in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Ms. COLLINS (for herself and Mr. LIEBERMAN):

S. Res. 51. A resolution authorizing expenditures by the Committee on Governmental Affairs; to the Committee on Rules and Administration.

By Mr. CAMPBELL (for himself, Mr. CRAIG, Mrs. LINCOLN, Mr. HATCH, Mr. LOTT, Mr. DORGAN, Ms. LANDRIEU, Mr. KOHL, Mr. INHOFE, Mr. DOMENICI, Mr. SPECTER, Mr. BIDEN, and Mr. ALLEN):

S. Res. 52. A resolution recognizing the social problem of child abuse and neglect, and supporting efforts to enhance public awareness of the problem; to the Committee on the Judiciary.

By Mr. SPECTER:

S. Res. 53. An original resolution authorizing expenditures by the Committee on Veterans' Affairs; from the Committee on Veterans' Affairs; to the Committee on Rules and Administration.

By Mr. MCCAIN (for himself, Mr. LEAHY, Mr. LIEBERMAN, and Mr. HARKIN):

S. Res. 54. A resolution to provide Internet access to certain Congressional documents, including certain Congressional Research Service publications, certain Senate gift reports, and Senate and Joint Committee documents; to the Committee on Rules and Administration.

By Mr. MCCAIN (for himself, Mr. LIEBERMAN, Mr. GRAHAM of South Carolina, and Mr. BAYH):

S. Con. Res. 4. A concurrent resolution welcoming the expression of support of 18 European nations for the enforcement of United Nations Security Counsel Resolution 1441; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 83

At the request of Mr. DURBIN, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 83, A bill to expand aviation capacity in the Chicago area, and for other purposes.

S. 85

At the request of Mr. LUGAR, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 85, A bill to amend the Internal Revenue Code of 1986 to provide for a charitable deduction for contributions of food inventory.

S. 153

At the request of Mrs. FEINSTEIN, the names of the Senator from New York (Mr. SCHUMER) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 153, A bill to amend title 18, United States Code, to establish penalties for aggravated identity theft, and for other purposes.

S. 223

At the request of Mrs. FEINSTEIN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 223, A bill to prevent identity theft, and for other purposes.

S. 238

At the request of Mr. REED, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 238, A bill to reauthorize the Museum and Library Services Act, and for other purposes.

S. 251

At the request of Mr. LOTT, the names of the Senator from Kentucky (Mr. BUNNING), the Senator from Pennsylvania (Mr. SANTORUM) and the Senator from Nebraska (Mr. NELSON) were added as cosponsors of S. 251, A bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent motor fuel excise taxes on railroads and inland waterway transportation which remain in the general fund of the Treasury.

S. 253

At the request of Mr. CAMPBELL, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 253, A bill to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns.

S. 255

At the request of Mrs. 4Feinstein, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 255, A bill to amend title 49, United States Code, to require phased increases in the fuel efficiency standards applicable to light trucks; to require fuel economy standards for automobiles up to 10,000 pounds gross vehicle weight; to increase the fuel economy of the Federal fleet of vehicles, and for other purposes.

S. 286

At the request of Mr. BOND, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 286, A bill to revise and extend the Birth Defects Prevention Act of 1998.

S. 298

At the request of Mr. BAUCUS, the names of the Senator from California (Mrs. BOXER) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 298, A bill to provide tax relief and assistance for the families of the heroes of the Space Shuttle Columbia, and for other purposes.

S. 300

At the request of Mr. KERRY, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 300, A bill to award a congressional gold medal to Jackie Robinson (posthumously), in recognition of his many contributions to the Nation, and to express the sense of Congress that there should be a national day in recognition of Jackie Robinson.

S.J. RES. 3

At the request of Mr. LIEBERMAN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S.J. Res. 3, A joint resolution expressing the sense of Congress with respect to human rights in Central Asia.

S. RES. 40

At the request of Mr. BIDEN, the names of the Senator from Washington (Ms. CANTWELL), the Senator from Connecticut (Mr. DODD), the Senator from Rhode Island (Mr. REED) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. Res. 40, A resolution reaffirming congressional commitment to title IX of the Education Amendments of 1972 and its critical role in guaranteeing equal educational opportunities for women and girls, particularly with respect to school athletics.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BAUCUS (for himself, Mr. HATCH, Mr. MILLER, Mr. GRASSLEY, Mr. BAYH, and Mr. LUGAR):

S. 339. A bill to amend the Internal Revenue Code of 1986 to simplify the application of the excise tax imposed on bows and arrows; to the Committee on Finance.

Mr. BAUCUS. Mr. President, along with my colleagues, Senators HATCH, MILLER, BAYH and GRASSLEY, I am pleased to introduce the Archery Excise Tax Simplification Act of 2003. This bill will protect funding for the Wildlife Restoration Program, the Pittman-Robertson fund, by simplifying administration and compliance with the excise tax and closing an unintended loophole that allows arrows assembled outside the United States to avoid the excise tax imposed on domestic manufacturers.

The creation of the Wildlife Restoration Program is one of the great success stories of cooperation among America's sportsmen and women, State fish and wildlife agencies, and the sporting goods industry. Working together with Congress, Americans who enjoy the outdoors volunteered to pay an excise tax on sporting arms and ammunition to be used for hunter education programs, wildlife restoration, and habitat conservation.

Originally the archery industry did not participate in this program. However, the growth of bow hunting in the '60s and '70s led the archery industry to decide they would support the excise tax that funds State game agencies. As a result, the tax was extended to archery equipment in 1975. The tax on archery equipment was meant to parallel the tax that hunters were paying on firearms and ready-to-fire ammunition. The archery industry and bow hunters are pleased to contribute to the success of the Wildlife Restoration Program.

Because current law taxes components and not arrows, foreign manufacturers are selling arrows in the United States without paying the excise tax

that is imposed on arrows made in the United States. Not only are these untaxed imports unfair to American workers, they threaten the integrity of the Wildlife Restoration Fund.

This issue is important to companies in Montana. Mike Ellig, a manufacturer of archery products in Bozeman, MT, pays this tax. He supports the tax, but asks that it be fair. Mike's company, Montana Black Gold, and the archery industry want to support the Wildlife Restoration Program. But the way the tax works today, American manufacturers are at a competitive disadvantage. That is why the 800 members of the Montana Bowhunters Association support this measure.

This legislation will close the loophole that allows imported arrows to avoid the excise tax paid by domestic manufacturers. While keeping the current 12.4 percent tax on arrow components, the proposal will impose a tax of 12 percent on the first sale of an arrow assembled from untaxed components. U.S. manufacturers and foreign manufacturers will be treated equally.

Since this loophole was inadvertently created in 1997, archery imports, mostly finished arrows, increased from $430,000 in 1998, to $1.6 million in 1999, to $3.2 million in 2000, to $7.8 million in 2001 and to $11.0 million in 2002, through November. If Congress does not act quickly to close this loophole, domestic manufacturers will be forced to relocate outside of the United States. They simply cannot afford to lose market share for a fifth year to competitors who do not pay the same tax they pay. If a few more move overseas, the rest will follow. The result will be a catastrophic loss of revenue for the Federal Wildlife Restoration Fund.

Current law also taxes non-hunters, contrary to Congressional intent. To relieve non-hunters from the requirement to pay for wildlife management, the legislation would eliminate the current-law tax on bows with draw weights of less than 30 pounds. Those bows are not suitable or, in many states, legal for hunting. To preserve the revenue for the Wildlife Restoration Fund, the bill would retain the current tax on bows that are suitable for hunting.

The proposal would also clarify that broadheads are an accessory taxed at 11 percent rather than as an arrow component taxed at 12.4 percent. This will correct the ambiguity in the 1997 Act that led to the misclassification of broadheads.

In summary, the Arrow Excise Tax Simplification Act of 2001 would accomplish worthy objectives. It would close the loophole that allows foreign imported arrows to escape the tax and remove the tax on youth and recreational archery equipment that were never meant to be taxed. We will accomplish these goals while protecting the Wildlife Restoration Program by ensuring that there is no significant diminution of revenues collected by the archery excise tax. The Joint Committee on Taxation estimates the proposal will decrease revenues by $5 million over ten years resulting in small changes in outlays from the Federal Aid in Wildlife Fund. Failure to close the import loophole will eviscerate the archery tax base resulting in devastating losses to the Fund.

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

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

S. 339

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 ''Arrow Excise Tax Simplification Act of 2003''.

SEC. 2. SIMPLIFICATION OF EXCISE TAX IMPOSED ON BOWS AND ARROWS.

(a) BOWS.—Section 4161(b)(1) of the Internal Revenue Code of 1986 (relating to bows) is amended to read as follows:

''(1) BOWS.—

''(A) IN GENERAL.—There is hereby imposed on the sale by the manufacturer, producer, or importer of any bow which has a draw weight of 30 pounds or more, a tax equal to 11 percent of the price for which so sold.

''(B) ARCHERY EQUIPMENT.—There is hereby imposed on the sale by the manufacturer, producer, or importer—

''(i) of any part or accessory suitable for inclusion in or attachment to a bow described in subparagraph (A), and

''(ii) of any quiver or broadhead suitable for use with an arrow described in paragraph (3),

a tax equal to 11 percent of the price for which so sold.''.

(b) ARROWS.—Section 4161(b) of the Internal Revenue Code of 1986 (relating to bows and arrows, etc.) is amended by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following:

''(3) ARROWS.—

''(A) IN GENERAL.—There is hereby imposed on the sale by the manufacturer, producer, or importer of any arrow, a tax equal to 12 percent of the price for which so sold.

''(B) EXCEPTION.—The tax imposed by subparagraph (A) on an arrow shall not apply if the arrow contains an arrow shaft subject to the tax imposed by paragraph (2).

''(C) ARROW.—For purposes of this paragraph, the term 'arrow' means any shaft described in paragraph (2) to which additional components are attached.''.

(c) CONFORMING AMENDMENT.—The heading of section 4161(b)(2) of the Internal Revenue Code of 1986 (relating to arrows) is amended by striking ''ARROWS.—'' and inserting ''ARROW COMPONENTS.—''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to articles sold by the manufacturer, producer, or importer after December 31, 2003.

By Mr. DASCHLE (for himself and Mr. JOHNSON):

S. 341. A bill to designate the Federal building and United States courthouse located at 515 9th Street in Rapid City, South Dakota, as the ''Andrew W. Bogue Federal Building and United States Courthouse''; to the Committee on Environment and Public Works.

Mr. DASCHLE. Mr. President, today I am introducing legislation on behalf of Senator TIM JOHNSON and myself to name the Rapid City United States Courthouse and Federal Building in honor of Judge Andrew W. Bogue, Senior Judge of the U.S. District Court of the District of South Dakota.

The administration of justice in western South Dakota is nearly synonymous with the name of Judge Bogue. He is almost single-handedly responsible for establishing the Federal district court in Rapid City, and worked tirelessly to see the Courthouse and Federal Building constructed there to provide a new home for the administration of justice in the area.

Judge Bogue was the first resident judge in the western division of the U.S. District Court District of South Dakota. Before he came along, judges had to travel into the division from other parts of the State, and court was held in the ancient Deadwood Territorial Courthouse or in makeshift courtrooms throughout the 11-county region. Faced with the logistical hassles of court operations, attorneys were less likely to use the court system.

After Judge Bogue took the bench, he helped transform the justice system in western South Dakota. First, he oversaw the establishment of a new district seat in Rapid City, the population center. Then he worked alongside South Dakota's congressional delegation to secure funding for the construction of the Rapid City Federal Building and United States Courthouse.

During the course of his career as a Federal judge, Bogue has presided over many high-profile cases, including cases stemming from American Indian Movement, AIM, uprisings in the 1970s. He has maintained a reputation for being fair, objective, and compassionate.

Before rising to the U.S. District Court bench, Andrew Bogue was educated at South Dakota State University. After serving our Nation with the U.S. Army Signal Corps during World War II, he returned home to complete a law degree at the University of South Dakota and to marry his lovely wife Liz. He was admitted to the South Dakota Bar in 1947.

Andrew Bogue again answered the call to defend our country during the Korean War, serving in the U.S. Army's Judge Advocate General's corps. Upon his return, he practiced as a private attorney and a State's Attorney before becoming a South Dakota circuit court judge. He joined the Federal bench on May 1, 1970, and was elevated to Chief Judge in 1980. He took senior status in 1985.

It is right and fitting that the Rapid City Federal Building and Courthouse be named for the individual whose legacy pervades its halls. The legislation Senator JOHNSON and I introduce today began with an outpouring of support from Judge Bogue's colleagues. The Pennington County Bar Association and the Seventh Judicial Circuit Court Judges and Magistrate Judges have

passed resolutions supporting this initiative. I am proud to offer this legislation in honor of a great South Dakotan.

I ask unanimous consent that the text of this legislation be printed in the RECORD.

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

S. 341

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

SECTION 1. DESIGNATION OF ANDREW W. BOGUE FEDERAL BUILDING AND UNITED STATES COURTHOUSE.

The Federal building and United States courthouse located at 515 9th Street in Rapid City, South Dakota, shall be known and designated as the ''Andrew W. Bogue Federal Building and United States Courthouse''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building and United States courthouse referred to in section 1 shall be deemed to be a reference to the Andrew W. Bogue Federal Building and United States Courthouse.

By Mr. GREGG (for himself, Mr. KENNEDY, Mr. DODD, and Mr. ALEXANDER):

S. 342. A bill to amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. GREGG. Mr. President, last year our Nation was stunned by a videotape of a mother beating her 4 year old daughter in the parking lot of a shopping center. Yet the unfortunate fact is that each year, behind closed doors, close to one million children in the United States are abused or neglected and as a result, are in need of assistance and out-of-home care.

I am pleased today to be joined by Senators KENNEDY, DODD and ALEXANDER, in introducing legislation aimed at reducing child abuse and neglect and mitigating its very damaging impact. The ''Keeping Children and Families Safe Act of 2003'' reauthorizes four key programs designed to do just that.

First, we reauthorize the Child Abuse Prevention and Treatment Act, CAPTA, which provides grants to States to improve child protection systems and to support community-based family resource and support services. CAPTA also authorizes research and demonstration projects aimed at preventing and treating child abuse and neglect.

The last reauthorization of CAPTA in 1996 made significant changes in this program to better target limited Federal resources and to enhance the ability of States to respond to the most serious cases of abuse and neglect. Unfortunately, the issues facing an overburdened child welfare system are seldom easily resolved. The Keeping Children and Families Safe Act will build upon previous changes to CAPTA, by enhancing the CPS workforce and continuing to ensure that children and families receive appropriate services and referrals.

The legislation my colleagues and I are introducing today encourages new training and better qualifications for child and family service workers. With this reauthorization, States can give additional training to CPS workers on how to best work with families from the time that the CPS worker walks through the door of a home to the point of treatment for the child and family.

In 2000, CPS workers nationwide investigated 1.7 million cases of reported Child Abuse and Neglect. The environments in which CPS workers conduct these investigations can vary greatly in level of safety. With this legislation, States will be able to use Federal dollars to provide some personal safety training for CPS workers for when they enter the home. Additionally, the rights of families are also addressed during the initial stages of investigation, by requiring CPS workers to inform individuals of child maltreatment allegations made against them.

During their investigations, CPS workers encounter a myriad of types of abuse. In 2000, approximately 63 percent of children who were victims of maltreatment suffered neglect, 19 percent suffered physical abuse, 10 percent suffered sexual abuse, and 8 percent suffered emotional maltreatment. In order to help insure that cases of abuse and neglect are properly identified, States would be able to provide cross-training for CPS workers to help them better recognize neglect, domestic violence or substance abuse in a family. This bill would also enhance linkages between child protection services and education, health, mental health, and judicial systems. Further, it would encourage greater collaboration with the juvenile justice system to ensure that children who move between these two systems do so smoothly and receive the proper services.

As a condition of receiving state grant money, we ask States to have policies and procedures, including referral to CPS, to address the needs of infants who have been prenatally exposed to illegal substances. We also require States to perform background checks on all adults in prospective foster care households. Current law only requires that checks be performed on the prospective foster care parent.

