORT TO THE DIRECTOR.—As a condition of receipt of assistance under this section for a fiscal year, a State shall submit to the Director, not later than 60 days after the end of the fiscal year, a report on the use of the assistance in the fiscal year.

''(2) EXERCISE AND REPORT TO CONGRESS.—As a condition of receipt of assistance under this section, not later than 3 years after the date of enactment of this section, a State shall—

''(A) conduct an exercise, or participate in a regional exercise, approved by the Director, to measure the progress of the State in enhancing the ability of State and local first responders to respond to incidents of terrorism, including incidents involving weapons of mass destruction; and

''(B) submit a report on the results of the exercise to—

''(i) the Committee on Environment and Public Works and the Committee on Appropriations of the Senate; and

''(ii) the Committee on Transportation and Infrastructure and the Committee on Appropriations of the House of Representatives.

''(i) COORDINATION.—

''(1) WITH FEDERAL AGENCIES.—The Director shall, as necessary, coordinate the provision of assistance under this section with activities carried out by—

''(A) the Administrator of the United States Fire Administration in connection with the implementation by the Administrator of the assistance to firefighters grant program established under section 33 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229) (as added by section 1701(a) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (114 Stat. 1654, 1654A–360));

''(B) the Attorney General, in connection with the implementation of the Community Oriented Policing Services (COPS) Program established under section 1701(a) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd(a)); and

''(C) other appropriate Federal agencies.

''(2) WITH INDIAN TRIBES.—In providing and using assistance under this section, the Director and the States shall, as appropriate, coordinate with—

''(A) Indian tribes (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) and other tribal organizations; and

''(B) Native villages (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)) and other Alaska Native organizations.''.

(b) COST SHARING FOR EMERGENCY OPERATING CENTERS.—Section 614 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196c) is amended—

(1) by inserting ''(other than section 630)'' after ''carry out this title''; and

(2) by inserting ''(other than section 630)'' after ''under this title''.

SEC. 199F. PROTECTION OF HEALTH AND SAFETY OF FIRST RESPONDERS.

Subtitle B of title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5197 et seq.) (as amended by section 199E(a)) is amended by adding at the end the following:

''SEC. 631. PROTECTION OF HEALTH AND SAFETY OF FIRST RESPONDERS.

''(a) DEFINITIONS.—In this section:

''(1) FIRST RESPONDER.—The term 'first responder' has the meaning given the term in section 630(a).

''(2) HARMFUL SUBSTANCE.—The term 'harmful substance' means a substance that the President determines may be harmful to human health.

''(3) PROGRAM.—The term 'program' means a program described in subsection (b)(1).

''(b) PROGRAM.—

''(1) IN GENERAL.—If the President determines that 1 or more harmful substances are being, or have been, released in an area that the President has declared to be a major disaster area under this Act, the President shall

carry out a program with respect to the area for the protection, assessment, monitoring, and study of the health and safety of first responders.

''(2) ACTIVITIES.—A program shall include—

''(A) collection and analysis of environmental and exposure data;

''(B) development and dissemination of educational materials;

''(C) provision of information on releases of a harmful substance;

''(D) identification of, performance of baseline health assessments on, taking biological samples from, and establishment of an exposure registry of first responders exposed to a harmful substance;

''(E) study of the long-term health impacts of any exposures of first responders to a harmful substance through epidemiological studies; and

''(F) provision of assistance to participants in registries and studies under subparagraphs (D) and (E) in determining eligibility for health coverage and identifying appropriate health services.

''(3) PARTICIPATION IN REGISTRIES AND STUDIES.—

''(A) IN GENERAL.—Participation in any registry or study under subparagraph (D) or (E) of paragraph (2) shall be voluntary.

''(B) PROTECTION OF PRIVACY.—The President shall take appropriate measures to protect the privacy of any participant in a registry or study described in subparagraph (A).

''(4) COOPERATIVE AGREEMENTS.—The President may carry out a program through a cooperative agreement with a medical or academic institution, or a consortium of such institutions, that is—

''(A) located in close proximity to the major disaster area with respect to which the program is carried out; and

''(B) experienced in the area of environmental or occupational health and safety, including experience in—

''(i) conducting long-term epidemiological studies;

''(ii) conducting long-term mental health studies; and

''(iii) establishing and maintaining environmental exposure or disease registries.

''(c) REPORTS AND RESPONSES TO STUDIES.—

''(1) REPORTS.—Not later than 1 year after the date of completion of a study under subsection (b)(2)(E), the President, or the medical or academic institution or consortium of such institutions that entered into the cooperative agreement under subsection (b)(4), shall submit to the Director, the Secretary of Health and Human Services, the Secretary of Labor, and the Administrator of the Environmental Protection Agency a report on the study.

''(2) CHANGES IN PROCEDURES.—To protect the health and safety of first responders, the President shall make such changes in procedures as the President determines to be necessary based on the findings of a report submitted under paragraph (1).''.

SEC. 199G. URBAN SEARCH AND RESCUE TASK FORCES.

Subtitle B of title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5197 et seq.) (as amended by section 199F) is amended by adding at the end the following:

''SEC. 632. URBAN SEARCH AND RESCUE TASK FORCES.

''(a) DEFINITIONS.—In this section:

''(1) URBAN SEARCH AND RESCUE EQUIPMENT.—The term 'urban search and rescue equipment' means any equipment that the Director determines to be necessary to respond to a major disaster or emergency declared by the President under this Act.

''(2) URBAN SEARCH AND RESCUE TASK FORCE.—The term 'urban search and rescue task force' means any of the 28 urban search and rescue task forces designated by the Director as of the date of enactment of this section.

''(b) ASSISTANCE.—

''(1) MANDATORY GRANTS FOR COSTS OF OPERATIONS.—For each fiscal year, of the amounts made available to carry out this section, the Director shall provide to each urban search and rescue task force a grant of not less than $1,500,000 to pay the costs of operations of the urban search and rescue task force (including costs of basic urban search and rescue equipment).

''(2) DISCRETIONARY GRANTS.—The Director may provide to any urban search and rescue task force a grant, in such amount as the Director determines to be appropriate, to pay the costs of—

''(A) operations in excess of the funds provided under paragraph (1);

''(B) urban search and rescue equipment;

''(C) equipment necessary for an urban search and rescue task force to operate in an environment contaminated or otherwise affected by a weapon of mass destruction;

''(D) training, including training for operating in an environment described in subparagraph (C);

''(E) transportation;

''(F) expansion of the urban search and rescue task force; and

''(G) incident support teams, including costs of conducting appropriate evaluations of the readiness of the urban search and rescue task force.

''(3) PRIORITY FOR FUNDING.—The Director shall distribute funding under this subsection so as to ensure that each urban search and rescue task force has the capacity to deploy simultaneously at least 2 teams with all necessary equipment, training, and transportation.

''(c) GRANT REQUIREMENTS.—The Director shall establish such requirements as are necessary to provide grants under this section.

''(d) ESTABLISHMENT OF ADDITIONAL URBAN SEARCH AND RESCUE TASK FORCES.—

''(1) IN GENERAL.—Subject to paragraph (2), the Director may establish urban search and rescue task forces in addition to the 28 urban search and rescue task forces in existence on the date of enactment of this section.

''(2) REQUIREMENT OF FULL FUNDING OF EXISTING URBAN SEARCH AND RESCUE TASK FORCES.—Except in the case of an urban search and rescue task force designated to replace any urban search and rescue task force that withdraws or is otherwise no longer considered to be an urban search and rescue task force designated by the Director, no additional urban search and rescue task forces may be designated or funded until the 28 urban search and rescue task forces are able to deploy simultaneously at least 2 teams with all necessary equipment, training, and transportation.''.

SEC. 199H. AUTHORIZATION OF APPROPRIATIONS.

Section 626 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5197e) is amended by striking subsection (a) and inserting the following:

''(a) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this title (other than sections 630 and 632).

''(2) PREPAREDNESS ASSISTANCE FOR FIRST RESPONDERS.—There are authorized to be appropriated to carry out section 630—

''(A) $3,340,000,000 for fiscal year 2003; and

''(B) $3,458,000,000 for each of fiscal years 2004 through 2006.

''(3) URBAN SEARCH AND RESCUE TASK FORCES.—

''(A) IN GENERAL.—There are authorized to be appropriated to carry out section 632—

''(i) $160,000,000 for fiscal year 2003; and

''(ii) $42,000,000 for each of fiscal years 2004 through 2006.

''(B) AVAILABILITY OF AMOUNTS.—Amounts made available under subparagraph (A) shall remain available until expended.''.

SA 4714. Mr. JEFFORDS (for himself and Mrs. BOXER) submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 11, line 8, strike ''terrorism, natural disasters,'' and insert ''terrorism''.

On page 11, strike lines 6 through 13 and insert the following:

homeland threats within the United States; and

(C) reduce the vulnerability of the United States to terrorism and other homeland threats.

On page 12, line 23, strike ''emergency preparedness and response,''.

On page 13, strike lines 3 through 5 and insert the following:

transportation security and critical infrastructure protection.

On page 15, line 14, insert ''and the Director of the Federal Emergency Management Agency'' after ''Defense''.

On page 16, strike lines 13 through 16.

On page 16, line 17, strike ''(15)'' and insert ''(14)''.

On page 16, line 20, strike ''(16)'' and insert ''(15)''.

On page 16, line 24, strike ''(17)'' and insert ''(16)''.

On page 17, line 4, strike ''(18)'' and insert ''(17)''.

On page 17, line 8, strike ''(19)'' and insert ''(18)''.

Beginning on page 68, strike line 14 and all that follows through page 75, line 3.

On page 75, line 3, strike ''**135**'' and insert **134**''.

On page 103, line 13, strike ''**136**'' and insert **135**''.

On page 103, line 17, strike ''**137**'' and insert **136**''.

On page 109, line 10, strike ''of the Department''.

On page 112, line 5, strike ''**138**'' and insert **137**''.

On page 112, line 10, strike ''**139**'' and insert **138**''.

On page 112, between lines 4 and 5, insert the following:

(f) COORDINATION WITH FEDERAL EMERGENCY MANAGEMENT AGENCY.—

(1) IN GENERAL.—In carrying out all responsibilities of the Secretary under this section, the Secretary shall coordinate with the Director of the Federal Emergency Management Agency.

(2) CONFORMING AMENDMENT.—Section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)) is amended by inserting ''incident of terrorism,'' after ''drought),''.

On page 114, line 6, strike ''**140**'' and insert **139**''.

On page 114, strike lines 13 and 14.

On page 115, line 3, strike ''in the Department'' and insert ''within the Federal Emergency Management Agency''.

On page 116, line 21, strike ''Department'' and insert ''Federal Emergency Management Agency''.

Beginning on page 128, strike line 22 and all that follows through page 129, line 5, and insert the following:

(a) IN GENERAL.—Full disclosure among relevant agencies shall be made in accordance with this section.

(b) PUBLIC HEALTH EMERGENCY.—During the

On page 129, strike lines 15 and 16 and insert the following:

(c) POTENTIAL PUBLIC HEALTH EMERGENCY.—In cases involving, or potentially involving,

On page 186, line 25, and page 187, line 1, strike ''emergency preparation and response,''.

On page 187, insert ''emergency preparedness and response,'' after ''assets,''.

Beginning on page 161, strike line 19 and all that follows through page 162, line 2, and insert the following:

(b) BIENNIAL REPORT.—Not later than 2 years after the date of enactment of this Act, and biennially thereafter, the Secretary shall submit to Congress a report assessing the resources and requirements of executive agencies relating to border security.

SA 4715. Mr. JEFFORDS submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 68, strike lines 14 through 23 and insert the following:

SEC. 134. FEDERAL EMERGENCY MANAGEMENT AGENCY.

(a) HOMELAND SECURITY DUTIES.—

(1) IN GENERAL.—The Federal Emergency Management Agency shall be responsible for the emergency preparedness and response functions of the Department.

(2) FUNCTION.—Except as provided in paragraph (3) and subsections (b) through (e), nothing in this Act affects the administration or administrative jurisdiction of the Federal Emergency Management Agency as in existence on the day before the date of enactment of this Act.

(3) DIRECTOR.—In carrying out responsibilities of the Federal Emergency Management Agency under all applicable law, the Director of the Federal Emergency Management Agency shall report—

(A) to the President directly, with respect to all matters relating to a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); and

(B) to the Secretary, with respect to all other matters.

On page 69, strike lines 1 through 7 and insert the following:

(b) SPECIFIC RESPONSIBILITIES.—The Director of the Federal Emergency Management Agency shall be responsible for the following:

(1) Carrying out all emergency preparedness and response activities of the Department.

On page 69, line 23, strike ''Creating a National Crisis Action Center to act'' and inserting ''Acting''.

On page 72, line 4, strike ''other''.

On page 72, line 14, strike ''Department'' and insert ''Federal Emergency Management Agency''.

On page 72, strike lines 15 through 19.

On page 72, line 20, strike ''(2)'' and insert ''(1)''.

On page 72, line 23, strike ''(3)'' and insert ''(2)''.

On page 73, line 1, strike ''(4)'' and insert ''(3)''.

On page 73, line 17, strike ''(5)'' and insert ''(4)''.

On page 73, line 23, strike ''(6)'' and insert ''(5)''.

On page 74, strike lines 7 through 22 and insert the following:

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Director of the Federal Emergency Management Agency shall submit a report.

On page 75, between lines 2 and 3, insert the following:

(f) CONFORMING AMENDMENT.—Section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)) is amended by inserting ''incident of terrorism,'' after ''drought),''.

On page 114, strike lines 13 and 14.

On page 128, line 24, strike ''134(b)(7)'' and insert ''134(b)''.

SA 4716. Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

[Data not available at time of printing.]

SA 4717. Mr. LIEBERMAN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 156, line 8, strike all through page 158, line 18, and insert the following:

SEC. 189. USE OF APPROPRIATED FUNDS.

(a) APPLICABILITY OF THIS SECTION.—Notwithstanding any other provision of this Act or any other law, this section shall apply to the use of any funds, disposal of property, and acceptance, use, and disposal of gifts, or donations of services or property, of, for, or by the Department, including any agencies, entities, or other organizations transferred to the Department under this Act.

(b) AUTHORIZATION OF APPROPRIATIONS TO CREATE DEPARTMENT.—There is authorized to be appropriated $160,000,000 for the Office of Homeland Security in the Executive Office of the President to be transferred without delay to the Department upon its creation by enactment of this Act, notwithstanding subsection (c)(1)(C) such funds shall be available only for the payment of necessary salaries and expenses associated with the initiation of operations of the Department.

(c) USE OF TRANSFERRED FUNDS.—

(1) IN GENERAL.—Except as may be provided in this subsection or in an appropriations Act in accordance with subsection (e), balances of appropriations and any other funds or assets transferred under this Act—

(A) shall be available only for the purposes for which they were originally available;

(B) shall remain subject to the same conditions and limitations provided by the law originally appropriating or otherwise making available the amount, including limitations and notification requirements related to the reprogramming of appropriated funds; and

(C) shall not be used to fund any new position established under this Act.

(2) TRANSFER OF FUNDS.—

(A) IN GENERAL.—After the creation of the Department and the swearing in of its Secretary, and upon determination by the Secretary that such action is necessary in the national interest, the Secretary is authorized to transfer, with the approval of the Office of Management and Budget, not to exceed $140,000,000 of unobligated funds from organizations and entities transferred to the new Department by this Act.

(B) LIMITATION.—Notwithstanding paragraph (1)(C), funds authorized to be transferred by subparagraph (A) shall be available only for payment of necessary costs, including funding of new positions, for the initiation of operations of the Department and may not be transferred unless the Committees on Appropriations are notified at least 15 days in advance of any proposed transfer and have approved such transfer in advance.

(C) NOTIFICATION.—The notification required in subparagraph (B) shall include a detailed justification of the purposes for which the funds are to be used and a detailed statement of the impact on the program or organization that is the source of the funds, and shall be submitted in accordance with reprogramming procedures to be established by the Committees on Appropriations.

(D) USE FOR OTHER ITEMS.—The authority to transfer funds established in this section may not be used unless for higher priority items, based on demonstrated homeland security requirements, than those for which funds originally were appropriated and in no case where the item for which funds are requested has been denied by Congress.

(d) NOTIFICATION REGARDING TRANSFERS.—The President shall notify Congress not less than 15 days before any transfer of appropriations balances, other funds, or assets under this Act.

(e) ADDITIONAL USES OF FUNDS DURING TRANSITION.—Subject to subsections (c) and (d), amounts transferred to, or otherwise made available to, the Department may be used during the transition period, as defined in section 801(2), for purposes in addition to those for which such amounts were originally available (including by transfer among accounts of the Department), but only to the extent such transfer or use is specifically permitted in advance in an appropriations Act and only under the conditions and for the purposes specified in such appropriations Act.

(f) DISPOSAL OF PROPERTY.—

(1) STRICT COMPLIANCE.—If specifically authorized to dispose of real property in this or any other Act, the Secretary shall exercise this authority in strict compliance with section 204 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485).

(2) DEPOSIT OF PROCEEDS.—The Secretary shall deposit the proceeds of any exercise of property disposal authority into the miscellaneous receipts of the Treasury in accordance with section 3302(b) of title 31, United States Code.

(g) GIFTS.—Gifts or donations of services or property of or for the Department may not be accepted, used, or disposed of unless specifically permitted in advance in an appropriations Act and only under the conditions and for the purposes specified in such appropriations Act.

(h) BUDGET REQUEST.—Under section 1105 of title 31, United States Code, the President shall submit to Congress a detailed budget request for the Department for fiscal year 2004, and for each subsequent fiscal year.

SA 4718. Mr. SPECTER submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 59, between lines 20 and 21, insert the following:

(14) On behalf of the Secretary, subject to disapproval by the President, directing the agencies described under subsection (a)(1)(B) to provide intelligence information, analyses of intelligence information, and such other intelligence-related information as the Under Secretary for Intelligence determines necessary.

SA 4719. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was orderd to lie on the table; as follows:

At the end add the following:

DIVISION D—CARE

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This division may be cited as the ''CARE Act of 2002''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this division an amendment or repeal 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 a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this division is as follows:

TITLE I—CHARITABLE GIVING INCENTIVES

SEC. 101. DEDUCTION FOR PORTION OF CHARITABLE CONTRIBUTIONS TO BE ALLOWED TO INDIVIDUALS WHO DO NOT ITEMIZE DEDUCTIONS.

(a) IN GENERAL.—Section 170 (relating to charitable, etc., contributions and gifts) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

''(m) DEDUCTION FOR INDIVIDUALS NOT ITEMIZING DEDUCTIONS.—In the case of an individual who does not itemize deductions for any taxable year, there shall be taken into account as a direct charitable deduction under section 63 an amount equal to the amount allowable under subsection (a) for the taxable year for cash contributions, but only with respect to such contributions which exceed $250 ($500 in the case of a joint return), but do not exceed $500 ($1,000 in the case of a joint return).''.

(b) DIRECT CHARITABLE DEDUCTION.—

(1) IN GENERAL.—Subsection (b) of section 63 (defining taxable income) is amended by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting '', and'', and by adding at the end the following new paragraph:

''(3) the direct charitable deduction.''.

(2) DEFINITION.—Section 63 is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

''(g) DIRECT CHARITABLE DEDUCTION.—For purposes of this section, the term 'direct charitable deduction' means that portion of the amount allowable under section 170(a) which is taken as a direct charitable deduction for the taxable year under section 170(m).''.

(3) CONFORMING AMENDMENT.—Subsection (d) of section 63 is amended by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting '', and'', and by adding at the end the following new paragraph:

''(3) the direct charitable deduction.''.

(c) STUDY.—

(1) IN GENERAL.—The Secretary of the Treasury shall study the effect of the amendments made by this section on increased charitable giving and taxpayer compliance, including a comparison of taxpayer compliance by those who itemize their charitable contributions with those who claim a direct charitable deduction.

(2) REPORT.—By not later than December 31, 2003, the Secretary of the Treasury shall report on the study required under paragraph (1) to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001, and before January 1, 2004.

SEC. 102. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT ACCOUNTS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subsection (d) of section 408 (relating to individual retirement accounts) is amended by adding at the end the following new paragraph:

''(8) DISTRIBUTIONS FOR CHARITABLE PURPOSES.—

''(A) IN GENERAL.—No amount shall be includible in gross income by reason of a qualified charitable distribution.

''(B) QUALIFIED CHARITABLE DISTRIBUTION.—For purposes of this paragraph, the term 'qualified charitable distribution' means any distribution from an individual retirement account—

''(i) which is made directly by the trustee—

''(I) to an organization described in section 170(c), or

''(II) to a split-interest entity, and

''(ii) which is made on or after the date that the individual for whose benefit the account is maintained has attained—

''(I) in the case of any distribution described in clause (i)(I), age 70½, and

''(II) in the case of any distribution described in clause (i)(II), age 59½.

A distribution shall be treated as a qualified charitable distribution only to the extent that the distribution would be includible in gross income without regard to subparagraph (A) and, in the case of a distribution to a split-interest entity, only if no person holds an income interest in the amounts in the split-interest entity attributable to such distribution other than one or more of the following: the individual for whose benefit such account is maintained, the spouse of such individual, or any organization described in section 170(c).

''(C) CONTRIBUTIONS MUST BE OTHERWISE DEDUCTIBLE.—For purposes of this paragraph—

''(i) DIRECT CONTRIBUTIONS.—A distribution to an organization described in section 170(c) shall be treated as a qualified charitable distribution only if a deduction for the entire distribution would be allowable under section 170 (determined without regard to subsection (b) thereof and this paragraph).

''(ii) SPLIT-INTEREST GIFTS.—A distribution to a split-interest entity shall be treated as a qualified charitable distribution only if a deduction for the entire value of the interest in the distribution for the use of an organization described in section 170(c) would be allowable under section 170 (determined without regard to subsection (b) thereof and this paragraph).

''(D) APPLICATION OF SECTION 72.—Notwithstanding section 72, in determining the extent to which a distribution is a qualified charitable distribution, the entire amount of the distribution shall be treated as includible in gross income without regard to subparagraph (A) to the extent that such amount does not exceed the aggregate amount which would be so includible if all amounts were distributed from all individual retirement accounts otherwise taken into account in determining the inclusion on such distribution under section 72. Proper adjustments shall be made in applying section 72 to other distributions in such taxable year and subsequent taxable years.

''(E) SPECIAL RULES FOR SPLIT-INTEREST ENTITIES.—

''(i) CHARITABLE REMAINDER TRUSTS.—Notwithstanding section 664(b), distributions made from a trust described in subparagraph (G)(i) shall be treated as ordinary income in the hands of the beneficiary to whom is paid the annuity described in section 664(d)(1)(A) or the payment described in section 664(d)(2)(A).

''(ii) POOLED INCOME FUNDS.—No amount shall be includible in the gross income of a pooled income fund (as defined in subparagraph (G)(ii)) by reason of a qualified charitable distribution to such fund, and all distributions from the fund which are attributable to qualified charitable distributions shall be treated as ordinary income to the beneficiary.

''(iii) CHARITABLE GIFT ANNUITIES.—Qualified charitable distributions made for a charitable gift annuity shall not be treated as an investment in the contract.

''(F) DENIAL OF DEDUCTION.—Qualified charitable distributions shall not be taken into account in determining the deduction under section 170.

''(G) SPLIT-INTEREST ENTITY DEFINED.—For purposes of this paragraph, the term 'split-interest entity' means—

''(i) a charitable remainder annuity trust or a charitable remainder unitrust (as such terms are defined in section 664(d)) which must be funded exclusively by qualified charitable distributions,

''(ii) a pooled income fund (as defined in section 642(c)(5)), but only if the fund accounts separately for amounts attributable to qualified charitable distributions, and

''(iii) a charitable gift annuity (as defined in section 501(m)(5)).''.

(b) MODIFICATIONS RELATING TO INFORMATION RETURNS BY CERTAIN TRUSTS.—

(1) RETURNS.—Section 6034 (relating to returns by trusts described in section 4947(a)(2) or claiming charitable deductions under section 642(c)) is amended to read as follows:

''SEC. 6034. RETURNS BY TRUSTS DESCRIBED IN SECTION 4947(a)(2) OR CLAIMING CHARITABLE DEDUCTIONS UNDER SECTION 642(c).

''(a) TRUSTS DESCRIBED IN SECTION 4947(a)(2).—Every trust described in section 4947(a)(2) shall furnish such information with respect to the taxable year as the Secretary may by forms or regulations require.

''(b) TRUSTS CLAIMING A CHARITABLE DEDUCTION UNDER SECTION 642(c).—

''(1) IN GENERAL.—Every trust not required to file a return under subsection (a) but claiming a charitable, etc., deduction under section 642(c) for the taxable year shall furnish such information with respect to such taxable year as the Secretary may by forms or regulations prescribe, including:

''(A) the amount of the charitable, etc., deduction taken under section 642(c) within such year,

''(B) the amount paid out within such year which represents amounts for which charitable, etc., deductions under section 642(c) have been taken in prior years,

''(C) the amount for which charitable, etc., deductions have been taken in prior years but which has not been paid out at the beginning of such year,

''(D) the amount paid out of principal in the current and prior years for charitable, etc., purposes,

''(E) the total income of the trust within such year and the expenses attributable thereto, and

''(F) a balance sheet showing the assets, liabilities, and net worth of the trust as of the beginning of such year.

''(2) EXCEPTIONS.—Paragraph (1) shall not apply in the case of a taxable year if all the net income for such year, determined under the applicable principles of the law of trusts, is required to be distributed currently to the beneficiaries. Paragraph (1) shall not apply in the case of a trust described in section 4947(a)(1).''.

(2) INCREASE IN PENALTY RELATING TO FILING OF INFORMATION RETURN BY SPLIT-INTEREST TRUSTS.—Paragraph (2) of section 6652(c) (relating to returns by exempt organizations and by certain trusts) is amended by adding at the end the following new subparagraph:

''(C) SPLIT-INTEREST TRUSTS.—In the case of a trust which is required to file a return under section 6034(a), subparagraphs (A) and (B) of this paragraph shall not apply and paragraph (1) shall apply in the same manner as if such return were required under section 6033, except that—

''(i) the 5 percent limitation in the second sentence of paragraph (1)(A) shall not apply,

''(ii) in the case of any trust with gross income in excess of $250,000, the first sentence of paragraph (1)(A) shall be applied by substituting '$100' for '$20', and the second sentence thereof shall be applied by substituting '$50,000' for '$10,000', and

''(iii) the third sentence of paragraph (1)(A) shall be disregarded.

In addition to any penalty imposed on the trust pursuant to this subparagraph, if the person required to file such return knowingly fails to file the return, such penalty shall also be imposed on such person who shall be personally liable for such penalty.''.

(3) CONFIDENTIALITY OF NONCHARITABLE BENEFICIARIES.—Subsection (b) of section 6104 (relating to inspection of annual information returns) is amended by adding at the end the following new sentence: ''In the case of a trust which is required to file a return under section 6034(a), this subsection shall not apply to information regarding beneficiaries which are not organizations described in section 170(c).''.

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2002.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to returns for taxable years beginning after December 31, 2002.

SEC. 103. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORIES.

(a) IN GENERAL.—Subsection (e) of section 170 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

''(7) APPLICATION OF PARAGRAPH (3) TO CERTAIN CONTRIBUTIONS OF FOOD INVENTORY.—For purposes of this section—

''(A) EXTENSION TO INDIVIDUALS.—In the case of a charitable contribution of apparently wholesome food—

''(i) paragraph (3)(A) shall be applied without regard to whether the contribution is made by a C corporation, and

''(ii) in the case of a taxpayer other than a C corporation, the aggregate amount of such contributions from any trade or business (or interest therein) of the taxpayer for any taxable year which may be taken into account under this section shall not exceed 10 percent of the taxpayer's net income from any such trade or business, computed without regard to this section, for such taxable year.

''(B) LIMITATION ON REDUCTION.—

''(i) FOR TAXABLE YEARS 2009, 2010, AND 2011.—With respect to taxable years beginning after December 31, 2008, and before January 1, 2012, in the case of a charitable contribution of apparently wholesome food, notwithstanding paragraph (3)(B), the amount of the reduction determined under paragraph (1)(A) shall not exceed the greater of—

''(I) 25 percent of the fair market value of the contributed property, or

''(II) the amount by which the fair market value of such property exceeds twice the basis of such property.

''(ii) FOR TAXABLE YEARS AFTER 2011.—With respect to taxable years beginning after December 31, 2011, in the case of a charitable contribution of apparently wholesome food, notwithstanding paragraph (3)(B), the amount of the reduction determined under paragraph (1)(A) shall not exceed the amount by which the fair market value of such property exceeds twice the basis of such property.

''(C) DETERMINATION OF BASIS.—If a taxpayer—

''(i) does not account for inventories under section 471, and

''(ii) is not required to capitalize indirect costs under section 263A,

the taxpayer may elect, solely for purposes of paragraph (3)(B), to treat the basis of any apparently wholesome food as being equal to 25 percent of the fair market value of such food.

''(D) DETERMINATION OF FAIR MARKET VALUE.—In the case of a charitable contribution of apparently wholesome food which is a qualified contribution (within the meaning of paragraph (3), as modified by subparagraph (A) of this paragraph) and which, solely by reason of internal standards of the taxpayer or lack of market, cannot or will not be sold, the fair market value of such contribution shall be determined—

''(i) without regard to such internal standards or such lack of market and

''(ii) by taking into account the price at which the same or substantially the same food items are sold by the taxpayer at the time of the contribution (or, if not so sold at such time, in the recent past).

''(E) APPARENTLY WHOLESOME FOOD.—For purposes of this paragraph, the term 'apparently wholesome food' has the meaning given such term by section 22(b)(2) of the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791(b)(2)), as in effect on the date of the enactment of this paragraph.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2002.

SEC. 104. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORIES.

(a) IN GENERAL.—Section 170(e)(3) (relating to certain contributions of ordinary income and capital gain property) is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

''(C) SPECIAL RULE FOR CONTRIBUTIONS OF BOOK INVENTORY FOR EDUCATIONAL PURPOSES.—

''(i) CONTRIBUTIONS OF BOOK INVENTORY.—In determining whether a qualified book contribution is a qualified contribution, subparagraph (A) shall be applied without regard to whether—

''(I) the donee is an organization described in the matter preceding clause (i) of subparagraph (A), and

''(II) the property is to be used by the donee solely for the care of the ill, the needy, or infants.

''(ii) AMOUNT OF REDUCTION.—Notwithstanding subparagraph (B), the amount of the reduction determined under paragraph (1)(A) shall not exceed the amount by which the fair market value of the contributed property (as determined by the taxpayer using a bona fide published market price for such book (using the same printing and edition) published within 7 years preceding the contribution) exceeds twice the basis of such property.

''(iii) QUALIFIED BOOK CONTRIBUTION.—For purposes of this paragraph, the term 'qualified book contribution' means a charitable contribution of books, but only if the requirements of clauses (iv) and (v) are met.

''(iv) IDENTITY OF DONEE.—The requirement of this clause is met if the contribution is to an organization—

''(I) described in subclause (I) or (III) of paragraph (6)(B)(i), or

''(II) described in section 501(c)(3) and exempt from tax under section 501(a) (other than a private foundation, as defined in section 509(a), which is not an operating foundation, as defined in section 4942(j)(3)), which is organized primarily to make books available to the general public at no cost or to operate a literacy program.

''(v) CERTIFICATION BY DONEE.—The requirement of this clause is met if, in addition to the certifications required by subparagraph (A) (as modified by this subparagraph), the donee certifies in writing that—

''(I) the books are suitable, in terms of currency, content, and quantity, for use in the donee's educational programs, and

''(II) the donee will use the books in its educational programs.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

SEC. 105. EXPANSION OF CHARITABLE CONTRIBUTION ALLOWED FOR SCIENTIFIC PROPERTY USED FOR RESEARCH AND FOR COMPUTER TECHNOLOGY AND EQUIPMENT USED FOR EDUCATIONAL PURPOSES.

(a) SCIENTIFIC PROPERTY USED FOR RESEARCH.—

(1) IN GENERAL.—Clause (ii) of section 170(e)(4)(B) (defining qualified research contributions) is amended by inserting ''or assembled'' after ''constructed''.

(2) CONFORMING AMENDMENT.—Clause (iii) of section 170(e)(4)(B) is amended by inserting ''or assembling'' after ''construction''.

(b) COMPUTER TECHNOLOGY AND EQUIPMENT FOR EDUCATIONAL PURPOSES.—

(1) IN GENERAL.—Clause (ii) of section 170(e)(6)(B) is amended by inserting ''or assembled'' after ''constructed'' and ''or assembling'' after ''construction''.

(2) CONFORMING AMENDMENTS.—Subparagraph (D) of section 170(e)(6) is amended by inserting ''or assembled'' after ''constructed'' and ''or assembling'' after ''construction''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 106. MODIFICATIONS TO ENCOURAGE CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Section 170(h) (relating to qualified conservation contribution) is amended by adding at the end the following new paragraph:

''(7) ADDITIONAL INCENTIVES FOR QUALIFIED CONSERVATION CONTRIBUTIONS.—

''(A) IN GENERAL.—In the case of any qualified conservation contribution (as defined in paragraph (1)) made by an individual—

''(i) subparagraph (C) of subsection (b)(1) shall not apply,

''(ii) except as provided in subparagraph (B)(i), subsections (b)(1)(A) and (d)(1) shall be applied separately with respect to such contributions by treating references to 50 percent of the taxpayer's contribution base as references to the amount of such percentage of such base reduced by the amount of other contributions allowable under subsection (b)(1)(A), and

''(iii) subparagraph (A) of subsection (d)(1) shall be applied—

''(I) by substituting '15 succeeding taxable years' for '5 succeeding taxable years', and

''(II) by applying clause (ii) to each of the 15 succeeding taxable years.

''(B) SPECIAL RULES FOR ELIGIBLE FARMERS AND RANCHERS.—

''(i) IN GENERAL.—In the case of any such contributions made by an eligible farmer or rancher—

''(I) if the taxpayer is an individual, subsections (b)(1)(A) and (d)(1) shall be applied separately with respect to such contributions by substituting 'the taxpayer's contribution base reduced by the amount of other contributions allowable under subsection (b)(1)(A)' for '50 percent of the taxpayer's contribution base' each place it appears, and

''(II) if the taxpayer is a corporation, subsections (b)(2) and (d)(2) shall be applied separately with respect to such contributions,

subsection (b)(2) shall be applied with respect to such contributions as if such subsection did not contain the words '10 percent of' and as if subparagraph (A) thereof read 'the deduction under this section for qualified conservation contributions', and rules similar to the rules of subparagraph (A)(iii) shall apply for purposes of subsection (d)(2).

''(ii) DEFINITION.—For purposes of clause (i), the term 'eligible farmer or rancher' means a taxpayer whose gross income from the trade or business of farming (within the meaning of section 2032A(e)(5)) is at least 51 percent of the taxpayer's gross income for the taxable year, and, in the case of a C corporation, the stock of which is not publicly traded on a recognized exchange.''.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2002.

SEC. 107. EXCLUSION OF 25 PERCENT OF GAIN ON SALES OR EXCHANGES OF LAND OR WATER INTERESTS TO ELIGIBLE ENTITIES FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by inserting after section 121 the following new section:

''SEC. 121A. 25-PERCENT EXCLUSION OF GAIN ON SALES OR EXCHANGES OF LAND OR WATER INTERESTS TO ELIGIBLE ENTITIES FOR CONSERVATION PURPOSES.

''(a) EXCLUSION.—Gross income shall not include 25 percent of the qualifying gain from a conservation sale of a long-held qualifying land or water interest.

''(b) QUALIFYING GAIN.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualifying gain' means any gain which would be recognized as long-term capital gain, reduced by the amount of any long-term capital gain attributable to disqualified improvements.

''(2) DISQUALIFIED IMPROVEMENT.—For purposes of paragraph (1), the term 'disqualified improvement' means any building, structure, or other improvement, other than—

''(A) any improvement which is described in section 175(c)(1), determined—

''(i) without regard to the requirements that the taxpayer be engaged in farming, and

''(ii) without taking into account subparagraphs (A) and (B) thereof, or

''(B) any improvement which the Secretary determines directly furthers conservation purposes.

''(3) SPECIAL RULE FOR SALES OF STOCK.—If the long-held qualifying land or water interest is 1 or more shares of stock in a qualifying land or water corporation, the qualifying gain is equal to the lesser of—

''(A) the qualifying gain determined under paragraph (1), or

''(B) the product of—

''(i) the percentage of such corporation's stock which is transferred by the taxpayer, times

''(ii) the amount which would have been the qualifying gain (determined under paragraph (1)) if there had been a conservation sale by such corporation of all of its interests in the land and water for a price equal to the product of the fair market value of such interests times the ratio of—

''(I) the proceeds of the conservation sale of the stock, to

''(II) the fair market value of the stock which was the subject of the conservation sale.

''(c) CONSERVATION SALE.—For purposes of this section, the term 'conservation sale' means a sale or exchange which meets the following requirements:

''(1) TRANSFEREE IS AN ELIGIBLE ENTITY.—The transferee of the long-held qualifying land or water interest is an eligible entity.

''(2) QUALIFYING LETTER OF INTENT REQUIRED.—At the time of the sale or exchange, such transferee provides the taxpayer with a qualifying letter of intent.

''(3) NONAPPLICATION TO CERTAIN SALES.—The sale or exchange is not made pursuant to an order of condemnation or eminent domain.

''(4) CONTROLLING INTEREST IN STOCK SALE REQUIRED.—In the case of the sale or exchange of stock in a qualifying land or water corporation, at the end of the taxpayer's taxable year in which such sale or exchange occurs, the transferee's ownership of stock in such corporation meets the requirements of section 1504(a)(2) (determined by substituting '90 percent' for '80 percent' each place it appears).

''(d) LONG-HELD QUALIFYING LAND OR WATER INTEREST.—For purposes of this section—

''(1) IN GENERAL.—The term 'long-held qualifying land or water interest' means any qualifying land or water interest owned by the taxpayer or a member of the taxpayer's family (as defined in section 2032A(e)(2)) at all times during the 5-year period ending on the date of the sale.

''(2) QUALIFYING LAND OR WATER INTEREST.—

''(A) IN GENERAL.—The term 'qualifying land or water interest' means a real property interest which constitutes—

''(i) a taxpayer's entire interest in land,

''(ii) a taxpayer's entire interest in water rights,

''(iii) a qualified real property interest (as defined in section 170(h)(2)), or

''(iv) stock in a qualifying land or water corporation.

''(B) ENTIRE INTEREST.—For purposes of clause (i) or (ii) of subparagraph (A)—

''(i) a partial interest in land or water is not a taxpayer's entire interest if an interest in land or water was divided in order to create such partial interest in order to avoid the requirements of such clause or section 170(f)(3)(A), and

''(ii) a taxpayer's entire interest in certain land does not fail to satisfy subparagraph (A)(i) solely because the taxpayer has retained an interest in other land, even if the other land is contiguous with such certain land and was acquired by the taxpayer along with such certain land in a single conveyance.

''(e) OTHER DEFINITIONS.—For purposes of this section—

''(1) ELIGIBLE ENTITY.—The term 'eligible entity' means—

''(A) a governmental unit referred to in section 170(c)(1), or an agency or department thereof operated primarily for 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A), or

''(B) an entity which is—

''(i) described in section 170(b)(1)(A)(vi) or section 170(h)(3)(B), and

''(ii) organized and at all times operated primarily for 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A).

''(2) QUALIFYING LETTER OF INTENT.—The term 'qualifying letter of intent' means a written letter of intent which includes the following statement: 'The transferee's intent is that this acquisition will serve 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986, that the transferee's use of the property so acquired will be consistent with section 170(h)(5) of such Code, and that the use of the property will continue to be consistent with such section, even if ownership or possession of such property is subsequently transferred to another person.'

''(3) QUALIFYING LAND OR WATER CORPORATION.—The term 'qualifying land or water corporation' means a C corporation (as defined in section 1361(a)(2)) if, as of the date of the conservation sale—

''(A) the fair market value of the corporation's interests in land or water held by the corporation at all times during the preceding 5 years equals or exceeds 90 percent of the fair market value of all of such corporation's assets, and

''(B) not more than 50 percent of the total fair market value of such corporation's assets consists of water rights or infrastructure related to the delivery of water, or both.

''(f) TAX ON SUBSEQUENT TRANSFERS OR REMOVALS OF CONSERVATION RESTRICTIONS.—

''(1) IN GENERAL.—A tax is hereby imposed on any subsequent—

''(A) transfer by an eligible entity of ownership or possession, whether by sale, exchange, or lease, of property acquired directly or indirectly in—

''(i) a conservation sale described in subsection (a), or

''(ii) a transfer described in clause (i), (ii), or (iii) of paragraph (4)(A), or

''(B) removal of a conservation restriction contained in an instrument of conveyance of such property.

''(2) AMOUNT OF TAX.—The amount of tax imposed by paragraph (1) on any transfer or removal shall be equal to the sum of—

''(A) either—

''(i) 20 percent of the fair market value (determined at the time of the transfer) of the property the ownership or possession of which is transferred, or

''(ii) 20 percent of the fair market value (determined at the time immediately after the removal) of the property upon which the conservation restriction was removed, plus

''(B) the product of—

''(i) the highest rate of tax specified in section 11, times

''(ii) any gain or income realized by the transferor or person removing such restriction as a result of the transfer or removal.

''(3) LIABILITY.—The tax imposed by paragraph (1) shall be paid—

''(A) on any transfer, by the transferor, and

''(B) on any removal of a conservation restriction contained in an instrument of conveyance, by the person removing such restriction.

''(4) RELIEF FROM LIABILITY.—The person (otherwise liable for any tax imposed by paragraph (1)) shall be relieved of liability for the tax imposed by paragraph (1)—

''(A) with respect to any transfer if—

''(i) the transferee is an eligible entity which provides such person, at the time of transfer, a qualifying letter of intent,

''(ii) the transferee is not an eligible entity, it is established to the satisfaction of the Secretary, that the transfer of ownership or possession, as the case may be, will be consistent with section 170(h)(5), and the transferee provides such person, at the time of transfer, a qualifying letter of intent, or

''(iii) tax has previously been paid under this subsection as a result of a prior transfer of ownership or possession of the same property, or

''(B) with respect to any removal of a conservation restriction contained in an instrument of conveyance, if it is established to the satisfaction of the Secretary that the retention of the restriction was impracticable or impossible and the proceeds continue to be used in a manner consistent with 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A).

''(5) ADMINISTRATIVE PROVISIONS.—For purposes of subtitle F, the taxes imposed by this

subsection shall be treated as excise taxes with respect to which the deficiency procedures of such subtitle apply.

''(6) REPORTING.—The Secretary may require such reporting as may be necessary or appropriate to further the purpose under this section that any conservation use be in perpetuity.''.

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by inserting after the item relating to section 121 the following new item:

''Sec. 121A. 25-percent exclusion of gain on sales or exchanges of land or water interests to eligible entities for conservation purposes.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges occurring after December 31, 2003, in taxable years ending after such date.

SEC. 108. TAX EXCLUSION FOR COST-SHARING PAYMENTS UNDER PARTNERS FOR FISH AND WILDLIFE PROGRAM.

(a) IN GENERAL.—Section 126(a) (relating to certain cost-sharing payments) is amended by redesignating paragraph (10) as paragraph (11) and by inserting after paragraph (9) the following:

''(10) The Partners for Fish and Wildlife Program authorized by the Fish and Wildlife Act of 1956 (16 U.S.C. 742a et seq.).''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to payments received in taxable years beginning after December 31, 2002.

SEC. 109. ADJUSTMENT TO BASIS OF S CORPORATION STOCK FOR CERTAIN CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Paragraph (2) of section 1367(a) (relating to adjustments to basis of stock of shareholders, etc.) is amended by adding at the end the following new flush sentence:

''The decrease under subparagraph (B) by reason of a charitable contribution (as defined in section 170(c)) of property shall be the amount equal to the shareholder's pro rata share of the adjusted basis of such property.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2002.

SEC. 110. ENHANCED DEDUCTION FOR CHARITABLE CONTRIBUTION OF LITERARY, MUSICAL, ARTISTIC, AND SCHOLARLY COMPOSITIONS.

(a) IN GENERAL.—Subsection (e) of section 170 (relating to certain contributions of ordinary income and capital gain property), as amended by this Act, is amended by adding at the end the following new paragraph:

''(8) SPECIAL RULE FOR CERTAIN CONTRIBUTIONS OF LITERARY, MUSICAL, ARTISTIC, OR SCHOLARLY COMPOSITIONS.—

''(A) IN GENERAL.—In the case of a qualified artistic charitable contribution—

''(i) the amount of such contribution taken into account under this section shall be the fair market value of the property contributed (determined at the time of such contribution), and

''(ii) no reduction in the amount of such contribution shall be made under paragraph (1).

''(B) QUALIFIED ARTISTIC CHARITABLE CONTRIBUTION.—For purposes of this paragraph, the term 'qualified artistic charitable contribution' means a charitable contribution of any literary, musical, artistic, or scholarly composition, or similar property, or the copyright thereon (or both), but only if—

''(i) such property was created by the personal efforts of the taxpayer making such contribution no less than 18 months prior to such contribution,

''(ii) the taxpayer—

''(I) has received a qualified appraisal of the fair market value of such property in accordance with the regulations under this section, and

''(II) attaches to the taxpayer's income tax return for the taxable year in which such contribution was made a copy of such appraisal,

''(iii) the donee is an organization described in subsection (b)(1)(A),

''(iv) the use of such property by the donee is related to the purpose or function constituting the basis for the donee's exemption under section 501 (or, in the case of a governmental unit, to any purpose or function described under section 501(c)),

''(v) the taxpayer receives from the donee a written statement representing that the donee's use of the property will be in accordance with the provisions of clause (iv), and

''(vi) the written appraisal referred to in clause (ii) includes evidence of the extent (if any) to which property created by the personal efforts of the taxpayer and of the same type as the donated property is or has been—

''(I) owned, maintained, and displayed by organizations described in subsection (b)(1)(A), and

''(II) sold to or exchanged by persons other than the taxpayer, donee, or any related person (as defined in section 465(b)(3)(C)).

''(C) MAXIMUM DOLLAR LIMITATION; NO CARRYOVER OF INCREASED DEDUCTION.—The increase in the deduction under this section by reason of this paragraph for any taxable year—

''(i) shall not exceed the artistic adjusted gross income of the taxpayer for such taxable year, and

''(ii) shall not be taken into account in determining the amount which may be carried from such taxable year under subsection (d).

''(D) ARTISTIC ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'artistic adjusted gross income' means that portion of the adjusted gross income of the taxpayer for the taxable year attributable to—

''(i) income from the sale or use of property created by the personal efforts of the taxpayer which is of the same type as the donated property, and

''(ii) income from teaching, lecturing, performing, or similar activity with respect to property described in clause (i).

''(E) PARAGRAPH NOT TO APPLY TO CERTAIN CONTRIBUTIONS.—Subparagraph (A) shall not apply to any charitable contribution of any letter, memorandum, or similar property which was written, prepared, or produced by or for an individual while the individual is an officer or employee of any person (including any government agency or instrumentality) unless such letter, memorandum, or similar property is entirely personal.

''(F) COPYRIGHT TREATED AS SEPARATE PROPERTY FOR PARTIAL INTEREST RULE.—In the case of a qualified artistic charitable contribution, the tangible literary, musical, artistic, or scholarly composition, or similar property and the copyright on such work shall be treated as separate properties for purposes of this paragraph and subsection (f)(3).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2002, in taxable years ending after such date.

SEC. 111. MILEAGE REIMBURSEMENTS TO CHARITABLE VOLUNTEERS EXCLUDED FROM GROSS INCOME.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 is amended by inserting after section 139 the following new section:

''SEC. 139A. MILEAGE REIMBURSEMENTS TO CHARITABLE VOLUNTEERS.

''(a) IN GENERAL.—Gross income of an individual does not include amounts received, from an organization described in section 170(c), as reimbursement of operating expenses with respect to use of a passenger automobile for the benefit of such organization. The preceding sentence shall apply only to the extent that such reimbursement would be deductible under this chapter if section 274(d) were applied—

''(1) by using the standard business mileage rate established under such section, and

''(2) as if the individual were an employee of an organization not described in section 170(c).

''(b) APPLICATION TO VOLUNTEER SERVICES ONLY.—Subsection (a) shall not apply with respect to any expenses relating to the performance of services for compensation.

''(c) NO DOUBLE BENEFIT.—A taxpayer may not claim a deduction or credit under any other provision of this title with respect to the expenses under subsection (a).

''(d) EXEMPTION FROM REPORTING REQUIREMENTS.—Section 6041 shall not apply with respect to reimbursements excluded from income under subsection (a).''

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by inserting after the item relating to section 139 and inserting the following new item:

''Sec. 139A. Mileage reimbursements to charitable volunteers.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

TITLE II—DISCLOSURE OF INFORMATION RELATING TO TAX-EXEMPT ORGANIZATIONS

SEC. 201. DISCLOSURE OF WRITTEN DETERMINATIONS.

(a) IN GENERAL.—Section 6110(l) (relating to section not to apply) is amended by striking all matter before subparagraph (A) of paragraph (2) and inserting the following:

''(l) SECTION NOT TO APPLY.—

''(1) IN GENERAL.—This section shall not apply to any matter to which section 6104 or 6105 applies, except that this section shall apply to any written determination and related background file document relating to the tax-exempt status of an organization described under subsection (c) or (d) of section 501 (including any organization that has applied for tax-exempt status under such subsection) which is not required to be disclosed by section 6104(a)(1)(A) but which is within the scope of section 6104.

''(2) ADDITIONAL MATTERS.—This section shall not apply to any—''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to written determinations issued after December 31, 2002.

SEC. 202. DISCLOSURE OF INTERNET WEB SITE AND NAME UNDER WHICH ORGANIZATION DOES BUSINESS.

(a) IN GENERAL.—Section 6033 (relating to returns by exempt organizations) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

''(h) DISCLOSURE OF NAME UNDER WHICH ORGANIZATION DOES BUSINESS AND ITS INTERNET WEB SITE.—Any organization which is subject to the requirements of subsection (a) shall include on the return required under subsection (a)—

''(1) any name under which such organization operates or does business, and

''(2) the Internet web site address (if any) of such organization.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to returns filed after December 31, 2002.

SEC. 203. MODIFICATION TO REPORTING CAPITAL TRANSACTIONS.

(a) REQUIREMENT OF SUMMARY REPORT.—Section 6033(c) (relating to additional provisions relating to private foundations) is amended by adding at the end the following new sentence: ''Any information included in an annual return regarding the gain or loss from the sale or other disposition of property which is required to be furnished in order to calculate the tax on net investment income shall also be reported in summary form with a notice that detailed information is available upon request by the public.''.

(b) DISCLOSURE REQUIREMENT.—Section 6104(b) (relating to inspection of annual information returns), as amended by this Act, is amended by adding at the end the following new sentences: ''With respect to any private foundation (as defined in section 509(a)), any information regarding the gain or loss from the sale or other disposition of property which is required to be furnished in order to calculate the tax on net investment income but which is not in summary form is not required to be made available to the public under this subsection except upon the explicit request by a member of the public to the Secretary .''.

(c) PUBLIC INSPECTION REQUIREMENT.—Section 6104(d) (relating to public inspection of certain annual returns, applications for exemptions, and notices of status) is amended by adding at the end the following new paragraph:

''(9) APPLICATION TO PRIVATE FOUNDATION CAPITAL TRANSACTION INFORMATION.—With respect to any private foundation (as defined in section 509(a)), any information regarding the gain or loss from the sale or other disposition of property which is required to be furnished in order to calculate the tax on net investment income but which is not in summary form is not required to be made available to the public under this subsection except upon the explicit request by a member of the public to the private foundation in the form and manner of a request described in paragraph (1)(B).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to returns filed after December 31, 2002.

SEC. 204. DISCLOSURE THAT FORM 990 IS PUBLICLY AVAILABLE.

(a) IN GENERAL.—The Commissioner of the Internal Revenue shall notify the public in appropriate publications or other materials of the extent to which an exempt organization's Form 990, Form 990–EZ, or Form 990–PF is publicly available.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to publications or other materials issued or revised after the date of the enactment of this Act.

SEC. 205. DISCLOSURE TO STATE OFFICIALS OF PROPOSED ACTIONS RELATED TO SECTION 501(c) ORGANIZATIONS.

(a) IN GENERAL.—Subsection (c) of section 6104 is amended by striking paragraph (2) and inserting the following new paragraphs:

''(2) DISCLOSURE OF PROPOSED ACTIONS RELATED TO CHARITABLE ORGANIZATIONS.—

''(A) SPECIFIC NOTIFICATIONS.—In the case of an organization to which paragraph (1) applies, the Secretary may disclose to the appropriate State officer—

''(i) a notice of proposed refusal to recognize such organization as an organization described in section 501(c)(3) or a notice of proposed revocation of such organization's recognition as an organization exempt from taxation,

''(ii) the issuance of a letter of proposed deficiency of tax imposed under section 507 or chapter 41 or 42, and

''(iii) the names, addresses, and taxpayer identification numbers of organizations which have applied for recognition as organizations described in section 501(c)(3).

''(B) ADDITIONAL DISCLOSURES.—Returns and return information of organizations with respect to which information is disclosed under subparagraph (A) may be made available for inspection by or disclosed to an appropriate State officer.

''(C) PROCEDURES FOR DISCLOSURE.—Information may be inspected or disclosed under subparagraph (A) or (B) only—

''(i) upon written request by an appropriate State officer, and

''(ii) for the purpose of, and only to the extent necessary in, the administration of State laws regulating such organizations.

Such information may only be inspected by or disclosed to representatives of the appropriate State officer designated as the individuals who are to inspect or to receive the returns or return information under this paragraph on behalf of such officer. Such representatives shall not include any independent contractor.

''(D) DISCLOSURES OTHER THAN BY REQUEST.—The Secretary may make available for inspection or disclose returns and return information of an organization to which paragraph (1) applies to an appropriate State officer of any State if the Secretary determines that such inspection or disclosure may facilitate the resolution of Federal or State issues relating to the tax-exempt status of such organization.

''(3) DISCLOSURE WITH RESPECT TO CERTAIN OTHER EXEMPT ORGANIZATIONS.—Upon written request by an appropriate State officer, the Secretary may make available for inspection or disclosure returns and return information of an organization described in paragraph (2), (4), (6), (7), (8), (10), or (13) of section 501(c) for the purpose of, and to the extent necessary in, the administration of State laws regulating the solicitation or administration of the charitable funds or charitable assets of such organizations. Such information may be inspected only by or disclosed only to representatives of the appropriate State officer designated as the individuals who are to inspect or to receive the returns or return information under this paragraph on behalf of such officer. Such representatives shall not include any independent contractor.

''(4) USE IN JUDICIAL AND ADMINISTRATIVE PROCEEDINGS.—Returns and return information disclosed pursuant to this subsection may be disclosed in civil administrative and judicial proceedings pertaining to the enforcement of State laws regulating such organizations in a manner prescribed by the Secretary similar to that for tax administration proceedings under section 6103(h)(4).

''(5) NO DISCLOSURE IF IMPAIRMENT.—Returns and return information shall not be disclosed under this subsection, or in any proceeding described in paragraph (4), to the extent that the Secretary determines that such disclosure would seriously impair Federal tax administration.

''(6) DEFINITIONS.—For purposes of this subsection—

''(A) RETURN AND RETURN INFORMATION.—The terms 'return' and 'return information' have the respective meanings given to such terms by section 6103(b).

''(B) APPROPRIATE STATE OFFICER.—The term 'appropriate State officer' means—

''(i) the State attorney general,

''(ii) in the case of an organization to which paragraph (1) applies, any other State official charged with overseeing organizations of the type described in section 501(c)(3), and

''(iii) in the case of an organization to which paragraph (3) applies, the head of an agency designated by the State attorney general as having primary responsibility for overseeing the tax-exempt status of such organizations.''.

(b) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 6103 is amended—

(A) by inserting ''or section 6104(c)'' after ''this section'' in paragraph (2), and

(B) by striking ''or subsection (n)'' in paragraph (3) and inserting ''subsection (n), or section 6104(c)''.

(2) Subparagraph (A) of section 6103(p)(3) is amended by inserting ''and section 6104(c)'' after ''section'' in the first sentence.

(3) Paragraph (4) of section 6103(p) is amended—

(A) in the matter preceding subparagraph (A), by striking ''(16) or any other person described in subsection (l)(16)'' and inserting ''(16), any other person described in subsection (l)(16), or any appropriate State officer (as defined in section 6104(c))'', and

(B) in subparagraph (F), by striking ''or any other person described in subsection (l)(16)'' and inserting ''any other person described in subsection (l)(16), or any appropriate State officer (as defined in section 6104(c))''.

(4) The heading for paragraph (1) of section 6104(c) is amended by inserting ''FOR CHARITABLE ORGANIZATIONS''.

(5) Paragraph (2) of section 7213(a) is amended by inserting ''or under section 6104(c)'' after ''6103''.

(6) Paragraph (2) of section 7213A(a) is amended by inserting ''or 6104(c)'' after ''6103''.

(7) Paragraph (2) of section 7431(a) is amended by inserting ''(including any disclosure in violation of section 6104(c))'' after ''6103''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act but shall not apply to requests made before such date.

TITLE III—OTHER CHARITABLE AND EXEMPT ORGANIZATION PROVISIONS

SEC. 301. MODIFICATION OF EXCISE TAX ON UNRELATED BUSINESS TAXABLE INCOME OF CHARITABLE REMAINDER TRUSTS.

(a) IN GENERAL.—Subsection (c) of section 664 (relating to exemption from income taxes) is amended to read as follows:

''(c) TAXATION OF TRUSTS.—

''(1) INCOME TAX.—A charitable remainder annuity trust and a charitable remainder unitrust shall, for any taxable year, not be subject to any tax imposed by this subtitle.

''(2) EXCISE TAX.—

''(A) IN GENERAL.—In the case of a charitable remainder annuity trust or a charitable remainder unitrust which has unrelated business taxable income (within the meaning of section 512, determined as if part III of subchapter F applied to such trust) for a taxable year, there is hereby imposed on such trust or unitrust an excise tax equal to the amount of such unrelated business taxable income.

''(B) CERTAIN RULES TO APPLY.—The tax imposed by subparagraph (A) shall be treated as imposed by chapter 42 for purposes of this title other than subchapter E of chapter 42.

''(C) TAX COURT PROCEEDINGS.—For purposes of this paragraph, the references in section 6212(c)(1) to section 4940 shall be deemed to include references to this paragraph.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 302. MODIFICATIONS TO SECTION 512(b)(13).

(a) IN GENERAL.—Paragraph (13) of section 512(b) (relating to special rules for certain amounts received from controlled entities) is amended by redesignating subparagraph (E) as subparagraph (F) and by inserting after subparagraph (D) the following new subparagraph:

''(E) PARAGRAPH TO APPLY ONLY TO EXCESS PAYMENTS.—

''(i) IN GENERAL.—Subparagraph (A) shall apply only to the portion of a specified payment received or accrued by the controlling organization that exceeds the amount which would have been paid or accrued if such payment met the requirements prescribed under section 482.

''(ii) ADDITION TO TAX FOR VALUATION MISSTATEMENTS.—The tax imposed by this chapter on the controlling organization shall be increased by an amount equal to 20 percent of the larger of—

''(I) such excess determined without regard to any amendment or supplement to a return of tax, or

''(II) such excess determined with regard to all such amendments and supplements.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall apply to payments received or accrued after December 31, 2000.

(2) PAYMENTS SUBJECT TO BINDING CONTRACT TRANSITION RULE.—If the amendments made by section 1041 of the Taxpayer Relief Act of 1997 did not apply to any amount received or accrued in the first 2 taxable years beginning on or after the date of the enactment of the Taxpayer Relief Act of 1997 under any contract described in subsection (b)(2) of such section, such amendments also shall not apply to amounts received or accrued under such contract before January 1, 2001.

SEC. 303. SIMPLIFICATION OF LOBBYING EXPENDITURE LIMITATION.

(a) REPEAL OF GRASSROOTS EXPENDITURE LIMIT.—Paragraph (1) of section 501(h) (relating to expenditures by public charities to influence legislation) is amended to read as follows:

''(1) GENERAL RULE.—In the case of an organization to which this subsection applies, exemption from taxation under subsection (a) shall be denied because a substantial part of the activities of such organization consists of carrying on propaganda, or otherwise attempting, to influence legislation, but only if such organization normally makes lobbying expenditures in excess of the lobbying ceiling amount for such organization for each taxable year.''.

(b) EXCESS LOBBYING EXPENDITURES.—Section 4911(b) is amended to read as follows:

''(b) EXCESS LOBBYING EXPENDITURES.—For purposes of this section, the term 'excess lobbying expenditures' means, for a taxable year, the amount by which the lobbying expenditures made by the organization during the taxable year exceed the lobbying nontaxable amount for such organization for such taxable year.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 501(h)(2) is amended by striking subparagraphs (C) and (D).

(2) Section 4911(c) is amended by striking paragraphs (3) and (4).

(3) Paragraph (1)(A) of section 4911(f) is amended by striking ''limits of section 501(h)(1) have'' and inserting ''limit of section 501(h)(1) has''.

(4) Paragraph (1)(C) of section 4911(f) is amended by striking ''limits of section 501(h)(1) are'' and inserting ''limit of section 501(h)(1) is''.

(5) Paragraphs (4)(A) and (4)(B) of section 4911(f) are each amended by striking ''limits of section 501(h)(1)'' and inserting ''limit of section 501(h)(1)''.

(6) Paragraph (8) of section 6033(b) (relating to certain organizations described in section 501(c)(3)) is amended by inserting ''and'' at the end of subparagraph (A) and by striking subparagraphs (C) and (D).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 304. EXPEDITED REVIEW PROCESS FOR CERTAIN TAX-EXEMPTION APPLICATIONS.

(a) IN GENERAL.—The Secretary of the Treasury or the Secretary's delegate (in this section, referred to as the ''Secretary'') shall adopt procedures to expedite the consideration of applications for exempt status under section 501(c)(3) of the Internal Revenue Code of 1986 filed after December 31, 2002, by any organization that—

(1) is organized and operated for the primary purpose of providing social services;

(2) is seeking a contract or grant under a Federal, State, or local program that provides funding for social services programs;

(3) establishes that, under the terms and conditions of the contract or grant program, an organization is required to obtain such exempt status before the organization is eligible to apply for a contract or grant;

(4) includes with its exemption application a copy of its completed Federal, State, or local contract or grant application; and

(5) meets such other criteria as the Secretary deems appropriate for expedited consideration.