We have all heard the horrific accounts in the media of those children who slip through the cracks of the child protective system. It is our hope that with this reauthorization, which includes an increase in authorization to $200 million, we can help States to fill some of those cracks.

The second program we reauthorize is the Adoption Opportunities Act. This Act is intended to eliminate barriers to adoption and to provide permanent homes for children, particularly children who are hard to place, including children with special needs, older children, and disabled infants with life-threatening conditions.

With 131,000 children currently waiting for adoption, we must improve upon this program by seeking to further tear down barriers to adoption. Specifically—we are placing an increased emphasis on the elimination of inter-jurisdictional barriers to adoption.

This Act would require the Secretary of the Department of Health and Human Services to fund public or private entities, including States, to develop a uniform home-study standard and protocols for acceptance of home-studies between States and jurisdictions. The Secretary would also help to facilitate cross-jurisdictional placements by developing models of financing, expanding capacity of all adoption exchanges to serve increasing numbers of children, training social workers on preparing and moving children across State lines, and developing and supporting models for networking among agencies, adoption exchange, and parent support groups across jurisdictional boundaries.

Within one year of enactment, the bill would require the Department of Health and Human Services, in consultation with the General Accounting Office, to facilitate the inter-jurisdictional adoption of foster children. Additionally, the bill would also make inter-jurisdictional 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. To help facilitate this process, we would double the current authorization for this title from $20 million to $40 million.

Third, the Keeping Children and Families Safe Act of 2003 reauthorizes the Abandoned Infants Assistance Act. This program authorizes demonstration grants to public and private nonprofit agencies for activities aimed at preventing the abandonment of infants, identifying and addressing the needs of abandoned infants, and recruiting and training foster families for abandoned children.

Currently, grant recipients must ensure that priority for their services is given to abandoned infants and young children who are HIV-infected, perinatally exposed to HIV, or perinatally drug-exposed. This legislation, which includes and increase in authorization to $45 million, would broaden priority for services to include abandoned infants and young children who have life threatening illnesses or other special medical needs.

Finally, we reauthorize the Family Violence Prevention and Services Act, FVPSA, which assists in efforts to increase public awareness about family violence and provide immediate shelter and related assistance to victims of family violence and their children.

This reauthorization increases the authorization for the National Domestic Violence Hotline to $5 million and establishes a National Domestic Violence Shelter 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.

Domestic violence and child abuse affect thousands upon thousands of families each year, often with tragic results. In the year 2000 alone, 1200 children died as a consequence of child abuse and neglect, 85 percent of whom were under the age of 6. We must continue our efforts to stem the tide of abuse to prevent these dreadful results. This legislation reauthorizes four programs that address the needs of some of our most at-risk children and families, and I urge my colleagues' support.

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

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

S. 342

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 2003''.

(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 abuse fatalities and 85 percent of child abuse 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) collect 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), in the first sentence, by inserting '', including longitudinal research,'' after ''interdisciplinary program of research''; and

(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, family structure, household relationship (including the living arrangement of the resident parent and family size), 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) in paragraph (2), by striking subparagraph (B) and inserting the following:

''(B) Not later than 2 years after the date of enactment of the Keeping Children and Families Safe Act of 2003, and every 2 years thereafter, the Secretary shall provide an opportunity for public comment concerning the priorities proposed under subparagraph (A) and maintain an official record of such public comment.'';

(3) by redesignating paragraph (2) as paragraph (4);

(4) 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 2003, 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)—

(A) by striking ''nonprofit private agencies and'' and inserting ''private agencies and community-based''; and

(B) by inserting '', including replicating successful program models,'' after ''programs and activities''; 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 effective and research-based 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 effective and research-based 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 the matter preceding subparagraph (A), by striking ''nonprofit'';

(B) in subparagraph (A), by striking ''law, 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,'';

(C) 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;'';

(D) in subparagraph (C), by striking the period and inserting a semicolon;

(E) 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 the legal duties of such personnel and 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 effective and research-based methods for 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, law enforcement agencies, developmental disability agencies, substance abuse treatment entities, health care entities, domestic violence prevention entities, mental health service entities, 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 determine 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 ''nonprofit organizations (such as Parents Anonymous)'' and inserting ''organizations'';

(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, in accordance with all applicable Federal and State privacy laws.''.

(b) DISCRETIONARY GRANTS.—Section 105(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(b)) is amended—

(1) in the matter preceding paragraph (1), by striking ''subsection (b)'' and inserting ''subsection (a)'';

(2) by striking paragraph (1);

(3) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively;

(4) 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

(5) 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—

''(A) training regarding effective and research-based practices to promote collaboration with the families;

''(B) training regarding the legal duties of such individuals; and

''(C) personal safety training for case 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 effective and research-based 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;'';

(9) in paragraph (12) (as so redesignated), by striking the period and inserting a semicolon; and

(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 (iv), (vi), (vii), (viii), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi) and (xvii), 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 as being affected by illegal substance abuse or withdrawal symptoms resulting from prenatal drug exposure;

''(iii) the development of a plan of safe care for the infant born and identified as being affected by illegal substance abuse or withdrawal symptoms;'';

(iii) in clause (iv) (as so redesignated), by inserting ''risk and'' before ''safety'';

(iv) by inserting after clause (iv) (as so redesignated), the following:

''(v) triage procedures for the appropriate referral of a child not at risk of imminent harm to a community organization or voluntary preventive service;'';

(v) in clause (viii)(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 (ix)'';

(vi) by inserting after clause (viii) (as so redesignated), the following:

''(ix) provisions to require a State to disclose 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 (xiii) (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 (xv) (as so redesignated), by striking ''to be effective not later than 2 years after the date of enactment of this section'';

(ix) in clause (xvi) (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 (xvii) (as so redesignated), by striking ''clause (xii)'' each place that such appears and inserting ''clause (xvi)''; and

(xi) by adding at the end the following:

''(xviii) 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;

''(xix) provisions addressing the training of representatives of the child protective services system regarding the legal duties of the representatives, which may consist of various methods of informing such representatives of such duties, in order to protect the legal rights and safety of children and families from the initial time of contact during investigation through treatment;

''(xx) provisions and procedures for improving the training, retention, and supervision of caseworkers; and

''(xxi) not later than 2 years after the date of enactment of the Keeping Children and Families Safe Act of 2003, 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 citizen review panel 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).

''(14) The number of children under the care of the State child protection system who are transferred into the custody of the State juvenile justice system.''.

(e) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to Congress a report that describes the extent to which States are implementing the policies and procedures required under section 106(b)(2)(B)(ii) of the Child Abuse Prevention and Treatment Act.

SEC. 115. MISCELLANEOUS REQUIREMENTS RELATING TO ASSISTANCE.

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, 2004, 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).''.

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 2004 and such sums as may be necessary for each of the fiscal years 2005 through 2008.''.

(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''.

SEC. 117. REPORTS.

Section 110 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106f) is amended by adding at the end the following:

''(c) STUDY AND REPORT RELATING TO CITIZEN REVIEW PANELS.—

''(1) STUDY.—The Secretary shall conduct a study by random sample of the effectiveness of the citizen review panels established under section 106(c).

''(2) REPORT.—Not later than 3 years after the date of enactment of the Keeping Children and Families Safe Act of 2003, the Secretary shall 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 study conducted under paragraph (1).''.

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 strengthen and support families 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 strengthen and support families 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 strengthen and support families 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 strengthen and support families to prevent child abuse and neglect (through networks where appropriate)'';

(B) in subparagraph (B)—

(i) by striking ''to the network''; and

(ii) by inserting '', and parents with disabilities'' before the semicolon;

(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 designed to strengthen and support families 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 designed to strengthen and support families 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 designed to strengthen and support families 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 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116b) is amended—

(1) in subsection (b)(1)(B)—

(A) 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'';

(B) by striking ''State lead agency'' and inserting ''State lead entity''; and

(C) by striking ''the lead agency'' and inserting ''the current lead entity''; and

(2) in subsection (c)(2), by striking ''subsection (a)'' and inserting ''subsection (b)''.

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 designed to strengthen and support families 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 designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)'';

(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 strengthen and support families 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 ''start up, maintenance, expansion, and redesign of community-based and prevention-focused programs and activities designed to strengthen and support families 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 strengthen and support families 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 strengthen and support families 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 strengthen and support families 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 strengthen and support families 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 strengthen and support families 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 designed to strengthen and support families 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 designed to strengthen and support families 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,''; and

(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 designed to strengthen and support families 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 strengthen and support families 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 strengthen and support families 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 strengthen and support families 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 strengthen and support families 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) or 'infant or toddler with a disability' in section 632(5)''.

(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 designed to strengthen

and support families 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 or networks of such 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 2004 and such sums as may be necessary for each of the fiscal years 2005 through 2008.''.

Subtitle C—Conforming Amendments

SEC. 141. CONFORMING AMENDMENTS.

The table of contents of the Child Abuse Prevention and Treatment Act, as contained in section 1(b) of such Act (42 U.S.C. 5101 note), is amended as follows:

(1) By striking the item relating to section 105 and inserting the following:

''Sec. 105. Grants to States and public or private agencies and organizations.''.

(2) By striking the item relating to title II and inserting the following:

''TITLE II—COMMUNITY-BASED GRANTS FOR THE PREVENTION OF CHILD ABUSE AND NEGLECT''.

(3) By striking the item relating to section 204.

TITLE II—ADOPTION OPPORTUNITIES

SEC. 201. 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. 202. 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. 203. 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 ''The'' and inserting ''(a) IN GENERAL.—The'';

(2) by striking ''of this Act'' and inserting ''of the Keeping Children and Families Safe Act of 2003'';

(3) by striking ''to determine the nature'' and inserting ''to determine—

''(1) the nature'';

(4) by striking ''which are not licensed'' and all that follows through ''entity'';''; and

(5) 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. 204. STUDIES ON SUCCESSFUL ADOPTIONS.

Section 204 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5114) is amended by adding at the end the following:

''(b) DYNAMICS OF SUCCESSFUL ADOPTION.—The Secretary shall conduct research (directly or by grant to, or contract with, public or private nonprofit research agencies or organizations) about adoption outcomes and the factors affecting those outcomes. The Secretary shall submit a report containing the results of such research to the appropriate committees of the Congress not later than the date that is 36 months after the date of the enactment of the Keeping Children and Families Safe Act of 2003.

''(c) INTERJURISDICTIONAL ADOPTION.—Not later than 1 year after the date of the enactment of the Keeping Children and Families Safe Act of 2003, the Secretary, in consultation with the Comptroller General, shall submit to the appropriate committees of the Congress a report that contains recommendations for an action plan to facilitate the interjurisdictional adoption of foster children.''.

SEC. 205. 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 2004 and such sums as may be necessary for fiscal years 2005 through 2008 to carry out programs and activities authorized under this subtitle.''.

TITLE III—ABANDONED INFANTS ASSISTANCE

SEC. 301. 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 known as 'AIDS'), and those who have been exposed to dangerous drugs;'';

(4) by striking paragraphs (6) and (7);

(5) in paragraph (8)—

(A) by striking ''such infants and young children'' and inserting ''infants and young children who are abandoned in hospitals''; and

(B) 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;'';

(7) by striking paragraph (11);

(8) by redesignating paragraphs (2), (3), (4), (5), (8), (9), and (10) as paragraphs (1) through (7), respectively; and

(9) by adding at the end the following:

''(8) private, Federal, State, and local resources should be coordinated to establish and maintain services described in paragraph (7) and to ensure the optimal use of all such resources.''.

SEC. 302. ESTABLISHMENT OF LOCAL PROJECTS.

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 PROJECTS.'';

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. 303. 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 101(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 enactment of the Keeping Children and Families Safe Act of 2003, the Secretary shall complete the study required under paragraph (1) and submit to 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. 304. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—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 2004 and such sums as may be necessary for fiscal years 2005 through 2008.

''(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 102(a).'';

(2) by striking subsection (b);

(3) in subsection (c)—

(A) in paragraph (1)—

(i) by inserting ''AUTHORIZATION.—'' after ''(1)'' the first place it appears; and

(ii) by striking ''this title'' and inserting ''this Act''; and

(B) in paragraph (2)—

(i) by inserting ''LIMITATION.—'' after ''(2)''; and

(ii) by striking ''fiscal year 1991.'' and inserting ''fiscal year 2003.''; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(b) REDESIGNATION.—The Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by redesignating section 104 as section 302; and

(2) by moving that section 302 to the end of that Act.

SEC. 305. DEFINITIONS.

(a) IN GENERAL.—Section 301 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended to read as follows:

''SEC. 301. DEFINITIONS.

''In this Act:

''(1) ABANDONED; ABANDONMENT.—The terms 'abandoned' and 'abandonment', used 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) ACQUIRED IMMUNE DEFICIENCY SYNDROME.—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) DANGEROUS DRUG.—The term 'dangerous drug' means a controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

''(4) NATURAL FAMILY.—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 Act.

''(5) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.''.

(b) REPEAL.—Section 103 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is repealed.

TITLE IV—FAMILY VIOLENCE PREVENTION AND SERVICES ACT

SEC. 401. 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 2007 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg–2);''.

(b) REPORT.—Section 303(a) of such 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 shall submit to the Secretary a report that contains a description of the activities carried out under paragraph (2)(B)(i).''.

(c) CHILDREN WHO WITNESS DOMESTIC VIOLENCE.—Section 303 of such Act (42 U.S.C. 10402) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

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

''(c) For a fiscal year described in section 310(a)(2), the Secretary shall use funds made available under that section to make grants, on a competitive basis, to eligible entities for projects designed to address the needs of children who witness domestic violence, to—

''(1) provide direct services for children who witness domestic violence;

''(2) provide for training for and collaboration among child welfare agencies, domestic violence victim service providers, courts, law enforcement, and other entities; and

''(3) provide for multisystem interventions for children who witness domestic violence.''.

SEC. 402. 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. 403. 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. 404. 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. 405. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION.—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.—

''(1) AUTHORIZATION.—There are authorized to be appropriated to carry out sections 303 through 311, $175,000,000 for each of fiscal years 2004 through 2008.

''(2) PROJECTS TO ADDRESS NEEDS OF CHILDREN WHO WITNESS DOMESTIC VIOLENCE.—For a fiscal year in which the amounts appropriated under paragraph (1) exceed $150,000,000, the Secretary shall reserve and make available 50 percent of the excess to carry out section 303(c).''.

(b) ALLOCATIONS FOR OTHER PROGRAMS.—Subsections (b), (c), and (d) of section 310 of such Act (42 U.S.C. 10409) are amended by inserting ''(and not reserved under subsection (a)(2))'' after ''each fiscal year''.

(c) GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.—Section 311(g) of such Act (42 U.S.C. 10410(g)) is amended to read as follows:

''(g) FUNDING.—Of the amount appropriated under section 310(a) for a fiscal year (and not reserved under section 310(a)(2)), not less than 10 percent of such amount shall be made available to award grants under this section.''.

SEC. 406. GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

Section 311 of the Family Violence Prevention and Services Act (42 U.S.C. 10410) is amended by striking subsection (h).

SEC. 407. 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 (and not reserved under section 310(a)(2)), not more than 2.5 percent shall be used by the Secretary for evaluation, monitoring, and other administrative costs under this title.''.

SEC. 408. 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. 409. MODEL STATE LEADERSHIP GRANTS.

Section 315 of the Family Violence Prevention and Services Act (42 U.S.C. 10415) is repealed.

SEC. 410. 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) of such Act (42 U.S.C. 10416(f)) is repealed.

SEC. 411. YOUTH EDUCATION AND DOMESTIC VIOLENCE.

Section 317 of the Family Violence Prevention and Services Act (42 U.S.C. 10417) is repealed.

SEC. 412. NATIONAL DOMESTIC VIOLENCE SHELTER NETWORK.

The Family Violence Prevention and Services Act is amended by inserting after section 316 (42 U.S.C. 10416) the following:

''SEC. 317. NATIONAL DOMESTIC VIOLENCE SHELTER NETWORK.