The Secretary may prescribe other similar circumstances in which such organizations may be entitled to expedited consideration.

(b) WAIVER OF APPLICATION FEE FOR EXEMPT STATUS.—Any organization that meets the conditions described in subsection (a) (without regard to paragraph (3) of that subsection) is entitled to a waiver of any fee for an application for exempt status under section 501(c)(3) of the Internal Revenue Code of 1986 if the organization certifies that the organization has had (or expects to have) average annual gross receipts of not more than $50,000 during the preceding 4 years (or, in the case of an organization not in existence throughout the preceding 4 years, during such organization's first 4 years).

(c) SOCIAL SERVICES DEFINED.—For purposes of this section—

(1) IN GENERAL.—The term ''social services'' means services directed at helping people in need, reducing poverty, improving outcomes of low-income children, revitalizing low-income communities, and empowering low-income families and low-income individuals to become self-sufficient, including—

(A) child care services, protective services for children and adults, services for children and adults in foster care, adoption services, services related to the management and maintenance of the home, day care services for adults, and services to meet the special needs of children, older individuals, and individuals with disabilities (including physical, mental, or emotional disabilities);

(B) transportation services;

(C) job training and related services, and employment services;

(D) information, referral, and counseling services;

(E) the preparation and delivery of meals, and services related to soup kitchens or food banks;

(F) health support services;

(G) literacy and mentoring programs;

(H) services for the prevention and treatment of juvenile delinquency and substance abuse, services for the prevention of crime and the provision of assistance to the victims and the families of criminal offenders, and services related to the intervention in, and prevention of, domestic violence; and

(I) services related to the provision of assistance for housing under Federal law.

(2) EXCLUSIONS.—The term does not include a program having the purpose of delivering educational assistance under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) or under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

SEC. 305. CLARIFICATION OF DEFINITION OF CHURCH TAX INQUIRY.

Subsection (i) of section 7611 (relating to section not to apply to criminal investigations, etc.) is amended by striking ''or'' at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting '', or'', and by inserting after paragraph (5) the following:

''(6) information provided by the Secretary related to the standards for exemption from tax under this title and the requirements under this title relating to unrelated business taxable income.''.

SEC. 306. EXPANSION OF DECLARATORY JUDGMENT REMEDY TO TAX-EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Paragraph (1) of section 7428(a) (relating to creation of remedy) is amended—

(1) in subparagraph (B) by inserting after ''509(a))'' the following: ''or as a private operating foundation (as defined in section 4942(j)(3))''; and

(2) by amending subparagraph (C) to read as follows:

''(C) with respect to the initial qualification or continuing qualification of an organization as an organization described in section 501(c) (other than paragraph (3)) which is exempt from tax under section 501(a), or''.

(b) COURT JURISDICTION.—Subsection (a) of section 7428 is amended in the material following paragraph (2) by striking ''United States Tax Court, the United States Claims Court, or the district court of the United States for the District of Columbia'' and inserting the following: ''United States Tax Court (in the case of any such determination or failure) or the United States Claims Court or the district court of the United States for the District of Columbia (in the case of a determination or failure with respect to an issue referred to in subparagraph (A) or (B) of paragraph (1)),''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to pleadings filed with respect to determinations made after December 31, 2001.

SEC. 307. DEFINITION OF CONVENTION OR ASSOCIATION OF CHURCHES.

Section 7701 (relating to definitions) is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

''(n) CONVENTION OR ASSOCIATION OF CHURCHES.—For purposes of this title, any organization which is otherwise a convention or association of churches shall not fail to so qualify merely because the membership of such organization includes individuals as well as churches or because individuals have voting rights in such organization.''.

SEC. 308. CHARITABLE CONTRIBUTION DEDUCTION FOR CERTAIN EXPENSES INCURRED IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.

(a) IN GENERAL.—Section 170 (relating to charitable, etc., contributions and gifts), as amended by this Act, is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

''(n) EXPENSES PAID BY CERTAIN WHALING CAPTAINS IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.—

''(1) IN GENERAL.—In the case of an individual who is recognized by the Alaska Eskimo Whaling Commission as a whaling captain charged with the responsibility of maintaining and carrying out sanctioned whaling activities and who engages in such activities during the taxable year, the amount described in paragraph (2) (to the extent such amount does not exceed $7,500 for the taxable year) shall be treated for purposes of this section as a charitable contribution.

''(2) AMOUNT DESCRIBED.—

''(A) IN GENERAL.—The amount described in this paragraph is the aggregate of the reasonable and necessary whaling expenses paid by the taxpayer during the taxable year in carrying out sanctioned whaling activities.

''(B) WHALING EXPENSES.—For purposes of subparagraph (A), the term 'whaling expenses' includes expenses for—

''(i) the acquisition and maintenance of whaling boats, weapons, and gear used in sanctioned whaling activities,

''(ii) the supplying of food for the crew and other provisions for carrying out such activities, and

''(iii) storage and distribution of the catch from such activities.

''(3) SANCTIONED WHALING ACTIVITIES.—For purposes of this subsection, the term 'sanctioned whaling activities' means subsistence bowhead whale hunting activities conducted pursuant to the management plan of the Alaska Eskimo Whaling Commission.''

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to expenses paid after December 31, 2002, in taxable years ending after such date.

SEC. 309. PAYMENTS BY CHARITABLE ORGANIZATIONS TO VICTIMS OF WAR ON TERRORISM.

(a) IN GENERAL.—For purposes of the Internal Revenue Code of 1986—

(1) payments made by an organization described in section 501(c)(3) of such Code to a member of the Armed Forces of the United States, or to an individual of such member's immediate family by reason of the death, injury, wounding, or illness of such member incurred as the result of the military response of the United States to the terrorist attacks against the United States on September 11, 2001, shall be treated as related to the purpose or function constituting the basis for such organization's exemption under section 501 of such Code if such payments are made using an objective formula which is consistently applied, and

(2) in the case of a private foundation (as defined in section 509 of such Code), any payment described in paragraph (1) shall not be treated as made to a disqualified person for purposes of section 4941 of such Code.

(b) EFFECTIVE DATE.—This section shall apply to payments made after the date of the enactment of this Act and before September 11, 2003.

SEC. 310. TREATMENT OF BONDS ISSUED TO ACQUIRE STANDING TIMBER ON LAND SUBJECT TO CONSERVATION EASEMENT.

(a) IN GENERAL.—Section 145 (defining qualified 501(c)(3) bond) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

''(e) BONDS ISSUED TO ACQUIRE STANDING TIMBER ON LAND SUBJECT TO CONSERVATION EASEMENT.—

''(1) IN GENERAL.—A bond to which this subsection applies shall not fail to be a qualified 501(c)(3) bond by reason of the sale, lease, or other use of standing timber if—

''(A) such sale, lease, or other use does not constitute an unrelated trade or business (determined by applying section 513(a)),

''(B) the bond is designated by the Secretary for purposes of this subsection, and

''(C) the bond otherwise meets the requirements of this subsection.

''(2) BONDS TO WHICH SUBSECTION APPLIES.—This subsection applies to bonds the proceeds of which are used to acquire both land and any standing timber associated with such land from an unrelated person if—

''(A) such land is subject to a conservation restriction which—

''(i) is granted in perpetuity to an unrelated person which is a qualified organization (as defined in section 170(h)(3)),

''(ii) meets the requirements of clause (ii) or (iii)(II) of section 170(h)(4)(A), and

''(iii) obligates the owner of such land to pay the costs incurred by the holder of the conservation restriction in monitoring compliance with such restriction, and

''(B) the seller irrevocably elects not to exclude from income any gain on the sale under section 121A.

''(3) TREATMENT OF TIMBER, ETC.—

''(A) IN GENERAL.—For purposes of subsection (a), the cost of any standing timber acquired with proceeds of such bonds shall be treated as a cost of acquiring the land associated with the standing timber and such land shall not be treated as used for a private business use because of the sale or lease of the standing timber to, or other use of the standing timber by, an unrelated person to the extent that such sale, lease, or other use does not constitute an unrelated trade or business, determined by applying section 513(a).

''(B) APPLICATION OF BOND MATURITY LIMITATION.—For purposes of section 147(b), the land or standing timber acquired with proceeds of such bonds shall have an economic life of 35 years.

''(C) UNRELATED PERSON.—For purposes of this subsection, a person shall be treated as unrelated to—

''(i) an organization to which section 501 applies, if such person (or, if such person is an individual, a member of such person's family) controls directly or indirectly less than 20 percent of the governing body of such organization,

''(ii) a corporation, if such person owns directly or indirectly less than 20 percent of the value of the outstanding stock of such corporation, or

''(iii) a partnership, if such person owns directly or indirectly less than 20 percent of the capital interests or profit interests of such partnership.

''(4) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

''(A) IN GENERAL.—The aggregate amount of bonds (including any bond (or series of bonds) used to advance refund such bonds) which may be designated for purposes of this subsection under paragraph (1)(B) shall not exceed $2,000,000,000.

''(B) NO DESIGNATION AFTER 2005.—No bonds may be so designated after 2005.

''(C) ALLOCATION OF LIMITATION.—The limitation described in subparagraph (A) shall be allocated by the Secretary among 501(c)(3) organizations based on criteria established by the Secretary after consultation with appropriate Federal, State, and local officials.

''(D) TREATMENT OF CURRENT REFUNDING BONDS.—Any bond (or series of bonds) issued to refund a bond designated and issued before January 1, 2006, shall be treated as designated for purposes of this subsection under paragraph (1)(B) and shall not be taken into account in applying subparagraph (A) or (B) of this paragraph if—

''(i) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

''(ii) the net proceeds of the refunding bond are used to redeem the refunded bond not later than 90 days after the date of the issuance of the refunding bond.

''(5) TERMINATION.—This subsection shall not apply to any bond (other than a refunding bond described in paragraph (4)(D)) issued after December 31, 2005.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to bonds issued after September 30, 2002.

SEC. 311. EXEMPTION FROM INCOME TAX FOR STATE-CREATED ORGANIZATIONS PROVIDING PROPERTY AND CASUALTY INSURANCE FOR PROPERTY FOR WHICH SUCH COVERAGE IS OTHERWISE UNAVAILABLE.

(a) IN GENERAL.—Subsection (c) of section 501 (relating to exemption from tax on corporations, certain trusts, etc.) is amended by adding at the end the following new paragraph:

''(29)(A) Any association created before January 1, 1999, by State law and organized and operated exclusively to provide property and casualty insurance coverage for windstorm, hail, and fire damage to property located within the State for which the State determines, through appropriate State action, that such coverage in the authorized insurance market is not reasonably available to a substantial number of insurable real properties (and any successor association) if—

''(i) no part of the net earnings of which inures to the benefit of any private shareholder or individual,

''(ii) except as provided in clause (v), no part of the assets of which may be used for, or diverted to, any purpose other than—

''(I) to satisfy, in whole or in part, the liability of the association for, or with respect to, claims made on policies written by the association,

''(II) to invest in investments authorized by applicable law,

''(III) to pay reasonable and necessary administration expenses in connection with the establishment and operation of the association and the processing of claims against the association, or

''(IV) to make remittances pursuant to State law to be used by the State to provide for the payment of claims on policies written by the association, purchase reinsurance covering losses under such policies, or to support governmental programs to prepare for or mitigate the effects of natural catastrophic events,

''(iii) the State law governing the association permits the association to levy assessments on insurance companies authorized to sell property and casualty insurance in the State, or on property and casualty insurance policyholders with insurable interests in property located in the State to fund deficits of the association, including the creation of reserves,

''(iv) the plan of operation of the association is subject to approval by the chief executive officer or other official of the State, by the State legislature, or both, and

''(v) the assets of the association revert upon dissolution to the State, the State's designee, or an entity designated by the State law governing the association, or State law does not permit the dissolution of the association.

''(B)(i) An entity described in clause (ii) (and any successor entity) shall be disregarded as a separate entity and treated as part of the association described in subparagraph (A) from which it receives remittances described in clause (ii) if an election is made within 30 days after the date that such association is determined to be exempt from tax.

''(ii) An entity is described in this clause if it is an entity or fund created before January 1, 1999, pursuant to State law and organized and operated exclusively to receive, hold, and invest remittances from an association described in subparagraph (A) and exempt from tax under subsection (a), to make disbursements to pay claims on insurance contracts issued by such association, and to make disbursements to support governmental programs to prepare for or mitigate the effects of natural catastrophic events.''.

(b) UNRELATED BUSINESS TAXABLE INCOME.—Subsection (a) of section 512 (relating

to unrelated business taxable income) is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULE APPLICABLE TO ORGANIZATIONS DESCRIBED IN SECTION 501(c)(29)—In the case of an organization described in section 501(c)(29), the term 'unrelated business taxable income' means taxable income for a taxable year computed without the application of section 501(c)(29) if at the end of the immediately preceding taxable year the organization's net equity exceeded 15 percent of the total coverage in force under insurance contracts issued by the organization and outstanding at the end of such preceding year.''.

(c) TRANSITIONAL RULE.—No income or gain shall be recognized by an association as a result of a change in status to that of an association described by section 501(c)(29) of the Internal Revenue Code of 1986, as amended by subsection (a).

(d) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2002.

SEC. 312. MODIFICATION OF SPECIAL ARBITRAGE RULE FOR CERTAIN FUNDS.

(a) IN GENERAL.—Paragraph (1) of section 648 of the Deficit Reduction Act of 1984 is amended to read as follows:

''(1) such securities or obligations are held in a fund—

''(A) which, except to the extent of the investment earnings on such securities or obligations, cannot be used, under State constitutional or statutory restrictions continuously in effect since October 9, 1969, through the date of issue of the bond issue, to pay debt service on the bond issue or to finance the facilities that are to be financed with the proceeds of the bonds, or

''(B) the annual distributions from which cannot exceed 7 percent of the average fair market value of the assets held in such fund except to the extent distributions are necessary to pay debt service on the bond issue,''.

(b) CONFORMING AMENDMENT.—Section 648(3) of such Act is amended by striking ''the investment earnings of'' and inserting ''distributions from''.

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

SEC. 313. MATCHING GRANTS TO LOW-INCOME TAXPAYER CLINICS FOR RETURN PREPARATION.

(a) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

''SEC. 7527. ASSISTANCE FOR RETURN PREPARATION FOR LOW-INCOME TAXPAYERS.

''(a) IN GENERAL.—The Secretary may, subject to the availability of appropriated funds, make grants to provide matching funds to not-for-profit organizations described in section 501(c) and exempt from taxation under section 501(a) which assist low-income taxpayers in tax return preparation.

''(b) AGGREGATE LIMITATION.—Unless otherwise provided by specific appropriation, the Secretary shall not allocate more than $10,000,000 per year (exclusive of costs of administering the program) to grants under this section.

''(c) REQUIREMENT OF MATCHING FUNDS.—A not-for-profit organization must provide matching funds on a dollar-for-dollar basis for all grants provided under this section. Matching funds may include—

''(1) the salary (including fringe benefits) of individuals performing tax return preparation services for the organization; and

''(2) the cost of equipment used by the organization.

Indirect expenses, including general overhead of the organization, shall not be counted as matching funds.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 is amended by adding at the end the following new item:

''Sec. 7527. Assistance for return preparation for low-income taxpayers.''.

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

SEC. 314. MODIFICATION OF SCHOLARSHIP FOUNDATION RULES.

In applying the limitations on the percentage of scholarship grants which may be awarded after December 31, 2002, to children of employees under Revenue Procedure 76–47, such percentage shall be increased to 35 percent of the eligible applicants to be considered by the selection committee and to 20 percent of individuals eligible for the grants, but only if the foundation awarding the grants demonstrates that, in addition to meeting the other requirements of Revenue Procedure 76–47, it provides a comparable number and aggregate amount of grants during the same program year to children who are not children of current or former employees.

SEC. 315. TREATMENT OF CERTAIN HOSPITAL SUPPORT ORGANIZATIONS AS QUALIFIED ORGANIZATIONS FOR PURPOSES OF DETERMINING ACQUISITION INDEBTEDNESS.

(a) IN GENERAL.—Subparagraph (C) of section 514(c)(9) (relating to real property acquired by a qualified organization) is amended by striking ''or'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ''; or'', and by adding at the end the following new clause:

''(iv) a qualified hospital support organization (as defined in subparagraph (I)).''.

(b) QUALIFIED HOSPITAL SUPPORT ORGANIZATIONS.—Paragraph (9) of section 514(c) is amended by adding at the end the following new subparagraph:

''(I) QUALIFIED HOSPITAL SUPPORT ORGANIZATIONS.—For purposes of subparagraph (C)(iv), the term 'qualified hospital support organization' means, with respect to any eligible indebtedness (including any qualified refinancing of such eligible indebtedness), a support organization (as defined in section 509(a)(3)) which supports a hospital described in section 119(d)(4)(B) and with respect to which—

''(i) more than half of its assets (by value) at any time since its organization—

''(I) were acquired, directly or indirectly, by testamentary gift or devise, and

''(II) consisted of real property, and

''(ii) the fair market value of the organization's real estate acquired, directly or indirectly, by gift or devise, exceeded 25 percent of the fair market value of all investment assets held by the organization immediately prior to the time that the eligible indebtedness was incurred.

For purposes of this subparagraph, the term 'eligible indebtedness' means indebtedness secured by real property acquired by the organization, directly or indirectly, by gift or devise, the proceeds of which are used exclusively to acquire any leasehold interest in such real property or for improvements on, or repairs to, such real property. A determination under clauses (i) and (ii) of this subparagraph shall be made each time such an eligible indebtedness (or the qualified refinancing of such an eligible indebtedness) is incurred. For purposes of this subparagraph, a refinancing of such an eligible indebtedness shall be considered qualified if such refinancing does not exceed the amount of the refinanced eligible indebtedness immediately before the refinancing.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to indebtedness incurred after December 31, 2003.

SEC. 316. 10-YEAR DIVESTITURE PERIOD FOR CERTAIN EXCESS BUSINESS HOLDINGS OF PRIVATE FOUNDATIONS.

(a) IN GENERAL.—Section 4943(c) (relating to excess business holdings) is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

''(7) 10-YEAR PERIOD TO DISPOSE OF CERTAIN LARGE GIFTS AND BEQUESTS.—

''(A) IN GENERAL.—Upon the election of a private foundation (at such time and in such form and manner as the Secretary may prescribe), paragraph (6) shall be applied by substituting '10-year period' for '5-year period' if—

''(i) it is established to the satisfaction of the Secretary that—

''(I) the excess business holdings (or increase in excess business holdings) in a business enterprise by the private foundation is the result of a gift or bequest the value of which exceeds $1,000,000,000, and

''(II) after such gift or bequest, the private foundation does not have effective control of such business enterprise to which such gift or bequest relates, and

''(ii) not later than the end of the taxable year following the taxable year during which such gift or bequest was made, the private foundation submits to the Secretary a reasonable plan for disposing of all of the excess business holdings related to such gift or bequest.

''(B) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2003, the $1,000,000,000 amount under subparagraph (A)(i)(I) shall be increased by an amount equal to such dollar amount, multiplied by the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting '2002' for '1992' in subparagraph (B) thereof. If the $1,000,000,000 amount as increased under this subparagraph is not a multiple of $100,000,000, such amount shall be rounded to the next lowest multiple of $100,000,000.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to gifts and bequests made after the date of the enactment of this Act.

TITLE IV—SOCIAL SERVICES BLOCK GRANT

SEC. 401. RESTORATION OF FUNDS FOR THE SOCIAL SERVICES BLOCK GRANT.

(a) FINDINGS.—Congress makes the following findings:

(1) On August 22, 1996, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105) was signed into law.

(2) In enacting that law, Congress authorized $2,800,000,000 for fiscal year 2003 and each fiscal year thereafter to carry out the Social Services Block Grant program established under title XX of the Social Security Act (42 U.S.C. 1397 et seq.).

(b) RESTORATION OF FUNDS.—Section 2003(c)(11) of the Social Security Act (42 U.S.C. 1397b(c)(11)) is amended by inserting '', except that, with respect to fiscal year 2003, the amount shall be $1,975,000,000, and with respect to fiscal year 2004, the amount shall be $2,800,000,000'' after ''thereafter.''.

SEC. 402. RESTORATION OF AUTHORITY TO TRANSFER UP TO 10 PERCENT OF TANF FUNDS TO THE SOCIAL SERVICES BLOCK GRANT.

(a) IN GENERAL.—Section 404(d)(2) of the Social Security Act (42 U.S.C. 604(d)(2)) is amended to read as follows:

''(2) LIMITATION ON AMOUNT TRANSFERABLE TO TITLE XX PROGRAMS.—A State may use not more than 10 percent of the amount of any grant made to the State under section 403(a) for a fiscal year to carry out State programs pursuant to title XX.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to amounts made available for fiscal year 2003 and each fiscal year thereafter.

SEC. 403. REQUIREMENT TO SUBMIT ANNUAL REPORT ON STATE ACTIVITIES.

(a) IN GENERAL.—Section 2006(c) of the Social Security Act (42 U.S.C. 1397e(c)) is amended by adding at the end the following: ''The Secretary shall compile the information submitted by the States and submit that information to Congress on an annual basis.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to information submitted by States under section 2006 of the Social Security Act (42 U.S.C. 1397e) with respect to fiscal year 2002 and each fiscal year thereafter.

TITLE V—INDIVIDUAL DEVELOPMENT ACCOUNTS

SEC. 501. SHORT TITLE.

This title may be cited as the ''Savings for Working Families Act of 2002''.

SEC. 502. PURPOSES.

The purposes of this title are to provide for the establishment of individual development account programs that will—

(1) provide individuals and families with limited means an opportunity to accumulate assets and to enter the financial mainstream,

(2) promote education, homeownership, and the development of small businesses,

(3) stabilize families and build communities, and

(4) support continued United States economic expansion.

SEC. 503. DEFINITIONS.

As used in this title:

(1) ELIGIBLE INDIVIDUAL.—

(A) IN GENERAL.—The term ''eligible individual'' means, with respect to any taxable year, an individual who—

(i) has attained the age of 18 but not the age of 61 as of the last day of such taxable year,

(ii) is a citizen or lawful permanent resident (within the meaning of section 7701(b)(6) of the Internal Revenue Code of 1986) of the United States as of the last day of such taxable year,

(iii) was not a student (as defined in section 151(c)(4) of such Code) for the immediately preceding taxable year,

(iv) is not an individual with respect to whom a deduction under section 151 of such Code is allowable to another taxpayer for a taxable year of the other taxpayer ending during the immediately preceding taxable year of the individual,

(v) is not a taxpayer described in subsection (c), (d), or (e) of section 6402 of such Code for the immediately preceding taxable year,

(vi) is not a taxpayer described in section 1(d) of such Code for the immediately preceding taxable year, and

(vii) is a taxpayer the modified adjusted gross income of whom for the immediately preceding taxable year does not exceed—

(I) $18,000, in the case of a taxpayer described in section 1(c) of such Code,

(II) $30,000, in the case of a taxpayer described in section 1(b) of such Code, and

(III) $38,000, in the case of a taxpayer described in section 1(a) of such Code.

(B) INFLATION ADJUSTMENT.—

(i) IN GENERAL.—In the case of any taxable year beginning after 2004, each dollar amount referred to in subparagraph (A)(vii) shall be increased by an amount equal to—

(I) such dollar amount, multiplied by

(II) the cost-of-living adjustment determined under section (1)(f)(3) of the Internal Revenue Code of 1986 for the calendar year in which the taxable year begins, by substituting ''2003'' for ''1992''.

(ii) ROUNDING.—If any amount as adjusted under clause (i) is not a multiple of $50, such amount shall be rounded to the nearest multiple of $50.

(C) MODIFIED ADJUSTED GROSS INCOME.—For purposes of subparagraph (A)(v), the term ''modified adjusted gross income'' means adjusted gross income—

(i) determined without regard to sections 86, 893, 911, 931, and 933 of the Internal Revenue Code of 1986, and

(ii) increased by the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax.

(2) INDIVIDUAL DEVELOPMENT ACCOUNT.—The term ''Individual Development Account'' means an account established for an eligible individual as part of a qualified individual development account program, but only if the written governing instrument creating the account meets the following requirements:

(A) The owner of the account is the individual for whom the account was established.

(B) No contribution will be accepted unless it is in cash, and, except in the case of any qualified rollover, contributions will not be accepted for the taxable year in excess of $1,500 on behalf of any individual.

(C) The trustee of the account is a qualified financial institution.

(D) The assets of the account will not be commingled with other property except in a common trust fund or common investment fund.

(E) Except as provided in section 507(b), any amount in the account may be paid out only for the purpose of paying the qualified expenses of the account owner.

(3) PARALLEL ACCOUNT.—The term ''parallel account'' means a separate, parallel individual or pooled account for all matching funds and earnings dedicated to an Individual Development Account owner as part of a qualified individual development account program, the trustee of which is a qualified financial institution.

(4) QUALIFIED FINANCIAL INSTITUTION.—The term ''qualified financial institution'' means any person authorized to be a trustee of any individual retirement account under section 408(a)(2) of the Internal Revenue Code of 1986.

(5) QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM.—The term ''qualified individual development account program'' means a program established upon approval of the Secretary under section 504 after December 31, 2002, under which—

(A) Individual Development Accounts and parallel accounts are held in trust by a qualified financial institution, and

(B) additional activities determined by the Secretary, in consultation with the Secretary of Health and Human Services, as necessary to responsibly develop and administer accounts, including recruiting, providing financial education and other training to Account owners, and regular program monitoring, are carried out by the qualified financial institution.

(6) QUALIFIED EXPENSE DISTRIBUTION.—

(A) IN GENERAL.—The term ''qualified expense distribution'' means any amount paid (including through electronic payments) or distributed out of an Individual Development Account or a parallel account established for an eligible individual if such amount—

(i) is used exclusively to pay the qualified expenses of the Individual Development Account owner or such owner's spouse or dependents,

(ii) is paid by the qualified financial institution—

(I) except as otherwise provided in this clause, directly to the unrelated third party to whom the amount is due,

(II) in the case of any qualified rollover, directly to another Individual Development Account and parallel account, or

(III) in the case of a qualified final distribution, directly to the spouse, dependent, or other named beneficiary of the deceased Account owner, and

(iii) is paid after the Account owner has completed a financial education course if required under section 505(b).

(B) QUALIFIED EXPENSES.—

(i) IN GENERAL.—The term ''qualified expenses'' means any of the following expenses approved by the qualified financial institution:

(I) Qualified higher education expenses.

(II) Qualified first-time homebuyer costs.

(III) Qualified business capitalization or expansion costs.

(IV) Qualified rollovers.

(V) Qualified final distribution.

(ii) QUALIFIED HIGHER EDUCATION EXPENSES.—

(I) IN GENERAL.—The term ''qualified higher education expenses'' has the meaning given such term by section 529(e)(3) of the Internal Revenue Code of 1986, determined by treating the Account owner, the owner's spouse, or one or more of the owner's dependents as a designated beneficiary, and reduced as provided in section 25A(g)(2) of such Code.

(II) COORDINATION WITH OTHER BENEFITS.—The amount of expenses which may be taken into account for purposes of section 135, 529, or 530 of such Code for any taxable year shall be reduced by the amount of any qualified higher education expenses taken into account as qualified expense distributions during such taxable year.

(iii) QUALIFIED FIRST-TIME HOMEBUYER COSTS.—The term ''qualified first-time homebuyer costs'' means qualified acquisition costs (as defined in section 72(t)(8)(C) of the Internal Revenue Code of 1986) with respect to a principal residence (within the meaning of section 121 of such Code) for a qualified first-time homebuyer (as defined in section 72(t)(8)(D)(i) of such Code).

(iv) QUALIFIED BUSINESS CAPITALIZATION OR EXPANSION COSTS.—

(I) IN GENERAL.—The term ''qualified business capitalization or expansion costs'' means qualified expenditures for the capitalization or expansion of a qualified business pursuant to a qualified business plan.

(II) QUALIFIED EXPENDITURES.—The term ''qualified expenditures'' means expenditures normally associated with starting or expanding a business and included in a qualified business plan, including costs for capital, plant, and equipment, inventory expenses, and attorney and accounting fees.

(III) QUALIFIED BUSINESS.—The term ''qualified business'' means any business that does not contravene any law.

(IV) QUALIFIED BUSINESS PLAN.—The term ''qualified business plan'' means a business plan which has been approved by the qualified financial institution and which meets such requirements as the Secretary may specify.

(v) QUALIFIED ROLLOVERS.—The term ''qualified rollover'' means the complete distribution of the amounts in an Individual Development Account and parallel account to another Individual Development Account and parallel account established in another qualified financial institution for the benefit of the Account owner.

(vi) QUALIFIED FINAL DISTRIBUTION.—The term ''qualified final distribution'' means, in the case of a deceased Account owner, the complete distribution of the amounts in the

Individual Development Account and parallel account directly to the spouse, any dependent, or other named beneficiary of the deceased.

(7) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury.

SEC. 504. STRUCTURE AND ADMINISTRATION OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) ESTABLISHMENT OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.—Any qualified financial institution may apply to the Secretary for approval to establish 1 or more qualified individual development account programs which meet the requirements of this title and for an allocation of the Individual Development Account limitation under section 45G(i)(3) of the Internal Revenue Code of 1986 with respect to such programs.

(b) BASIC PROGRAM STRUCTURE.—

(1) IN GENERAL.—All qualified individual development account programs shall consist of the following 2 components for each participant:

(A) An Individual Development Account to which an eligible individual may contribute cash in accordance with section 505.

(B) A parallel account to which all matching funds shall be deposited in accordance with section 506.

(2) TAILORED IDA PROGRAMS.—A qualified financial institution may tailor its qualified individual development account program to allow matching funds to be spent on 1 or more of the categories of qualified expenses.

(3) NO FEES MAY BE CHARGED TO IDAS.—A qualified financial institution may not charge any fees to any Individual Development Account or parallel account under a qualified individual development account program.

(c) COORDINATION WITH PUBLIC HOUSING AGENCY INDIVIDUAL SAVINGS ACCOUNTS.—Section 3(e)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(e)(2)) is amended by inserting ''or in any Individual Development Account established under the Savings for Working Families Act of 2002'' after ''subsection''.

(d) TAX TREATMENT OF PARALLEL ACCOUNTS.—

(1) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

''SEC. 7525. TAX INCENTIVES FOR INDIVIDUAL DEVELOPMENT PARALLEL ACCOUNTS.

''For purposes of this title—

''(1) any account described in section 504(b)(1)(B) of the Savings for Working Families Act of 2002 shall be exempt from taxation,

''(2) except as provided in section 45G, no item of income, expense, basis, gain, or loss with respect to such an account may be taken into account, and

''(3) any amount withdrawn from such an account shall not be includible in gross income.''.

(2) CONFORMING AMENDMENT.—The table of sections for chapter 77 is amended by adding at the end the following new item:

''Sec. 7525. Tax incentives for individual development parallel accounts.''.

(e) COORDINATION OF CERTAIN EXPENSES.—Section 25A(g)(2) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting '', and'', and by adding at the end the following new subparagraph:

''(D) a qualified expense distribution with respect to qualified higher education expenses from an Individual Development Account or a parallel account under section 507(a) of the Savings for Working Families Act of 2002.

SEC. 505. PROCEDURES FOR OPENING AND MAINTAINING AN INDIVIDUAL DEVELOPMENT ACCOUNT AND QUALIFYING FOR MATCHING FUNDS.

(a) OPENING AN ACCOUNT.—An eligible individual may open an Individual Development Account with a qualified financial institution upon certification that such individual has never maintained any other Individual Development Account (other than an Individual Development Account to be terminated by a qualified rollover).