''(a) IN GENERAL.—For a year in which the Secretary makes an amount available under subsection (g)(2), the Secretary shall award a grant to a nonprofit organization to establish and operate a highly secure 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, participating domestic violence shelters in the United States, State and local domestic violence agencies, and other domestic violence organization, so that such entities will be able to connect a victim of domestic violence to the most safe, appropriate, and convenient domestic violence shelter; and

''(2) contain, to the maximum extent practicable, continuously updated information concerning the availability of services and space in domestic violence shelters across the United States.

''(b) 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 a high level security system to ensure the confidentiality of the website;

''(B) establish, within 5 years, a website that links the entities described in subsection (a)(1);

''(C) consult with the entities described in subsection (a)(1) in developing and implementing the website and providing Internet connections; and

''(D) otherwise comply with the requirements of this section.

''(c) 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 and highly secure;

''(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 other entities described in subsection (a)(1) regarding how to use the website to best meet the needs of callers;

''(7) provide Internet access, and hardware in necessary cases, 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.

''(d) 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 recipient of the grant award or to the website.

''(e) DURATION OF GRANT.—The term of a grant awarded under this section shall be 5 years.

''(f) TECHNICAL ASSISTANCE AND OVERSIGHT.—The Secretary shall—

''(1) provide technical assistance, if requested, on developing and managing the website; and

''(2) have access to, and monitor, the website.

''(g) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out section 316 and this section, $5,000,000 for fiscal year 2004 and such sums as may be necessary for each of fiscal years 2005 through 2008.

''(2) CONDITIONS ON APPROPRIATIONS.—Notwithstanding paragraph (1), the Secretary shall make available a portion of the amounts appropriated under paragraph (1) to carry out this section only for any fiscal year for which the amounts appropriated under paragraph (1) exceed $3,000,000.

''(3) ADMINISTRATIVE COSTS.—Of the amount made available to carry out this section for a fiscal year the Secretary may not use 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.

''(4) AVAILABILITY.—Funds appropriated under paragraph (1) shall remain available until expended.''.

SEC. 412. 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 2004 through 2008.''.

(b) REGULATIONS.—Section 318 of such Act (42 U.S.C. 10418) is amended by striking subsection (i).

SEC. 414. TRANSITIONAL HOUSING ASSISTANCE.

Section 319(f) of the Family Violence Prevention and Services Act (42 U.S.C. 10419(f)) is amended by striking ''fiscal year 2001'' and inserting ''each of fiscal years 2004 through 2008''.

SEC. 415. TECHNICAL AND CONFORMING AMENDMENTS.

The Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.) is amended—

(1) in section 302(1) (42 U.S.C. 10401(1)) by striking ''demonstrate the effectiveness of assisting'' and inserting ''assist'';

(2) in section 303(a) (42 U.S.C. 10402(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 303(g) (as so redesignated)—

(A) in the first sentence, by striking ''309(4)'' and inserting ''320''; and

(B) in the second sentence, by striking ''309(5)(A)'' and inserting ''320(5)(A)'';

(4) in section 305(b)(2)(A) (42 U.S.C. 10404(b)(2)(A)) by striking ''provide for research, and into'' and inserting ''provide for research into'';

(5) by redesignating section 309 as section 320 and moving that section to the end of the Act; and

(6) in section 311(a) (42 U.S.C. 10410(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''.

Mr. KENNEDY. Mr. President, I am pleased to join my colleagues in introducing the Keeping Children and Families Safe Act of 2003. This Act continues our Federal commitment to ensuring that the Nation's most vulnerable children are protected and safe.

Recent cases of abuse and neglect have made national headlines as local authorities have failed to identify abused children. These failures have led to tragic consequences—the deaths of innocent and unprotected children.

Clearly, we must do better—at the national, State, and local levels. And the bill we introduce today will enhance the Federal partnership with local officials to bring greater protection to our children.

Since 1974, the Child Abuse Prevention and Treatment Act, or CAPTA, has been a great support in reaching the nearly 900,000 children who suffer abuse and neglect each year. This year's bipartisan reauthorization of CAPTA will continue and expand that support through FY 2008, and extend CAPTA's related programs, including the Abandoned Infants Assistance Act, the Adoption Opportunities Act, and the Family Violence Prevention and Services Act.

Child abuse and neglect continues to be a serious and daunting problem in our nation. In local communities, child protective services agencies bear the responsibility of receiving and investigating reports of child abuse and neglect. Each year those agencies respond to nearly 3 million reports of abuse. It is a tremendous challenge, and caseworkers in local agencies perform an admirable task worthy of our thanks.

But despite the hard work of child protective services, nearly half of all children in substantiated cases of abuse receive no follow-up services or support. In 2000, over 900 children under the age of 6 died of abuse and neglect. Those children in desperate circumstances need and deserve our help, and we must do better.

The Keeping Children and Families Safe Act will bring us closer toward our goal of responding more effectively to child abuse and neglect. Our bipartisan bill encourages better training and qualifications for child abuse caseworkers, creates linkages to better facilitate referrals for neglected children, and coordinates best practices to improve systems that currently serve and protect children.

Actions to prevent and address child abuse and neglect must be strengthened and expanded. This bill will improve current systems of child abuse treatment by coordinating information on best practices among child protective services agencies through the National Child Abuse Clearinghouse, and disseminating those practices that hold promise to improve systems. The bill will also ensure that local citizen review panels oversee, review, and bolster the practices of child protective services. Access to technical assistance and grants will also be broadened to private entities working to prevent and treat child abuse.

The identification and treatment of abused children cannot be improved without better preparation of those responsible for investigating abuse and neglect. By improving the training, retention, and supervision of child protective caseworkers, the bill will ensure that children receive the help they need. New training will help caseworkers become familiar with their legal duties and receive guidance on how to best work with families. Training will also be provided to protect the personal safety of caseworkers as they enter homes to investigate allegations of abuse.

More must also be done to ensure that abused children receive ongoing support and services. This bill will encourage states to adopt a comprehensive approach to treating and preventing abuse by linking child protective services and education, health, mental health, and judicial systems to more effectively follow-up with support and services to abused and neglected children. The bill will also promote partnerships between public agencies and community-based organizations to support child abuse prevention and treatment.

I am pleased that the Keeping Children and Families Safe Act continues the legacy of the late Senator Wellstone in combating domestic violence and addressing its impact on children. It is estimated that 10 million children witness physical abuse between their parents each year, damaging their emotional and physical well being, and causing difficulties later in life.

Under this Act, new grants will be awarded, once appropriations for the Family Violence Prevention and Services Act reach $150 million, to address the physical and emotional needs of children who witness violence in their homes. Those funds will support direct services and interventions for children who witness domestic violence, bringing together child welfare agencies, courts, law enforcement, and other appropriate entities.

This Act also supports a new electronic network to connect victims of domestic violence and support organizations and networks in local communities. This network will enhance the current national domestic violence hotline, which serves as a vital resource for victims of domestic abuse 24-hours-a-day, 365 days a year. The hotline currently provides support and assistance to 300 to 400 callers a day.

We must do more to help children and their families overcome the harmful effects of abuse, neglect, and violence. The Keeping Children and Families Safe Act of 2003 is a step in the right direction toward that goal, and I urge my colleagues to support this important legislation.

Mr. DODD. Mr. President, I am pleased to join with Senator GREGG, Senator KENNEDY, and Senator ALEXANDER in introducing the Keeping Children and Families Safe Act of 2003.

The bill we are introducing today would strengthen efforts to prevent child abuse and neglect, promote increased sharing of information and partnerships between child protective services and education, health, and juvenile justice systems, and encourage a variety of new training programs to improve child protection, particularly cross-training in recognizing domestic violence and substance abuse in addition to child abuse detection and protection training.

The Keeping Children and Families Safe Act of 2003 renews grants to States to improve child protection systems and increases to $200 million the

authorization for child abuse investigations, training of child protection service, CPS, workers, and community child abuse prevention programs. For States to receive funding, they must meet several new requirements: have triage procedures to provide appropriate referrals of a child ''not at risk of imminent harm'' to a community organization or for voluntary preventive services; have policies in place to address the needs of infants who are born and identified as having been physically affected by prenatal exposure to illegal drugs, which must include a safe plan of care for the child; have policies for improved training, retention, and supervision of caseworkers; and require criminal background record checks for prospective foster and adoptive parents and all other adults living in the household, not later than 2 years after the law's enactment.

Child abuse and neglect continue to be significant problems 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 put together the Child Abuse Prevention and Treatment Act, 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. The bill we are introducing today encourages triage approaches and differential response systems so that those reports where children are most at-risk of imminent harm can be prioritized. The bill specifically emphasizes collaborations in communities between CPS, health agencies, including mental health agencies, schools, and community-based groups to help strengthen families and provide better protection for children. The bill provides grants for prevention programs and activities to prevent child abuse and neglect for families at-risk to 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 new efforts to address the needs of children who witness domestic violence, the Adoption Opportunities Act, and the Abandoned Infants Assistance Act.

Child protection ought not be a partisan issue. This bill will help ensure that it is not. I want to commend and thank my co-authors—Chairman GREGG, Senator KENNEDY and Senator ALEXANDER—for their efforts to craft a bipartisan initiative that can help to prevent and alleviate suffering among our Nation's children. I urge my colleagues to join us in supporting this bill and to strengthen child protection laws early this year.

By Ms. MIKULSKI (for herself, Mr. JOHNSON, Mrs. MURRAY, Ms. STABENOW, Mr. CORZINE, Mr. INOUYE, and Mr. BINGAMAN):

S. 343. A bill to amend title XVIII of the Social Security Act to permit direct payment under the medicare program for clinical social worker services provided to residents of skilled nursing facilities; to the Committee on Finance.

Ms. MIKULSKI. Mr. President, I rise today to introduce the ''Clinical Social Work Medicare Equity Act of 2003.'' I am proud to sponsor this legislation that will include clinical social workers among other mental health providers that are exempted from the Medicare Part B Prospective Payment System. This bill will ensure that clinical social workers can receive Medicare reimbursements for the mental health services they provide in skilled nursing facilities.

Since my first days in Congress, I have been fighting to protect and strengthen the safety for our Nation's seniors. Making sure that seniors have access to quality, affordable mental health care is an important part of this fight. I know that millions of seniors do not have access to, or are not receiving, the mental health services they need. For example, depression affects nearly 6 million seniors, but only one-tenth ever get treated. This is unacceptable. Clinical social workers

may also be the only mental health providers in some rural areas. Protecting seniors' access to clinical social workers can help make sure that our most vulnerable citizens get the quality, affordable mental health care they need.

Clinical social workers, much like psychologists and psychiatrists, treat and diagnose mental illnesses. In fact, clinical social workers are the primary mental health providers for nursing home residents. But unlike other mental health providers, clinical social workers cannot bill directly for the important services they provide to their patients. This bill will correct this inequity and make sure clinical social workers get the payments and respect they deserve.

Before the Balanced Budget Act of 1997, clinical social workers billed Medicare Part B directly for mental health services provided in nursing facilities to each patient they served. Under the Prospective Payment System, services provided by clinical social workers are lumped, or ''bundled,'' along with the services of other health care providers for the purposes of billing and payments. Psychologists and psychiatrists, who provide similar counseling, were exempted from this system and continue to bill Medicare directly. This bill would exempt clinical social workers, like their mental health colleagues, from the Prospective Payment System, and would make sure that clinical social workers are paid for the services they provide to patients in skilled nursing facilities. The Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act addressed some of these concerns, but this legislation would remove the final barrier to ensuring that clinical social workers are treated fairly and equitably for the care they provide.

This bill is about more than paperwork and payment procedures. This bill is about equal access to Medicare payments for the equal and important work done by clinical social workers. It is also about making sure our Nation's most vulnerable citizens have access to quality, affordable mental health care. Without clinical social workers, many nursing home residents may never get the counseling they need when faced with a life threatening illness or the loss of a loved one. I think we can do better by our nation's seniors, and I'm fighting to make sure we do.

The Clinical Social Work Medicare Equity Act of 2003 is strongly supported by the National Association of Social Workers. I ask unanimous consent that a letter of endorsement from the National Association of Social Workers be printed in the RECORD. I also want to thank Senators Johnson, Murray, Stabenow, Corzine, Inouye, and Bingaman for their cosponsorship of this bill. I look forward to working with my colleagues to enact this important legislation.

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

NATIONAL ASSOCIATION
OF SOCIAL WORKERS,
Washington, DC, February 10, 2003.

Hon. BARBARA A. MIKULSKI,
U.S. Senate,
Washington, DC.

DEAR SENATOR MIKULSKI: I am writing on behalf of the National Association of Social Workers (NASW), the largest professional social work organization with nearly 150,000 members nationwide. NASW promotes, develops, and protects the effective practice of social work and social workers. NASW also seeks to enhance the well being of individuals, families, and communities through its work, service, and advocacy.

NASW strongly supports the Clinical Social Work Medicare Equity Act of 2003 which will end the unfair treatment of clinical social workers under the Medicare Part B Prospective Payment System (PPS) for Skilled Nursing Facilities (SNFs).

Section 4432 of the Balanced Budget Act of 1997 authorized the creation of the PPS, under which the cost of a variety of daily services provided to SNF patients is bundled into a single amount. Prior to PPS, a separate Medicare Part B claim was filed by the provider for each individual service rendered to a patient. Congress made this change in an attempt to captitate the rapidly rising costs of additional patient services delivered by Medicare providers to SNF patients, with the precise target being physical, occupational, and speech-language therapy services. However, Congress recognized that some services, such as mental health and anesthesia, are best provided on an individual basis rather than as part of the bundle of services. Thus, the following types of providers are specifically excluded from the PPS: physicians, clinical psychologists, certified nurse-midwives, and certified registered nurse anesthetists. Unfortunately, due to an unintentional oversight during the drafting process, clinical social workers were not listed among the aforementioned providers in the legislation.

In 1996, Department of Health and Human Services Inspector General June Gibbs Brown published a report entitled ''Mental Health Services in Nursing Facilities''. The purpose of the report was to describe the types of mental health services provided in nursing facilities and identify potential vulnerabilities in the mental health services covered by Medicare. One critical funding of the report was 70% of nursing home respondents stated that permitting clinical social workers and clinical psychologists to bill independently had a beneficial effect on the provision of mental health services in nursing facilities. The Clinical Social Work Medicare Equity will maintain this beneficial effect on SNF patients by ensuring the continuation of direct Medicare billing by clinical social workers for mental health services rendered to SNF patients.

Your efforts on behalf of mental health patients and professionals nationwide are greatly appreciated by our members. We thank you for your strong interest in and commitment to this important issue as demonstrated by your sponsorship of the Clinical Social Work Medicare Equity Act.

Please do not hesitate to contact Francesca Fierro O'Reilly of my staff at 202–408–8600 x336 should you require anything further. NASW looks forward to working with you on this and future issues of mutual concern.

Sincerely,

ELIZABETH J. CLARK,
PhD, ACSW, MPH, Executive Director.

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

S. 344. A bill expressing the policy of the United States regarding the United States relationship with Native Hawaiians and to provide a process for the recognition by the United States of the Native Hawaiian governing entity, and for other purposes; to the Committee on Indian Affairs.

Mr. AKAKA. Mr. President, I rise today to introduce a bill with my friend and colleague, the senior Senator from Hawaii, Mr. INOUYE, which would clarify the political relationship between Native Hawaiians and the United States. This measure would extend the Federal policy of self-determination and self-governance to Hawaii's indigenous, native peoples—Native Hawaiians, by providing a process for the reorganized Native Hawaiian governing entity to be recognized for the purposes of a government-to-government relationship with the United States.

The bill we introduce today is identical to legislation that was reported by the Senate Committee on Indian Affairs during the 107th Congress. This bill does three things. First if provides a process for Federal recognition of the Native Hawaiian governing entity. Second, it establishes an office within the Department of the Interior to focus on Native Hawaiian issues and to serve as a liaison between Native Hawaiians and the Federal Government. Finally, it establishes an interagency coordinating group to be composed of representatives of federal agencies which administer programs and implement policies impacting Native Hawaiians.

While Federal policies towards Native Hawaiians have paralleled that of Native American Indians and Alaska Natives, the Federal policy of self-determination and self-governance has not yet been extended to Native Hawaiians. This measure extends this policy to Native Hawaiians, thus furthering the process of reconciliation between Native Hawaiians and the United States, and providing parity in the Federal Government's interactions with American Indians, Alaska Natives, and Native Hawaiians.