(b) REQUIRED COMPLETION OF FINANCIAL EDUCATION COURSE.—

(1) IN GENERAL.—Before becoming eligible to withdraw funds to pay for qualified expenses, owners of Individual Development Accounts must complete 1 or more financial education courses specified in the qualified individual development account program.

(2) STANDARD AND APPLICABILITY OF COURSE.—The Secretary, in consultation with representatives of qualified individual development account programs and financial educators, shall not later than January 1, 2004, establish minimum quality standards for the contents of financial education courses and providers of such courses described in paragraph (1) and a protocol to exempt individuals from the requirement under paragraph (1) in the case of hardship, lack of need, the attainment of age 65, or a qualified final distribution.

(c) PROOF OF STATUS AS AN ELIGIBLE INDIVIDUAL.—Federal income tax forms for the immediately preceding taxable year and any other evidence of eligibility which may be required by a qualified financial institution shall be presented to such institution at the time of the establishment of the Individual Development Account and in any taxable year in which contributions are made to the Account to qualify for matching funds under section 506(b)(1)(A).

(d) SPECIAL RULE IN THE CASE OF MARRIED INDIVIDUALS.—For purposes of this title, if, with respect to any taxable year, 2 married individuals file a Federal joint income tax return, then not more than 1 of such individuals may be treated as an eligible individual with respect to the succeeding taxable year.

SEC. 506. DEPOSITS BY QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) PARALLEL ACCOUNTS.—The qualified financial institution shall deposit all matching funds for each Individual Development Account into a parallel account at a qualified financial institution.

(b) REGULAR DEPOSITS OF MATCHING FUNDS.—

(1) IN GENERAL.—Subject to paragraph (2), the qualified financial institution shall deposit into the parallel account with respect to each eligible individual the following amounts:

(A) A dollar-for-dollar match for the first $500 contributed by the eligible individual into an Individual Development Account with respect to any taxable year of such individual.

(B) Any matching funds provided by State, local, or private sources in accordance with the matching ratio set by those sources.

(2) TIMING OF DEPOSITS.—A deposit of the amounts described in paragraph (1) shall be made into a parallel account—

(A) in the case of amounts described in paragraph (1)(A), not later than 30 days after the end of the calendar quarter during which the contribution described in such paragraph was made, and

(B) in the case of amounts described in paragraph (1)(B), not later than 2 business days after such amounts were provided.

(3) CROSS REFERENCE.—

For allowance of tax credit for Individual Development Account subsidies, including matching funds, see section 45G of the Internal Revenue Code of 1986.

(c) DEPOSIT OF MATCHING FUNDS INTO INDIVIDUAL DEVELOPMENT ACCOUNT OF INDIVIDUAL WHO HAS ATTAINED AGE 65.—In the case of an Individual Development Account owner who attains the age of 65, the qualified financial institution shall deposit the funds in the parallel account with respect to such individual into the Individual Development Account of such individual on the later of—

(1) the day which is the 1-year anniversary of the deposit of such funds in the parallel account, or

(2) the first business day of the taxable year of such individual following the taxable year in which such individual attained age 65.

(d) UNIFORM ACCOUNTING REGULATIONS.—To ensure proper recordkeeping and determination of the tax credit under section 45G of the Internal Revenue Code of 1986, the Secretary shall prescribe regulations with respect to accounting for matching funds in the parallel accounts.

(e) REGULAR REPORTING OF ACCOUNTS.—Any qualified financial institution shall report the balances in any Individual Development Account and parallel account of an individual on not less than an annual basis to such individual.

SEC. 507. WITHDRAWAL PROCEDURES.

(a) WITHDRAWALS FOR QUALIFIED EXPENSES.—

(1) IN GENERAL.—An Individual Development Account owner may withdraw funds in order to pay qualified expense distributions from such individual's—

(A) Individual Development Account, but only from funds which have been on deposit in such Account for at least 1 year, and

(B) parallel account, but only—

(i) from matching funds which have been on deposit in such parallel account for at least 1 year,

(ii) from earnings in such parallel account, after all matching funds described in clause (i) have been withdrawn, and

(iii) to the extent such withdrawal does not result in a remaining balance in such parallel account which is less than the remaining balance in the Individual Development Account after such withdrawal.

(2) PROCEDURE.—Upon receipt of a withdrawal request which meets the requirements of paragraph (1), the qualified financial institution shall directly transfer the funds electronically to the distributees described in section 503(6)(A)(ii). If a distributee is not equipped to receive funds electronically, the qualified financial institution may issue such funds by paper check to the distributee.

(b) WITHDRAWALS FOR NONQUALIFIED EXPENSES.—An Individual Development Account owner may withdraw any amount of funds from the Individual Development Account for purposes other than to pay qualified expense distributions, but if, after such withdrawal, the amount in the parallel account of such owner (excluding earnings on matching funds) exceeds the amount remaining in such Individual Development Account, then such owner shall forfeit from the parallel account the lesser of such excess or the amount withdrawn.

(c) WITHDRAWALS FROM ACCOUNTS OF NONELIGIBLE INDIVIDUALS.—If the individual for whose benefit an Individual Development Account is established ceases to be an eligible individual, such account shall remain an Individual Development Account, but such individual shall not be eligible for any further matching funds under section 506(b)(1)(A) for

contributions which are made to the Account during any taxable year when such individual is not an eligible individual.

(d) EFFECT OF PLEDGING ACCOUNT AS SECURITY.—If, during any taxable year of the individual for whose benefit an Individual Development Account is established, that individual uses the Account, the individual's parallel account, or any portion thereof as security for a loan, the portion so used shall be treated as a withdrawal of such portion from the Individual Development Account for purposes other than to pay qualified expenses.

SEC. 508. CERTIFICATION AND TERMINATION OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) CERTIFICATION PROCEDURES.—Upon establishing a qualified individual development account program under section 504, a qualified financial institution shall certify to the Secretary at such time and in such manner as may be prescribed by the Secretary and accompanied by any documentation required by the Secretary, that—

(1) the accounts described in subparagraphs (A) and (B) of section 504(b)(1) are operating pursuant to all the provisions of this title, and

(2) the qualified financial institution agrees to implement an information system necessary to monitor the cost and outcomes of the qualified individual development account program.

(b) AUTHORITY TO TERMINATE QUALIFIED IDA PROGRAM.—If the Secretary determines that a qualified financial institution under this title is not operating a qualified individual development account program in accordance with the requirements of this title (and has not implemented any corrective recommendations directed by the Secretary), the Secretary shall terminate such institution's authority to conduct the program. If the Secretary is unable to identify a qualified financial institution to assume the authority to conduct such program, then any funds in a parallel account established for the benefit of any individual under such program shall be deposited into the Individual Development Account of such individual as of the first day of such termination.

SEC. 509. REPORTING, MONITORING, AND EVALUATION.

(a) RESPONSIBILITIES OF QUALIFIED FINANCIAL INSTITUTIONS.—

(1) IN GENERAL.—Each qualified financial institution that operates a qualified individual development account program under section 504 shall report annually to the Secretary within 90 days after the end of each calendar year on—

(A) the number of individuals making contributions into Individual Development Accounts and the amounts contributed,

(B) the amounts contributed into Individual Development Accounts by eligible individuals and the amounts deposited into parallel accounts for matching funds,

(C) the amounts withdrawn from Individual Development Accounts and parallel accounts, and the purposes for which such amounts were withdrawn,

(D) the balances remaining in Individual Development Accounts and parallel accounts, and

(E) such other information needed to help the Secretary monitor the effectiveness of the qualified individual development account program (provided in a non-individually-identifiable manner).

(2) ADDITIONAL REPORTING REQUIREMENTS.—Each qualified financial institution that operates a qualified individual development account program under section 504 shall report at such time and in such manner as the Secretary may prescribe any additional information that the Secretary requires to be provided for purposes of administering and supervising the qualified individual development account program. This additional data may include, without limitation, identifying information about Individual Development Account owners, their Accounts, additions to the Accounts, and withdrawals from the Accounts.

(b) RESPONSIBILITIES OF THE SECRETARY.—

(1) MONITORING PROTOCOL.—Not later than 12 months after the date of the enactment of this Act, the Secretary, in consultation with the Secretary of Health and Human Services, shall develop and implement a protocol and process to monitor the cost and outcomes of the qualified individual development account programs established under section 504.

(2) ANNUAL REPORTS.—For each year after 2003, the Secretary shall submit a progress report to Congress on the status of such qualified individual development account programs. Such report shall, to the extent data are available, include from a representative sample of qualified individual development account programs information on—

(A) the characteristics of participants, including age, gender, race or ethnicity, marital status, number of children, employment status, and monthly income,

(B) deposits, withdrawals, balances, uses of Individual Development Accounts, and participant characteristics,

(C) the characteristics of qualified individual development account programs, including match rate, economic education requirements, permissible uses of accounts, staffing of programs in full time employees, and the total costs of programs, and

(D) process information on program implementation and administration, especially on problems encountered and how problems were solved.

(3) REAUTHORIZATION REPORT ON COST AND OUTCOMES OF IDAS.—

(A) IN GENERAL.—Not later than July 1, 2008, the Secretary of the Treasury shall submit a report to Congress and the chairmen and ranking members of the Committee on Finance, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Ways and Means, the Committee on Banking and Financial Services, and the Committee on Education and the Workforce of the House of Representatives, in which the Secretary shall—

(i) summarize the previously submitted annual reports required under paragraph (2),

(ii) from a representative sample of qualified individual development account programs, include an analysis of—

(I) the economic, social, and behavioral outcomes,

(II) the changes in savings rates, asset holdings, and household debt, and overall changes in economic stability,

(III) the changes in outlooks, attitudes, and behavior regarding savings strategies, investment, education, and family,

(IV) the integration into the financial mainstream, including decreased reliance on alternative financial services, and increase in acquisition of mainstream financial products, and

(V) the involvement in civic affairs, including neighborhood schools and associations,

associated with participation in qualified individual development account programs,

(iii) from a representative sample of qualified individual development account programs, include a comparison of outcomes associated with such programs with outcomes associated with other Federal Government social and economic development programs, including asset building programs, and

(iv) make recommendations regarding the reauthorization of the qualified individual development account programs, including—

(I) recommendations regarding reforms that will improve the cost and outcomes of the such programs, including the ability to help low income families save and accumulate productive assets,

(II) recommendations regarding the appropriate levels of subsidies to provide effective incentives to financial institutions and Account owners under such programs, and

(III) recommendations regarding how such programs should be integrated into other Federal poverty reduction, asset building, and community development policies and programs.

(B) AUTHORIZATION.—There is authorized to be appropriated $2,500,000, for carrying out the purposes of this paragraph.

(4) USE OF ACCOUNTS IN RURAL AREAS ENCOURAGED.—The Secretary shall develop methods to encourage the use of Individual Development Accounts in rural areas.

SEC. 510. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Secretary $1,000,000 for fiscal year 2003 and for each fiscal year through 2010, for the purposes of implementing this title, including the reporting, monitoring, and evaluation required under section 509, to remain available until expended.

SEC. 511. MATCHING FUNDS FOR INDIVIDUAL DEVELOPMENT ACCOUNTS PROVIDED THROUGH A TAX CREDIT FOR QUALIFIED FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45G. INDIVIDUAL DEVELOPMENT ACCOUNT INVESTMENT CREDIT.

''(a) DETERMINATION OF AMOUNT.—For purposes of section 38, the individual development account investment credit determined under this section with respect to any eligible entity for any taxable year is an amount equal to the individual development account investment provided by such eligible entity during the taxable year under an individual development account program established under section 504 of the Savings for Working Families Act of 2002.

''(b) APPLICABLE TAX.—For the purposes of this section, the term 'applicable tax' means the excess (if any) of—

''(1) the tax imposed under this chapter (other than the taxes imposed under the provisions described in subparagraphs (C) through (Q) of section 26(b)(2)), over

''(2) the credits allowable under subpart B (other than this section) and subpart D of this part.

''(c) INDIVIDUAL DEVELOPMENT ACCOUNT INVESTMENT.—For purposes of this section, the term 'individual development account investment' means, with respect to an individual development account program in any taxable year, an amount equal to the sum of—

''(1) the aggregate amount of dollar-for-dollar matches under such program under section 506(b)(1)(A) of the Savings for Working Families Act of 2002 for such taxable year, plus

''(2) $50 with respect to each Individual Development Account maintained—

''(A) as of the end of such taxable year, but only if such taxable year is within the 7-taxable-year period beginning with the taxable year in which such Account is opened, and

''(B) with a balance of not less than $100 (other than the taxable year in which such Account is opened).

''(d) ELIGIBLE ENTITY.—For purposes of this section, except as provided in regulations, the term 'eligible entity' means a qualified financial institution.

''(e) OTHER DEFINITIONS.—For purposes of this section, any term used in this section and also in the Savings for Working Families Act of 2002 shall have the meaning given such term by such Act.

''(f) DENIAL OF DOUBLE BENEFIT.—

''(1) IN GENERAL.—No deduction or credit (other than under this section) shall be allowed under this chapter with respect to any expense which—

''(A) is taken into account under subsection (c)(1)(A) in determining the credit under this section, or

''(B) is attributable to the maintenance of an Individual Development Account.

''(2) DETERMINATION OF AMOUNT.—Solely for purposes of paragraph (1)(B), the amount attributable to the maintenance of an Individual Development Account shall be deemed to be the dollar amount of the credit allowed under subsection (c)(l)(B) for each taxable year such Individual Development Account is maintained.

''(g) CREDIT MAY BE TRANSFERRED.—

''(1) IN GENERAL.—An eligible entity may transfer any credit allowable to the eligible entity under subsection (a) to any person other than to another eligible entity which is exempt from tax under this title. The determination as to whether a credit is allowable shall be made without regard to the tax-exempt status of the eligible entity.

''(2) CONSENT REQUIRED FOR REVOCATION.—Any transfer under paragraph (1) may be revoked only with the consent of the Secretary.

''(h) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out this section, including

''(1) such regulations as necessary to insure that any credit described in subsection (g)(1) is claimed once and not retransferred by a transferee, and

''(2) regulations providing for a recapture of the credit allowed under this section (notwithstanding any termination date described in subsection (i)) in cases where there is a forfeiture under section 507(b) of the Savings for Working Families Act of 2002 in a subsequent taxable year of any amount which was taken into account in determining the amount of such credit.

''(i) APPLICATION OF SECTION.—

''(1) IN GENERAL.—This section shall apply to any expenditure made in any taxable year ending after December 31, 2003, and beginning on or before January 1, 2011, with respect to any Individual Development Account which—

''(A) is opened before January 1, 2011, and

''(B) as determined by the Secretary, when added to all of the previously opened Individual Development Accounts, does not exceed—

''(i) 100,000 Accounts if opened after December 31, 2003, and before January 1, 2007,

''(ii) an additional 100,000 Accounts if opened after December 31, 2006, and before January 1, 2009, but only if, except as provided in paragraph (4), the total number of Accounts described in clause (i) are opened and the Secretary determines that such Accounts are being reasonably and responsibly administered, and

''(iii) an additional 100,000 Accounts if opened after December 31, 2008, and before January 1, 2011, but only if the total number of Accounts described in clauses (i) and (ii) are opened and the Secretary makes a determination described in paragraph (2).

Notwithstanding the preceding sentence, this section shall apply to amounts which are described in subsection (c)(1)(A) and which are timely deposited into a parallel account during the 30-day period following the end of last taxable year beginning before January 1, 2011.

''(2) DETERMINATION WITH RESPECT TO THIRD GROUP OF ACCOUNTS.—A determination is described in this paragraph if the Secretary determines that—

''(A) substantially all of the previously opened Accounts have been reasonably and responsibly administered prior to the date of the determination,

''(B) the individual development account programs have increased net savings of participants in the programs,

''(C) participants in the individual development account programs have increased Federal income tax liability and decreased utilization of Federal assistance programs relative to similarly situated individuals that did not participate in the individual development account programs, and

''(D) the sum of the estimated increased Federal tax liability and reduction of Federal assistance program benefits to participants in the individual development account programs is greater than the cost of the individual development account programs to the Federal government.

''(3) DETERMINATION OF LIMITATION.—The limitation on the number of Individual Development Accounts under paragraph (1)(B) shall be allocated by the Secretary among qualified individual development account programs selected by the Secretary and, in the case of the limitation under clause (iii) of such paragraph, shall be equally divided among the States.

''(4) SPECIAL RULE IF SMALLER NUMBER OF ACCOUNTS ARE OPENED.—For purposes of paragraph (1)(B)(ii)—

''(i) IN GENERAL.—If less than 100,000 Accounts are opened before January 1, 2007, such paragraph shall be applied by substituting ''applicable number of Accounts' for '100,000 Accounts'.

''(ii) APPLICABLE NUMBER.—For purposes of clause (i), the applicable number equals the lesser of—

''(I) 75,000, or

''(II) 3 times the number of Accounts opened before January 1, 2007.''.

(b) CREDIT TREATED AS BUSINESS CREDIT.—Section 38(b) (relating to current year business credit) is amended by striking ''plus'' at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting '', plus'', and by adding at the end the following new paragraph:

''(16) the individual development account investment credit determined under section 45G(a).''.

(c) NO CARRYBACKS.—Subsection (d) of section 39 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

''(11) NO CARRYBACK OF SECTION 45G CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the individual development account investment credit determined under section 45G may be carried back to a taxable year ending before January 1, 2004.''.

(d) CONFORMING AMENDMENT.—The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45G. Individual development account investment credit.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 2003.

SEC. 512. ACCOUNT FUNDS DISREGARDED FOR PURPOSES OF CERTAIN MEANS-TESTED FEDERAL PROGRAMS.

Notwithstanding any other provision of Federal law (other than the Internal Revenue Code of 1986) that requires consideration of 1 or more financial circumstances of an individual, for the purpose of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such provision to be provided to or for the benefit of such individual, any amount (including earnings thereon) in any Individual Development Account of such individual and any matching deposit made on behalf of such individual (including earnings thereon) in any parallel account shall be disregarded for such purpose with respect to any period during which such individual maintains or makes contributions into such Individual Development Account.

TITLE VI—REVENUE PROVISIONS

Subtitle A—Tax Shelter Transparency Requirements

PART I—TAXPAYER-RELATED PROVISIONS

SEC. 601. PENALTY FOR FAILING TO DISCLOSE REPORTABLE TRANSACTION.

(a) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6707 the following new section:

''SEC. 6707A. PENALTY FOR FAILURE TO INCLUDE REPORTABLE TRANSACTION INFORMATION WITH RETURN OR STATEMENT.

''(a) IMPOSITION OF PENALTY.—Any person who fails to include on any return or statement any information with respect to a reportable transaction which is required under section 6011 to be included with such return or statement shall pay a penalty in the amount determined under subsection (b).

''(b) AMOUNT OF PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amount of the penalty under subsection (a) shall be $50,000.

''(2) LISTED TRANSACTION.—The amount of the penalty under subsection (a) with respect to a listed transaction shall be $100,000.

''(3) INCREASE IN PENALTY FOR LARGE ENTITIES AND HIGH NET WORTH INDIVIDUALS.—

''(A) IN GENERAL.—In the case of a failure under subsection (a) by—

''(i) a large entity, or

''(ii) a high net worth individual,

the penalty under paragraph (1) or (2) shall be twice the amount determined without regard to this paragraph.

''(B) LARGE ENTITY.—For purposes of subparagraph (A), the term 'large entity' means, with respect to any taxable year, a person (other than a natural person) with gross receipts in excess of $10,000,000 for the taxable year in which the reportable transaction occurs or the preceding taxable year. Rules similar to the rules of paragraph (2) and subparagraphs (B), (C), and (D) of paragraph (3) of section 448(c) shall apply for purposes of this subparagraph.

''(C) HIGH NET WORTH INDIVIDUAL.—The term 'high net worth individual' means, with respect to a reportable transaction, a natural person whose net worth exceeds $2,000,000 immediately before the transaction.

''(c) DEFINITIONS.—For purposes of this section—

''(1) REPORTABLE TRANSACTION.—The term 'reportable transaction' means any transaction with respect to which information is required to be included with a return or statement because, as determined under regulations prescribed under section 6011, such transaction is of a type which the Secretary determines as having a potential for tax avoidance or evasion.

''(2) LISTED TRANSACTION.—Except as provided in regulations, the term 'listed transaction' means a reportable transaction which is the same as, or similar to, a transaction specifically identified by the Secretary as a tax avoidance transaction for purposes of section 6011.

''(d) AUTHORITY TO RESCIND PENALTY.—

''(1) IN GENERAL.—The Commissioner of Internal Revenue may rescind all or any portion of any penalty imposed by this section with respect to any violation if—

''(A) the violation is with respect to a reportable transaction other than a listed transaction,

''(B) the person on whom the penalty is imposed has a history of complying with the requirements of this title,

''(C) it is shown that the violation is due to an unintentional mistake of fact;

''(D) imposing the penalty would be against equity and good conscience, and

''(E) rescinding the penalty would promote compliance with the requirements of this title and effective tax administration.

''(2) DISCRETION.—The exercise of authority under paragraph (1) shall be at the sole discretion of the Commissioner and may be delegated only to the head of the Office of Tax Shelter Analysis. The Commissioner, in his sole discretion, may establish a procedure to determine if a penalty should be referred to the Commissioner or the head of such Office for a determination under paragraph (1).

''(3) NO APPEAL.—Notwithstanding any other provision of law, any determination under this subsection may not be reviewed in any administrative or judicial proceeding.

''(4) RECORDS.—If a penalty is rescinded under paragraph (1), the Commissioner shall place in the file in the Office of the Commissioner the opinion of the Commissioner or the head of the Office of Tax Shelter Analysis with respect to the determination, including—

''(A) the reasons for the rescission, and

''(B) the amount of the penalty rescinded.

''(5) REPORT.—The Commissioner shall each year report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate—

''(A) a summary of the total number and aggregate amount of penalties imposed, and rescinded, under this section, and

''(B) a description of each penalty rescinded under this subsection and the reasons therefor.

''(e) PENALTY REPORTED TO SEC.—In the case of a person—

''(1) which is required to file periodic reports under section 13 or 15(d) of the Securities Exchange Act of 1934 or is required to be consolidated with another person for purposes of such reports, and

''(2) which—

''(A) is required to pay a penalty under this section with respect to a listed transaction, or

''(B) is required to pay a penalty under section 6662A with respect to any reportable transaction at a rate prescribed under section 6662A(c),

the requirement to pay such penalty shall be disclosed in such reports filed by such person for such periods as the Secretary shall specify. Failure to make a disclosure in accordance with the preceding sentence shall be treated as a failure to which the penalty under subsection (b)(2) applies.

''(f) COORDINATION WITH OTHER PENALTIES.—The penalty imposed by this section is in addition to any penalty imposed under section 6662.''

(b) CONFORMING AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6707 the following:

''Sec. 6707A. Penalty for failure to include reportable transaction information with return or statement.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns and statements the due date for which is after the date of the enactment of this Act.

SEC. 602. ACCURACY-RELATED PENALTY FOR LISTED TRANSACTIONS AND OTHER REPORTABLE TRANSACTIONS HAVING A SIGNIFICANT TAX AVOIDANCE PURPOSE.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662 the following new section:

''SEC. 6662A. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERSTATEMENTS WITH RESPECT TO REPORTABLE TRANSACTIONS.

''(a) IMPOSITION OF PENALTY.—If a taxpayer has a reportable transaction understatement for any taxable year, there shall be added to the tax an amount equal to 20 percent of the amount of such understatement.

''(b) REPORTABLE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

''(1) IN GENERAL.—The term 'reportable transaction understatement' means the sum of—

''(A) the product of—

''(i) the amount of the increase (if any) in taxable income which results from a difference between the proper tax treatment of an item to which this section applies and the taxpayer's treatment of such item (as shown on the taxpayer's return of tax), and

''(ii) the highest rate of tax imposed by section 1 (section 11 in the case of a taxpayer which is a corporation), and

''(B) the amount of the decrease (if any) in the aggregate amount of credits determined under subtitle A which results from a difference between the taxpayer's treatment of an item to which this section applies (as shown on the taxpayer's return of tax) and the proper tax treatment of such item.

For purposes of subparagraph (A), any reduction of the excess of deductions allowed for the taxable year over gross income for such year, and any reduction in the amount of capital losses which would (without regard to section 1211) be allowed for such year, shall be treated as an increase in taxable income.

''(2) ITEMS TO WHICH SECTION APPLIES.—This section shall apply to any item which is attributable to—

''(A) any listed transaction, and

''(B) any reportable transaction (other than a listed transaction) if a significant purpose of such transaction is the avoidance or evasion of Federal income tax.

''(c) HIGHER PENALTIES FOR NONDISCLOSED LISTED AND OTHER AVOIDANCE TRANSACTIONS.—If the requirement of section 6664(d)(2)(A) is not met with respect to any portion of any reportable transaction understatement, then subsection (a) shall be applied by substituting—

''(1) '30 percent' for '20 percent' if such understatement is attributable to a listed transaction, and

''(2) '25 percent' for '20 percent' in the case of any other understatement.

''(d) DEFINITIONS OF REPORTABLE AND LISTED TRANSACTIONS.—For purposes of this section, the terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).

''(e) SPECIAL RULES.—

''(1) COORDINATION WITH PENALTIES, ETC., ON OTHER UNDERSTATEMENTS.—In the case of an understatement (as defined in section 6662(d)(2))—

''(A) the amount of such understatement (determined without regard to this paragraph) shall be increased by the aggregate amount of reportable transaction understatements for purposes of determining whether such understatement is a substantial understatement under section 6662(d)(1), but

''(B) the addition to tax under section 6662(a) shall apply only to the excess of the amount of the substantial understatement (if any) after the application of subparagraph (A) over the aggregate amount of reportable transaction understatements.

''(2) COORDINATION WITH FRAUD PENALTY.—

''(A) IN GENERAL.—References to an underpayment in section 6663 shall be treated as including references to a reportable transaction understatement.

''(B) NO DOUBLE PENALTY.—This section shall not apply to any portion of an understatement on which a penalty is imposed under section 6663.

''(3) SPECIAL RULE FOR AMENDED RETURNS.—Except as provided in regulations, in no event shall any tax treatment included with an amendment or supplement to a return of tax be taken into account in determining the amount of any reportable transaction understatement if the amendment or supplement is filed after the earlier of the date the taxpayer is first contacted by the Secretary regarding the examination of the return or such other date as is specified by the Secretary.''

(b) DETERMINATION OF OTHER UNDERSTATEMENTS.—Subparagraph (A) of section 6662(d)(2) is amended by adding at the end the following flush sentence:

''The excess under the preceding sentence shall be determined without regard to items to which section 6662A applies.''

(c) REASONABLE CAUSE EXCEPTION.—

(1) IN GENERAL.—Section 6664 is amended by adding at the end the following new subsection:

''(d) REASONABLE CAUSE EXCEPTION FOR REPORTABLE TRANSACTION UNDERSTATEMENTS.—

''(1) IN GENERAL.—No penalty shall be imposed under section 6662A with respect to any portion of a reportable transaction understatement if it is shown that there was a reasonable cause for such portion and that the taxpayer acted in good faith with respect to such portion.

''(2) SPECIAL RULES.—Paragraph (1) shall not apply to any reportable transaction understatement unless—

''(A) the relevant facts affecting the tax treatment of the item are adequately disclosed in accordance with the regulations prescribed under section 6011,

''(B) there is or was substantial authority for such treatment, and

''(C) the taxpayer reasonably believed that such treatment was more likely than not the proper treatment.

A taxpayer failing to adequately disclose in accordance with section 6011 shall be treated as meeting the requirements of subparagraph (A) if the penalty for such failure was rescinded under section 6707A(d).

''(3) RULES RELATING TO REASONABLE BELIEF.—For purposes of paragraph (2)(C)—

''(A) IN GENERAL.—A taxpayer shall be treated as having a reasonable belief with respect to the tax treatment of an item only if such belief—

''(i) is based on the facts and law that exist at the time the return of tax which includes such tax treatment is filed, and

''(ii) relates solely to the taxpayer's chances of success on the merits of such treatment and does not take into account the possibility that a return will not be audited, such treatment will not be raised on audit, or such treatment will be resolved through settlement if it is raised.

''(B) CERTAIN OPINIONS MAY NOT BE RELIED UPON.—

''(i) IN GENERAL.—An opinion of a tax advisor may not be relied upon to establish the reasonable belief of a taxpayer if—

''(I) the tax advisor is described in clause (ii), or

''(II) the opinion is described in clause (iii).

''(ii) DISQUALIFIED TAX ADVISORS.—A tax advisor is described in this clause if the tax

advisor is a material advisor (within the meaning of section 6111(b)(1)) who—

''(I) participates in the organization, management, promotion, or sale of the transaction or is related (within the meaning of section 267 or 707) to any person who so participates,

''(II) is compensated by another material advisor with respect to the transaction,

''(III) has a fee arrangement with respect to the transaction which is contingent on all or part of the intended tax benefits from the transaction being sustained, or

''(IV) as determined under regulations prescribed by the Secretary, has a continuing financial interest with respect to the transaction.

''(iii) DISQUALIFIED OPINIONS.—For purposes of clause (i), an opinion is disqualified if the opinion—

''(I) is based on unreasonable factual or legal assumptions (including assumptions as to future events),

''(II) unreasonably relies on representations, statements, findings, or agreements of the taxpayer or any other person,

''(III) does not identify and consider all relevant facts, or

''(IV) fails to meet any other requirement as the Secretary may prescribe.''

(2) CONFORMING AMENDMENT.—The heading for subsection (c) of section 6664 is amended by inserting ''FOR UNDERPAYMENTS'' after ''EXCEPTION''.

(d) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 461(i)(3) is amended by striking ''section 6662(d)(2)(C)(iii)'' and inserting ''section 1274(b)(3)(C)''.

(2) Paragraph (3) of section 1274(b) is amended—

(A) by striking ''(as defined in section 6662(d)(2)(C)(iii))'' in subparagraph (B)(i), and

(B) by adding at the end the following new subparagraph:

''(C) TAX SHELTER.—For purposes of subparagraph (B), the term 'tax shelter' means—

''(i) a partnership or other entity,

''(ii) any investment plan or arrangement, or

''(iii) any other plan or arrangement,

if a significant purpose of such partnership, entity, plan, or arrangement is the avoidance or evasion of Federal income tax.''

(3) Section 6662(d)(2) is amended by striking subparagraphs (C) and (D).

(4) Section 6664(c)(1) is amended by striking ''part'' and inserting ''section 6662 or 6663''.

(5) Subsection (b) of section 7525 is amended by striking ''section 6662(d)(2)(C)(iii)'' and inserting ''section 1274(b)(3)(C)''.

(6)(A) The heading for section 6662 is amended to read as follows:

''SEC. 6662. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERPAYMENTS.''

(B) The table of sections for part II of subchapter A of chapter 68 is amended by striking the item relating to section 6662 and inserting the following new items:

''Sec. 6662. Imposition of accuracy-related penalty on underpayments.

''Sec. 6662A. Imposition of accuracy-related penalty on understatements with respect to reportable transactions.''

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 603. MODIFICATIONS OF SUBSTANTIAL UNDERSTATEMENT PENALTY FOR NONREPORTABLE TRANSACTIONS.

(a) SUBSTANTIAL UNDERSTATEMENT OF CORPORATIONS.—Section 6662(d)(1)(B) (relating to special rule for corporations) is amended to read as follows:

''(B) SPECIAL RULE FOR CORPORATIONS.—In the case of a corporation other than an S corporation or a personal holding company (as defined in section 542), there is a substantial understatement of income tax for any taxable year if the amount of the understatement for the taxable year exceeds the lesser of—

''(i) 10 percent of the tax required to be shown on the return for the taxable year (or, if greater, $10,000), or

''(ii) $10,000,000.''

(b) REDUCTION FOR UNDERSTATEMENT OF TAXPAYER DUE TO POSITION OF TAXPAYER OR DISCLOSED ITEM.—

(1) IN GENERAL.—Section 6662(d)(2)(B)(i) (relating to substantial authority) is amended to read as follows:

''(i) the tax treatment of any item by the taxpayer if the taxpayer had reasonable belief that the tax treatment was more likely than not the proper treatment, or''.

(2) CONFORMING AMENDMENT.—Section 6662(d) is amended by adding at the end the following new paragraph:

''(3) SECRETARIAL LIST.—For purposes of this subsection, section 6664(d)(2), and section 6694(a)(1), the Secretary may prescribe a list of positions for which the Secretary believes there is not substantial authority or there is no reasonable belief that the tax treatment is more likely than not the proper tax treatment. Such list (and any revisions thereof) shall be published in the Federal Register or the Internal Revenue Bulletin.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 604. TAX SHELTER EXCEPTION TO CONFIDENTIALITY PRIVILEGES RELATING TO TAXPAYER COMMUNICATIONS.

(a) IN GENERAL.—Section 7525(b) (relating to section not to apply to communications regarding corporate tax shelters) is amended to read as follows:

''(b) SECTION NOT TO APPLY TO COMMUNICATIONS REGARDING TAX SHELTERS.—The privilege under subsection (a) shall not apply to any written communication which is—

''(1) between a federally authorized tax practitioner and—

''(A) any person,

''(B) any director, officer, employee, agent, or representative of the person, or

''(C) any other person holding a capital or profits interest in the person, and

''(2) in connection with the promotion of the direct or indirect participation of the person in any tax shelter (as defined in section 1274(b)(3)(C)).''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to communications made on or after the date of the enactment of this Act.

PART II—PROMOTER AND PREPARER RELATED PROVISIONS

Subpart A—Provisions Relating to Reportable Transactions

SEC. 611. DISCLOSURE OF REPORTABLE TRANSACTIONS.

(a) IN GENERAL.—Section 6111 (relating to registration of tax shelters) is amended to read as follows:

''SEC. 6111. DISCLOSURE OF REPORTABLE TRANSACTIONS.

''(a) IN GENERAL.—Each material advisor with respect to any reportable transaction shall make a return (in such form as the Secretary may prescribe) setting forth—

''(1) information identifying and describing the transaction,

''(2) information describing any potential tax benefits expected to result from the transaction, and

''(3) such other information as the Secretary may prescribe.

Such return shall be filed not later than the date specified by the Secretary.

''(b) DEFINITIONS.—For purposes of this section—

''(1) MATERIAL ADVISOR.—

''(A) IN GENERAL.—The term 'material advisor' means any person—

''(i) who provides any material aid, assistance, or advice with respect to organizing, promoting, selling, implementing, or carrying out any reportable transaction, and

''(ii) who directly or indirectly derives gross income in excess of the threshold amount for such advice or assistance.

''(B) THRESHOLD AMOUNT.—For purposes of subparagraph (A), the threshold amount is—

''(i) $50,000 in the case of a reportable transaction substantially all of the tax benefits from which are provided to natural persons, and

''(ii) $250,000 in any other case.

''(2) REPORTABLE TRANSACTION.—The term 'reportable transaction' has the meaning given to such term by section 6707A(c).

''(c) REGULATIONS.—The Secretary may prescribe regulations which provide—

''(1) that only 1 person shall be required to meet the requirements of subsection (a) in cases in which 2 or more persons would otherwise be required to meet such requirements,

''(2) exemptions from the requirements of this section, and

''(3) such rules as may be necessary or appropriate to carry out the purposes of this section.''

(b) CONFORMING AMENDMENTS.—

(1) The item relating to section 6111 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

''Sec. 6111. Disclosure of reportable transactions.''

(2)(A) So much of section 6112 as precedes subsection (c) thereof is amended to read as follows:

''SEC. 6112. MATERIAL ADVISORS OF REPORTABLE TRANSACTIONS MUST KEEP LISTS OF ADVISEES.

''(a) IN GENERAL.—Each material advisor (as defined in section 6111) with respect to any reportable transaction (as defined in section 6707A(c)) shall maintain, in such manner as the Secretary may by regulations prescribe, a list—

''(1) identifying each person with respect to whom such advisor acted as such a material advisor with respect to such transaction, and

''(2) containing such other information as the Secretary may by regulations require.

This section shall apply without regard to whether a material advisor is required to file a return under section 6111 with regard to such transaction.''

(B) Section 6112 is amended by redesignating subsection (c) as subsection (b).

(C) Section 6112(b), as redesignated by subparagraph (B), is amended—

(i) by inserting ''written'' before ''request'' in paragraph (1)(A), and

(ii) by striking ''shall prescribe'' in paragraph (2) and inserting ''may prescribe''.

(D) The item relating to section 6112 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

''Sec. 6112. Material advisors of reportable transactions must keep lists of advisees.''

(3)(A) The heading for section 6708 is amended to read as follows:

''SEC. 6708. FAILURE TO MAINTAIN LISTS OF ADVISEES WITH RESPECT TO REPORTABLE TRANSACTIONS.''

(B) The item relating to section 6708 in the table of sections for part I of subchapter B of chapter 68 is amended to read as follows:

''Sec. 6708. Failure to maintain lists of advisees with respect to reportable transactions.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions with respect to which material aid, assistance, or advice referred to in section 6111(b)(1)(A)(i) of the Internal Revenue Code of 1986 (as added by this section) is provided after the date of the enactment of this Act.

SEC. 612. MODIFICATIONS TO PENALTY FOR FAILURE TO REGISTER TAX SHELTERS.

(a) IN GENERAL.—Section 6707 (relating to failure to furnish information regarding tax shelters) is amended to read as follows:

''SEC. 6707. FAILURE TO FURNISH INFORMATION REGARDING REPORTABLE TRANSACTIONS.

''(a) IN GENERAL.—If a person who is required to file a return under section 6111(a) with respect to any reportable transaction—

''(1) fails to file such return on or before the date prescribed therefor, or

''(2) files false or incomplete information with the Secretary with respect to such transaction,

such person shall pay a penalty with respect to such return in the amount determined under subsection (b).

''(b) AMOUNT OF PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the penalty imposed under subsection (a) with respect to any failure shall be $50,000.

''(2) LISTED TRANSACTIONS.—The penalty imposed under subsection (a) with respect to any listed transaction shall be an amount equal to the greater of—

''(A) $200,000, or

''(B) 50 percent of the gross income derived by such person with respect to aid, assistance, or advice which is provided with respect to the reportable transaction before the date the return including the transaction is filed under section 6111.

Subparagraph (B) shall be applied by substituting '75 percent' for '50 percent' in the case of an intentional failure or act described in subsection (a).

''(c) REPORTABLE AND LISTED TRANSACTIONS.—The terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).

''(d) RESCISSION AUTHORITY.—The provisions of section 6707A(d) (relating to authority of Commissioner to rescind penalty) shall apply to any penalty imposed under this section.''

(b) CLERICAL AMENDMENT.—The item relating to section 6707 in the table of sections for part I of subchapter B of chapter 68 is amended by striking ''tax shelters'' and inserting ''reportable transactions''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns the due date for which is after the date of the enactment of this Act.

SEC. 613. MODIFICATION OF PENALTY FOR FAILURE TO MAINTAIN LISTS OF INVESTORS.

(a) IN GENERAL.—Subsection (a) of section 6708 is amended to read as follows:

''(a) IMPOSITION OF PENALTY.—

''(1) IN GENERAL.—If any person who is required to maintain a list under section 6112(a) fails to make such list available to the Secretary in accordance with section 6112(b)(1)(A) within 20 business days after the date of the Secretary's request, such person shall pay a penalty of $10,000 for each day of such failure after such 20th day.

''(2) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed by paragraph (1) with respect to the failure on any day if such failure is due to reasonable cause.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to requests made after the date of the enactment of this Act.

SEC. 614. MODIFICATION OF ACTIONS TO ENJOIN CERTAIN CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS.

(a) IN GENERAL.—Section 7408 (relating to action to enjoin promoters of abusive tax shelters, etc.) is amended by redesignating subsection (c) as subsection (d) and by striking subsections (a) and (b) and inserting the following new subsections:

''(a) AUTHORITY TO SEEK INJUNCTION.—A civil action in the name of the United States to enjoin any person from further engaging in specified conduct may be commenced at the request of the Secretary. Any action under this section shall be brought in the district court of the United States for the district in which such person resides, has his principal place of business, or has engaged in specified conduct. The court may exercise its jurisdiction over such action (as provided in section 7402(a)) separate and apart from any other action brought by the United States against such person.

''(b) ADJUDICATION AND DECREE.—In any action under subsection (a), if the court finds—

''(1) that the person has engaged in any specified conduct, and

''(2) that injunctive relief is appropriate to prevent recurrence of such conduct,

the court may enjoin such person from engaging in such conduct or in any other activity subject to penalty under this title.

''(c) SPECIFIED CONDUCT.—For purposes of this section, the term 'specified conduct' means any action, or failure to take action, subject to penalty under section 6700, 6701, 6707, or 6708.''

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 7408 is amended to read as follows:

''SEC. 7408. ACTIONS TO ENJOIN SPECIFIED CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS.''

(2) The table of sections for subchapter A of chapter 67 is amended by striking the item relating to section 7408 and inserting the following new item:

''Sec. 7408. Actions to enjoin specified conduct related to tax shelters and reportable transactions.''

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on the day after the date of the enactment of this Act.

Subpart B—Other Promoter and Preparer Provisions

SEC. 621. UNDERSTATEMENT OF TAXPAYER'S LIABILITY BY INCOME TAX RETURN PREPARER.

(a) STANDARDS CONFORMED TO TAXPAYER STANDARDS.—Section 6694(a) (relating to understatements due to unrealistic positions) is amended—

(1) by striking ''realistic possibility of being sustained on its merits'' in paragraph (1) and inserting ''reasonable belief that the tax treatment in such position was more likely than not the proper treatment'',

(2) by striking ''or was frivolous'' in paragraph (3) and inserting ''or there was no reasonable basis for the tax treatment of such position'', and

(3) by striking ''UNREALISTIC'' in the heading and inserting ''IMPROPER''.

(b) AMOUNT OF PENALTY.—Section 6694 is amended—

(1) by striking ''$250'' in subsection (a) and inserting ''$1,000'', and

(2) by striking ''$1,000'' in subsection (b) and inserting ''$5,000''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to documents prepared after the date of the enactment of this Act.

SEC. 622. PENALTY ON FAILURE TO REPORT INTERESTS IN FOREIGN FINANCIAL ACCOUNTS.

(a) IN GENERAL.—Section 5321(a)(5) of title 31, United States Code, is amended to read as follows:

''(5) FOREIGN FINANCIAL AGENCY TRANSACTION VIOLATION.—

''(A) PENALTY AUTHORIZED.—The Secretary of the Treasury may impose a civil money penalty on any person who violates, or causes any violation of, any provision of section 5314.

''(B) AMOUNT OF PENALTY.—

''(i) IN GENERAL.—Except as provided in subparagraph (C), the amount of any civil penalty imposed under subparagraph (A) shall not exceed $5,000.

''(ii) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under subparagraph (A) with respect to any violation if—

''(I) such violation was due to reasonable cause, and

''(II) the amount of the transaction or the balance in the account at the time of the transaction was properly reported.

''(C) WILLFUL VIOLATIONS.—In the case of any person willfully violating, or willfully causing any violation of, any provision of section 5314—

''(i) the maximum penalty under subparagraph (B)(i) shall be increased to the greater of—

''(I) $25,000, or

''(II) the amount (not exceeding $100,000) determined under subparagraph (D), and

''(ii) subparagraph (B)(ii) shall not apply.

''(D) AMOUNT.—The amount determined under this subparagraph is—

''(i) in the case of a violation involving a transaction, the amount of the transaction, or

''(ii) in the case of a violation involving a failure to report the existence of an account or any identifying information required to be provided with respect to an account, the balance in the account at the time of the violation.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring after the date of the enactment of this Act.

SEC. 623. FRIVOLOUS TAX SUBMISSIONS.

(a) CIVIL PENALTIES.—Section 6702 is amended to read as follows:

''SEC. 6702. FRIVOLOUS TAX SUBMISSIONS.

''(a) CIVIL PENALTY FOR FRIVOLOUS TAX RETURNS.—A person shall pay a penalty of $5,000 if—

''(1) such person files what purports to be a return of a tax imposed by this title but which—

''(A) does not contain information on which the substantial correctness of the self-assessment may be judged, or

''(B) contains information that on its face indicates that the self-assessment is substantially incorrect; and

''(2) the conduct referred to in paragraph (1)—

''(A) is based on a position which the Secretary has identified as frivolous under subsection (c), or

''(B) reflects a desire to delay or impede the administration of Federal tax laws.

''(b) CIVIL PENALTY FOR SPECIFIED FRIVOLOUS SUBMISSIONS.—

''(1) IMPOSITION OF PENALTY.—Except as provided in paragraph (3), any person who submits a specified frivolous submission shall pay a penalty of $5,000.

''(2) SPECIFIED FRIVOLOUS SUBMISSION.—For purposes of this section—

''(A) SPECIFIED FRIVOLOUS SUBMISSION.—The term 'specified frivolous submission' means a specified submission if any portion of such submission—

''(i) is based on a position which the Secretary has identified as frivolous under subsection (c), or

''(ii) reflects a desire to delay or impede the administration of Federal tax laws.

''(B) SPECIFIED SUBMISSION.—The term 'specified submission' means—

''(i) a request for a hearing under—

''(I) section 6320 (relating to notice and opportunity for hearing upon filing of notice of lien), or

''(II) section 6330 (relating to notice and opportunity for hearing before levy), and

''(ii) an application under—

''(I) section 6159 (relating to agreements for payment of tax liability in installments),

''(II) section 7122 (relating to compromises), or

''(III) section 7811 (relating to taxpayer assistance orders).

''(3) OPPORTUNITY TO WITHDRAW SUBMISSION.—If the Secretary provides a person with notice that a submission is a specified frivolous submission and such person withdraws such submission within 30 days after such notice, the penalty imposed under paragraph (1) shall not apply with respect to such submission.

''(c) LISTING OF FRIVOLOUS POSITIONS.—The Secretary shall prescribe (and periodically revise) a list of positions which the Secretary has identified as being frivolous for purposes of this subsection. The Secretary shall not include in such list any position that the Secretary determines meets the requirement of section 6662(d)(2)(B)(ii)(II).

''(d) REDUCTION OF PENALTY.—The Secretary may reduce the amount of any penalty imposed under this section if the Secretary determines that such reduction would promote compliance with and administration of the Federal tax laws.

''(e) PENALTIES IN ADDITION TO OTHER PENALTIES.—The penalties imposed by this section shall be in addition to any other penalty provided by law.''

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY.—

(1) FRIVOLOUS REQUESTS DISREGARDED.—Section 6330 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

''(g) FRIVOLOUS REQUESTS FOR HEARING, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of a request for a hearing under this section or section 6320 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.''

(2) PRECLUSION FROM RAISING FRIVOLOUS ISSUES AT HEARING.—Section 6330(c)(4) is amended—

(A) by striking ''(A)'' and inserting ''(A)(i)'';

(B) by striking ''(B)'' and inserting ''(ii)'';

(C) by striking the period at the end of the first sentence and inserting ''; or''; and

(D) by inserting after subparagraph (A)(ii) (as so redesignated) the following:

''(B) the issue meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A).''

(3) STATEMENT OF GROUNDS.—Section 6330(b)(1) is amended by striking ''under subsection (a)(3)(B)'' and inserting ''in writing under subsection (a)(3)(B) and states the grounds for the requested hearing''.

(c) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS UPON FILING OF NOTICE OF LIEN.—Section 6320 is amended—

(1) in subsection (b)(1), by striking ''under subsection (a)(3)(B)'' and inserting ''in writing under subsection (a)(3)(B) and states the grounds for the requested hearing'', and

(2) in subsection (c), by striking ''and (e)'' and inserting ''(e), and (g)''.

(d) TREATMENT OF FRIVOLOUS APPLICATIONS FOR OFFERS-IN-COMPROMISE AND INSTALLMENT AGREEMENTS.—Section 7122 is amended by adding at the end the following new subsection:

''(e) FRIVOLOUS SUBMISSIONS, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of an application for an offer-in-compromise or installment agreement submitted under this section or section 6159 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.''

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by striking the item relating to section 6702 and inserting the following new item:

''Sec. 6702. Frivolous tax submissions.''

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to submissions made and issues raised after the date on which the Secretary first prescribes a list under section 6702(c) of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 624. REGULATION OF INDIVIDUALS PRACTICING BEFORE THE DEPARTMENT OF TREASURY.

(a) CENSURE; IMPOSITION OF PENALTY.—

(1) IN GENERAL.—Section 330(b) of title 31, United States Code, is amended—

(A) by inserting '', or censure,'' after ''Department'', and

(B) by adding at the end the following new flush sentence:

''The Secretary may impose a monetary penalty on any representative described in the preceding sentence. If the representative was acting on behalf of an employer or any firm or other entity in connection with the conduct giving rise to such penalty, the Secretary may impose a monetary penalty on such employer, firm, or entity if it knew, or reasonably should have known, of such conduct. Such penalty shall not exceed the gross income derived (or to be derived) from the conduct giving rise to the penalty and may be in addition to, or in lieu of, any suspension, disbarment, or censure.''

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to actions taken after the date of the enactment of this Act.

(b) TAX SHELTER OPINIONS, ETC.—Section 330 of such title 31 is amended by adding at the end the following new subsection:

''(d) Nothing in this section or in any other provision of law shall be construed to limit the authority of the Secretary of the Treasury to impose standards applicable to the rendering of written advice with respect to any entity, transaction plan or arrangement, or other plan or arrangement, which is of a type which the Secretary determines as having a potential for tax avoidance or evasion.''

SEC. 625. PENALTY ON PROMOTERS OF TAX SHELTERS.

(a) PENALTY ON PROMOTING ABUSIVE TAX SHELTERS.—Section 6700(a) is amended by adding at the end the following new sentence: ''Notwithstanding the first sentence, if an activity with respect to which a penalty imposed under this subsection involves a statement described in paragraph (2)(A), the amount of the penalty shall be equal to 50 percent of the gross income derived (or to be derived) from such activity by the person on which the penalty is imposed.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to activities after the date of the enactment of this Act.

PART III—OTHER PROVISIONS

SEC. 631. AFFIRMATION OF CONSOLIDATED RETURN REGULATION AUTHORITY.

(a) IN GENERAL.—Section 1502 (relating to consolidated return regulations) is amended by adding at the end the following new sentence: ''In prescribing such regulations, the Secretary may prescribe rules applicable to corporations filing consolidated returns under section 1501 that are different from other provisions of this title that would apply if such corporations filed separate returns.''

(b) RESULT NOT OVERTURNED.—Notwithstanding subsection (a), the Internal Revenue Code of 1986 shall be construed by treating Treasury regulation §1.1502–20(c)(1)(iii) (as in effect on January 1, 2001) as being inapplicable to the type of factual situation in *Rite Aid Corporation v. United States*, 255 F.3d 1357 (Fed. Cir. 2001).

(c) EFFECTIVE DATE.—The provisions of this section shall apply to taxable years beginning before, on, or after the date of the enactment of this Act.

Subtitle B—Tax Treatment of Inversion Transactions

SEC. 641. TAX TREATMENT OF INVERTED CORPORATE ENTITIES.

(a) IN GENERAL.—Subchapter C of chapter 80 (relating to provisions affecting more than one subtitle) is amended by adding at the end the following new section:

''SEC. 7874. RULES RELATING TO INVERTED CORPORATE ENTITIES.

''(a) INVERTED CORPORATIONS TREATED AS DOMESTIC CORPORATIONS.—

''(1) IN GENERAL.—If a foreign incorporated entity is treated as an inverted domestic corporation, then, notwithstanding section 7701(a)(4), such entity shall be treated for purposes of this title as a domestic corporation.

''(2) INVERTED DOMESTIC CORPORATION.—For purposes of this section, a foreign incorporated entity shall be treated as an inverted domestic corporation if, pursuant to a plan (or a series of related transactions)—

''(A) the entity completes after March 20, 2002, the direct or indirect acquisition of substantially all of the properties held directly or indirectly by a domestic corporation or substantially all of the properties constituting a trade or business of a domestic partnership,

''(B) after the acquisition at least 80 percent of the stock (by vote or value) of the entity is held—

''(i) in the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation, or

''(ii) in the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership, and

''(C) the expanded affiliated group which after the acquisition includes the entity does not have substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the total business activities of such expanded affiliated group.

''(b) PRESERVATION OF DOMESTIC TAX BASE IN CERTAIN INVERSION TRANSACTIONS TO WHICH SUBSECTION (a) DOES NOT APPLY.—

''(1) IN GENERAL.—If a foreign incorporated entity would be treated as an inverted domestic corporation with respect to an acquired entity if either—

''(A) subsection (a)(2)(A) were applied by substituting 'after December 31, 1996, and on or before March 20, 2002' for 'after March 20, 2002' and subsection (a)(2)(B) were applied by substituting 'more than 50 percent' for 'at least 80 percent', or

''(B) subsection (a)(2)(B) were applied by substituting 'more than 50 percent' for 'at least 80 percent',

then the rules of subsection (c) shall apply to any inversion gain of the acquired entity during the applicable period and the rules of subsection (d) shall apply to any related party transaction of the acquired entity during the applicable period. This subsection shall not apply for any taxable year if subsection (a) applies to such foreign incorporated entity for such taxable year.

''(2) ACQUIRED ENTITY.—For purposes of this section—

''(A) IN GENERAL.—The term 'acquired entity' means the domestic corporation or partnership substantially all of the properties of which are directly or indirectly acquired in an acquisition described in subsection (a)(2)(A) to which this subsection applies.

''(B) AGGREGATION RULES.—Any domestic person bearing a relationship described in section 267(b) or 707(b) to an acquired entity shall be treated as an acquired entity with respect to the acquisition described in subparagraph (A).

''(3) APPLICABLE PERIOD.—For purposes of this section—

''(A) IN GENERAL.—The term 'applicable period' means the period—

''(i) beginning on the first date properties are acquired as part of the acquisition described in subsection (a)(2)(A) to which this subsection applies, and

''(ii) ending on the date which is 10 years after the last date properties are acquired as part of such acquisition.

''(B) SPECIAL RULE FOR INVERSIONS OCCURRING BEFORE MARCH 21, 2002.—In the case of any acquired entity to which paragraph (1)(A) applies, the applicable period shall be the 10-year period beginning on January 1, 2002.

''(c) TAX ON INVERSION GAINS MAY NOT BE OFFSET.—If subsection (b) applies—

''(1) IN GENERAL.—The taxable income of an acquired entity (or any expanded affiliated group which includes such entity) for any taxable year which includes any portion of the applicable period shall in no event be less than the inversion gain of the entity for the taxable year.

''(2) CREDITS NOT ALLOWED AGAINST TAX ON INVERSION GAIN.—Credits shall be allowed against the tax imposed by this chapter on an acquired entity for any taxable year described in paragraph (1) only to the extent such tax exceeds the product of—

''(A) the amount of the inversion gain for the taxable year, and

''(B) the highest rate of tax specified in section 11(b)(1).

The credit allowed by section 901 may be taken into account under the preceding sentence only to the extent of the product of such highest rate and the amount of taxable income from sources without the United States that is not inversion gain.

''(3) SPECIAL RULES FOR PARTNERSHIPS.—In the case of an acquired entity which is a partnership—

''(A) the limitations of this subsection shall apply at the partner rather than the partnership level,

''(B) the inversion gain of any partner for any taxable year shall be equal to the sum of—

''(i) the partner's distributive share of inversion gain of the partnership for such taxable year, plus

''(ii) income or gain required to be recognized for the taxable year by the partner under section 367(a), 741, or 1001, or under any other provision of chapter 1, by reason of the transfer during the applicable period of any partnership interest of the partner in such partnership to the foreign incorporated entity, and

''(C) the highest rate of tax specified in the rate schedule applicable to the partner under chapter 1 shall be substituted for the rate of tax under paragraph (2)(B).

''(4) INVERSION GAIN.—For purposes of this section, the term 'inversion gain' means any income or gain required to be recognized under section 304, 311(b), 367, 1001, or 1248, or under any other provision of chapter 1, by reason of the transfer during the applicable period of stock or other properties by an acquired entity—

''(A) as part of the acquisition described in subsection (a)(2)(A) to which subsection (b) applies, or

''(B) after such acquisition to a foreign related person.

The Secretary may provide that income or gain from the sale of inventories or other transactions in the ordinary course of a trade or business shall not be treated as inversion gain under subparagraph (B) to the extent the Secretary determines such treatment would not be inconsistent with the purposes of this section.

''(5) COORDINATION WITH SECTION 172 AND MINIMUM TAX.—Rules similar to the rules of paragraphs (3) and (4) of section 860E(a) shall apply for purposes of this section.

''(6) STATUTE OF LIMITATIONS.—

''(A) IN GENERAL.—The statutory period for the assessment of any deficiency attributable to the inversion gain of any taxpayer for any pre-inversion year shall not expire before the expiration of 3 years from the date the Secretary is notified by the taxpayer (in such manner as the Secretary may prescribe) of the acquisition described in subsection (a)(2)(A) to which such gain relates and such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment.

''(B) PRE-INVERSION YEAR.—For purposes of subparagraph (A), the term 'pre-inversion year' means any taxable year if—

''(i) any portion of the applicable period is included in such taxable year, and

''(ii) such year ends before the taxable year in which the acquisition described in subsection (a)(2)(A) is completed.

''(d) SPECIAL RULES APPLICABLE TO RELATED PARTY TRANSACTIONS.—

''(1) ANNUAL APPLICATION FOR AGREEMENTS ON RETURN POSITIONS.—

''(A) IN GENERAL.—Each acquired entity to which subsection (b) applies shall file with the Secretary an application for an approval agreement under subparagraph (D) for each taxable year which includes a portion of the applicable period. Such application shall be filed at such time and manner, and shall contain such information, as the Secretary may prescribe.

''(B) SECRETARIAL ACTION.—Within 90 days of receipt of an application under subparagraph (A) (or such longer period as the Secretary and entity may agree upon), the Secretary shall—

''(i) enter into an agreement described in subparagraph (D) for the taxable year covered by the application,

''(ii) notify the entity that the Secretary has determined that the application was filed in good faith and substantially complies with the requirements for the application under subparagraph (A), or

''(iii) notify the entity that the Secretary has determined that the application was not filed in good faith or does not substantially comply with such requirements.

If the Secretary fails to act within the time prescribed under the preceding sentence, the entity shall be treated for purposes of this paragraph as having received notice under clause (ii).

''(C) FAILURES TO COMPLY.—If an acquired entity fails to file an application under subparagraph (A), or the acquired entity receives a notice under subparagraph (B)(iii), for any taxable year, then for such taxable year—

''(i) there shall not be allowed any deduction, or addition to basis or cost of goods sold, for amounts paid or incurred, or losses incurred, by reason of a transaction between the acquired entity and a foreign related person,

''(ii) any transfer or license of intangible property (as defined in section 936(h)(3)(B)) between the acquired entity and a foreign related person shall be disregarded, and

''(iii) any cost-sharing arrangement between the acquired entity and a foreign related person shall be disregarded.

''(D) APPROVAL AGREEMENT.—For purposes of subparagraph (A), the term 'approval agreement' means a prefiling, advance pricing, or other agreement specified by the Secretary which contains such provisions as the Secretary determines necessary to ensure that the requirements of sections 163(j), 267(a)(3), 482, and 845, and any other provision of this title applicable to transactions between related persons and specified by the Secretary, are met.

''(2) MODIFICATIONS OF LIMITATION ON INTEREST DEDUCTION.—In the case of an acquired entity to which subsection (b) applies, section 163(j) shall be applied—

''(A) without regard to paragraph (2)(A)(ii) thereof, and

''(B) by substituting '25 percent' for '50 percent' each place it appears in paragraph (2)(B) thereof.

''(e) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) RULES FOR APPLICATION OF SUBSECTION (a)(2).—In applying subsection (a)(2) for purposes of subsections (a) and (b), the following rules shall apply:

''(A) CERTAIN STOCK DISREGARDED.—There shall not be taken into account in determining ownership for purposes of subsection (a)(2)(B)—

''(i) stock held by members of the expanded affiliated group which includes the foreign incorporated entity, or

''(ii) stock of such entity which is sold in a public offering related to the acquisition described in subsection (a)(2)(A).

''(B) PLAN DEEMED IN CERTAIN CASES.—If a foreign incorporated entity acquires directly or indirectly substantially all of the properties of a domestic corporation or partnership during the 4-year period beginning on the date which is 2 years before the ownership requirements of subsection (a)(2)(B) are met, such actions shall be treated as pursuant to a plan.

''(C) CERTAIN TRANSFERS DISREGARDED.—The transfer of properties or liabilities (including by contribution or distribution) shall be disregarded if such transfers are part of a plan a principal purpose of which is to avoid the purposes of this section.

''(D) SPECIAL RULE FOR RELATED PARTNERSHIPS.—For purposes of applying subsection (a)(2) to the acquisition of a domestic partnership, except as provided in regulations, all partnerships which are under common control (within the meaning of section 482) shall be treated as 1 partnership.

''(E) TREATMENT OF CERTAIN RIGHTS.—The Secretary shall prescribe such regulations as may be necessary—

''(i) to treat warrants, options, contracts to acquire stock, convertible debt instruments, and other similar interests as stock, and

''(ii) to treat stock as not stock.

''(2) EXPANDED AFFILIATED GROUP.—The term 'expanded affiliated group' means an affiliated group as defined in section 1504(a) but without regard to section 1504(b), except that section 1504(a) shall be applied by substituting 'more than 50 percent' for 'at least 80 percent' each place it appears.

''(3) FOREIGN INCORPORATED ENTITY.—The term 'foreign incorporated entity' means any entity which is, or but for subsection (a)(1) would be, treated as a foreign corporation for purposes of this title.

''(4) FOREIGN RELATED PERSON.—The term 'foreign related person' means, with respect to any acquired entity, a foreign person which—

''(A) bears a relationship to such entity described in section 267(b) or 707(b), or

''(B) is under the same common control (within the meaning of section 482) as such entity.

''(5) SUBSEQUENT ACQUISITIONS BY UNRELATED DOMESTIC CORPORATIONS.—Subject to such conditions, limitations, and exceptions as the Secretary may prescribe, if, after an acquisition described in subsection (a)(2)(A) to which subsection (b) applies—

''(A) a domestic corporation stock of which is traded on an established securities market acquires directly or indirectly substantially all of the properties of an acquired entity,

''(B) before such acquisition such domestic corporation did not have a relationship described in section 267(b) or 707(b), and was not under common control (within the meaning of section 482), with such entity, or any member of an expanded affiliated group including such entity, and

''(C) after such acquisition such acquired entity does not have such a relationship and was not under such common control with any member of the expanded affiliated group which before such acquisition included such entity,

then this section shall cease to apply to such entity.