This measure does not establish entitlements or special treatment for Native Hawaiians based on race. This measure focuses on the political relationship afforded to Native Hawaiians based on the United States' recognition of Native Hawaiians as the aboriginal, indigenous peoples of Hawaii. While the United States' history with its indigenous peoples has been dismal, in recent decades, the United States has engaged in a policy of self-determination and self-governance with its indigenous peoples. Government-to-government relationships provide indigenous peoples with the opportunity to work directly with the Federal Government on policies affecting their lands, natural resources and many other aspects of their well-being.

This measure does not impact program funding for American Indians and Alaska Natives. Federal programs for Native Hawaiian health, education, and housing are already administered by

the Departments of Health and Human Services, Education, and Housing and Urban Development. The bill I introduce today contains a provision which makes clear that this bill does not authorize new eligibility for participation in any programs and services provided by the Bureau of Indian Affairs. This bill does not authorize gaming in Hawaii. In fact, it clearly states that the Indian Gaming Regulatory Act, IGRA, does not apply to the Native Hawaiian governing entity.

Finally, this measure does not preclude Native Hawaiians from seeking alternatives in the international arena. This measure focuses on self-determination within the framework of Federal law and seeks to establish equality in the Federal policies extended towards American Indians, Alaska Natives and Native Hawaiians.

We introduced similar legislation during the 106th and 107th Congresses. A previous version of this legislation was passed by the House of Representatives during the 106th Congress. The legislation is widely supported by our indigenous brethren, American Indians and Alaska Natives. It is also supported by the Hawaii State Legislature which passed two resolutions supporting a government-to-government relationship between Native Hawaiians and the United States. Similar resolutions have been passed by the Alaska Federation of Natives, National Congress of American Indians, Japanese American Citizens' League, and the National Education Association.

The essence of Hawaii is captured not by the physical beauty of its islands, but by the beauty of its people. Those who have lived in Hawaii have a unique demeanor and attitude which is appropriately described as the ''aloha'' spirit. The people of Hawaii demonstrate the aloha spirit through their actions—through their generosity, through their appreciation of the environment and natural resources, through their willingness to care for each other, through their genuine friendliness.

The people of Hawaii share many ethnic backgrounds and cultures. This mix of culture and tradition is based on the unique history of Hawaii. The Aloha spirit is the legacy of the pride we all share in the culture and tradition of Hawaii's indigenous, native peoples, the Native Hawaiians. Hawaii's State motto, ''Ua mau ke'ea 'o ka 'aina i ka pono,'' which means ''the life of the land is perpetuated in righteousness,'' captures the culture of Native Hawaiians. Prior to western contact, Native Hawaiians lived in an advanced society, in distinct and structured communities steeped in science. The Native Hawaiians honored their 'aina, land, and environment, and therefore developed methods of irrigation, agriculture, aquaculture, navigation, medicine, fishing and other forms of subsistence whereby the land and sea were efficiently used without waste or damage. Respect for the environment formed the basis of their culture and tradition. It is from this culture and tradition that the Aloha spirit, which is demonstrated throughout Hawaii, by all of its people, has endured and flourished.

Despite the overthrow of the Kingdom of Hawaii, Native Hawaiians never directly relinquished their inherent sovereignty as a people over their national lands, either through their government or through a plebiscite or referendum. Ever since the overthrow of their government, Native Hawaiians have sought to maintain political authority within their community. The Federal policy of self-governance and self-determination recognizes and provides for this inherent right within Federal law.

Throughout my service in the Congress and the Senate, I have worked to establish a proper foundation of reconciliation between the United States and Native Hawaiians to positively address longstanding issues of concern resulting from the overthrow. The legislation we introduce today to clarify the political relationship between Native Hawaiians and the United States proceeds from our efforts to promote reconciliation. This endeavor enjoys overwhelming support from Native Hawaiians and all the people of Hawaii.

In 1978, the people of Hawaii acted to preserve Native Hawaiian culture and tradition by amending Hawaii's State constitution to establish the Office of Hawaiian Affairs and to give expression to the right of self-determination and self-governance at the State level for Hawaii's indigenous peoples, Native Hawaiians. Starting with statehood, Hawaii endeavored to address and protect the rights and concerns of Hawaii's indigenous peoples in accordance with authority delegated under Federal policy. The constraints of this approach are evident. This bill extends the Federal policy of self-determination and self-governance to Native Hawaiians at the Federal level through a government-to-government relationship with the Native Hawaiian governing entity.

This measure is not being introduced to circumvent the 1999 United States Supreme Court decision in the case of Rice v. Cayeano. The Rice case was a voting rights case whereby the Supreme Court held that the State of Hawaii must allow all citizens of Hawaii to vote for the trustees of a quasi-State agency, the Office of Hawaiian Affairs. Nothing in this legislation would alter the eligibility of the electorate who votes for the Board of Trustees for the Office of Hawaiian Affairs.

This measure is critical to the people of Hawaii because it provides the structure necessary to address many longstanding issues facing Hawaii's indigenous peoples and the State of Hawaii. By addressing and resolving these matters, we continue our process of healing, a process of reconciliation not only within the United States, but within the State of Hawaii. The time has come for us to be able to address these deeply rooted issues in order for us to be able to move forward as one.

I cannot emphasize how important this issue is for the people of Hawaii. At the state level, I will continue to work with the Hawaii State Legislature which has expressed its support for this legislation. I will also be working with Governor Linda Lingle, Hawaii's newly elected Governor, who has expressed her support for Federal recognition for Native Hawaiians. I look forward to continuing my discussions with officials within the Federal Government to address issues related to this bill, and I continue to welcome input from the people of Hawaii as to how we should move forward as a State, and as a community, to address longstanding issues resulting from the overthrow of the Kingdom of Hawaii.

We have an established record of United States' commitment to reconciliation with Native Hawaiians. This legislation is another step forward to honoring that commitment. I ask all my colleagues to join me in enacting this critical measure for the people of Hawaii.

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

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

S. 344

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

SECTION 1. FINDINGS.

Congress makes the following findings:

(1) The Constitution vests Congress with the authority to address the conditions of the indigenous, native people of the United States.

(2) Native Hawaiians, the native people of the Hawaiian archipelago which is now part of the United States, are indigenous, native people of the United States.

(3) The United States has a special trust relationship to promote the welfare of the native people of the United States, including Native Hawaiians.

(4) Under the treaty making power of the United States, Congress exercised its constitutional authority to confirm a treaty between the United States and the government that represented the Hawaiian people, and from 1826 until 1893, the United States recognized the independence of the Kingdom of Hawaii, extended full diplomatic recognition to the Hawaiian Government, and entered into treaties and conventions with the Hawaiian monarchs to govern commerce and navigation in 1826, 1842, 1849, 1875, and 1887.

(5) Pursuant to the provisions of the Hawaiian Homes Commission Act, 1920 (42 Stat. 108, chapter 42), the United States set aside 203,500 acres of land in the Federal territory that later became the State of Hawaii to address the conditions of Native Hawaiians.

(6) By setting aside 203,500 acres of land for Native Hawaiian homesteads and farms, the Act assists the Native Hawaiian community in maintaining distinct native settlements throughout the State of Hawaii.

(7) Approximately 6,800 Native Hawaiian lessees and their family members reside on Hawaiian Home Lands and approximately 18,000 Native Hawaiians who are eligible to reside on the Home Lands are on a waiting list to receive assignments of land.

(8) In 1959, as part of the compact admitting Hawaii into the United States, Congress

established the Ceded Lands Trust for 5 purposes, 1 of which is the betterment of the conditions of Native Hawaiians. Such trust consists of approximately 1,800,000 acres of land, submerged lands, and the revenues derived from such lands, the assets of which have never been completely inventoried or segregated.

(9) Throughout the years, Native Hawaiians have repeatedly sought access to the Ceded Lands Trust and its resources and revenues in order to establish and maintain native settlements and distinct native communities throughout the State.

(10) The Hawaiian Home Lands and the Ceded Lands provide an important foundation for the ability of the Native Hawaiian community to maintain the practice of Native Hawaiian culture, language, and traditions, and for the survival of the Native Hawaiian people.

(11) Native Hawaiians have maintained other distinctly native areas in Hawaii.

(12) On November 23, 1993, Public Law 103–150 (107 Stat. 1510) (commonly known as the Apology Resolution) was enacted into law, extending an apology on behalf of the United States to the Native people of Hawaii for the United States role in the overthrow of the Kingdom of Hawaii.

(13) The Apology Resolution acknowledges that the overthrow of the Kingdom of Hawaii occurred with the active participation of agents and citizens of the United States and further acknowledges that the Native Hawaiian people never directly relinquished their claims to their inherent sovereignty as a people over their national lands to the United States, either through their monarchy or through a plebiscite or referendum.

(14) The Apology Resolution expresses the commitment of Congress and the President to acknowledge the ramifications of the overthrow of the Kingdom of Hawaii and to support reconciliation efforts between the United States and Native Hawaiians; and to have Congress and the President, through the President's designated officials, consult with Native Hawaiians on the reconciliation process as called for under the Apology Resolution.

(15) Despite the overthrow of the Hawaiian Government, Native Hawaiians have continued to maintain their separate identity as a distinct native community through the formation of cultural, social, and political institutions, and to give expression to their rights as native people to self-determination and self-governance as evidenced through their participation in the Office of Hawaiian Affairs.

(16) Native Hawaiians also give expression to their rights as native people to self-determination and self-governance through the provision of governmental services to Native Hawaiians, including the provision of health care services, educational programs, employment and training programs, children's services, conservation programs, fish and wildlife protection, agricultural programs, native language immersion programs and native language immersion schools from kindergarten through high school, as well as college and master's degree programs in native language immersion instruction, and traditional justice programs, and by continuing their efforts to enhance Native Hawaiian self-determination and local control.

(17) Native Hawaiians are actively engaged in Native Hawaiian cultural practices, traditional agricultural methods, fishing and subsistence practices, maintenance of cultural use areas and sacred sites, protection of burial sites, and the exercise of their traditional rights to gather medicinal plants and herbs, and food sources.

(18) The Native Hawaiian people wish to preserve, develop, and transmit to future Native Hawaiian generations their ancestral lands and Native Hawaiian political and cultural identity in accordance with their traditions, beliefs, customs and practices, language, and social and political institutions, and to achieve greater self-determination over their own affairs.

(19) This Act provides for a process within the framework of Federal law for the Native Hawaiian people to exercise their inherent rights as a distinct aboriginal, indigenous, native community to reorganize a Native Hawaiian governing entity for the purpose of giving expression to their rights as native people to self-determination and self-governance.

(20) The United States has declared that—

(A) the United States has a special responsibility for the welfare of the native peoples of the United States, including Native Hawaiians;

(B) Congress has identified Native Hawaiians as a distinct indigenous group within the scope of its Indian affairs power, and has enacted dozens of statutes on their behalf pursuant to its recognized trust responsibility; and

(C) Congress has also delegated broad authority to administer a portion of the Federal trust responsibility to the State of Hawaii.

(21) The United States has recognized and reaffirmed the special trust relationship with the Native Hawaiian people through the enactment of the Act entitled ''An Act to provide for the admission of the State of Hawaii into the Union'', approved March 18, 1959 (Public Law 86–3; 73 Stat. 4) by—

(A) ceding to the State of Hawaii title to the public lands formerly held by the United States, and mandating that those lands be held in public trust for 5 purposes, one of which is for the betterment of the conditions of Native Hawaiians; and

(B) transferring the United States responsibility for the administration of the Hawaiian Home Lands to the State of Hawaii, but retaining the authority to enforce the trust, including the exclusive right of the United States to consent to any actions affecting the lands which comprise the corpus of the trust and any amendments to the Hawaiian Homes Commission Act, 1920 (42 Stat. 108, chapter 42) that are enacted by the legislature of the State of Hawaii affecting the beneficiaries under the Act.

(22) The United States continually has recognized and reaffirmed that—

(A) Native Hawaiians have a cultural, historic, and land-based link to the aboriginal, native people who exercised sovereignty over the Hawaiian Islands;

(B) Native Hawaiians have never relinquished their claims to sovereignty or their sovereign lands;

(C) the United States extends services to Native Hawaiians because of their unique status as the aboriginal, native people of a once sovereign nation with whom the United States has a political and legal relationship; and

(D) the special trust relationship of American Indians, Alaska Natives, and Native Hawaiians to the United States arises out of their status as aboriginal, indigenous, native people of the United States.

SEC. 2. DEFINITIONS.

In this Act:

(1) ABORIGINAL, INDIGENOUS, NATIVE PEOPLE.—The term ''aboriginal, indigenous, native people'' means those people whom Congress has recognized as the original inhabitants of the lands and who exercised sovereignty prior to European contact in the areas that later became part of the United States.

(2) APOLOGY RESOLUTION.—The term ''Apology Resolution'' means Public Law 103–150 (107 Stat. 1510), a joint resolution extending an apology to Native Hawaiians on behalf of the United States for the participation of agents of the United States in the January 17, 1893, overthrow of the Kingdom of Hawaii.

(3) CEDED LANDS.—The term ''ceded lands'' means those lands which were ceded to the United States by the Republic of Hawaii under the Joint Resolution to provide for annexing the Hawaiian Islands to the United States of July 7, 1898 (30 Stat. 750), and which were later transferred to the State of Hawaii in the Act entitled ''An Act to provide for the admission of the State of Hawaii into the Union'' approved March 18, 1959 (Public Law 86–3; 73 Stat. 4).

(4) INDIGENOUS, NATIVE PEOPLE.—The term ''indigenous, native people'' means the lineal descendants of the aboriginal, indigenous, native people of the United States.

(5) INTERAGENCY COORDINATING GROUP.—The term ''Interagency Coordinating Group'' means the Native Hawaiian Interagency Coordinating Group established under section 5.

(6) NATIVE HAWAIIAN.—

(A) Prior to the recognition by the United States of the Native Hawaiian governing entity, the term ''Native Hawaiian'' means the indigenous, native people of Hawaii who are the direct lineal descendants of the aboriginal, indigenous, native people who resided in the islands that now comprise the State of Hawaii on or before January 1, 1893, and who occupied and exercised sovereignty in the Hawaiian archipelago, including the area that now constitutes the State of Hawaii, and includes all Native Hawaiians who were eligible in 1921 for the programs authorized by the Hawaiian Homes Commission Act (42 Stat. 108, chapter 42) and their lineal descendants.

(B) Following the recognition by the United States of the Native Hawaiian governing entity, the term ''Native Hawaiian'' shall have the meaning given to such term in the organic governing documents of the Native Hawaiian governing entity.

(7) NATIVE HAWAIIAN GOVERNING ENTITY.—The term ''Native Hawaiian governing entity'' means the governing entity organized by the Native Hawaiian people.

(8) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 3. UNITED STATES POLICY AND PURPOSE.

(a) POLICY.—The United States reaffirms that—

(1) Native Hawaiians are a unique and distinct, indigenous, native people, with whom the United States has a political and legal relationship;

(2) the United States has a special trust relationship to promote the welfare of Native Hawaiians;

(3) Congress possesses the authority under the Constitution to enact legislation to address the conditions of Native Hawaiians and has exercised this authority through the enactment of—

(A) the Hawaiian Homes Commission Act, 1920 (42 Stat. 108, chapter 42);

(B) the Act entitled ''An Act to provide for the admission of the State of Hawaii into the Union'', approved March 18, 1959 (Public Law 86–3; 73 Stat. 4); and

(C) more than 150 other Federal laws addressing the conditions of Native Hawaiians;

(4) Native Hawaiians have—

(A) an inherent right to autonomy in their internal affairs;

(B) an inherent right of self-determination and self-governance; and

(C) the right to reorganize a Native Hawaiian governing entity; and

(5) the United States shall continue to engage in a process of reconciliation and political relations with the Native Hawaiian people.

(b) PURPOSE.—It is the intent of Congress that the purpose of this Act is to provide a process for the recognition by the United States of a Native Hawaiian governing entity for purposes of continuing a government-to-government relationship.