''(f) REGULATIONS.—The Secretary shall provide such regulations as are necessary to carry out this section, including regulations providing for such adjustments to the application of this section as are necessary to prevent the avoidance of the purposes of this section, including the avoidance of such purposes through—

''(1) the use of related persons, passthrough or other noncorporate entities, or other intermediaries, or

''(2) transactions designed to have persons cease to be (or not become) members of expanded affiliated groups or related persons.''

(b) TREATMENT OF AGREEMENTS.—

(1) CONFIDENTIALITY.—

(A) TREATMENT AS RETURN INFORMATION.—Section 6103(b)(2) (relating to return information) is amended by striking ''and'' at the end of subparagraph (C), by inserting ''and'' at the end of subparagraph (D), and by inserting after subparagraph (D) the following new subparagraph:

''(E) any approval agreement under section 7874(d)(1) to which any preceding subparagraph does not apply and any background information related to the agreement or any application for the agreement,''.

(B) EXCEPTION FROM PUBLIC INSPECTION AS WRITTEN DETERMINATION.—Section 6110(b)(1)(B) is amended by striking ''or (D)'' and inserting '', (D), or (E)''.

(2) REPORTING.—The Secretary of the Treasury shall include with any report on advance pricing agreements required to be submitted after the date of the enactment of this Act under section 521(b) of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170) a report regarding approval agreements under section 7874(d)(1) of the Internal Revenue Code of 1986. Such report shall include information similar to the information required with respect to advance pricing agreements and shall be treated for confidentiality purposes in the same manner as the reports on advance pricing agreements are treated under section 521(b)(3) of such Act.

(c) INFORMATION REPORTING.—The Secretary of the Treasury shall exercise the Secretary's authority under the Internal Revenue Code of 1986 to require entities involved in transactions to which section 7874 of such Code (as added by subsection (a)) applies to report to the Secretary, shareholders, partners, and such other persons as the Secretary may prescribe such information as is necessary to ensure the proper tax treatment of such transactions.

(d) CONFORMING AMENDMENT.—The table of sections for subchapter C of chapter 80 is amended by adding at the end the following new item:

''Sec. 7874. Rules relating to inverted corporate entities.''

Subtitle C—Reinsurance Agreements

SEC. 651. REINSURANCE OF UNITED STATES RISKS IN FOREIGN JURISDICTIONS.

(a) IN GENERAL.—Section 845(a) (relating to allocation in case of reinsurance agreement involving tax avoidance or evasion) is amended by striking ''source and character'' and inserting ''amount, source, or character''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to any risk reinsured after April 11, 2002.

Subtitle D—Extension of Internal Revenue Service User Fees

SEC. 661. EXTENSION OF INTERNAL REVENUE SERVICE USER FEES.

(a) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

''SEC. 7527. INTERNAL REVENUE SERVICE USER FEES.

''(a) GENERAL RULE.—The Secretary shall establish a program requiring the payment of user fees for—

''(1) requests to the Internal Revenue Service for ruling letters, opinion letters, and determination letters, and

''(2) other similar requests.

''(b) PROGRAM CRITERIA.—

''(1) IN GENERAL.—The fees charged under the program required by subsection (a)—

''(A) shall vary according to categories (or subcategories) established by the Secretary,

''(B) shall be determined after taking into account the average time for (and difficulty of) complying with requests in each category (and subcategory), and

''(C) shall be payable in advance.

''(2) EXEMPTIONS, ETC.—

''(A) IN GENERAL.—The Secretary shall provide for such exemptions (and reduced fees) under such program as the Secretary determines to be appropriate.

''(B) EXEMPTION FOR CERTAIN REQUESTS REGARDING PENSION PLANS.—The Secretary shall not require payment of user fees under such program for requests for determination letters with respect to the qualified status of a pension benefit plan maintained solely by 1 or more eligible employers or any trust which is part of the plan. The preceding sentence shall not apply to any request—

''(i) made after the later of—

''(I) the fifth plan year the pension benefit plan is in existence, or

''(II) the end of any remedial amendment period with respect to the plan beginning within the first 5 plan years, or

''(ii) made by the sponsor of any prototype or similar plan which the sponsor intends to market to participating employers.

''(C) DEFINITIONS AND SPECIAL RULES.—For purposes of subparagraph (B)—

''(i) PENSION BENEFIT PLAN.—The term 'pension benefit plan' means a pension, profit-sharing, stock bonus, annuity, or employee stock ownership plan.

''(ii) ELIGIBLE EMPLOYER.—The term 'eligible employer' means an eligible employer (as defined in section 408(p)(2)(C)(i)(I)) which has at least 1 employee who is not a highly compensated employee (as defined in section 414(q)) and is participating in the plan. The determination of whether an employer is an eligible employer under subparagraph (B) shall be made as of the date of the request described in such subparagraph.

''(iii) DETERMINATION OF AVERAGE FEES CHARGED.—For purposes of any determination of average fees charged, any request to which subparagraph (B) applies shall not be taken into account.

''(3) AVERAGE FEE REQUIREMENT.—The average fee charged under the program required by subsection (a) shall not be less than the amount determined under the following table:

"Category	Average Fee
Employee plan ruling and opinion ..	$250
Exempt organization ruling	$350
Employee plan determination	$300
Exempt organization determination.	$275
Chief counsel ruling	$200.

''(c) TERMINATION.—No fee shall be imposed under this section with respect to requests made after June 30, 2008.''

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for chapter 77 is amended by adding at the end the following new item:

''Sec. 7527. Internal Revenue Service user fees.''.

(2) Section 10511 of the Revenue Act of 1987 is repealed.

(3) Section 620 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is repealed.

(c) LIMITATIONS.—Notwithstanding any other provision of law, any fees collected pursuant to section 7527 of the Internal Revenue Code of 1986, as added by subsection (a), shall not be expended by the Internal Revenue Service unless provided by an appropriations Act.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to requests made after the date of the enactment of this Act.

Subtitle E—Imposition of Customs User Fees

SEC. 671. CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended by striking ''September 30, 2003'' and inserting ''October 31, 2008''.

TITLE VII—EQUAL TREATMENT FOR NONGOVERNMENTAL PROVIDERS

SEC. 701. NONGOVERNMENTAL ORGANIZATIONS.

(a) GENERAL AUTHORITY.—For any social service program, a nongovernmental organization that is (or is applying to be) involved in the delivery of social services for the program shall not be required—

(1) to alter or remove art, icons, scripture, or other symbols, or to alter its name, because the symbols or name are religious;

(2) to alter or remove provisions in its chartering documents because the provisions are religious, except that no such charter provisions shall affect the application to a nongovernmental organization of any law that would (notwithstanding this paragraph) apply to the nongovernmental organization; or

(3) to alter or remove religious qualifications for membership on its governing boards.

(b) PRIOR EXPERIENCE.—A nongovernmental organization that has not previously been awarded a contract, grant, or cooperative agreement from an agency shall not, for that reason, be disadvantaged in a competition to secure a contract, grant, or cooperative agreement to deliver services under a social service program from the agency administering the program.

(c) INTERMEDIATE GRANTORS.—

(1) IN GENERAL.—An agency that administers a social service program, and that is authorized to award grants or cooperative agreements to nongovernmental organizations under the program, may award to a nongovernmental organization (referred to in this subsection as an ''intermediate grantor'') a grant or cooperative agreement, the terms of which authorize the intermediate grantor—

(A) to provide subgrants or subagreements to nongovernmental providers (referred to individually in this subsection as a ''subrecipient''), to deliver social services for the program; and

(B) to manage the subgrants or subagreements.

(2) RESPONSIBILITIES AND RIGHTS OF SUBRECIPIENTS.—

(A) RESPONSIBILITIES.—Except for those administrative responsibilities that the intermediate grantor fully performs on behalf of the subrecipient, the subrecipient shall have the same responsibilities or duties with respect to the program as the subrecipient would have if it were the intermediate grantor.

(B) RIGHTS.—The subrecipient shall have the same rights or authorities under this section as the subrecipient would have if it were the intermediate grantor.

(3) RESPONSIBILITIES AND RIGHTS OF AGENCIES.—

(A) RESPONSIBILITIES.—Nothing in this subsection shall alter any of an agency's responsibilities or duties with respect to the program, the intermediate grantor, or the subrecipient.

(B) RIGHTS.—Nothing in this subsection shall alter any of an agency's rights or authorities with respect to the program, the intermediate grantor, or the subrecipient.

(d) COMPLIANCE.—To enforce the provisions of this section against a Federal agency or official, a nongovernmental organization may bring an action for injunctive relief in an appropriate United States district court. To enforce the provisions of this section against a State or local agency or official, a nongovernmental organization may bring an action for injunctive relief in an appropriate State court of general jurisdiction.

(e) DEFINITIONS.—In this section:

(1) FEDERAL FINANCIAL ASSISTANCE.—The term ''Federal financial assistance'' does not include a tax credit, deduction, or exemption.

(2) SOCIAL SERVICE PROGRAM.—

(A) IN GENERAL.—The term ''social service program'' means a program that—

(i) is administered by the Federal Government, or by a State or local government using Federal financial assistance; and

(ii) provides services directed at helping people in need, reducing poverty, improving outcomes of low-income children, revitalizing low-income communities, and empowering low-income families and low-income individuals to become self-sufficient, including—

(I) child care services, protective services for children and adults, services for children and adults in foster care, adoption services, services related to the management and maintenance of the home, day care services for adults, and services to meet the special needs of children, older individuals, and individuals with disabilities (including physical, mental, or emotional disabilities);

(II) transportation services;

(III) job training and related services, and employment services;

(IV) information, referral, and counseling services;

(V) the preparation and delivery of meals, and services related to soup kitchens or food banks;

(VI) health support services;

(VII) literacy and mentoring programs;

(VIII) services for the prevention and treatment of juvenile delinquency and substance abuse, services for the prevention of crime and the provision of assistance to the victims and the families of criminal offenders, and services related to the intervention in, and prevention of, domestic violence; and

(IX) services related to the provision of assistance for housing under Federal law.

(B) EXCLUSIONS.—The term does not include a program having the purpose of delivering educational assistance under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) or under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

TITLE VIII—COMPASSION CAPITAL FUND

SEC. 801. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; DEPARTMENT OF HEALTH AND HUMAN SERVICES.

(a) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Secretary of Health and Human Services (referred to in this section as ''the Secretary'') may award grants to and enter into cooperative agreements with nongovernmental organizations, to—

(1) provide technical assistance for community-based organizations, which may include—

(A) grant writing and grant management assistance, which may include assistance provided through workshops and other guidance;

(B) legal assistance with incorporation;

(C) legal assistance to obtain tax-exempt status; and

(D) information on, and referrals to, other nongovernmental organizations that provide expertise in accounting, on legal issues, on tax issues, in program development, and on a variety of other organizational topics;

(2) provide information and assistance for community-based organizations on capacity building;

(3) provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of nonprofit community-based organizations;

(5) assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) encourage research on the best practices of social service organizations.

(b) SUPPORT FOR STATES.—The Secretary—

(1) may award grants to and enter into cooperative agreements with States and political subdivisions of States to provide seed money to establish State and local offices of faith-based and community initiatives; and

(2) shall provide technical assistance to States and political subdivisions of States in administering the provisions of this Act.

(c) APPLICATIONS.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State, or political subdivision shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(d) LIMITATION.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Secretary) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $85,000,000 for fiscal year 2003, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(f) DEFINITION.—In this section, the term ''community-based organization'' means a nonprofit corporation or association that has—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $450,000.

SEC. 802. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

(a) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Corporation for National and Community Service (referred to in this section as ''the Corporation'') may award grants to and enter into cooperative agreements with nongovernmental organizations and State Commissions on National and Community Service established under section 178 of the National and Community Service Act of 1990 (42 U.S.C. 12638), to—

(1) provide technical assistance for community-based organizations, which may include—

(A) grant writing and grant management assistance, which may include assistance provided through workshops and other guidance;

(B) legal assistance with incorporation;

(C) legal assistance to obtain tax-exempt status; and

(D) information on, and referrals to, other nongovernmental organizations that provide expertise in accounting, on legal issues, on tax issues, in program development, and on a variety of other organizational topics;

(2) provide information and assistance for community-based organizations on capacity building;

(3) provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of community-based organizations;

(5) assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) encourage research on the best practices of social service organizations.

(b) APPLICATIONS.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State Commission, State, or political subdivision shall submit an application to the Corporation at such time, in such manner, and containing such information as the Corporation may require.

(c) LIMITATION.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Secretary) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to

carry out this section $15,000,000 for fiscal year 2003, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(e) DEFINITION.—In this section, the term ''community-based organization'' means a nonprofit corporation or association that has—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $450,000.

SEC. 803. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; DEPARTMENT OF JUSTICE.

(a) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Attorney General may award grants to and enter into cooperative agreements with nongovernmental organizations, to—

(1) provide technical assistance for community-based organizations, which may include—

(A) grant writing and grant management assistance, which may include assistance provided through workshops and other guidance;

(B) legal assistance with incorporation;

(C) legal assistance to obtain tax-exempt status; and

(D) information on, and referrals to, other nongovernmental organizations that provide expertise in accounting, on legal issues, on tax issues, in program development, and on a variety of other organizational topics;

(2) provide information and assistance for community-based organizations on capacity building;

(3) provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of nonprofit community-based organizations;

(5) assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) encourage research on the best practices of social service organizations.

(b) APPLICATIONS.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State, or political subdivision shall submit an application to the Attorney General at such time, in such manner, and containing such information as the Attorney General may require.

(c) LIMITATION.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Attorney General) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $35,000,000 for fiscal year 2003, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(e) DEFINITION.—In this section, the term ''community-based organization'' means a nonprofit corporation or association that has—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $450,000.

SEC. 804. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(a) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Secretary of Housing and Urban Development (referred to in this section ''the Secretary'') may award grants to and enter into cooperative agreements with nongovernmental organizations, to—

(1) provide technical assistance for community-based organizations, which may include—

(A) grant writing and grant management assistance, which may include assistance provided through workshops and other guidance;

(B) legal assistance with incorporation;

(C) legal assistance to obtain tax-exempt status; and

(D) information on, and referrals to, other nongovernmental organizations that provide expertise in accounting, on legal issues, on tax issues, in program development, and on a variety of other organizational topics;

(2) provide information and assistance for community-based organizations on capacity building;

(3) provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of community-based organizations;

(5) assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) encourage research on the best practices of social service organizations.

(b) APPLICATIONS.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State, or political subdivision shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(c) LIMITATION.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Secretary) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $15,000,000 for fiscal year 2003, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(e) DEFINITION.—In this section, the term ''community-based organization'' means a nonprofit corporation or association that has—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $450,000.

SEC. 805. COORDINATION.

The Secretary of Health and Human Services, the Corporation for National and Community Service, the Attorney General, and the Secretary of Housing and Urban Development shall coordinate their activities under this title to ensure—

(1) nonduplication of activities under this title; and

(2) an equitable distribution of resources under this title.

TITLE IX—MATERNITY GROUP HOMES

SEC. 901. MATERNITY GROUP HOMES.

(a) PERMISSIBLE USE OF FUNDS.—Section 322 of the Runaway and Homeless Youth Act (42 U.S.C. 5714-2) is amended—

(1) in subsection (a)(1), by inserting ''(including maternity group homes)'' after ''group homes''; and

(2) by adding at the end the following:

''(c) MATERNITY GROUP HOME.—In this part, the term 'maternity group home' means a community-based, adult-supervised group home that provides young mothers and their children with a supportive and supervised living arrangement in which such mothers are required to learn parenting skills, including child development, family budgeting, health and nutrition, and other skills to promote their long-term economic independence and the well-being of their children.''.

(b) CONTRACT FOR EVALUATION.—Part B of the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.) is amended by adding at the end the following:

''SEC. 323. CONTRACT FOR EVALUATION.

''(a) IN GENERAL.—The Secretary shall enter into a contract with a public or private entity for an evaluation of the maternity group homes that are supported by grant funds under this Act.

''(b) INFORMATION.—The evaluation described in subsection (a) shall include the collection of information about the relevant characteristics of individuals who benefit from maternity group homes such as those that are supported by grant funds under this Act and what services provided by those maternity group homes are most beneficial to such individuals.

''(c) REPORT.—Not later than 2 years after the date on which the Secretary enters into a contract for an evaluation under subsection (a), and biennially thereafter, the entity conducting the evaluation under this section shall submit to Congress a report on the status, activities, and accomplishments of maternity group homes that are supported by grant funds under this Act.''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 388 of the Runaway and Homeless Youth Act (42 U.S.C. 5751) is amended—

(1) in subsection(a)(1)—

(A) by striking ''There'' and inserting the following:

''(A) IN GENERAL.—There'';

(B) in subparagraph (A), as redesignated, by inserting ''and the purpose described in subparagraph (B)'' after ''other than part E''; and

(C) by adding at the end the following:

''(B) MATERNITY GROUP HOMES.—There is authorized to be appropriated, for maternity group homes eligible for assistance under section 322(a)(1)—

''(i) $33,000,000 for fiscal year 2003; and

''(ii) such sums as may be necessary for fiscal year 2004.''; and

(2) in subsection (a)(2)(A), by striking ''paragraph (1)'' and inserting ''paragraph (1)(A)''.

TITLE X—STATE AND LOCAL POLITICAL COMMITTEES

SEC. 1001. EXEMPTION FOR CERTAIN STATE AND LOCAL POLITICAL COMMITTEES FROM NOTIFICATION REQUIREMENTS.

(a) EXEMPTION FROM NOTIFICATION REQUIREMENTS.—Paragraph (5) of section 527(i) (relating to organizations must notify Secretary that they are section 527 organizations) is amended by striking ''or'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', or'', and by adding at the end the following:

''(C) which is a political committee of a State or local candidate or which is a State or local committee of a political party.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if included in the amendments made by Public Law 106–230.

SEC. 1002. EXEMPTION FOR CERTAIN STATE AND LOCAL POLITICAL COMMITTEES FROM REPORTING REQUIREMENTS.

(a) IN GENERAL.—Section 527(j)(5) (relating to coordination with other requirements) is amended by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively, and by inserting after subparagraph (B) the following new subparagraph:

''(C) to any organization which is a qualified State or local political organization,''.

(b) QUALIFIED STATE OR LOCAL POLITICAL ORGANIZATION.—Subsection (e) of section 527 (relating to other definitions) is amended by adding at the end the following new paragraph:

''(5) QUALIFIED STATE OR LOCAL POLITICAL ORGANIZATION.—

''(A) IN GENERAL.—The term 'qualified State or local political organization' means a political organization which—

''(i) does not engage in any exempt function other than solely for the purposes of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any State or local public office or office in a State or local political organization,

''(ii) is subject to State law which requires the organization to report (and it so reports)—

''(I) information regarding each separate expenditure from and contribution to such organization, and

''(II) information regarding the person who makes such contribution or receives such expenditure,

which would otherwise be required to be reported under this section, and

''(iii) with respect to which the reports referred to in clause (ii) are made public by the agency with which such reports are filed and are publicly available for inspection in a manner similar to that required by section 6104(d)(1).

''(B) CERTAIN DIFFERENCES DISREGARDED.—An organization shall not be treated as failing to meet the requirements of subparagraph (A)(ii) solely by reason of 1 or more of the following:

''(i) The minimum amount of any expenditure or contribution required to be reported under State law is not more than $300 greater than the minimum amount required to be reported under subsection (j).

''(ii) The State law does not require the organization to identify 1 or more of the following:

''(I) The employer of any person who makes contributions to the organization.

''(II) The occupation of any person who makes contributions to the organization.

''(III) The employer of any person who receives expenditures from the organization.

''(IV) The occupation of any person who receives expenditures from the organization.

''(V) The purpose of any expenditure of the organization.

''(VI) The date any contribution was made to the organization.

''(VII) The date of any expenditure of the organization.

''(iii) The organization makes de minimis errors in complying with State law requirements as long as the organization corrects the errors within a reasonable period after becoming aware of such errors.

''(C) PARTICIPATION OF FEDERAL CANDIDATE OR OFFICE HOLDER.—The term 'qualified State or local political organization' shall not include any organization otherwise described in subparagraph (A) if a candidate for nomination or election to Federal elective public office or an individual who holds such office—

''(i) controls or materially participates in the direction of the organization,

''(ii) solicits contributions to the organization (unless the Secretary determines that such solicitations resulted in de minimis contributions and were made without the prior knowledge and consent, whether explicit or implicit, of the organization or its officers, directors, agents, or employees), or

''(iii) directs, in whole or in part, disbursements by the organization.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by Public Law 106–230.

SEC. 1003. EXEMPTION FROM ANNUAL RETURN REQUIREMENTS.

(a) INCOME TAX RETURNS REQUIRED ONLY FOR POLITICAL ORGANIZATION TAXABLE INCOME.—Paragraph (6) of section 6012(a) (relating to persons required to make returns of income) is amended by striking ''or which has'' and all that follows through ''section)''.

(b) INFORMATION RETURNS.—Subsection (g) of section 6033 (relating to returns required by political organizations) is amended to read as follows:

''(g) RETURNS REQUIRED BY POLITICAL ORGANIZATIONS.—

''(1) IN GENERAL.—This section shall apply to a political organization—

''(A) as defined by section 527(e)(1) which has gross receipts of $25,000 or more for the taxable year, or

''(B) as defined by section 527(e)(5) which has gross receipts of $100,000 or more for the taxable year.

''(2) ANNUAL RETURNS.—Political organizations described in paragraph (1) shall file an annual return—

''(A) containing the information required, and complying with the other requirements, under subsection (a)(1) for organizations exempt from taxation under section 501(a), with such modifications as the Secretary considers appropriate so that only information which is necessary to carry out the purposes of section 527 is required, and

''(B) containing such other information as the Secretary deems necessary to carry out the provisions of this subsection.

''(3) MANDATORY EXCEPTIONS FROM FILING.—Paragraph (2) shall not apply to an organization—

''(A) which is a State or local committee of a political party, or political committee of a State or local candidate,

''(B) which is a caucus or association of State or local officials,

''(C) which is an authorized committee (as defined in section 301(6) of the Federal Election Campaign Act of 1971) of a candidate for Federal office,

''(D) which is a national committee (as defined in section 301(14) of the Federal Election Campaign Act of 1971) of a political party,

''(E) which is a United States House of Representatives or United States Senate campaign committee of a political party committee,

''(F) which is required to report under the Federal Election Campaign Act of 1971 as a political committee, or

''(G) to which section 527 applies for the taxable year solely by reason of subsection (f)(1) of such section.

''(4) DISCRETIONARY EXCEPTION.—The Secretary may relieve any organization required under paragraph (2) to file an information return from filing such a return where the Secretary determines that such filing is not necessary to the efficient administration of the internal revenue laws.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by Public Law 106–230.

SEC. 1004. NOTIFICATION OF INTERACTION OF REPORTING REQUIREMENTS.

(a) IN GENERAL.—The Secretary of the Treasury, in consultation with the Federal Election Commission, shall publicize—

(1) the effect of the amendments made by this Act, and

(2) the interaction of requirements to file a notification or report under section 527 of the Internal Revenue Code of 1986 and reports under the Federal Election Campaign Act of 1971.

(b) INFORMATION.—Information provided under subsection (a) shall be included in any appropriate form, instruction, notice, or other guidance issued to the public by the Secretary of the Treasury or the Federal Election Commission regarding reporting requirements of political organizations (as defined in section 527 of the Internal Revenue Code of 1986) or reporting requirements under the Federal Election Campaign Act of 1971.

SEC. 1005. WAIVER.

(a) IN GENERAL.—Section 527 is amended by adding at the end the following:

''(k) AUTHORITY TO WAIVE.—The Secretary may waive all or any portion of the—

''(1) tax assessed on an organization by reason of the failure to comply with the requirements imposed by subsection (i), or

''(2) amount imposed under subsection (j) for the failure to comply with the requirements imposed by such subsection,

on a showing that such failure was due to reasonable cause and not due to willful neglect.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to any tax assessed or amount imposed after June 30, 2000.

SEC. 1006. MODIFICATIONS TO SECTION 527 ORGANIZATION DISCLOSURE PROVISIONS.

(a) UNSEGREGATED FUNDS NOT TO AVOID TAX.—Paragraph (4) of section 527(i) (relating to failure to notify) is amended by adding at the end the following new sentence: ''For purposes of the preceding sentence, the term 'exempt function income' means any amount described in a subparagraph of subsection (c)(3), whether or not segregated for use for an exempt function.''.

(b) PROCEDURES FOR ASSESSMENT AND COLLECTION.—Paragraph (1) of section 527(j) (relating to required disclosure of expenditures and contributions) is amended by adding at the end the following new sentence: ''For purposes of subtitle F, the amount imposed by this paragraph shall be assessed and collected in the same manner as penalties imposed by section 6652(c).''.

(c) DUPLICATE WRITTEN FILINGS NOT REQUIRED.—Subparagraph (A) of section 527(i)(1) is amended by striking '', electronically and in writing,'' and inserting ''electronically''.

(d) APPLICATION OF FRAUD PENALTY.—Section 7207 (relating to fraudulent returns, statements, and other documents) is amended by striking ''pursuant to subsection (b) of section 6047 or pursuant to subsection (d) of section 6104'' and inserting ''pursuant to section 6047(b), section 6104(d), or subsection (i) or (j) of section 527''.

(e) CONTENTS AND FILING OF REPORT.—

(1) CONTENTS.—Section 527(j)(3) (relating to contents of report) is amended—

(A) by inserting '', date, and purpose'' after ''The amount'' in subparagraph (A), and

(B) by inserting ''and date'' after ''the amount'' in subparagraph (B).

(2) ELECTRONIC FILING REQUIRED.—Section 527(j) is amended by adding at the end the following new paragraph:

''(7) ELECTRONIC FILING.—Any report required under paragraph (2) with respect to any calendar year shall be filed in electronic form if the organization has, or has reason to expect to have, contributions or expenditures exceeding $50,000 in such calendar year.''.

(3) ELECTRONIC FILING AND ACCESS OF REQUIRED DISCLOSURES.—Section 527, as amended by section 1005(a), is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

''(k) PUBLIC ACCESSIBILITY TO NOTICES AND REPORTS.—

''(1) IN GENERAL.—The Secretary shall make any notice described in subsection (i)(1) or report described in subsection (j)(7) available for public inspection on the Internet not later than 48 hours after such notice or report has been filed (in addition to such public availability as may be made under section 6104(d)(7)).

''(2) ACCESS TO NOTICES AND REPORTS.—The Secretary shall make all notices and reports which are made available to the public under paragraph (1) searchable by the following items, to the extent such an item is required to be included in such notices or reports:

''(A) Name, State, zip code, custodian of records, directors, and general purpose of the organizations.

''(B) Entities related to the organizations.

''(C) Contributors to the organizations.

''(D) Employers of such contributors.

''(E) Recipients of expenditures by the organizations.

''(F) Ranges of contributions and expenditures.

''(G) Time period of the notices or reports.''.

(f) CONTENTS OF NOTICE.—Section 527(i)(3) (relating to contents of notice) is amended by striking ''and'' at the end of subparagraph (D), by redesignating subparagraph (E) as subparagraph (F), and by inserting after subparagraph (D) the following new subparagraph:

''(E) whether the organization intends to claim an exemption from the requirements of subsection (j) or section 6033, and''.

(g) TIMING OF NOTICE.—Section 527(i)(2) (relating to time to give notice) is amended by inserting ''or, in the case of any material change in the information required under paragraph (3), not later than 30 days after such material change'' after ''established''.

(h) EFFECTIVE DATES.—

(1) SUBSECTIONS (a) AND (b).—The amendments made by subsections (a) and (b) shall apply to failures occurring on or after the date of the enactment of this Act.

(2) SUBSECTION (c).—The amendments made by subsection (c) shall take effect as if included in the amendments made by Public Law 106–230.

(3) SUBSECTIONS (d), (e)(1), AND (f).—The amendments made by subsections (d), (e)(1), and (f) shall apply to reports or notices filed on or after the date of the enactment of this Act.

(4) SUBSECTIONS (e)(2) AND (e)(3).—The amendments made by subsections (e)(2) and (e)(3) shall apply to reports filed on or after 60 days after the date of the enactment of this Act.

(5) SUBSECTION (g).—The amendments made by subsection (g) shall apply to material changes on or after the date of the enactment of this Act.

SEC. 1007. EFFECT OF AMENDMENTS ON EXISTING DISCLOSURES.

Notices, reports, or returns that were required to be filed with the Secretary of the Treasury before the date of the enactment of the amendments made by this title and that were disclosed by the Secretary of the Treasury consistent with the law in effect at the time of disclosure shall remain subject on and after such date to the disclosure provisions of section 6104 of the Internal Revenue Code of 1986.

SA 4720. Mr. EDWARDS (for himself, Mr. SCHUMER, and Mr. HATCH) submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 210, between lines 9 and 10, insert the following:

TITLE VI—COMMISSION ON ENHANCING SECURITY AND PRESERVING FREEDOM

SEC. 601. FINDINGS.

Congress makes the following findings:

(1) The terrorist attacks of September 11, 2001, and the continuing threat of further attacks, are an assault on the safety and security of all Americans.

(2) The threat of further acts of terrorism has necessitated an expansion of the authority of government to conduct surveillance and collect data.

(3) While recognizing the need for additional security measures, Americans remain deeply committed to the individual dignity, liberty, and privacy rooted in United States history and protected by the Constitution of the United States.

(4) Different investigative technologies and methods can achieve the same security goals in ways that have substantially different impacts on individual rights.

(5) The government should conduct investigations and surveillance in a manner that fully addresses law enforcement and national security needs in the manner that best preserves the personal dignity, liberty, and privacy of individuals within the United States.

SEC. 602. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established the Commission on Enhancing Security and Preserving Freedom (in this title referred to as the ''Commission'').

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 17 members of whom—

(A) five shall be representatives of the Federal Government, including—

(i) the Attorney General, or the Attorney General's designee;

(ii) the Secretary of the Treasury, or the Secretary's designee;

(iii) the Secretary of Commerce, or the Secretary's designee;

(iv) the Director of Central Intelligence, or the Director's designee; and

(v) the Secretary of Homeland Security, or the Secretary's designee;

(B) four shall be appointed by the Majority Leader of the Senate;

(C) two shall be appointed by the Minority Leader of the Senate;

(D) four shall be appointed by the Speaker of the House of Representatives; and

(E) two shall be appointed by the Minority Leader of the House of Representatives.

(2) LIMITATION ON DESIGNEES.—An individual may not be designated for membership on the Commission under paragraph (1)(A) unless the individual holds a position in the United States Government by appointment of the President, by and with the advice and consent of the Senate.

(3) APPOINTMENTS BY CONGRESSIONAL LEADERSHIP.—

(A) REQUIREMENTS.—(i) One of the individuals appointed under subparagraph (B) of paragraph (1) shall be an officer or employee of a State law enforcement agency.

(ii) One of the individuals appointed under subparagraph (D) of paragraph (1) shall be an officer or employee of a local law enforcement agency.

(B) LIMITATION.—No individual may be appointed under subparagraphs (B) through (E) of paragraph (1) if the individual is an officer or employee of the Federal Government or an active member of the uniformed services.

(C) SENSE OF CONGRESS.—It is the sense of Congress that in making appointments to the Commission under subparagraphs (B) through (E) of paragraph (1) the Members of Congress referred to in such subparagraphs should seek to appoint individuals with varying viewpoints on and areas of expertise in the matters to be covered by the Commission, including individuals from the technology industry, non-profit entities, and academia.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members of the Commission shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) SECURITY CLEARANCES.—

(1) IN GENERAL.—Each individual appointed to the Commission under subparagraphs (B) through (E) of subsection (b)(1) shall possess a security clearance appropriate for the work of the Commission under this title.

(2) FAILURE TO SECURE CLEARANCE.—

(A) INITIAL APPOINTMENTS.—If an individual initially appointed under subparagraphs (B) through (E) of subsection (b)(1) without a security clearance does not secure a security clearance by the commencement of the work of the Commission, the appointment shall be deemed vacant.

(B) APPOINTMENTS TO VACANCIES.—If an individual appointed to a vacancy in a position under subparagraphs (B) through (E) of subsection (b)(1) without a security clearance does not secure a security clearance within a reasonable period (as determined by the Commission), the appointment shall be deemed vacant.

(3) PROCESSING OF CLEARANCES.—The Attorney General shall seek to ensure the timely processing of any applications for security clearances for purposes of this subsection.

(e) CHAIRMAN.—The Commission shall select a Chairman from among its members.

(f) INITIAL MEETING.—Not later than 30 days after the date on which nine members of the Commission have been appointed, the Commission shall hold its first meeting.

(g) MEETINGS.—The Commission shall meet at the call of the Chairman.

(h) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

SEC. 603. DUTIES OF COMMISSION.

(a) INVESTIGATION.—The Commission shall conduct a thorough investigation of the following:

(1) Standards for using, selecting, and operating investigative and surveillance technologies to meet law enforcement and national security needs in the manner that best preserves the personal dignity, liberty, and privacy of individuals within the United States.

(2) The advisability of establishing within the Government one or more entities or procedures to ensure that the Government uses investigative and surveillance technologies to meet law enforcement and national security needs in the manner that best preserves the personal dignity, liberty, and privacy of individuals within the United States.

(b) REPORT.—

(1) IN GENERAL.—Not later than 18 months after the date of the initial meeting of the Commission, the Commission shall submit to the President and Congress a report which shall contain a detailed statement of the

findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

(2) FORM OF REPORT.—The report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(c) INVESTIGATIVE AND SURVEILLANCE TECHNOLOGIES DEFINED.—In this section, the term ''investigative and surveillance technologies'' means technologies that may be used by the Federal Government, and by State and local governments, to monitor and collect information about individuals in the absence of reasonable, articulable suspicion of criminal activity, including—

(1) Internet surveillance technologies;

(2) data mining technologies;

(3) surveillance camera technologies;

(4) x-ray body scan technologies;

(5) biometric technologies; and

(6) other technologies identified by the Commission for purposes of this title.

SEC. 604. POWERS OF COMMISSION.

(a) HEARINGS.—

(1) IN GENERAL.—The Commission or, at its direction, any subcommittee or member of the Commission, may, for the purpose of carrying out this title—

(A) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, administer such oaths; and

(B) require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, documents, tapes, and materials,

as the Commission or such subcommittee or member considers advisable.

(2) PUBLIC MEETINGS.—To the maximum extent practicable, the meetings of the Commission shall be open to the public.

(3) CLOSED MEETINGS.—

(A) IN GENERAL.—Meetings of the Commission may be closed to the public under section 10(d) of the Federal Advisory Committee Act (5 U.S.C. App.) or other applicable law.

(B) ADDITIONAL AUTHORITY.—In addition to the authority under subparagraph (A), paragraphs (1) and (3) of section 10(a) of the Federal Advisory Committee Act shall not apply to any portion of a Commission meeting if the President determines that such portion or portions of that meeting is likely to disclose matters that could endanger national security. If the President makes such determination, the requirements relating to a determination under section 10(d) of that Act shall apply.

(4) PUBLIC SUMMARY OF CLOSED PROCEEDINGS.—Whenever practicable, the Commission shall maintain and make available for public inspection an unclassified summary of any classified information considered by the Commission and of any classified meeting or proceeding conducted by the Commission.

(b) ISSUANCE AND ENFORCEMENT OF SUBPOENAS.—

(1) ISSUANCE.—Subpoenas issued under subsection (a) shall bear the signature of the Chairman of the Commission and shall be served by any person or class of persons designated by the Chairman for that purpose.

(2) ENFORCEMENT.—In the case of contumacy or failure to obey a subpoena issued under subsection (a), the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found may issue an order requiring such person to appear at any designated place to testify or to produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt of court.

(c) WITNESS ALLOWANCES AND FEES.—Section 1821 of title 28, United States Code, shall apply to witnesses requested or subpoenaed to appear at any hearing of the Commission. The per diem and mileage allowances for witnesses shall be paid from funds available to pay the expenses of the Commission.

(d) PROCEDURES.—The Commission may adopt procedures for the work of the Commission under this title. Any portion of such procedures relating to the treatment of confidential or classified information shall not go into effect until jointly approved by the Attorney General and the Director of Central Intelligence.

(e) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out this title. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(f) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(g) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

SEC. 605. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Members of the Commission shall serve without compensation for their service as members of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairman of the Commission may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(3) SECURITY CLEARANCES.—The executive director and any other personnel of the Commission shall possess security clearances appropriate for the work of the Commission.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 606. TERMINATION OF COMMISSION.

The Commission shall terminate 60 days after the date on which the Commission submits its report under section 603(b).

SEC. 607. FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2003, 2004, and 2005 such sums as may be necessary for the Commission to carry out this title in such fiscal year.

(b) TRANSFER OF FUNDS.—If no funds are appropriated to the Commission by the end of the session of Congress ending in a fiscal year specified in subsection (a), the Secretary of Commerce shall, from amounts appropriated or otherwise available to the Secretary for such fiscal year, transfer to the Commission an amount necessary to permit the Commission to carry out this title in such fiscal year.

(c) AVAILABILITY.—Any amounts appropriated to the Commission under subsection (a), or transferred to the Commission under subsection (b), shall remain available, without fiscal year limitation, until expended.

SA 4721. Mr. KOHL submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ____. TRANSFER OF THE BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS TO THE DEPARTMENT OF JUSTICE

SEC. ____01. BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established within the Department of Justice the Bureau of Alcohol, Tobacco, and Firearms (in this title referred to as the ''Bureau'').

(2) DIRECTOR.—The Bureau shall be headed by the Director, Bureau of Alcohol, Tobacco, and Firearms (in this title referred to as the ''Director''), who shall perform such duties as assigned by the Attorney General. The Director shall occupy a career-reserved position within the Senior Executive Service.

(3) CHIEF COUNSEL.—The Bureau shall have as its chief legal officer a Chief Counsel, who shall occupy a career-reserved position within the Senior Executive Service.

(b) RESPONSIBILITIES.—Subject to the direction of the Attorney General, the Bureau shall be the primary agency within the Department of Justice for—

(1) the criminal enforcement of the Federal firearms, explosives, arson, alcohol, and tobacco laws;

(2) the regulatory enforcement and revenue collections functions of the firearms, explosives, alcohol, and tobacco laws;

(3) the functions transferred by subsection (c); any

(4) any other function related to the investigation of violent crime that is delegated to the Bureau by the Attorney General.

(c) TRANSFER OF AUTHORITIES, FUNCTIONS, PERSONNEL, AND ASSETS TO THE DEPARTMENT OF JUSTICE.—Notwithstanding any other provision of law, there are transferred to the Department of Justice the authorities, functions, personnel (including all Senior Executive Positions), and assets of the Bureau of Alcohol, Tobacco, and Firearms of the Department of the Treasury, which shall be maintained as a distinct entity within the Department of Justice, including the related functions of the Secretary of the Treasury.

SEC. ___02. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Chapter 40 of title 18, United States Code, is amended—

(1) by striking section 841(k) and inserting the following:

''(k) 'Attorney General' means the Attorney General of the United States.''; and

(2) by striking ''Secretary'' each place it appears and inserting ''Attorney General''.

(b) Chapter 44 of title 18, United States Code, is amended—

(1) in section 921(a)(4)(B), by striking ''Secretary'' and inserting ''Attorney General'';

(2) in the undesignated clause following section 921(a)(4)(C), by striking ''Secretary of the Treasury'' and inserting ''Attorney General'';

(3) in section 921(a)(18), by striking ''The term 'Secretary' or 'Secretary of the Treasury' means the Secretary of the Treasury or his delegate'' and inserting ''The term 'Attorney General' means the Attorney General of the United States'';

(4) in section 923(1), by striking ''Secretary of the Treasury'' and inserting ''Attorney General''; and

(5) except in sections 921(a)(4) and 922(p)(5), by striking the term ''Secretary'' each place it appears, and inserting the term ''Attorney General''.

(c) Section 1261(a) of title 18, United States Code, is amended to read as follows:

''(a) The Attorney General—

''(1) shall enforce the provisions of this chapter; and

''(2) has the authority to issue regulations to carry out the provisions of this chapter.''.

(d) Section 1952(c) of title 18, United States Code, is amended by striking ''Secretary of the Treasury'' and inserting ''Attorney General''.

(e) Chapter 114 of title 18, United States Code, is amended—

(1) by striking section 2341(5), and inserting the following:

''(5) the term 'Attorney General' means the Attorney General of the United States''; and

(2) by striking ''Secretary'' each place it appears and inserting ''Attorney General''.

(f) Section 7801(a) of the Internal Revenue Code of 1986 (relating to the authority of the Department of the Treasury) is amended—

(1) by striking ''SECRETARY.—Except'' and inserting ''SECRETARY.—

''(1) IN GENERAL.—Except''; and

(2) by adding at the end the following:

''(2) ADMINISTRATION AND ENFORCEMENT OF CERTAIN PROVISIONS BY ATTORNEY GENERAL.—

''(A) IN GENERAL.—The administration and enforcement of the following provisions of this title shall be performed by or under the supervision of the Attorney General; and the term 'Secretary' or 'Secretary of the Treasury' shall, when applied to those provisions, means the Attorney General; and the term 'internal revenue officer' shall, when applied to those provisions, means any officer of the Bureau of Alcohol, Tobacco, and Firearms so designated by the Attorney General:

''(i) Sections 4181 and 4182.

''(ii) Subchapters F and G of chapter 32, to the extent such subchapters relate to sections 4181 and 4182.

''(iii) Chapters 51, 52, and 53.

''(iv) Chapters 61 through 80, to the extent such chapters relate to the enforcement and administration of the provisions referred to in clauses (i), (ii), and (iii).

''(B) USE OF EXISTING RULINGS AND INTERPRETATIONS.—The Attorney General shall adopt all rulings and interpretations of the Bureau of Alcohol, Tobacco, and Firearms in effect on the effective date of the Homeland Security Act of 2002 which concern the provisions of this title referred to in subparagraph (A) and shall consult with the Secretary to achieve uniformity and consistency in administering such provisions.

(g) Chapter 1 of title 27, United States Code, is amended by adding a new section 1 to read as follows:

''§ 1. Administration

''The administration and enforcement of this title shall be performed by or under the supervision of the Attorney General; and the term ''Secretary'' or ''Secretary of the Treasury'' shall, when applied to those provisions, mean the Attorney General.''.

(h) Section 2006 of title 28, United States Code, is amended by inserting '', the Attorney General,'' after ''the Secretary of the Treasury''.

(i) Section 9703 of title 31, United States Code, is amended—

(1) in subsection (a)(2)(B)—

(A) in clause (iii)(III), by inserting ''and'' before the semicolon;

(B) in clause (iv), by striking ''; and'' and inserting a period; and

(C) by striking clause (v);

(2) by striking subsection (o);

(3) by redesignating existing subsection (p) as subsection (o); and

(4) in subsection (o)(1), as redesignated by paragraph (3), by striking '', the Bureau of Alcohol, Tobacco, and Firearms''.

(j) Section 32401(a) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13921(a)) is amended by striking ''Secretary of the Treasury'' each place it appears and inserting ''Attorney General''.

(k) Section 80303 of title 49, United States Code, is amended—

(1) by inserting ''or, when the violation of this chapter involves contraband described in paragraph (2) or (5) of section 80302(a), the Attorney General'' after section 80304 of this title.''; and

(2) by inserting '', the Attorney General,'' after ''by the Secretary''.

(l) Section 80304 of title 49, United States Code, is amended—

(1) in subsection (a), by striking ''(b) and (c)'' and inserting ''(b), (c), and (d)'';

(2) by redesignating subsection (d) as subsection (e); and

(3) by inserting after subsection (c), the following:

''(d) ATTORNEY GENERAL.—The Attorney General, or officers, employees, or agents of the Bureau of Alcohol, Tobacco, and Firearms, Department of Justice designated by the Attorney General, shall carry out the laws referred to in section 80306(b) of this title to the extent that the violation of this chapter involves contraband described in section 80302 (a)(2) or (a)(5).''.

(m) Section 103 of the Gun Control Act of 1968 (Public Law 90–618; 82 Stat. 1226) is amended by striking ''Secretary of the Treasury'' and inserting ''Attorney General''.

SEC. ___03. POWERS OF AGENTS OF THE BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS.

Chapter 203 of title 18, United States Code, is amended by adding the following new section:

''§ 3051. Powers of Agents of the Bureau of Alcohol, Tobacco, and Firearms.

''(a) Special agents of the Bureau of Alcohol, Tobacco, and Firearms whom the Attorney General charges with the duty of enforcing any of the criminal, seizure, or forfeiture provisions of the laws of the United States, may carry firearms, serve warrants and subpoenas issued under the authority of the United States and make attests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States if they have reasonable grounds to believe that the person to be arrested has committed or is committing such felony.

''(b) Any special agent of the Bureau of Alcohol, Tobacco, and Firearms may, in respect to the performance of his or her duties, make seizures of property subject to forfeiture to the United States.

''(c)(1) Except as provided in paragraphs (2) and (3), and except to the extent that such provisions conflict with the provisions of section 983 of title 18, United States Code, insofar as section 983 applies, the provisions of the Customs laws relating to—

''(A) the seizure, summary and judicial forfeiture, and condemnation of property;

''(B) the disposition of such property;

''(C) the remission or mitigation of such forfeiture; and

''(D) the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under any applicable provision of law enforced or administered by the Bureau of Alcohol, Tobacco, and Firearms.

''(2) For purposes of paragraph (1), duties that are imposed upon a customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws of the United States shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or any other person as may be authorized or designated for that purpose by the Attorney General.

''(3) Notwithstanding any other provision of law, the disposition of firearms forfeited by reason of a violation of any law of the United States shall be governed by the provisions of section 5872(b) of the Internal Revenue Code of 1986.''.

SEC. ___04. EXPLOSIVES TRAINING AND RESEARCH FACILITY.

(a) ESTABLISHMENT.—There is established within the Bureau an Explosives Training and Research Facility at Fort AP Hill, Fredericksburg, Virginia.

(b) PURPOSE.—The facility established under subsection (a) shall be utilized to train Federal, State, and local law enforcement officers to—

(1) investigate bombings and arsons;

(2) properly handle, utilize, and dispose of explosive materials and devices;

(3) train canines on explosive detection; and

(4) conduct research on explosives and arson.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary to establish and maintain the facility established under subsection (a).

(2) AVAILABILITY OF FUNDS.—Any amounts appropriated pursuant to paragraph (1) shall remain available until expended.

SEC. ___05. PERSONAL PAY MANAGEMENT SYSTEM.

Notwithstanding any other provision of law, the Personal Pay Management System Program established under section 102 of the Omnibus Consolidated and Emergency Supplemental Appropriations Act for Fiscal Year 1999 (Public Law 105–277; 122 Stat. 2681) shall be transferred to the Attorney General of the United States for the Bureau of Alcohol, Tobacco, and Firearms.

TITLE ___—EXPLOSIVES

SEC. ___01. SHORT TITLE.

This title may be referred to as the ''Safe Explosives Act''.

SEC. ___02. PERMITS FOR PURCHASERS OF EXPLOSIVES.

(a) DEFINITIONS.—Section 841 of title 18, United States Code, is amended—

(1) by striking subsection (j) and inserting the following:

''(j) 'Permittee' means any user of explosives for a lawful purpose, who has obtained either a user permit or a limited user permit under the provisions of this chapter.''; and

(2) by adding at the end the following:

''(r) 'Alien' means any person who is not a citizen or national of the United States.

''(s) 'Intimate partner' means, with respect to a person, the spouse of the person, a former spouse of the person, an individual who is a parent of a child of the person, and an individual who cohabits or has cohabited with the person.

''(t)(1) Except as provided in paragraph (2), 'misdemeanor crime of domestic violence' means an offense that—

''(A) is a misdemeanor under Federal or State law; and

''(B) has, as an element, the use or attempted use of physical force, or the threatened use of a deadly weapon, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim.

''(2) A person shall not be considered to have been convicted of such an offense for purposes of this chapter, unless—

''(A) the person was represented by counsel in the case, or knowingly and intelligently waived the right to counsel in the case; and

''(B) in the case of a prosecution for an offense described in this subsection for which a person was entitled to a jury trial in the jurisdiction in which the case was tried, either—

''(i) the case was tried by a jury; or

''(ii) the person knowingly and intelligently waived the right to have the case tried by a jury, by guilty plea or otherwise.

''(u) 'Responsible person' means an individual who has the power to direct the management and policies of the applicant pertaining to explosive materials.''.

(b) PERMITS FOR PURCHASE OF EXPLOSIVES.—Section 842 of title 18, United States Code, is amended—

(1) in subsection (a)(2), by striking ''and'' at the end;

(2) by striking subsection (a)(3) and inserting the following:

''(3) other than a licensee or permittee knowingly—

''(A) to transport, ship, cause to be transported, or receive any explosive materials; or

''(B) to distribute explosive materials to any person other than a licensee or permittee; or

''(4) who is a holder of a limited user permit—

''(A) to transport, ship, cause to be transported, or receive in interstate or foreign commerce any explosive materials; or

''(B) to receive explosive materials from a licensee or permittee, whose premises are located outside the State of residence of the limited user permit holder, or on more than 6 separate occasions, during the period of the permit, to receive explosive materials from 1 or more licensees or permittees whose premises are located within the State of residence of the limited user permit holder.''; and

(3) by striking subsection (b) and inserting the following:

''(b) It shall be unlawful for any licensee or permittee knowingly to distribute any explosive materials to any person other than—

''(1) a licensee;

''(2) a holder of a user permit; or

''(3) a holder of a limited user permit who is a resident of the State where distribution is made and in which the premises of the transferor are located.''.

(c) LICENSES AND USER PERMITS.—Section 843(a) of title 18, United States Code, is amended—

(1) in the first sentence—

(A) by inserting ''or limited user permit'' after ''user permit''; and

(B) by inserting before the period at the end the following: '', including the names of and appropriate identifying information regarding all employees who will be authorized by the applicant to possess explosive materials, as well as fingerprints and a photograph of each responsible person'';

(2) in the second sentence, by striking ''$200'' and inserting $50''; and

(3) by striking the third sentence and inserting ''Each license or user permit shall be valid for no longer than 3 years from the date of issuance and each limited user permit shall be valid for no longer than 1 year from the date of issuance. Each license or permit shall be renewable upon the same conditions and subject to the same restrictions as the original license or permit, and upon payment of a renewal fee not to exceed one-half of the original fee.''.

(d) CRITERIA FOR APPROVING LICENSES AND PERMITS.—Section 843(b) of title 18, United States Code, is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) the applicant (or, if the applicant is a corporation, partnership, or association, each responsible person with respect to the applicant) is not a person who is prohibited from receiving, distributing, transporting, or possessing explosive materials under subsection (d) or (i) of section 842;'';

(2) by striking paragraph (4) and inserting the following:

''(4) the applicant has a place of storage for explosive materials that meets such standards of public safety and security against theft as the Secretary shall prescribe by regulations, which the Secretary may verify by inspection or such other means as the Secretary determines to be appropriate, and no license or permit shall remain valid for more than 3 years without an inspection;''

(3) in paragraph (5), by striking the period at the end; and

(4) by adding at the end the following:

''(6) none of the employees of the applicant who will be authorized by the applicant to possess explosive materials is a person whose possession of explosives would be unlawful under section 842(i); and

''(7) in the case of a limited user permit, the applicant has certified in writing that the applicant will not receive explosive materials on more than 6 separate occasions during the 12-month period for which the limited user permit is valid.''.

(e) APPLICATION APPROVAL.—Section 843(c) of title 18, United States Code, is amended by striking ''forty-five days'' and inserting ''45 days for limited user permits and 90 days for licenses and user permits,''.

(f) INSPECTION AUTHORITY.—Section 843(f) of title 18, United States Code, is amended in the second sentence, by striking ''permittee'' the first time it appears and inserting ''holder of a user permit''.

(g) POSTING OF PERMITS.—Section 843(g) of title 18, United States Code, is amended by inserting ''user'' before ''permits''.

(h) BACKGROUND CHECKS; CLEARANCES.—Section 843 of title 18, United States Code, is amended by adding at the end the following:

''(h)(1) If the Secretary receives from an employer the name and other identifying information with respect to a responsible person or an employee who will be authorized by the employer to possess explosive materials in the course of employment with the employer, the Secretary shall determine whether possession of explosives by the responsible person or the employee, as the case may be, would be unlawful under section 842(i). In making the determination, the Secretary may take into account a letter or document issued under paragraph (2).

''(2)(A) If the Secretary determines that possession of explosives by the responsible person or the employee would not be unlawful under section 842(i), the Secretary shall notify the employer in writing or electronically of the determination and issue to the responsible person or the employee, as the case may be, a letter of clearance which confirms the determination.

''(B) If the Secretary determines that possession of explosives by the responsible person or the employee would be unlawful under section 842(i), the Secretary shall notify the employer in writing or electronically of the determination and issue to the responsible person or the employee, as the case may be, a document that—

''(i) confirms the determination;

''(ii) explains the grounds for the determination;

''(iii) provides information on how the disability may be relieved; and

''(iv) explains how the determination may be appealed.''.

(i) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

(2) EXCEPTION.—Notwithstanding any provision of this title, a license or permit issued under section 843 of title 18, United States Code, before the date of enactment of this Act, shall remain valid until that license or permit is revoked under section 843(d) or expires, or until a timely application for renewal is acted upon.

SEC. ___03. PERSONS PROHIBITED FROM RECEIVING OR POSSESSING EXPLOSIVE MATERIALS.

(a) DISTRIBUTION OF EXPLOSIVES.—Section 842(d) of title 18, United States Code, is amended—

(1) in paragraph (5), by striking ''or'' at the end;

(2) in paragraph (6), by striking the period at the end and inserting ''or who has been committed to a mental institution;''; and

(3) by adding at the end the following:

''(7) is an alien, other than an alien who—

''(A) is lawfully admitted for permanent residence (as defined in section 101 (a)(20) of the Immigration and Nationality Act); or

''(B) is in lawful nonimmigrant status, is a refugee admitted under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157), or is in asylum status under section 208 of the Immigration and Nationality Act (8 U.S.C. 1158), and—

''(i) is a foreign law enforcement officer of a friendly foreign government entering the United States on official law enforcement business, and the shipping, transporting, possession, or receipt of explosive materials is in furtherance of this official law enforcement;

''(ii) is a person having the power to direct or cause the direction of the management and policies of a corporation, partnership, or association licensed pursuant to section 843(a), and the shipping, transporting, possession, or receipt of explosive materials is in furtherance of such power;

''(iii) is a member of a North Atlantic Treaty Organization (NATO) or other friendly foreign military force (whether or not admitted in a nonimmigrant status) who is present in the United States under military orders for training or other military purpose authorized by the United States, and the shipping, transporting, possession, or receipt of explosive materials is in furtherance of the military purpose; or

''(iv) is lawfully present in the United States in cooperation with the Director of Central Intelligence;

''(8) has been discharged from the armed forces under dishonorable conditions;

''(9) having been a citizen of the United States, has renounced the citizenship of that person;

''(10) is subject to a court order that—

''(A) was issued after a hearing of which such person received actual notice, and at which such person had an opportunity to participate;

''(B) restrains such person from harassing, stalking, or threatening an intimate partner of such person or child of such intimate partner or person, or engaging in other conduct that would place an intimate partner in reasonable fear of bodily injury to the partner or child; and

''(C)(i) includes a finding that such person represents a credible threat to the physical safety of such intimate partner or child; or

''(ii) by its terms explicitly prohibits the use, attempted use, or threatened use of physical force against such intimate partner or child that would reasonably be expected to cause bodily injury; or

''(11) has been convicted in any court of a misdemeanor crime of domestic violence.''.

(b) POSSESSION OF EXPLOSIVE MATERIALS.—Section 842(i) of title 18, United States Code, is amended—

(1) in paragraph (3), by striking ''or'' at the end;

(2) by inserting after paragraph (4) the following:

''(5) who is an alien, other than an alien who—

''(A) is lawfully admitted for permanent residence (as that term is defined in section 101(a)(20) of the Immigration and Nationality Act); or

''(B) is in lawful nonimmigrant status, is a refugee admitted under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157), or is in asylum status under section 208 of the Immigration and Nationality Act (8 U.S.C. 1158), and—

''(i) is a foreign law enforcement officer of a friendly foreign government entering the United States on official law enforcement business, and the shipping, transporting, possession, or receipt of explosive materials is in furtherance of this official law enforcement;

''(ii) is a person having the power to direct or cause the direction of the management and policies of a corporation, partnership, or association licensed pursuant to section 843(a), and the shipping, transporting, possession, or receipt of explosive materials is in furtherance of such power;

''(iii) is a member of a North Atlantic Treaty Organization (NATO) or other friendly foreign military force (whether or not admitted in a nonimmigrant status) who is present in the United States under military orders for training or other military purpose authorized by the United States, and the shipping, transporting, possession, or receipt of explosive materials is in furtherance of the military purpose; or

''(iv) is lawfully present in the United States in cooperation with the Director of Central Intelligence;

''(6) who has been discharged from the armed forces under dishonorable conditions;

''(7) who, having been a citizen of the United States, has renounced the citizenship of that person;

''(8) who is subject to a court order that—

''(A) was issued after a hearing of which such person received actual notice, and at which such person had an opportunity to participate;

''(B) restrains such person from harassing, stalking, or threatening an intimate partner of such person or child of such intimate partner or person, or engaging in other conduct that would place an intimate partner in reasonable fear of bodily injury to the partner or child; and

''(C)(i) includes a finding that such person represents a credible threat to the physical safety of such intimate partner or child; or

''(ii) by its terms explicitly prohibits the use, attempted use, or threatened use of physical force against such intimate partner or child that would reasonably be expected to cause bodily injury; or

''(9) who has been convicted in any court of a misdemeanor crime of domestic violence.''; and

(3) by inserting ''or affecting'' before ''interstate'' each place that term appears..

SEC. ___04. REQUIREMENT TO PROVIDE SAMPLES OF EXPLOSIVE MATERIALS AND AMMONIUM NITRATE.

Section 843 of title 18, United States Code, as amended by this Act, is amended by adding at the end the following:

''(i) FURNISHING OF SAMPLES.—

''(1) IN GENERAL.—Licensed manufacturers and licensed importers and persons who manufacture or import explosive materials or ammonium nitrate shall, when required by letter issued by the Secretary, furnish—

''(A) samples of such explosive materials or ammonium nitrate;

''(B) information on chemical composition of those products; and

''(C) any other information that the Secretary determines is relevant to the identification of the explosive materials or to identification of the ammonium nitrate.

''(2) REIMBURSEMENT.—The Secretary may, by regulation, authorize reimbursement of the fair market value of samples furnished pursuant to this subsection, as well as the reasonable costs of shipment.''.

SEC. ___05. DESTRUCTION OF PROPERTY OF INSTITUTIONS RECEIVING FEDERAL FINANCIAL ASSISTANCE.

Section 844(f)(1) of title 18, United States Code, is amended by inserting before the word ''shall'' the following: ''or any institution or organization receiving Federal financial assistance,''.

SEC. ___06. RELIEF FROM DISABILITIES.

Section 845(b) of title 18, United States Code, is amended to read as follows:

''(b) RELIEF FROM DISABILITIES.—

''(1) PROHIBITED PERSONS.—

''(A) IN GENERAL.—Except as provided in paragraph (2), a person who is prohibited from engaging in activity under section 842 may make application to the Secretary for relief from the disabilities imposed by Federal law with respect to a violation of that section, and the Secretary may grant that relief, if the Secretary determines that—

''(i) the circumstances regarding the disability, and the record and reputation of the applicant are such that the applicant will not be likely to act in a manner dangerous to public safety; and

''(ii) that the granting of the relief will not be contrary to the public interest.

''(B) PETITION FOR JUDICIAL REVIEW.—Any person whose application for relief from disabilities under this section is denied by the Secretary may file a petition with the United States district court for the district in which that person resides for a judicial review of the denial.

''(C) ADDITIONAL EVIDENCE.—The court may, in its discretion, admit additional evidence where failure to do so would result in a miscarriage of justice.

''(D) FURTHER OPERATIONS.—A licensee or permittee who conducts operations under this chapter and makes application for relief from the disabilities under this chapter, shall not be barred by that disability from further operations under the license or permit of that person pending final action on an application for relief filed pursuant to this section.

''(E) NOTICE.—Whenever the Secretary grants relief to any person pursuant to this section, the Secretary shall promptly publish in the Federal Register, notice of that action, together with reasons for that action.

''(2) WAIVER FOR LAWFUL NONIMMIGRANTS.—

''(A) CONDITIONS FOR WAIVER.—Any individual who has been admitted to the United States in a lawful nonimmigrant status may receive a waiver from the requirements of subsection (d)(7) or (i)(5) of section 842, if—

''(i) the individual submits to the Secretary a petition that meets the requirements of subparagraph (C); and

''(ii) the Secretary approves the petition.

''(B) PETITION.—Each petition submitted in accordance with this subsection shall—

''(i) demonstrate that the petitioner has resided in the United States for a continuous period of not less than 180 days before the date on which the petition is submitted under this paragraph; and

''(ii) include a written statement from the embassy or consulate of the petitioner, authorizing the petitioner to acquire explosives and certifying that the alien would not, absent the application of subsection (d)(7) or (i)(5) of section 842, otherwise be prohibited from such an acquisition under that subsection (d) or (i).

''(C) APPROVAL OF PETITION.—The Secretary may approve a petition submitted in accordance with this paragraph if the Secretary determines that waiving the requirements of subsection (d)(7) or (i)(5) of section 842 with respect to the petitioner—

''(i) would not jeopardize the public safety; and

''(ii) will not be contrary to the public interest.''.

SEC. ___07. THEFT REPORTING REQUIREMENT.

Section 844 of title 18, United States Code, is amended by adding at the end the following:

''(p) THEFT REPORTING REQUIREMENT.—

''(1) IN GENERAL.—A holder of a license or permit who knows that explosive materials have been stolen from that licensee, user permittee, or limited user permittee, shall report the theft to the Secretary not later than 24 hours after the discovery of the theft.

''(2) PENALTY.—A holder of a license or permit who does not report a theft in accordance with paragraph (1), shall be fined not more than $10,000, imprisoned not more than 5 years, or both.''.

SEC. ___08. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as necessary to carry out this title and the amendments made by this title.

SA. 4722. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. CONGRESSIONAL APPROVAL REQUIREMENT FOR TIPS.

Any and all activities of the Federal Government to implement the proposed component program of the Citizens Corps known as Operation TIPS (Terrorism Information and Prevention System) are hereby prohibited, unless expressly authorized by statute.

SA 4723. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 211, strike lines 10 and 11 and insert the following:

TITLE VI—LAW ENFORCEMENT OFFICERS SAFETY ACT OF 2002

SEC. 601. SHORT TITLE.