SEC. 4. ESTABLISHMENT OF THE UNITED STATES OFFICE FOR NATIVE HAWAIIAN RELATIONS.

(a) IN GENERAL.—There is established within the Office of the Secretary the United States Office for Native Hawaiian Relations.

(b) DUTIES OF THE OFFICE.—The United States Office for Native Hawaiian Relations shall—

(1) effectuate and coordinate the trust relationship between the Native Hawaiian people and the United States, and upon the recognition of the Native Hawaiian governing entity by the United States, between the Native Hawaiian governing entity and the United States through the Secretary, and with all other Federal agencies;

(2) continue the process of reconciliation with the Native Hawaiian people, and upon the recognition of the Native Hawaiian governing entity by the United States, continue the process of reconciliation with the Native Hawaiian governing entity;

(3) fully integrate the principle and practice of meaningful, regular, and appropriate consultation with the Native Hawaiian governing entity by providing timely notice to, and consulting with the Native Hawaiian people and the Native Hawaiian governing entity prior to taking any actions that may have the potential to significantly affect Native Hawaiian resources, rights, or lands;

(4) consult with the Interagency Coordinating Group, other Federal agencies, and with relevant agencies of the State of Hawaii on policies, practices, and proposed actions affecting Native Hawaiian resources, rights, or lands; and

(5) prepare and submit to the Committee on Indian Affairs and the Committee on Energy and Natural Resources of the Senate, and the Committee on Resources of the House of Representatives an annual report detailing the activities of the Interagency Coordinating Group that are undertaken with respect to the continuing process of reconciliation and to effect meaningful consultation with the Native Hawaiian governing entity and providing recommendations for any necessary changes to existing Federal statutes or regulations promulgated under the authority of Federal law.

SEC. 5. NATIVE HAWAIIAN INTERAGENCY COORDINATING GROUP.

(a) ESTABLISHMENT.—In recognition of the fact that Federal programs authorized to address the conditions of Native Hawaiians are largely administered by Federal agencies other than the Department of the Interior, there is established an interagency coordinating group to be known as the ''Native Hawaiian Interagency Coordinating Group''.

(b) COMPOSITION.—The Interagency Coordinating Group shall be composed of officials, to be designated by the President, from—

(1) each Federal agency that administers Native Hawaiian programs, establishes or implements policies that affect Native Hawaiians, or whose actions may significantly or uniquely impact on Native Hawaiian resources, rights, or lands; and

(2) the United States Office for Native Hawaiian Relations established under section 4.

(c) LEAD AGENCY.—The Department of the Interior shall serve as the lead agency of the Interagency Coordinating Group, and meetings of the Interagency Coordinating Group shall be convened by the lead agency.

(d) DUTIES.—The responsibilities of the Interagency Coordinating Group shall be—

(1) the coordination of Federal programs and policies that affect Native Hawaiians or actions by any agency or agencies of the Federal Government which may significantly or uniquely impact on Native Hawaiian resources, rights, or lands;

(2) to assure that each Federal agency develops a policy on consultation with the Native Hawaiian people, and upon recognition of the Native Hawaiian governing entity by the United States, consultation with the Native Hawaiian governing entity; and

(3) to assure the participation of each Federal agency in the development of the report to Congress authorized in section 4(b)(5).

SEC. 6. PROCESS FOR THE RECOGNITION OF THE NATIVE HAWAIIAN GOVERNING ENTITY.

(a) RECOGNITION OF THE NATIVE HAWAIIAN GOVERNING ENTITY.—The right of the Native Hawaiian people to organize for their common welfare and to adopt appropriate organic governing documents is hereby recognized by the United States.

(b) PROCESS FOR RECOGNITION.—

(1) SUBMITTAL OF ORGANIC GOVERNING DOCUMENTS.—Following the organization of the Native Hawaiian governing entity, the adoption of organic governing documents, and the election of officers of the Native Hawaiian governing entity, the duly elected officers of the Native Hawaiian governing entity shall submit the organic governing documents of the Native Hawaiian governing entity to the Secretary.

(2) CERTIFICATIONS.—

(A) IN GENERAL.—Within 90 days of the date that the duly elected officers of the Native Hawaiian governing entity submit the organic governing documents to the Secretary, the Secretary shall certify that the organic governing documents—

(i) establish the criteria for citizenship in the Native Hawaiian governing entity;

(ii) were adopted by a majority vote of the citizens of the Native Hawaiian governing entity;

(iii) provide for the exercise of governmental authorities by the Native Hawaiian governing entity;

(iv) provide for the Native Hawaiian governing entity to negotiate with Federal, State, and local governments, and other entities;

(v) prevent the sale, disposition, lease, or encumbrance of lands, interests in lands, or other assets of the Native Hawaiian governing entity without the consent of the Native Hawaiian governing entity;

(vi) provide for the protection of the civil rights of the citizens of the Native Hawaiian governing entity and all persons subject to the authority of the Native Hawaiian governing entity, and ensure that the Native Hawaiian governing entity exercises its authority consistent with the requirements of section 202 of the Act of April 11, 1968 (25 U.S.C. 1302); and

(vii) are consistent with applicable Federal law and the special trust relationship between the United States and the indigenous native people of the United States.

(B) BY THE SECRETARY.—Within 90 days of the date that the duly elected officers of the Native Hawaiian governing entity submit the organic governing documents to the Secretary, the Secretary shall certify that the State of Hawaii supports the recognition of a Native Hawaiian governing entity by the United States as evidenced by a resolution or act of the Hawaii State legislature.

(C) RESUBMISSION IN CASE OF NONCOMPLIANCE WITH FEDERAL LAW.—

(i) RESUBMISSION BY THE SECRETARY.—If the Secretary determines that the organic governing documents, or any part thereof, are not consistent with applicable Federal law, the Secretary shall resubmit the organic governing documents to the duly elected officers of the Native Hawaiian governing entity along with a justification for each of the Secretary's findings as to why the provisions are not consistent with such law.

(ii) AMENDMENT AND RESUBMISSION BY THE NATIVE HAWAIIAN GOVERNING ENTITY.—If the organic governing documents are resubmitted to the duly elected officers of the Native Hawaiian governing entity by the Secretary under clause (i), the duly elected officers of the Native Hawaiian governing entity shall—

(I) amend the organic governing documents to ensure that the documents comply with applicable Federal law; and

(II) resubmit the amended organic governing documents to the Secretary for certification in accordance with the requirements of this paragraph.

(D) CERTIFICATIONS DEEMED MADE.—The certifications authorized in subparagraph (B) shall be deemed to have been made if the Secretary has not acted within 90 days of the date that the duly elected officers of the Native Hawaiian governing entity have submitted the organic governing documents of the Native Hawaiian governing entity to the Secretary.

(3) FEDERAL RECOGNITION.—Notwithstanding any other provision of law, upon the election of the officers of the Native Hawaiian governing entity and the certifications by the Secretary required under paragraph (1), the United States hereby extends Federal recognition to the Native Hawaiian governing entity as the representative governing body of the Native Hawaiian people.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out the activities authorized in this Act.

SEC. 8. REAFFIRMATION OF DELEGATION OF FEDERAL AUTHORITY; NEGOTIATIONS.

(a) REAFFIRMATION.—The delegation by the United States of authority to the State of Hawaii to address the conditions of the indigenous, native people of Hawaii contained in the Act entitled ''An Act to provide for the admission of the State of Hawaii into the Union'' approved March 18, 1959 (Public Law 86–3; 73 Stat. 5) is hereby reaffirmed.

(b) NEGOTIATIONS.—Upon the Federal recognition of the Native Hawaiian governing entity by the United States, the United States is authorized to negotiate and enter into an agreement with the State of Hawaii and the Native Hawaiian governing entity regarding the transfer of lands, resources, and assets dedicated to Native Hawaiian use to the Native Hawaiian governing entity. Nothing in this Act is intended to serve as a settlement of any claims against the United States.

SEC. 9. APPLICABILITY OF CERTAIN FEDERAL LAWS.

(a) INDIAN GAMING REGULATORY ACT.—Nothing contained in this Act shall be construed as an authorization for the Native Hawaiian governing entity to conduct gaming activities under the authority of the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.).

(b) BUREAU OF INDIAN AFFAIRS.—Nothing contained in this Act shall be construed as an authorization for eligibility to participate in any programs and services provided by the Bureau of Indian Affairs for any persons not otherwise eligible for such programs or services.

SEC. 10. SEVERABILITY.

In the event that any section or provision of this Act is held invalid, it is the intent of Congress that the remaining sections or provisions of this Act shall continue in full force and effect.

By Mr. NELSON of Florida (for himself, Mr. KENNEDY, Mr. GRAHAM of Florida, Mr. EDWARDS, and Mr. SARBANES):

S. 345. A bill to amend the title XVIII of the Social Security Act to prohibit physicians and other health care practitioners from charging membership or other incidental fee (or requiring purchase of other items or services) as a prerequisite for the provision of an item or service to a medicare beneficiary; to the Committee on Finance.

Mr. NELSON of Florida. Mr. President, I rise today to introduce the Equal Access to Medicare Act to combat the growing practice of ''concierge care'' medical practices. As my colleagues may recall I introduced similar legislation last Congress to deal with the growing problem of doctors shutting down their practices and opening new ones, only accepting those patients willing to pay a membership fee. These fees range from $1,500 to $20,000 annually. By charging these dues, or requiring patients to purchase non-Medicare covered services, doctors have been able to shrink their patient load and maintain high profit margins while continuing to bill Medicare, all on the backs of low- and middle-income beneficiaries.

This is a dangerous model that causes significant disparities in the care available to Medicare beneficiaries. A doctor receiving Medicare reimbursement should not be allowed to turn away those Medicare beneficiaries who cannot, or choose not to pay a membership fee. My bill simply prevents Medicare from reimbursing doctors who charge membership fees or require the purchase of non-Medicare covered services as a condition for the provision of care.

Since the introduction of this bill in 2001, the practice has been rapidly expanding with versions in many states. As an increasing number of Medicare beneficiaries voice their concerns, it is time for Congress to act. I hope that as we debate Medicare modernization this year, Congress will agree to put an end to this egregious practice.

In addition to the concerns of seniors, health care advocacy groups have begun to weigh in as well. Both the American Academy of Family Physicians and the American Medical Association have expressed concern about the ''. . . risks associated with the spread of this model'', AMA, June 2002 report. Should this practice proliferate, a doctor shortage for low- and middle-income Medicare beneficiaries is likely, exacerbating an already ailing health care marketplace.

I must emphasize: this bill does not interfere with a doctor's ability to set up a practice with a limited number of patients while remaining adequately compensated. Nor would doctors who participate in Medicare be prevented from contracting privately with patients for non-Medicare covered services. It simply provides that doctors who participate in the Medicare program may not select patients based upon willingness or ability to pay a fee for other services. This is the same standard that private insurance companies apply to their providers.

I hope my colleagues will join me in helping Medicare keep its promise of accessibility to seniors who have paid a lifetime of ''premiums.''

I ask unanimous consent that the text of this legislation be printed in the RECORD.

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

S. 345

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 ''Equal Access to Medicare Act of 2003''.

SEC. 2. PROHIBITION OF INCIDENTAL FEES AND REQUIRED PURCHASE OF NON-COVERED ITEMS OR SERVICES UNDER MEDICARE.

(a) IN GENERAL.—Section 1842 of the Social Security Act (42 U.S.C. 1395u) is amended by adding at the end the following new subsection:

''(u) PROHIBITION OF INCIDENTAL FEES OR REQUIRING PURCHASE OF NONCOVERED ITEMS OR SERVICES.—

''(1) IN GENERAL.—A physician, practitioner (as described in section 1842(b)(18)(C)), or other individual may not—

''(A) charge a membership fee or any other incidental fee to a medicare beneficiary (as defined in section 1802(b)(5)(A)); or

''(B) require a medicare beneficiary (as so defined) to purchase a noncovered item or service,

as a prerequisite for the provision of a covered item or service to the beneficiary under this title.

''(2) CONSTRUCTION.—Nothing in this subsection shall be construed to apply the prohibition under paragraph (1) to a physician, practitioner, or other individual described in such subsection who does not accept any funds under this title.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to membership fees and other charges made, or purchases of items and services required, on or after the date of enactment of this Act.

By Mr. LEVIN (for himself and Mr. THOMAS):

S. 346. A bill to amend the Office of Federal Procurement Policy Act to establish a governmentwide policy requiring competition in certain executive agency procurements; to the Committee on Governmental Affairs.

Mr. LEVIN. Mr. President, I am pleased to join with Senator CRAIG THOMAS in introducing the Federal Prison Industries Competition in Contracting Act. Our bill is based on a straightforward premise: it is unfair for Federal Prison Industries to deny businesses in the private sector an opportunity to compete for sales to their own government.

I repeat: the bill that we are introducing today, it enacted, would do nothing more than permit private sector companies to compete for Federal contracts that are paid for with their dollars. It may seem incredible that they are denied this opportunity today, but that is the law, because if Federal Prison Industries says that it wants a contract, it gets that contract, regardless whether a company in the private sector may offer to provide the product better, cheaper, or faster.

We have made considerable progress on this issue since Senator THOMAS and I introduced a similar bill in the 107th congress. Two years ago, the Senate voted 74–24 to end Federal Prison Industries' monopoly on Department of Defense contracts. Not only was that provision enacted into law, we were able to strengthen it with a second provision in last year's defense bill.

Despite this progress, much work remains to be done. As of today, Federal Prison Industries retains its monopoly on the contracts of every agency of the Federal Government, other than the Department of Defense. This means that all other Federal agencies, including the new Department of Homeland Security, may be required to purchase products from Federal Prison Industries. It also means that private sector companies may find it impossible to sell their products to their own government, even when their products outperform FPI products in terms of price, quality and time of delivery.

The bill that we are introducing today would not limit the ability of Federal Prison Industries to sell its products to Federal agencies. It would simply say that these sales should be made on a competitive, rather than a sole-source basis.

FPI starts with a significant advantage in any competition with the private sector, since FPI pays inmates less than two dollars an hour, far below the minimum wage and a small fraction of the wage paid to most private sector workers in competing industries. And of course, the taxpayers provide a direct subsidy to Federal Prison Industries products by picking up the cost of feeding, clothing, and housing the inmates who provide the labor. Given those advantages, there is no reason why we should still require Federal agencies to purchase products from FPI even when they are more expensive or of a lower quality than competing commercial items. I can think of no reason why private industry should be prohibited from competing for these federal agency contracts.

We have made several changes to this bill since it was introduced in the 107th Congress. The new bill has been harmonized with the provisions that we have already enacted for the Department of Defense, to ensure that we will have a single, government-wide procurement policy for agencies purchasing products available from Federal Prison industries. This government-wide policy would be codified in the Office of Federal Procurement Policy Act, which is the primary procurement statute that applies to both defense and non-defense agencies. I believe that these changes will strengthen the bill and reinforce its underlying intent.

Federal Prison Industries has repeatedly claimed that it provides a quality product at a price that is competitive with current market prices. Indeed, the Federal Prison Industries statute requires them to do so. That statute states that FPI may provide to Federal agencies products that ''meet their requirements'' at prices that do not ''exceed current market prices''.

Yet, FPI remains unwilling to compete with private sector businesses and their employees, or even to permit federal agencies to compare their products and prices with those available in the private sector. Indeed, FPI has tried to prohibit Federal agencies from conducting market research, as they would ordinarily do, to determine whether the price and quality or FPI products is comparable to what is available in the commercial marketplace. Instead, Federal agencies are directed to contact FPI, which acts as the sole arbiter of whether the product meets the agency's requirements.

The result is totally and understandably frustrating to private sector businesses and their employees who are denied an opportunity to compete for Federal business, as well as to the Federal agencies who are forced to buy FPI products. The frustration of these businesses comes through in a series of letters that were placed in the record of a House Small Business Committee hearing in the last Congress. One letter stated with regard to UNICOR—the trade name used by Federal Prison Industries:

DEAR MR. CHAIRMAN: My name is Billy Carroll; I am an outside sales representatives with C&C Office Supply Co. in Biloxi Mississippi. Our company has been in business for over 20 years and we employ 20 people.

During the course of our 20-year history we have done considerable business with numerous governmental agencies and military installations. Some of them being Naval Construction Battalion in Gulfport, Mississippi; Air National Guard in Gulfport; Keesler Air Force Base in Biloxi; Naval Station in Pascagoula; and NASA in Stennis Space Center.

As a result of FPI's unfair monopolistic practices, we have seen sales from these governmental agencies go from $100,000.00 a month to less than $5,000 a month.

There are numerous horror stories we hear from our customers who deal with UNICOR. The most recent one being that a customer had to wait 5 months to get their furniture. When the furniture finally arrived, it wasn't even what they had ordered. This is something that would have been averted had they been able to use our company or another dealer.

I could go on about how we could have sold the product much cheaper, which would have saved taxpayers money, faster delivery, which would have increased productivity, and finally better service, but I won't. You get the picture.

Sincerely,

BILLY CARROLL,
C&C Office Supply Company, Biloxi, MS.

Mr. LEVIN. Other vendors expressed even greater frustration about FPI's unfair business practices:

DEAR MR. CHAIRMAN: During the past 5 years I have had representatives from UNICOR tell my customers that they had to turn over my proprietary designs to UNICOR, without payment to the dealership. They have told my customers that if they do not buy UNICOR, they will be 'reported to congress' and that there is no place else to go for government furniture. They frighten young department of defense officials with words like 'illegal' when they ask about waivers.

The UNICOR reps routinely refuse waivers on the first approach. The answer is a standard 'UNICOR has products which will meet your needs.' No explanation. They refuse to answer waiver requests in a timely fashion. I have had a $110,000 order for the Arizona Air National Guard in Tucson literally taken away by UNICOR. The representative demanded the designs and said that UNICOR would fill the request. There would be no waiver and no discussion. And she was right. Despite the fact that all of the programming phase had been completed by my designers, at no cost to the federal government, this rep insisted that she knew what was best for this customer. Of course, the products arrived late, in poor condition, was much more expensive than the budgeted GSA furniture—and the reps have not been heard from. The answer is 'a 10% discount' or a 'free chair.'

In Texas, my representative worked for 4 months with a customer, completing designs and meeting all relevant criteria. She proposed only products on GSA contract. UNICOR unilaterally refused to waive the chairs, approximately $50,000 worth, because their factories were not at capacity. The fact that the UNICOR chairs do not meet the price point, that UNICOR spent no time with the customers determining function, color or other requirements has no meaning. The seating portion of the order is lost. The remaining portion would have been lost, as well, if the customer had not spent approximately 30 days going from one appeal process to the other attempting to get waivers. Very few customers will take the time to do this. Of course, when the project finally arrives, it will be late and missions will be compromised.

Sincerely,

Ruthanne S. Pitts,
Simmons Contract Furnishings,
Tucson, Arizona.

DEAR MR. CHAIRMAN: I personally worked with the staff who had just moved into a new ward at Walter Reed Army Medical Center. We had two meetings during which I took measurements and went over in great detail the furniture items they needed for the report room, reception area, patient education room, two offices and some miscellaneous shelving. The total I quoted to Walter Reed was approximately $13,000 and met their needs exactly. This was in April of 2000. Our delivery would have been completed within a month.

Because Walter Reed couldn't get a UNICOR waiver (just to determine this fact takes at least 6 weeks) the order was placed with UNICOR and took eight months to be delivered (it just showed up last week) and much of it was not what officials at Walter Reed even ordered. FPI tells their customers what the customer can have rather than meeting the needs of the customer. As an example, we had designed a workstation for the report room to accommodate four computers. UNICOR sent an expensive, massive cherry workstation for an executive office that had to be put in someone's office (who didn't need new furniture) because it was unusable where it was supposed to go. UNICOR charged an additional $1,500.00 to assemble this (and didn't have proper tools to finish the assembly). Our price for the proper item including all set up was less than they charged for set-up alone.

You know, it's not just the impact FPI has on our businesses, it's the waste of everybody's tax dollars when furniture costs more and doesn't even do the job.

Sincerely,

DIANE LAKE,
Economy Office Products, Inc. Fairfax, VA.

DEAR MR. CHAIRMAN: I am concerned in the way taxpayers' money is being wasted. A few years ago I had proposed over $100,000.00 in chairs to the VA Medical Center. They were excited about the chair I was proposing on contract. The chair was less expensive than the chair proposed by FPI. The customer also recognized that the chair I was proposing was better in quality and had more ergonomic features, which would assist in some of their health issues. Another comment made by the VA was the problem with the FPI chairs breaking easily. Parts were near impossible to get, so they would throw the FPI chair in the garbage.

In this situation FPI denied the VA waiver. Regretfully they had to buy FPI chairs. I can not believe this happens in America.

Sincerely,

RICK BUCHHOLZ,
Christianson's Business Furniture.

Mr. LEVIN. These letters are far from unique. In case after case, Federal Prison Industries insists on taking contracts away from private businesses, even where FPI's products are inferior, their prices are higher, and they are not prepared to deliver in a timely manner. This is wrong.

Avoiding competition is the easy way out, but it isn't the right way for FPI, it isn't the right way for the private sector workers whose jobs FPI is taking, and it isn't the right way for Federal agencies, which too often get stuck with the bill for inferior products that can't compete with private sector goods. Competition will be better for Federal agencies, better for the taxpayer, and better for working men and women around the country.

Mr. THOMAS. Mr. President, today I am pleased to join Senator LEVIN in introducing a bill that will further my efforts to limit government competition with the private sector. Senator LEVIN and I propose to eliminate the mandatory contracting requirement that Federal agencies are subject to when it comes to products made by the Federal Prison Industries, FPI. Under law, all Federal agencies, except the Department of Defense, are required to purchase products made by the FPI. Simply put, this bill will require the FPI to compete with the private sector for Federal contracts.

Currently, the FPI employs approximately 22,000 Federal prisoners or roughly 20 percent of all Federal prisoners. These prisoners are responsible for producing a diverse range of products for the FPI, ranging from office furniture to clothing. The remaining 80 percent of Federal prisoners, who work, do so in and around Federal prisons.

While Senator LEVIN and I believe that it is important to keep prisoners working, we do not believe that this effort should unduly harm or conflict with law-abiding businesses. This bill seeks to minimize the unfair competition that private sector companies face with the FPI.

The FPI's mandatory source requirement not only undercuts private business throughout America, but its mandatory source preference oftentimes costs American taxpayers more money. I believe American taxpayers would be alarmed to learn of the preferential treatment that the FPI enjoys when it comes to Federal contracts.

As I said before, Senator LEVIN and I support the goal of keeping prisoners busy while serving their time in prison. However, if we allow competition in Federal contracts, the FPI will be required to focus its efforts in product areas that don't unfairly compete with the private sector. Clearly, competitive bidding is a reasonable process that will ensure taxpayer's dollars are being spent justly.

Of particular note, our bill allows contracting officers, within each Federal agency, the ability to use competitive procedures for the procurement of products. This approach allows Federal agencies to select the FPI contracts if he/she believes that the FPI can meet that particularly agency's requirements and the product is offered at a fair and reasonable price. The above outlined provision in our bill seeks to place the control of government procurement in the hands of contracting officers, rather than in the hands of the FPI.

In addition to establishing a competitive procedure for the procurement of products, we include a provision that allows the Attorney General to grant a waiver to this process if a particular contract is deemed essential to the safety and effective administration of a particular prison.

I am confident that by allowing competition for government contracts our bill will save tax dollars. As Congress looks for additional cost saving practices, the elimination of the FPI's mandatory source preference will bring about numerous improvements, not just in cost savings, but also in streamlining of the FPI's products.

By Mrs. FEINSTEIN:

S. 347. A bill to direct the Secretary of the Interior and the Secretary of Agriculture to conduct a joint special resources study to evaluate the suitability and feasibility of establishing the Rim of the Valley Corridor as a unit of the Santa Monica Mountains National Recreation Area, and for other purposes; to the Committee on Energy and Natural Resources.

Mrs. FEINSTEIN. Mr. President, I am pleased to introduce this bill today to direct the Interior Secretary to conduct a study to evaluate the suitability and feasibility of expanding the Santa Monica National Recreation Area to include the Rim of the Valley Corridor.

The Rim of the Valley Corridor encircles the San Fernando Valley, La Crescenta, Simi, Santa Clarita, Conejo Valleys, consisting of parts of the Santa Monica Mountains, Santa Susanna Mountains, San Gabriel Mountains, Verdugo Mountains, San Rafael Hills and connects to the adjacent Los Padres and San Bernardino National Forests.

This parcel of land is unique because of its rare Mediterranean ecosystem and wildlife corridor that stretches north from the Santa Monicas. With the population growth forecasted to multiply exponentially over the next several decades, the need for parks to balance out the expected population growth has become critical in California.

Since the creation of the Santa Monica Recreation Area in 1978, Federal, State, and local authorities have worked successfully together to create and maintain the highly successful Santa Monica Mountains National Recreation Area, the world's largest urban park, hemmed in on all sides by development.

Park and recreational lands provide people with a vital refuge from urban life while preserving valuable habitat and wildlife. With the passage of this legislation, Congress will hold true to its original commitment to preserve the scenic, natural, and historic setting of the Santa Monica Mountains Recreation Area. With the inclusion of the Rim of the Valley Corridor in Santa Monica Mountains Recreation Area, greater ecological health and diversity will be promoted, particularly for larger animals like mountain lions, bobcats, and the golden eagle.

After the study called for in this bill is complete, the Secretary of the Interior and Congress will be in a key position to determine whether the Rim of the Valley warrants national park status.

This bill enjoys strong support from local and State officials and I hope that it will have as much strong bipartisan support this Congress, as it did last Congress. Congressman Adam Schiff plans to introduce companion legislation for this bill in the House and I applaud his commitment to this issue.

I urge my colleagues to support this legislation.

By Mr. SCHUMER (for himself, Mr. BIDEN, Ms. SNOWE, Mr. BAYH, Mr. SMITH, and Mr. DURBIN):

S. 348. A bill to amend the Internal Revenue Code of 1986 to make higher education more affordable, and for other purposes; to the Committee on Finance.

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

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

S. 348

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 ''Make College Affordable Act of 2003''.

SEC. 2. EXPANSION OF DEDUCTION FOR HIGHER EDUCATION EXPENSES.

(a) AMOUNT OF DEDUCTION.—Subsection (b) of section 222 of the Internal Revenue Code of 1986 (relating to deduction for qualified tuition and related expenses) is amended to read as follows:

''(b) LIMITATIONS.—

''(1) DOLLAR LIMITATIONS.—

''(A) IN GENERAL.—Except as provided in paragraph (2), the amount allowed as a deduction under subsection (a) with respect to the taxpayer for any taxable year shall not exceed the applicable dollar limit.

''(B) APPLICABLE DOLLAR LIMIT.—The applicable dollar limit for any taxable year shall be determined as follows:

"Taxable year:	Applicable dollar amount:
2003	$8,000
2004 and thereafter	$12,000.

''(2) LIMITATION BASED ON MODIFIED ADJUSTED GROSS INCOME.—

''(A) IN GENERAL.—The amount which would (but for this paragraph) be taken into account under subsection (a) shall be reduced (but not below zero) by the amount determined under subparagraph (B).

''(B) AMOUNT OF REDUCTION.—The amount determined under this subparagraph equals the amount which bears the same ratio to the amount which would be so taken into account as—

''(i) the excess of—

''(I) the taxpayer's modified adjusted gross income for such taxable year, over

''(II) $65,000 ($130,000 in the case of a joint return), bears to

''(ii) $15,000 ($30,000 in the case of a joint return).

''(C) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'modified adjusted gross income' means the adjusted gross income of the taxpayer for the taxable year determined—

''(i) without regard to this section and sections 911, 931, and 933, and

''(ii) after the application of sections 86, 135, 137, 219, 221, and 469.

For purposes of the sections referred to in clause (ii), adjusted gross income shall be determined without regard to the deduction allowed under this section.

''(D) INFLATION ADJUSTMENTS.—

''(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2003, both of the dollar amounts in subparagraph (B)(i)(II) 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) for the calendar year in which the taxable year begins, by substituting 'calendar year 2002' for 'calendar year 1992' in subparagraph (B) thereof.

''(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.''.

(b) QUALIFIED TUITION AND RELATED EXPENSES OF ELIGIBLE STUDENTS.—

(1) IN GENERAL.—Section 222(a) of the Internal Revenue Code of 1986 (relating to allowance of deduction) is amended by inserting ''of eligible students'' after ''expenses''.

(2) DEFINITION OF ELIGIBLE STUDENT.—Section 222(d) of such Code (relating to definitions and special rules) is amended by redesignating paragraphs (2) through (6) as paragraphs (3) through (7), respectively, and by inserting after paragraph (1) the following new paragraph:

''(2) ELIGIBLE STUDENT.—The term 'eligible student' has the meaning given such term by section 25A(b)(3).''.

(c) DEDUCTION MADE PERMANENT.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to sunset of

provisions of such Act) shall not apply to the amendments made by section 431 of such Act.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made in taxable years beginning after December 31, 2002.

SEC. 3. CREDIT FOR INTEREST ON HIGHER EDUCATION LOANS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

''SEC. 25C. INTEREST ON HIGHER EDUCATION LOANS.

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the interest paid by the taxpayer during the taxable year on any qualified education loan.

''(b) MAXIMUM CREDIT.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the credit allowed by subsection (a) for the taxable year shall not exceed $1,500.

''(2) LIMITATION BASED ON MODIFIED ADJUSTED GROSS INCOME.—

''(A) IN GENERAL.—If the modified adjusted gross income of the taxpayer for the taxable year exceeds $50,000 ($100,000 in the case of a joint return), the amount which would (but for this paragraph) be allowable as a credit under this section shall be reduced (but not below zero) by the amount which bears the same ratio to the amount which would be so allowable as such excess bears to $20,000 ($40,000 in the case of a joint return).

''(B) MODIFIED ADJUSTED GROSS INCOME.—The term 'modified adjusted gross income' means adjusted gross income determined without regard to sections 911, 931, and 933.

''(C) INFLATION ADJUSTMENT.—In the case of any taxable year beginning after 2003, the $50,000 and $100,000 amounts referred to in subparagraph (A) 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) for the calendar year in which the taxable year begins, by substituting '2002' for '1992'.

''(D) ROUNDING.—If any amount as adjusted under subparagraph (C) is not a multiple of $50, such amount shall be rounded to the nearest multiple of $50.

''(c) DEPENDENTS NOT ELIGIBLE FOR CREDIT.—No credit shall be allowed by this section to an individual for the taxable year if a deduction under section 151 with respect to such individual is allowed to another taxpayer for the taxable year beginning in the calendar year in which such individual's taxable year begins.

''(d) LIMIT ON PERIOD CREDIT ALLOWED.—A credit shall be allowed under this section only with respect to interest paid on any qualified education loan during the first 60 months (whether or not consecutive) in which interest payments are required. For purposes of this paragraph, any loan and all refinancings of such loan shall be treated as 1 loan.

''(e) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED EDUCATION LOAN.—The term 'qualified education loan' has the meaning given such term by section 221(e)(1).

''(2) DEPENDENT.—The term 'dependent' has the meaning given such term by section 152.

''(f) SPECIAL RULES.—

''(1) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section for any amount taken into account for any deduction under any other provision of this chapter.

''(2) MARRIED COUPLES MUST FILE JOINT RETURN.—If the taxpayer is married at the close of the taxable year, the credit shall be allowed under subsection (a) only if the taxpayer and the taxpayer's spouse file a joint return for the taxable year.

''(3) MARITAL STATUS.—Marital status shall be determined in accordance with section 7703.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 25B the following new item:

''Sec. 25C. Interest on higher education loans.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any qualified education loan (as defined in section 25C(e)(1) of the Internal Revenue Code of 1986, as added by this section) incurred on, before, or after the date of the enactment of this Act, but only with respect to any loan interest payment due after December 31, 2002.