This title may be cited as the ''Law Enforcement Officers Safety Act of 2002''.

SEC. 602. 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;

''(4) meets standards, if any, established by the agency which require the employee to regularly qualify in the use of a firearm; and

''(5) is not prohibited by Federal law from receiving a firearm.

''(d) The identification required by this subsection is the photographic identification issued by the governmental agency for which the individual is, or was, 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. 603. 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 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 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 15 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, has met, at the expense of the individual, the State's standards for training and qualification for active law enforcement officers to carry 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 agency for which the individual was employed as a law enforcement officer.''.

(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.''.

SA 4724. Mr. BUNNING submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 137, between lines 13 and 14, insert the following:

SEC. 173. JOINT INTERAGENCY TASK FORCE.

(a) ESTABLISHMENT..—The Secretary may establish and operate a permanent Joint Interagency Homeland Security Task Force composed of representatives from military and civilian agencies of the United States Government for the purposes of anticipating terrorist threats against the United States and taking appropriate actions to prevent harm to the United States.

(b) STRUCTURE.—It is the sense of Congress that the Secretary should model the Joint Interagency Homeland Security Task Force on the approach taken by the Joint Interagency Task Forces for drug interdiction at Key West, Florida, and Alameda, California, to the maximum extent feasible and appropriate.

SA 4725. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. ___. EXCLUSION OF CERTAIN OVERSEAS PAY OF MEMBERS OF THE ARMED FORCES.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by inserting after section 112 the following new section:

''SEC. 113. CERTAIN OVERSEAS PAY OF MEMBERS OF THE ARMED FORCES.

''(a) IN GENERAL.—Gross income does not include compensation received for covered service as a member in the Armed Forces of the United States.

''(b) COVERED SERVICE.—For purposes of this section—

''(1) IN GENERAL.—The term 'covered service', with respect to a member, means service outside the United States in an assignment that is a permanent change of station for which travel, transportation, and housing of dependents at Government expense would generally not be authorized under policies of the Secretary concerned that are applicable to that assignment, except in the case of service in such an assignment for which such travel, transportation, and housing is actually authorized as an exception to the applicable policy.

''(2) SECRETARY CONCERNED.—The term 'Secretary concerned' has the meaning given the term in section 101(a)(9) of title 10, United States Code.''

(b) CONFORMING AMENDMENT.—Section 3401(a) of the Internal Revenue Code of 1986 is amended by striking ''or'' at the end of paragraph (20), by striking the period at the end of paragraph (21) and inserting ''; or'', and by adding at the end the following new paragraph:

''(22) as compensation described in section 113.''

(c) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 112 the following new item:

''Sec. 113. Certain overseas pay of members of the Armed Forces.''

(d) CUSTOMS USER FEES.—Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended by striking ''September 30, 2003'' and inserting ''October 31, 2008''.

(e) EFFECTIVE DATE.—The amendments made by this section (other than subsection (d)) shall apply to remuneration paid in taxable years beginning after the date of the enactment of this Act.

SA 4726. Mr. DEWINE submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle D of title I, add the following:

SEC. 173. REPORT ON ESTABLISHMENT OF CIVILIAN LINGUIST RESERVE CORPS.

(a) REPORT.—

(1) PREPARATION.—The Secretary of Defense, acting through the Director of the National Security Education Program, shall prepare a report on the feasibility of various methods for improving the foreign language capability of the Federal Government, including the establishment of a Civilian Linguist Reserve Corps comprised of individuals with advanced levels of proficiency in foreign languages who are United States citizens who would be available upon a call of the President to perform such service or duties with respect to such foreign languages in the Federal Government as the President may specify.

(2) CONSULTATION.—In preparing the report, the Secretary shall consult with such organizations having expertise in training in foreign languages as the Secretary determines appropriate.

(b) MATTERS CONSIDERED.—

(1) IN GENERAL.—In conducting the study, the Secretary shall develop a proposal for the structure and operations of the Civilian Linguist Reserve Corps. The proposal shall establish requirements for performance of duties and levels of proficiency in foreign languages of the members of the Civilian Linguist Reserve Corps, including maintenance of language skills and specific training required for performance of duties as a linguist of the Federal Government, and shall include recommendations on such other matters as the Secretary determines appropriate.

(2) CONSIDERATION OF USE OF DEFENSE LANGUAGE INSTITUTE AND LANGUAGE REGISTRIES.—In developing the proposal under paragraph (1), the Secretary shall consider the appropriateness of using—

(A) the Defense Language Institute to conduct testing for language skills proficiency and performance, and to provide language refresher courses; and

(B) foreign language skill registries of the Department of Defense or of other agencies or departments of the United States to identify individuals with sufficient proficiency in foreign languages.

(3) CONSIDERATION OF RESERVE COMPONENTS OF ARMED FORCES AS MODEL.—In developing the proposal under paragraph (1), the Secretary shall consider the provisions of title 10, United States Code, establishing and governing service in the Reserve Components of the Armed Forces, as a model for the Civilian Linguist Reserve Corps.

(c) COMPLETION OF REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall submit to Congress the report prepared under subsection (a).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Defense $300,000 to carry out this section.

SA 4728. Mrs. CARNAHAN submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

Strike line 3, p. 131 thru line 25, p. 132.

At line 3, p. 131, insert the following:

SEC. ___. GRANTS FOR FIREFIGHTING PERSONNEL.

(a) Section 33 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229) is amended—

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

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

''(c) PERSONNEL GRANTS.—

''(1) IN GENERAL.—In addition to the grants authorized under subsection (b)(1), the Director may award grants to fire departments of a State for the purpose of hiring 'employees engaged in fire protection' as that term is defined in section 3 of the Fair Labor Standards Act (29 U.S.C. 203).

''(2) DURATION.—Grants awarded under this subsection shall be for a 3-year period.

''(3) MAXIMUM AMOUNT.—The total amount of grants awarded under this subsection shall not exceed $100,000 per firefighter, indexed for inflation, over the 3-year grant period.

''(4) FEDERAL SHARE.—

''(A) IN GENERAL.—The Federal share of a grant under this subsection shall not exceed 75 percent of the total salary and benefits cost for additional firefighters hired.

''(B) WAIVER.—The Director may waive the 25 percent non-Federal match under subparagraph (A) for a jurisdiction of 50,000 or fewer residents or in cases of extreme hardship.

''(5) APPLICATION.—An application for a grant under this subsection, shall—

''(A) meet the requirements under subsection (b)(5);

''(B) include an explanation for the applicant's need for Federal assistance; and

''(C) contain specific plans for obtaining necessary support to retain the position following the conclusion of Federal support.

''(6) MAINTENANCE OF EFFORT.—Grants awarded under this subsection shall only be used to pay the salaries and benefits of additional firefighting personnel, and shall not be used to supplant funding allocated for personnel from State and local sources.''; and

(3) in subsection (f) (as redesignated by paragraph (1)), by adding at the end the following:

''(3) $1,000,000,000 for each of fiscal years 2003 and 2004, to be used only for grants under subsection (c).''.

SA 4728. Mr. GREGG submitted an amendment intended to be proposed to amendment SA 4471 proposed by Mr. LIEBERMAN to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. SENSE OF THE SENATE CONCERNING THE AVAILABILITY OF THE SMALLPOX VACCINE.

(a) FINDINGS.—The Senate finds that—

(1) the smallpox virus has killed more people than any other infectious disease in human history, and is estimated to have killed approximately 400,000,000 people in the 20th century;

(2) Congress and the Administration have determined that a bioterrorist attack utilizing the smallpox virus is a present threat to the nation's public health and safety;

(3) the Secretary of Health and Human Services has contracted with private manufacturers to purchase approximately 300,000,000 doses of smallpox vaccine, of which 100,000,000 doses have already been delivered;

(4) the Smallpox Response Plan and Guidelines released by the Centers for Disease Control and Prevention on September 23, 2002, calls for vaccinating the entire population of the United States against smallpox within 5 days of an outbreak of the disease;

(5) the plan would make the vaccine available to the general public only in the event of an outbreak of the disease;

(6) the strategy adopted by the Centers for Disease Control and Prevention is an important step forward but it is short of what is needed to adequately protect and defend against a possible attack using the disease;

(7) because the initial symptoms of smallpox are flu-like, the disease may go undetected or undiagnosed for up to 2 weeks, and could spread to and kill thousands before the first vaccinations could be administered;

(8) the more people who receive prompt vaccination against smallpox, the lower the rate of transmission of the disease and the greater the likelihood that such an outbreak could be contained; and

(9) because there are known health risks associated with the smallpox vaccine, the decision to be vaccinated should be made by the individual, or parent or guardian, in consultation with a doctor, and not the Federal Government.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Secretary of Health and Human Services, at the request of any individual, or such individual's parent or guardian, and in consultation with such individual's physician, should make available to that individual vaccine sufficient to inoculate such individual from the smallpox virus;

(2) such vaccine should be provided at no cost or at nominal cost to the individual;

(3) such vaccine should be provided to the individual if the individual resides in the United States or any commonwealth, possession, or territory of the United States or the individual is an American citizen who resides outside of the United States; and

(4) such vaccine should be provided only if it is Federally licensed.

SA 4729. Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill S. 2995, to improve economic opportunity and development in communities that are dependent on tobacco production, and for other purposes; which was referred to the Committee on Agriculture, Nutrition, and Forestry; as follows:

At the end of subtitle B of title I, add the following new section:

SEC. ___. TAX TREATMENT OF PAYMENTS UNDER TOBACCO EQUITY REDUCTION PROGRAM.

(a) IN GENERAL.—Part II of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically included in gross income) is amended by adding at the end the following:

''SEC. 91. TOBACCO EQUITY REDUCTION PROGRAM PAYMENTS.

''(a) GENERAL RULE.—Gross income includes amounts received under section 380j of the Agricultural Adjustment Act of 1938.

''(b) EXCEPTION FOR AMOUNTS TRANSFERRED DURING REINVESTMENT PERIOD.—

''(1) IN GENERAL.—Subsection (a) shall not apply to any amount if during reinvestment period such amount is—

''(A) used to make a qualified debt repayment, or

''(B) transferred to a tobacco farmer individual retirement account established under section 522.

''(2) QUALIFIED DEBT REPAYMENT.—For purposes of paragraph (1), the term 'qualified debt repayment' means the payment of debt incurred directly by the taxpayer to produce tobacco before the marketing year for the 2004 crop of each kind of tobacco.

''(c) CHARACTER OF INCOME.—For purposes of this subtitle, any amount received under section 380j of the Agricultural Adjustment Act of 1938 and included in gross income under this section shall be treated as long-term capital gain.''.

(b) TOBACCO FARMER INDIVIDUAL RETIREMENT ACCOUNTS.—Part IV of subchapter F of chapter 1 of the Internal Revenue Code of 1986 (relating to farmers' cooperatives) is amended by adding at the end the following:

''SEC. 522. TOBACCO FARMER INDIVIDUAL RETIREMENT ACCOUNTS.

''(a) GENERAL RULE.—Except as provided in this section, a tobacco farmer individual retirement account shall be treated for purposes of this title in the same manner as an individual retirement plan.

''(b) DEFINITIONS AND SPECIAL RULES.—For purposes of this title—

''(1) TOBACCO FARMER INDIVIDUAL RETIREMENT ACCOUNT.—The term 'tobacco farmer individual retirement account' means an individual retirement plan (as defined in section 7701(a)(37)) other than a Roth IRA which

is designated (in such manner as the Secretary may prescribe) at the time of establishment of the plan as a tobacco farmer individual retirement account.

''(2) TREATMENT OF CONTRIBUTIONS.—

''(A) CASH ONLY.—No contribution will be accepted unless it is in cash.

''(B) SOURCE OF CONTRIBUTIONS.—The only contributions which will be accepted are—

''(i) payments under section 380j of the Agricultural Adjustment Act of 1938, and

''(ii) trustee-to-trustee transfers to such trust from another tobacco farmer individual retirement account of the account beneficiary.

''(C) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to a tobacco farmer individual retirement account.

''(D) NO ROLLOVER CONTRIBUTIONS ALLOWED.—No rollover contribution may be made to or from a tobacco farmer individual retirement account.

''(3) TAX TREATMENT OF DISTRIBUTIONS.—Any amount distributed from a tobacco farmer individual retirement account attributable to payments made under section 380j of the Agricultural Adjustment Act of 1938 (including earnings thereon) shall be includible in the gross income of the distributee under the rules described in section 91(c).

''(4) COORDINATION WITH INDIVIDUAL RETIREMENT ACCOUNTS.—Section 408(d)(2) shall be applied separately with respect to tobacco farmer individual retirement accounts and other individual retirement plans.''.

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for part II of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''Sec. 91. Tobacco equity reduction program payments.''.

(2) The table of sections for part IV of subchapter F of chapter 1 of such Code is amended by adding at the end the following:

''Sec. 522. Tobacco farmer individual retirement accounts.''.

(3) The heading for part IV of subchapter F of chapter 1 of such code is amended by striking **''FARMERS' COOPERATIVES''** and inserting **''CERTAIN FARMER ENTITIES''**.

(4) The table of parts for subchapter F of chapter 1 of such Code is amended by striking ''FARMERS' COOPERATIVES'' and inserting ''CERTAIN FARMER ENTITIES''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

SA 4730. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 17, between lines 14 and 15, insert the following:

(20) To provide for border and transportation security.

On page 25, after line 25, add the following new subsection:

(c) CHIEF OF IMMIGRATION POLICY.—

(1) IN GENERAL.—There shall be within the office of the Deputy Secretary of Homeland Security a Chief of Immigration Policy, who, under the authority of the Secretary, shall be responsible for—

(A) establishing national immigration policy and priorities; and

(B) coordinating immigration policy between the Directorate of Immigration Affairs and the Directorate of Border and Transportation security.

(2) WITHIN THE SENIOR EXECUTIVE SERVICE.—The position of Chief of Immigration Policy shall be a Senior Executive Service position under section 5382 of title 5, United States Code.

On page 43, between lines 2 and 3, insert the following:

(7) Carrying out the border patrol function.

(8) Administering and enforcing the functions of the Department under the immigration laws of the United States with respect to the inspection of aliens arriving at ports of entry of the United States.

On page 43, line 3, strike ''(7)'' and insert ''(9)''.

On page 43, between lines 23 and 24, insert the following:

(6) So much of the functions of the Immigration and Naturalization Service as relate to the responsibilities described in paragraphs (7) and (8) of subsection (b).

On page 112, strike line 10 and all that follows through page 114, line 5 and insert the following:

SEC. 139. BORDER SECURITY AND IMMIGRATION WORKING GROUP.

(a) ESTABLISHMENT.—The Secretary shall establish a border security and immigration working group (in this section referred to as the ''Working Group''), composed of the Secretary or the designee of the Secretary, the Under Secretary for Immigration Affairs, and the Under Secretary for Border and Transportation Security.

(b) FUNCTIONS.—The Working Group shall meet not less frequently than once every 3 months and shall—

(1) with respect to border security functions, develop coordinated budget requests, allocations of appropriations, staffing requirements, communication, use of equipment, transportation, facilities, and other infrastructure;

(2) coordinate joint and cross-training programs for personnel performing border security functions;

(3) monitor, evaluate and make improvements in the coverage and geographic distribution of border security programs and personnel;

(4) develop and implement policies and technologies to ensure the speedy, orderly, and efficient flow of lawful traffic, travel and commerce, and enhanced scrutiny for high-risk traffic, travel, and commerce;

(5) identify systemic problems in coordination encountered by border security agencies and programs and propose administrative, regulatory, or statutory changes to mitigate such problems; and

(6) coordinate the enforcement of all immigration laws.

(c) RELEVANT AGENCIES.—The Secretary shall consult with representatives of relevant agencies with respect to deliberations under subsection (b), and may include representatives of such agencies in Working Group deliberations, as appropriate.

On page 215, lines 15 and 16, strike ''policy, administration, and inspection'' and insert ''policy and administration''.

On page 215, line 20, before the period at the end of the line insert the following: '', but does not include the functions described in paragraphs (7) and (8) of section 131(b).

On page 219, line 18, insert ''with respect to any function within the jurisdiction of the Directorate'' after ''States''.

On page 220, line 1, strike ''section 1111(c)'' and insert ''section 111(c)''.

On page 220, strike lines 8 through 14.

On page 223, strike lines 9 through 25.

On page 224, line 1, strike ''(f)'' and insert ''(e)''.

On page 233, strike line 23.

On page 233, line 24, strike ''(B)'' and insert ''(A)''.

On page 234, line 1, strike ''(C)'' and insert ''(B)''.

On page 234, line 2, strike ''(D)'' and insert ''(C)''.

On page 234, line 3, strike ''(E)'' and insert ''(D)''.

On page 243, line 10, strike ''All functions'' and insert ''Except as provided in subsection (c), all functions''.

On page 243, line 19, strike ''All functions'' and insert ''Except as provided in subsection (c), all functions''.

On page 244 between lines 18 and 19, insert the following:

(c) SPECIAL RULE FOR BORDER PATROL AND INSPECTION FUNCTIONS.—

(1) IN GENERAL.—Notwithstanding subsections (a) and (b), the border patrol function, and primary and secondary immigration inspection functions, vested by statute in, or exercised by, the Attorney General, the Commissioner of Immigration and Naturalization, or the Immigration and Naturalization Service (or any officer, employee, or component thereof), immediately prior to the effective date of this title, are transferred to the Secretary on such effective date for exercise by the Under Secretary for Border and Transportation in accordance with paragraphs (7) and (8) of section 131(b).

(2) REFERENCES.—With respect to the border patrol function and primary and secondary immigration inspection functions, references in this subtitle to—

(A) the Directorate shall be deemed to be references to the Directorate of Border and Transportation Security; and

(B) the Under Secretary shall be deemed to be references to the Under Secretary for Border and Transportation.

On page 245, lines 13 and 14, strike ''Under the direction of the Secretary, the Under Secretary'' and insert ''The Secretary''.

On page 245, strike lines 20 through 24 and insert the following:

(A) immigration policy and administration functions;

(B) immigration service functions;

(C) immigration enforcement functions (excluding the border patrol function and primary and secondary immigration inspection functions); and

(D) the border patrol function and primary and secondary immigration inspection functions; and

Beginning on page 246, strike line 12 and all that follows through line 20 on page 247 and insert the following:

(a) DELEGATION TO THE DIRECTORATES.—The Secretary shall delegate—

(1) through the Under Secretary and subject to section 112(b)(1) of the Immigration and Nationality Act (as added by section 1103)—

(A) immigration service functions to the Assistant Secretary for Immigration Services; and

(B) immigration enforcement functions to the Assistant Secretary for Immigration Enforcement; and

(2) the border patrol function and primary and secondary immigration inspection functions to the Under Secretary for Border and Transportation.

(b) NONEXCLUSIVE DELEGATIONS AUTHORIZED.—Delegations made under subsection (a) may be made on a nonexclusive basis as the Secretary may determine may be necessary to ensure the faithful execution of the Secretary's responsibilities and duties under law.

(c) EFFECT OF DELEGATIONS.—Except as otherwise expressly prohibited by law or otherwise provided in this title, the Secretary may make delegations under this subsection to such officers and employees of the office of the Under Secretary for Immigration Affairs, and the Enforcement Bureau of the Directorate for Border and Transportation Security, respectively, as the Secretary may

designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions under this subsection or under any other provision of this title shall relieve the official to whom a function is transferred under this title of responsibility for the administration of the function.

On page 254, strike lines 14 through 19 and insert the following:

Border Affairs (except for the border patrol function and primary and secondary immigration inspection functions);

(iii) the transfer to the Directorate of Border and Transportation Security of the border patrol function and primary and secondary immigration inspection functions; and

(iv) the transfer of such other functions as are required to be made under this division; and

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SA 4731. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 5005, to establish the Department of Homeland Security, and for other purposes; which was ordered to lie on the table; as follows:

On page 338, insert between lines 2 and 3 the following:

SEC. 2205. ANNUITY COMPUTATION ADJUSTMENT FOR PERIODS OF DISABILITY.

Section 8415 of title 5, United States Code, is amended—

(1) by redesignating the second subsection (i) and subsection (j) as subsections (j) and (k), respectively; and

(2) by adding at the end the following:

''(l) In the case of any annuity computation under this section that includes, in the aggregate, at least 1 year of credit under section 8411(d) for any period while receiving benefits under subchapter I of chapter 81, the percentage otherwise applicable under this section for that period so credited shall be increased by 1 percentage point.''

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Tuesday, September 24, 2002, at 9 a.m. to conduct a hearing to look at the Federal Government's response to September 11th and the continuing role of the Federal Government in the recovery efforts. The hearing will be held in SD–406.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, September 24, 2002 at 2:30 p.m. to hold a Members; Briefing on Iraq.

AGENDA

Briefers: The Honorable George J. Tenet, Director of Central Intelligence, Washington, DC; The Honorable Carl W. Ford, Jr., Assistant Secretary for Intelligence and Research, Department of State, Washington, DC; RADM Lowell E. Jacoby, Acting Director, Defense Intelligence Agency, Department of Defense, Washington, DC; and Dr. Rhys, Williams, Director, Nuclear Non-Proliferation Division, Office of Intelligence, Department of Energy, Washington, DC.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING AND THE DISTRICT OF COLUMBIA

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions and Committee on Governmental Affairs, Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia be authorized to meet for a joint hearing on West Nile Fever. Challenges for Public Health during the session of the Senate on Tuesday, September 24, 2002, at 10 a.m. in SD–342.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Tuesday, September 24, 2002, at 10:00 a.m. in Room 485 of the Russell Senate Office Building to conduct an Oversight Hearing on the Role of the Special Trustee within the Department of Interior.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. REID. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, September 24, 2002 at 10:00 a.m. to hold a joint hearing with the House Permanent Select Committee on Intelligence concerning the Joint Inquiry into the events of September 11, 2002.

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

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND THE COURTS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Administrative Oversight and the Courts be authorized to meet to conduct a hearing on ''The DC Circuit: The Importance of Balance on the Nation's Second Highest Court'' on Tuesday, September 24, 2002, at 10:00 a.m. in Room 226 of the Dirksen Senate Office Building.

Tentative Witness List

The Honorable Abner Mikva, University of Chicago Law School, Chicago, IL; Mr. Fred Fielding, Wiley Rein, and Fielding, Washington, DC; Professor Christopher Schroeder, Duke University School of Law, Durham, NC; Professor Brad Clerk, George Washington University Law School, Washington, DC; Professor Michael Gottesman, Georgetown University Law Center, Washington, DC.

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING AND THE DISTRICT OF COLUMBIA

COMMITTEE ON HEALTH, EDUCATION, LABOR AND PENSIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs Subcommittee on Oversight of Government Management, Restructuring, and the District of Columbia and the Committee on Health, Education, Labor, and Pensions be authorized to meet on Tuesday, September 24, 2002 at 10:00 a.m. for a joint hearing entitled, ''Responding to the Threat of West Nile Virus.''

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

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Madam President, I ask unanimous consent that Jeffrey Scholder and Robert Kerr, a fellow, be granted the privilege of the floor during the debate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL MAMMOGRAPHY DAY

Mr. REID. Mr. President, I ask unanimous consent the Judiciary Committee be discharged from consideration of S. Res. 326, and the Senate proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 326) designating October 18, 2002, as ''National Mammography Day.''

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. I ask unanimous consent the resolution and preamble be agreed to en bloc, the motion to reconsider be laid on the table, and any statements relating thereto be printed in the RECORD.

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

The resolution (S. Res. 326) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 326

Whereas according to the American Cancer Society, in 2002, 203,500 women will be diagnosed with breast cancer and 39,600 women will die from this disease;

Whereas it is estimated that about 2,000,000 women were diagnosed with breast cancer in the 1990s, and that in nearly 500,000 of those cases, the cancer resulted in death;

Whereas the risk of breast cancer increases with age, with a woman at age 70 years having twice as much of a chance of developing the disease as a woman at age 50 years;

Whereas at least 80 percent of the women who get breast cancer have no family history of the disease;

Whereas mammograms, when operated professionally at a certified facility, can provide safe screening and early detection of breast cancer in many women;

Whereas mammography is an excellent method for early detection of localized breast cancer, which has a 5-year survival rate of more than 97 percent;

Whereas the National Cancer Institute and the American Cancer Society continue to recommend periodic mammograms; and

Whereas the National Breast Cancer Coalition recommends that each woman and her health care provider make an individual decision about mammography: Now, therefore, be it

Resolved, That the Senate—

(1) designates October 18, 2002, as ''National Mammography Day''; and

(2) requests that the President issue a proclamation calling upon the people of the United States to observe the day with appropriate programs and activities.

ORDER FOR PRINTING STATEMENTS OF TRIBUTE

Mr. REID. Mr. President, I ask unanimous consent the Members have until Friday, October 4, at 12 noon to submit statements of tribute to Senator Strom Thurmond and the tributes then be printed as a Senate document.

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

ORDERS FOR WEDNESDAY, SEPTEMBER 25, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m. tomorrow morning, September 25; that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and there be a period for morning business until 10:30 a.m. with Senators permitted to speak for up to 10 minutes each, with the time equally divided between the two leaders or their designees; that at 10:30 the Senate resume consideration of the Interior Appropriations Act and vote on cloture on the Byrd amendment to the Interior Appropriations Act regarding firefighting and drought; that, if cloture is not invoked, the Senate immediately vote on cloture on the Lieberman substitute amendment to the Homeland Security Act; further, that Senators have until 10 a.m. tomorrow in order to file second-degree amendments.

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

PROGRAM

Mr. REID. Mr. President, the next rollcall vote will occur at 10:30 a.m., on cloture on the Byrd amendment to the Interior Appropriations Act.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, I know of no further business to come before the Senate. Therefore, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:36 p.m., adjourned until Wednesday, September 25, 2002, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 24, 2002:

THE JUDICIARY

ALAN G. LANCE, SR., OF IDAHO, TO BE A JUDGE OF THE UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS FOR THE TERM OF THIRTEEN YEARS, VICE FRANK QUILL NEBEKER, RESIGNED.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 271 AND TO SERVE AS THE DIRECTOR OF THE COAST GUARD RESERVE PURSUANT TO TITLE 14, U.S.C. SECTION 53:

To be rear admiral (lower half)

REAR ADM. (SELECTEE) ROBERT J. PAPP, 0000

THE FOLLOWING NAMED OFFICERS OF THE COAST GUARD PERMANENT COMMISSIONED TEACHING STAFF FOR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES COAST GUARD UNDER TITLE 14, U.S.C., SECTION 188:

To be captain

KURT J. COLELLA, 0000
LUCRETIA FLAMMANG, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES COAST GUARD UNDER TITLE 14, U.S.C., SECTION 271:

To be commander

ALAN N ARSENAULT, 0000
KEVIN M BALDERSON, 0000
WEBSTER D BALDING, 0000
STEVEN A BANKS, 0000
KIRK A BARTNIK, 0000
MARK D BERKELEY, 0000
KEITH R BILLS, 0000
BYRON L BLACK, 0000
WILLIAM J BOEH, 0000
JOHN E BORIS, 0000
SCOTT W BORNEMANN, 0000
LARRY D BOWLING, 0000
GARY L BRUCE, 0000
SEAN M BURKE, 0000
TINA L BURKE, 0000
JONATHAN C BURTON, 0000
SCOTT A BUTTRICK, 0000
THOMAS E CAFFERTY, 0000
CHARLES S CAMP, 0000
JAMES CARLSON, 0000
MICHAEL P CAROSOTTO, 0000
ALAN W CARVER, 0000
CHARLES L CASHIN, 0000
ERIC P CHRISTENSEN, 0000
DAVID A CINALLI, 0000
BRADFORD CLARK, 0000
THOMAS D COMBS, 0000
PAULINE F COOK, 0000
CALEB CORSON, 0000
DONNA L COTTRELL, 0000
DANIEL S CRAMER, 0000
MATTHEW K CREELMAN, 0000
DAVID P CROWLEY, 0000
EDWARD J CUBANKSI, 0000
DONALD E CULKIN, 0000
STEPHEN P CZERWONKA, 0000
PAT DEQUATTRO, 0000
DAVID M DERMANELIAN, 0000
JOEL D DOLBECK, 0000
ROBERT R DUBOIS, 0000
BRIAN C EMRICH, 0000
JANET R FLOREY, 0000
RICHARD T GATLIN, 0000
FRANCIS E GENCO, 0000
AUSTIN J GOULD, 0000
BRUCE E GRAHAM, 0000
MARC A GRAY, 0000
DARCY D GUYANT, 0000
BRIAN P HALL, 0000
JAMES E HANZALIK, 0000
DAVID L HARTLEY, 0000
BEVERLY A HAVLIK, 0000
ROBERT P HAYES, 0000
JOHN A HEALY, 0000
TIMOTHY J HEITSCH, 0000
JOSEPH F HESTER, 0000
JOHN E HURST, 0000
VICTORIA A HUYCK, 0000
JAMES D JENKINS, 0000
GWYN R JOHNSON, 0000
KELLY L KACHELE, 0000
JOSEPH P KELLY, 0000
WILLIAM R KELLY, 0000
LARRY R KENNEDY, 0000
HAN KIM, 0000
ROGER R LAFERRIERE, 0000
MARC P LEBEAU, 0000
STUART L LEBRUSKA, 0000
ROCKY S LEE, 0000
ANTHONY S LLOYD, 0000
MICHAEL J LOPEZ, 0000
JOSEPH J LOSCIUTO, 0000
JASON LYUKE, 0000
ROBERT T MCCARTY, 0000
STEPHEN P MCCLEARY, 0000
PATRICK J MCGUIRE, 0000
BRIAN T MCTAGUE, 0000
CHRISTOPHER J MEADE, 0000
WILLIAM R MEESE, 0000
MICHAEL A MEGAN, 0000
MICHAEL A MOHN, 0000
JESSE K MOORE, 0000
JOHN F MORIARTY, 0000
JIM L MUNRO, 0000
CAMERON T NARON, 0000
THOMAS G NELSON, 0000
CHRISTOPHER D NICHOLS, 0000
LAURA H OHARE, 0000
ANDREW C PALMIOTTO, 0000
FRANK R PARKER, 0000
DAWAYNE R PENBERTHY, 0000
JOHN J PLUNKETT, 0000
STEVEN W POORE, 0000
LAURENCE J PREVOST, 0000
CHARLES E RAWSON, 0000
JOHN C RENDON, 0000
CHARLES A RICHARDS, 0000
KEITH A RUSSELL, 0000
MICHAEL P RYAN, 0000
STEPHEN M SABELLICO, 0000
RICHARD A SANDOVAL, 0000
GREGORY J SANIAL, 0000
ADAM J SHAW, 0000
PHILIP J SKOWRONEK, 0000
JOEL D SLOTTEN, 0000
KEITH M SMITH, 0000
MATTHEW C STANLEY, 0000
JANET E STEVENS, 0000
CYNTHIA L STOWE, 0000
GLENN M SULMASY, 0000
JAMES TABOR, 0000
TROY K TAIRA, 0000
THOMAS TARDIBUONO, 0000
JOHN G TURNER, 0000
DAVID A WALKER, 0000
JAMES H WHITEHEAD, 0000
KEITH T WHITEMAN, 0000
ROBERT C WILSON, 0000
JOHN D WOOD, 0000
MATTHEW J ZAMARY, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. THOMAS B. GOSLIN JR., 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. THOMAS F. DEPPE, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. KEVIN P. BYRNES, 0000