Mr. BIDEN. Mr. President, I am pleased once again to join my colleague from New York, Senator SCHUMER, to talk about a bill that will help American families afford their children's college tuition. The bill we are reintroducing today, the Make College Affordable Act, will make up to $12,000 in college tuition tax deductible each year, while providing graduates with a tax credit to reduce the cost of their student loans.

With the average college graduate earning 80 percent more than the average non-college, high school graduate, it is abundantly clear that in today's economy a college degree is an absolute necessity. When I went to college, it cost about $1,000 a year. That meant, for a family making about $12,000 a year, the cost of college was about 6 or 7 percent of that family's income. Today the average cost of room, board and tuition at a four-year public college has jumped to over $9,000 a year. The average cost of room, board and tuition at a private four-year college has jumped to over $25,000. What does this mean? This means that hard working American families are spending a larger percentage of their income than ever before to send their children to school. To attend my alma mater, the University of Delaware, it costs nearly 20 percent of a Delaware family's average annual income to cover costs. If that same family wants to send their child to a private university, approximately 50 percent of their income is required. This means that the average American family is likely to spend just as much, if not more, on their child's tuition as they are to pay in annual mortgage payments.

I have said it before. How can we expect families to dream of a better and brighter future for their children, when the cost of attending even some public universities rivals their home mortgage payments? We can't.

That is why in 1995, I first offered an amendment to permit a $10,000 tuition tax deduction. That is why in 1996 and 1997, I introduced my GET AHEAD bill which would have provided students and their families with scholarships, tax deductions, and college savings plans. We've made some good progress. A number of initiatives were incorporated into the 1997 tax bill. Today families have available to them the Hope Scholarship—a tax credit of up to $1,500 for the first two years of college, and the Lifetime Learning Credit—which permits a 20 percent tax credit on up to $10,000 worth of higher education expenses. Students can also claim a tax deduction for interest on student loans, have the opportunity to consolidate their student loans at low interest rates and beginning in 2001, have had the chance to deduct up to $3,000 in tuition expenses from their Federal income tax.

And yet, we can and should do more to help qualified students attend the college of their dreams. This is why I introduced my Tuition Assistance for Families Act in January. This bill would expand current tuition tax credits, provide merit scholarships to graduating seniors, increase the maximum Pell Grant and raise the tuition tax deduction much like the bill before us today.

I join my friend from New York today to introduce the Make College Affordable Act because it will allow most taxpayers to take up to a $12,000 tax deduction each year for college tuition and fees. For some families this would amount to a tax savings of more than $3,000 each year—$3,000 that can go toward their children's doctor visits, retirement savings, child care costs and yes, toward their annual mortgage payment.

In addition to the tax deduction, the Schumer-Biden bill will provide a tax credit of up to $1,500 for the interest paid on student loans over the first five years of repayment. This credit will be available to individuals with incomes of up to $50,000, and families with incomes up to $100,000. When one considers that the average graduate is $16,928 in debt, you can imagine how quickly interest payments add up each year.

We are hearing a great deal these days about tax cuts. How we choose to provide them, and who we choose to provide them to, is a reflection of our nation's priorities and values. What greater priority could there be than providing our children with a first class education. Let's be smart about our investments when considering the tax proposals that come before us. Let's help families provide their children with a better life through the promise of a college education. And let's not forget that the Make College Affordable Act will not only ensure a brighter future for all our children, it will help to guarantee an educated and prosperous America down the road.

By Mrs. FEINSTEIN (for herself, Ms. COLLINS, Ms. LANDRIEU, Ms. SNOWE, Mr. KENNEDY, Mr. ALLEN, Mr. JOHNSON, Mr. DAYTON, and Mr. BUNNING):

S. 349. A bill to amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions; to the Committee on Finance.

Mrs. FEINSTEIN. Mr. President, I rise today with my colleague, Senator COLLINS, to introduce legislation to repeal two provisions of current law that reduce earned Social Security benefits for teachers and other government pensioners—the Windfall Elimination, WEP, provision, and the Government Pension Offset, GPO, provision.

Under current law, public employees, whose salaries are often lower than those in the private sector to begin with, find that they are penalized and held to a different standard when it comes to retirement benefits. The unfair reduction in their benefits makes it more difficult to recruit teachers, police officers, and fire fighters.

The Social Security Windfall Elimination Provision reduces Social Security benefits for retirees who paid into Social Security and also receive a government pension, such as from a teacher retirement fund. Private sector retirees receive monthly Social Security checks equal to 90 percent of their first $561 in average monthly career earnings, plus 32 percent of monthly earnings up to $3,381 and 15 percent of earnings above $3,381. Government pensioners, however, are only allowed to receive 40 percent of the first $561 in career monthly earnings, a penalty of $280.50 per month.

To my mind it is simply unfair, especially at a time when we need to be doing all we can to attract qualified people to government service, and my legislation will allow government pensioners the chance to earn the same 90 percent to which non-government pension recipients are entitled.

The current Government Pension Offset provision reduces Social Security spousal benefits by an amount equal to two-thirds of the spouse's public employment civil service pension. This can have the effect of taking away, entirely, a spouse's benefits from Social Security.

It is beyond my understanding why we would want to discourage people from pursuing careers in public service by essentially saying that if you do enter public service, your family will suffer by not being able to receive the full retirement benefits they would otherwise be entitled to.

Record enrollments in public schools and the projected retirements of thousands of veteran teachers are driving an urgent need for teacher recruitment. Critical efforts to reduce class sizes also necessitate hiring additional teachers. It is estimated that schools will need to hire between 2.2 and 2.7 million new teachers nationwide by 2009.

California has 284,030 teachers currently, but will need to hire an additional 300,000 teachers by 2010 to keep up with California's rate of student enrollment, which is three times the national average. All in all, California has to hire 26,000 new teachers every year.

To combat the growing teacher shortage crisis, forty-five States and the District of Columbia now offer ''alternate routes'' for certification to teach in the Nation's public schools. It is a sad irony that policymakers are encouraging experienced people to change careers and enter the teaching profession at the same time that individuals who have worked in other careers are less likely to want to become teachers if doing so will affect Social Security benefits they worked so hard to earn.

Almost 300,000 government retirees nationwide are affected by the GPO and the WEP, but their impact is greatest in the 13 states that chose to keep their own public employee retirement systems, including California. According to the Congressional Budget Office, the GPO reduces benefits for some 200,000 individuals by more than $3,600 a year. The WEP causes already low-paid public employees outside the Social Security system, like teachers, firefighters and police officers, to lose up to sixty percent of the Social Security benefits to which they are entitled. Ironically, the loss of Social Security benefits may make these individuals eligible for more costly assistance, such as food stamps.

The reforms that led to the GPO and the WEP are almost 20 years old. At the time they were enacted, I'm sure they seemed like a good idea. Now that we are witnessing the practical effects of those reforms, I hope that Congress will pass legislation to address the unfair reduction of benefits that make it even more difficult to recruit and retain public employees.

Ms. COLLINS. Mr. President, I am pleased to join with my colleague from California, Senator FEINSTEIN, in introducing the Social Security Fairness Act, which repeals two provisions of current law—the windfall elimination provision, WEP, and the government pension offset, GPO—that unfairly reduce earned Social Security benefits for many public employees. This legislation is of tremendous importance to Maine's teachers, police officers, firefighters and other public employees who currently are unfairly penalized for working in the private sector when the time comes for them to retire.

Despite their challenging, difficult and sometimes dangerous jobs, these invaluable public servants often receive far lower salaries than private sector employees. It is therefore doubly unfair to penalize them and hold them to a different standard when it comes to their Social Security retirement benefits.

Moreover, at a time when we should be doing all that we can to attract qualified people to public service, this unfair reduction in Social Security benefits makes it even more difficult for our communities to recruit and retain the teachers, police officers, firefighters, and other public employees who are so critical to the safety and well-being of our families.

The government pension offset and windfall elimination provisions affect government employees and retirees in virtually every State, but their effect is most acute in Maine and 14 other States where most public employees are not covered by Social Security. Nationwide, more than one-third of teachers and school employees, and more than one-fifth of other public employees, are not covered by Social Security. Approximately 250,000 retired Federal, State and local government employees across the country have already been adversely affected by these provisions. Thousands more stand to be affected in the future.

The Social Security windfall elimination provision reduces Social Security benefits for retirees who paid into Social Security and who also receive a government pension from work not covered under Social Security, such as pensions from the Maine State Retirement Fund. While private sector retirees receive monthly Social Security checks equal to 90 percent of their first $561 in average monthly career earnings, government pensioners are only allowed to receive 40 percent—a harsh and unjust penalty of $280.50 per month.

The government pension offset reduces an individual's survivor benefit under Social Security by two-thirds of the amount of his or her public pension. Estimates indicate that 9 out of 10 public employees affected by the GPO lose their entire spousal benefit, even though their deceased spouses paid Social Security taxes for many years.

This offset is, unfortunately, most harsh for those who can least afford the loss: lower-income women. According to the Congressional Budget Office, the GPO reduces benefits for some 200,000 individuals by more than $3,600 a year—an amount that can make the difference between a comfortable retirement and poverty.

This simply is not fair and not right. Our teachers and other public employees face difficult enough challenges in their day-to-day work. Individuals who have devoted their lives to public service should not have the added burden of worrying about their retirement, and these two onerous provisions should be repealed.

This is an issue that I have heard about at the grocery store, at my church, and even at my 30th high school class reunion from my many friends who have entered the teaching profession and who are committed to living and working in Maine. They love their jobs and the children they teach, but they worry about the future and about their financial security in retirement.

I also hear a lot about this issue in my constituent mail. Patricia Dupont, for example, of Orland, ME, wrote that, because she taught for 15 years under

Social Security in New Hampshire, she is living on a retirement income of less than $13,000 after 45 years of teaching. Since she also lost survivors' benefits from her husband's Social Security, she calculates that a repeal of the WEP and GPO would double her current retirement income.

Wendy Lessard, an English teacher at Mt. Desert Island High School, is an example of another unfortunate consequence of the laws. After 10 years of teaching, she is now considering whether or not to continue her career because of the Social Security penalties associated with her teacher's pension. She tells me that she has worked vacations in her summers and off-hours to be able to make a better wage and pay back her student loans. She is just the kind of teacher we want teaching our students, but is now contemplating leaving the profession because of her concerns about financial security in retirement.

Moreover, these provisions also penalize private sector employees who leave their jobs to become public school teachers. Ruth Wilson, a teacher from Otisfield, ME, wrote:

I entered the teaching profession two years ago, partly in response to the nationwide pleas for educators. As the current pool of educators near retirement in the next few years, our schools face a crisis. Low wages and long hard hours are not great selling points to young students when selecting a career.

I love teaching and only regretted my decision when I found out about the penalties I will unfairly suffer. In my former life as a well-paid systems manager at State Street Bank in Boston, I contributed the maximum to Social Security each year. When I decided to become an educator, I figured that because of my many years of maximum Social Security contributions, I would still have a livable retirement ''wage.'' I was unaware that I would be penalized as an educator in your State.

Maine, like many States, is currently facing a serious shortage of teachers, and we simply cannot afford to discourage people from pursuing important careers in public service in this way. I am therefore pleased to join Senator FEINSTEIN in introducing this legislation to repeal these two unfair provisions, and I urge my colleagues to join us as cosponsors.

By Mr. LEAHY (for himself, Mr. KENNEDY, Mr. DURBIN, Mr. EDWARDS, Mr. ROCKEFELLER, Mr. REID, Mrs. BOXER, Mr. FEINGOLD, and Mr. CORZINE):

S. 352. A bill to ensure that commercial insurers cannot engage in price fixing, bid rigging, or market allocations to the detriment of competition and consumers; to the Committee on the Judiciary.

Mr. LEAHY. Mr. President, today I am pleased to introduce the ''Medical Malpractice Insurance Antitrust Act of 2003'' along with Senators KENNEDY, DURBIN, EDWARDS, ROCKEFELLER, REID, BOXER, FEINGOLD, and CORZINE. In the deafening debate about medical malpractice, I believe this legislation is a clear and calm statement about fixing one significant part of the system that is broken—skyrocketing insurance premiums for medical malpractice.

Our health care system is in crisis. We have heard that statement so often that it has begun to lose the force of its truth, but that truth is one we must confront and the crisis is one we must abate.

Unfortunately, dramatically rising medical malpractice insurance rates are forcing some doctors to abandon their practices or to cross State lines to find more affordable situations. Patients who need care in high-risk specialties—like obstetrics—and patients in areas already under-served by health care providers—like many rural communities—are too often left without adequate care.

We are the richest and most powerful Nation on earth. We should be able to ensure access to quality health care to all our citizens and to assure the medical profession that its members will not be driven from their calling by the manipulations of the malpractice insurance industry.

The debate about the causes of this latest insurance crisis and the possible cures grows shrill. I hope today's hearing will be a calmer and more constructive discussion. My principal concerns are straightforward: That we ensure that our Nation's physicians are able to provide the high quality of medical care that our citizens deserve and for which the United States is world-renowned, and that in those instances where a doctor does harm a patient, that patient should be able to seek appropriate redress through our court system.

To be sure, different States have different experiences with medical malpractice insurance, and insurance remains a largely State-regulated industry. Each State should endeavor to develop its own solution to rising medical malpractice insurance rates because each State has its own unique problems. Some States—such as my own, Vermont—while experiencing problems, do not face as great a crisis as others. Vermont's legislature is at work to find the right answers for our State, and the same process is underway now in other States. To contrast, in States such as West Virginia, Pennsylvania, Florida, and New Jersey, doctors are walking out of work in protest over the exorbitant rates being extracted from them by their insurance carriers.

Thoughtful solutions to the situation will require creative thinking, a genuine effort to rectify the problem, and bipartisan consensus to achieve real reform. Unfortunately, these are not the characteristics of the Administration's proposal. Ignoring the central truth of this crisis—that it is a problem in the insurance industry, not the tort system—the Administration has proposed a plan that would cap non-economic damages at $250,000 in medical malpractice cases. The notion that such a one-size-fits-all scheme is the answer runs counter to the factual experience of the States.

Most importantly, the President's proposal does nothing to protect true victims of medical malpractice. A cap of $250,000 would arbitrarily limit compensation that the most seriously injured patients are able to receive. The medical malpractice reform debate too often ignores the men, women and children whose lives have been dramatically—and often permanently—altered by medical errors.

The President's proposal would prevent such individuals—even if they have successfully made their case in a court of law—from receiving adequate compensation. We are fortunate in this Nation to have many highly qualified medical professional, and this is especially true in my own home State of Vermont. Unfortunately, good doctors sometimes make errors. It is also unfortunate that some not-so-good doctors manage to make their way into the health care system as well. While we must do all that we can to support the men and women who commit their professional lives to caring for others, we must also ensure that patients have access to adequate remedies should they receive inadequate care.

High malpractice insurance premiums are not the result of malpractice lawsuit verdicts. They are the result of investment decisions by the insurance companies and of business models geared toward ever-increasing profits. But an insurer that has made a bad investment, or that has experienced the same disappointments from Wall Street that so many Americans have, should not be able to recoup its losses from the doctors it insures. The insurance company should have to bear the burdens of its own business model, just as the other businesses in the economy do.

But another fact of the insurance industry's business model requires a legislative correction—its blanket exemption from federal antitrust laws. Insurers have for years—too many years—enjoyed a benefit that is novel in our marketplace. The McCarran-Ferguson Act permits insurance companies to operate without being subject to most of the Federal antitrust laws, and our Nation's physicians and their patients have been the worse off for it. Using their exemption, insurers can collude to set rates, resulting in higher premiums than true competition would achieve—and because of this exemption, enforcement officials cannot investigate any such collusion. If Congress is serious about controlling rising premiums, we must objectively limit this broad exemption in the McCarran-Ferguson Act.

That is why today I introduce the ''Medical Malpractice Insurance Antitrust Act of 2003.'' I want to thank Senators KENNEDY, DURBIN, EDWARDS, ROCKFELLER, REID, BOXER, FEINGOLD, and CORZINE for cosponsoring this essential legislation. Our bill modified

the McCarran-Ferguson Act with respect to medical malpractice insurance, and only for the most pernicious antitrust offenses: price fixing, bid rigging, and market allocations. Only those anticompetitive practices that most certainly will affect premiums are addressed. I am hard pressed to imagine that anyone could object to a prohibition on insurance carriers' fixing prices or dividing territories. After all, the rest of our Nation's industries manage either to abide by these laws or pay the consequences.

Many State insurance commissioners police the industry well within the power they are accorded in their own laws, and some States have antitrust laws of their own that could cover some anticompetitive activities in the insurance industry. Our legislation is a scalpel, not a saw. It would not affect regulation of insurance by State insurance commissioners and other State regulators. But there is no reason to continue a system in which the Federal enforcers are precluded from prosecuting the most harmful antitrust violations just because they are committed by insurance companies.

Our legislation is a carefully tailored solution to one critical aspect of the problem of excessive medical malpractice insurance rates. I hope that quick action by the Judiciary Committee and then by the full Senate, will ensure that this important step on the road to genuine reform is taken before too much more damage is done to the physicians of this country and to the patients they care for.

Only professional baseball has enjoyed an antitrust exemption comparable to that created for the insurance industry by the McCarran-Ferguson Act. Senator HATCH and I have joined forces several times in recent years to scale back that exemption for baseball, and in the Curt Flood Act of 1998 we successfully eliminated the exemption as it applied to employment relations. I hope we can work together again to create more competition in the insurance industry, just as we did with baseball.

If Congress is serious about controlling rising medical malpractice insurance premiums, then we must limit the broad exemption to Federal antitrust law and promote real competition in the insurance industry.

By Mr. BINGAMAN:

S. 354. A bill to authorize the Secretary of Transportation to establish the National Transportation Modeling and Analysis Program to complete an advanced transportation simulation model, and for other purposes; to the Committee on Environment and Public Works.

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation that I believe will go a long way in helping to reduce congestion and improve safety and security throughout the Nation's transportation network. Today I am introducing the National Transportation Modeling and Analysis Program Establishment Act, or NATMAP for short.

The purpose of this bill is to authorize the Secretary of Transportation to complete an advanced computer model that will simulate, in a single integrated system, traffic flows over every major transportation mode, including highways, air traffic, railways, inland waterways, seaports, pipelines, and other intermodal connections. The advanced model will simulate flows of both passenger and freight traffic.

Our transportation network is a central component of our economy and fundamental to our freedom and quality of life. America's mobility is the engine of our free market system. The food we eat, the clothes we wear, the materials for our homes and offices, and the energy to heat our homes and power our businesses all come to us over the Nation's vast transportation network. Originating with a producer in one region, materials and products may travel via any number of combinations of truck, rail, airplane, and barge before reaching their final destinations.

Today, the Internet connects the world electronically. But it is our transportation network that provides the vital links for the movement of both people and goods domestically and around the world. According to the latest statistics, our transportation industry carries over 11 billion tons of freight per year worth about $7 trillion. Of the 3.7 trillion ton-miles of freight carried in 1998, 1.4 trillion went by rail, 1 trillion by truck, 673 billion by domestic water transportation, 620 billion by pipeline, and 14 billion by air carrier.

Individuals also depend on our transportation system—be it passenger rail, commercial airline, intercity bus, or the family car—for business travel or simply to enjoy a family vacation. Excluding public transit, passengers on our highways traveled a total of 4.2 trillion passenger-miles in 1998. Airlines carried another 463 billion passenger-miles. Transit companies and rail lines carried 50 billion.

We are also interconnected to the world's transportation system, and, as I am sure every Senator well knows, foreign trade is an increasingly critical component of our economy. Our Nation's seaports, international airports, and border crossing with Canada and Mexico are the gateways through which passengers and cargo flow between America and the rest of the world. The smooth flow of trade, both imports and exports, would not be possible without a robust transportation network and the direct links it provides to our international ports of entry.

It should be clear that key to our continuing economic strength is a transportation system that is safe, secure and efficient. Today, we are fortunate to have one of the best transportation networks in the world, and I believe we need to keep it that way. However, we are starting to see signs of strain from the dramatic increase in traffic. For example, according to the Department of Transportation, from 1980 to 2000, highway travel alone increased a whopping 80 percent. Between 1993 and 1997, the total tons of freight activity grew by over 14 percent and truck activity grew by 21 percent. In the future, truck travel is expected to grow by more than 3 percent per year—nearly doubling by 2020. As a result of the increased highway traffic, the operational performance, a measure of congestion, has deteriorated dramatically. For example, FHWA estimates that a typical trip that would take 20 minutes in 1987 now takes over 30 minutes—a dramatic 50 percent increase.

Meanwhile, the strong growth in foreign trade is putting increased pressure on ports, airports, and border crossings, as well as contributing to congestion throughout the transportation network. According to DoT, U.S. international trade more than doubled between 1990 and 2000, rising from $891 billion to $2.2 trillion.

Congestion and delay inevitably result when traffic rates approach the capacity of a system to handle that traffic. I do believe increased congestion in our transportation system is a growing threat to the nation's economy. Delays in any part of the vast network lead to economic costs, wasted fuel, increased pollution, and a reduced quality of life. Moreover, in the future new security measures could also increase delays and disruptions in the flow of goods through our international gateways.

To deal with the ever-increasing loading of our transportation network we will need to find ways to improve system efficiency as well as to expand some critical elements of the system. However, in planning for any improvements, we must examine the impact on the whole transportation system that would result from a change in one part of the system That's exactly the goal of the bill I am introducing today.

By simulating the Nation's entire transportation infrastructure as a single, integrated system, the National Transportation Analysis and Modeling Program will allow policy makers at the State, regional, and national levels to evaluate the implications of new transportation policies and actions. To ensure that all possible interrelated impacts are included, the model must simulate individual carriers and the transportation infrastructure used by each of the carriers in an interdependent and dynamic system. The advantage of this simulation of individual carriers and shipments is that the nation's transportation system can be examined at any level of detail—from the path of an individual truck to national multi-modal traffic flows.

Some of the transportation planning issues that could be addressed with NATMAP include: What infrastructure improvements result in the greatest

gains to overall system security and efficiency? How would the network respond to shifts in population or trade flows? How would the system respond to major disruptions caused by a natural disaster or another unthinkable terrorist attack? What effect would system delays due to increased security measures have on traffic flow and congestion?

Preliminary work on an advanced transportation model has been underway for several years at Los Alamos National Laboratory. As I'm sure most senators know, Los Alamos has a long and impressive history in computer simulations of complex systems, including the recent completion of the TRANSIMS model of transportation systems in metropolitan areas. The development of TRANSIMS for FHWA was originally authorized in section 1210 of TEA–21. NATMAP builds on the original work at LANL on the TRANSIMS model.

The initial work at LANL on NATMAP, funded in part by DoT, DoD, and the lab's own internal research and development program, demonstrated the technical feasibility of building a nation-wide freight transportation model that can simulate the movement of millions of trucks across the nation's highway system. During this initial development phase, the model was called the National Transportation Network and Analysis Capability, or NTNAC for short. In 2001, with funding from the Federal Highway Administration, LANL further developed the model and completed an assessment of cargo flows resulting from trade between the U.S. and Latin America.

These preliminary studies have clearly demonstrated the value to the nation of a new comprehensive modeling system. I do believe that the computer model represents a leap ahead in transportation modeling and analysis capability. Indeed, Secretary of Transportation Norm Mineta, in a letter to me dated April 9 of this year, had this to say about the early simulations: ''The DOT agrees that NTNAC shows great promise of producing a tool that would be useful for analyzing the national transportation system as a single, integrated system. We agree that NTNAC would provide DOT with important new capabilities to assess and formulate critical policy and investment options and to help address homeland security and vulnerabilities in the nation's transportation network.''

I ask unanimous consent that a copy of Secretary Mineta's letter be printed in the RECORD.

The bill I am introducing today establishes a six-year program in the Office of the Secretary of Transportation to complete the development of the advanced transportation simulation model. The program will also support early deployment of computer software and graphics packages to federal agencies and states for national, regional, or statewide transportation planning. The bill authorizes a total of $50 million from the Highway Trust Fund for this effort. When completed, NATMAP will provide the nation a tool to help formulate and analyze critical transportation policy and investment options, including major infrastructure requirements and vulnerabilities within that infrastructure.

Congress will soon take up the reauthorization of TEA–21, the six-year transportation bill. I am introducing this bill today so my proposal can be fully considered by the Senate's Environment and Public Works Committee and by the Administration as the next authorization bill is being developed. I look forward to working with Senator INHOFE, the Chairman of the EPW Committee, and Senator JEFFORDS, the ranking member, as well as Senator BOND, the Chairman of the Transportation, Infrastructure, and Nuclear Safety Subcommittee and Senator REID, the ranking member, to incorporate this bill in the reauthorization of TEA–21.

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

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

S. 354

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 ''National Transportation Modeling and Analysis Program Establishment Act''.

SEC. 2. DEFINITIONS.

In this Act:

(1) ADVANCED MODEL.—The term ''advanced model'' means the advanced transportation simulation model developed under the National Transportation Network and Analysis Capability Program.

(2) PROGRAM.—The term ''Program'' means the National Transportation Modeling and Analysis Program established under section 3.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Transportation.

SEC. 3. ESTABLISHMENT OF PROGRAM.

The Secretary of Transportation shall establish a program, to be known as the ''National Transportation Modeling and Analysis Program''—

(1) to complete the advanced model; and

(2) to support early deployment of computer software and graphics packages for the advanced model to agencies of the Federal Government and to States for national, regional, or statewide transportation planning.

SEC. 4. SCOPE OF PROGRAM.

The Program shall provide for a simulation of the national transportation infrastructure as a single, integrated system that—

(1) incorporates models of—

(A) each major transportation mode, including—

(i) highways;

(ii) air traffic;

(iii) railways;

(iv) inland waterways;

(v) seaports;

(vi) pipelines; and

(vii) other intermodal connections; and

(B) passenger traffic and freight traffic;

(2) is resolved to the level of individual transportation vehicles, including trucks, trains, vessels, and aircraft;

(3) relates traffic flows to issues of economics, the environment, national security, energy, and safety;

(4) analyzes the effect on the United States transportation system of Mexican and Canadian trucks operating in the United States; and

(5) examines the effects of various security procedures and regulations on cargo flow at ports of entry.

SEC. 5. ELIGIBLE ACTIVITIES.

Under the Program, the Secretary shall—

(1) complete the advanced model;

(2) develop user-friendly advanced transportation modeling computer software and graphics packages;

(3) provide training and technical assistance with respect to the implementation and application of the advanced model to Federal agencies and to States for use in national, regional, or statewide transportation planning; and

(4) allocate funds to not more than 3 entities described in paragraph (3), representing diverse applications and geographic regions, to carry out pilot programs to demonstrate use of the advanced model for national, regional, or statewide transportation planning.

SEC. 6. FUNDING.

(a) IN GENERAL.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out this Act—

(1) $6,000,000 for fiscal year 2004;

(2) $7,000,000 for fiscal year 2005;

(3) $9,000,000 for fiscal year 2006;

(4) $10,000,000 for fiscal year 2007;

(5) $10,000,000 for fiscal year 2008; and

(6) $8,000,000 for fiscal year 2009.

(b) ALLOCATION OF FUNDS.—

(1) FISCAL YEARS 2004 AND 2005.—For each of fiscal years 2004 and 2005, 100 percent of the funds made available under subsection (a) shall be used to carry out activities described in paragraphs (1), (2), and (3) of section 5.

(2) FISCAL YEARS 2006 THROUGH 2009.—For each of fiscal years 2006 through 2009, not more than 50 percent of the funds made available under subsection (a) may be used to carry out activities described in section 5(4).

(c) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of—

(1) any activity described in paragraph (1), (2), or (3) of section 5 shall be 100 percent; and

(2) any activity described in section 5(4) shall not exceed 80 percent.

(d) AVAILABILITY OF FUNDS.—Funds made available under this section shall be available to the Secretary through the Transportation Planning, Research, and Development Account of the Office of the Secretary of Transportation.

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THE SECRETARY OF TRANSPORTATION,
Washington, DC., April 9, 2002.

Hon. JEFF BINGAMAN,
U.S. Senate,
Washington, DC.

DEAR JEFF: Thank you for your letter of January 30 expressing your strong support to continue the development of the National Transportation Network Analysis Capability (NTNAC). The U.S. Department of Transportation's (DOT) Office of Policy and the Federal Highway Administration (FHWA) have been working closely with Los Alamos National Laboratory to develop this tool.

During 1998, Los Alamos National Laboratory developed a prototype NTNAC with funding provided by the DOT ($50,000 from

the Office of the Secretary's Transportation Policy Development Office), the U.S. Department of Defense (TRANSCOM's Military Transportation Management Command), and the Laboratory's own internal research and development program. This effort demonstrated the technical feasibility of building a national transportation network that can simulate the movements of individual carriers (trucks, trains, planes, water vessels, and pipelines) and individual freight shippers.

During 1999, FHWA provided $750,000 to further develop NTNAC and to complete the study ''National Transportation Impact of Latin American Trade Flows.''

The DOT agrees that NTNAC shows great promise of producing a tool that would be useful for analyzing the national transportation system as a single, integrated system. We agree that NTNAC would provide DOT with important new capabilities to assess and formulate critical policy and investment options and to help address homeland security and vulnerabilities in the Nation's transportation network.

However, the Department's budget is very limited. It would be difficult to find funding to continue the project this year. If funding should become available, we will give priority consideration to continuing the NTNAC development effort.

Again, I very much appreciate your thoughts on the importance of continuing the development of NTNAC. If I can provide further information or assistance, please fell free to call me.

Sincerely yours,

NORMAL Y. MINETA.

By Mrs. LINCOLN (for herself, Mr. GRASSLEY, Mr. HAGEL, Mr. DAYTON, Mr. DURBIN, Mr. HARKIN, Mr. COLEMAN and Mr. JOHNSON):

S. 355. A bill to amend the Internal Revenue Code of 1986 to allow a credit for biodiesel fuel; to the Committee on Finance.

By Mrs. LINCOLN (for herself, Mr. BOND, and Mr. TALENT):

S. 356. A bill to amend the Energy Policy Act of 1992 to increase the allowable credit for biodiesel use under the alternatively fueled vehicle purchase requirement; to the Committee on energy and Natural Resources.

By Mrs. LINCOLN (for herself, Mr. HAGEL, Mr. KERRY, and Mr. SMITH):

S. 357. A bill to amend the Internal Revenue Code of 1986 to modify the credit for the production of fuel from nonconventional sources to include production of fuel from agricultural and animal waste; to the Committee on Finance.

By Mrs. LINCOLN:

S. 358. A bill to amend the Internal Revenue Code of 1986 to modify the credit for the production of fuel from nonconventional sources for the production of electricity to include landfill gas; to the Committee on Finance.

By Mrs. LINCOLN (for herself and Mr. AKAKA):

S. 359. A bill to amend the Internal Revenue Code of 1986 to modify the credit for the production of electricity to include electricity produced from municipal solid waste; to the Committee on Finance.

By Mrs. LINCOLN:

S. 360. A bill to amend the Internal Revenue Code of 1986 to treat natural gas distribution lines as 10-year property for depreciation purposes; to the Committee on Finance

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By Mrs. LINCOLN (for herself, Mr. ALLARD, Mr. GRASSLEY, Mr. HARKIN, Ms. STABENOW, Mr. HAGEL, Mr. LEVIN, and Mr. DEWINE):

S. 361. A bill to amend the Internal Revenue Code of 1986 to allow for an energy efficient appliance credit; to the Committee on Finance.

Mrs. LINCOLN. Mr. President, I rise today to introduce my package of alternative energy and energy efficiency bills. These bills all work in concert toward a single goal—promoting the use of cleaner, renewable energy for this nation.

For several decades, the U.S. has relied on foreign sources of energy supply. Worldwide demand for energy has continued to increase, while our domestic resource base has decreased, leaving the country vulnerable in the event of foreign supply disruptions. This year, the U.S. will import 60 percent of its crude oil needs this year. The events of September 11th have focused attention on the need to develop a new energy policy that focuses on creating new domestic sources. Our Nation needs to explore and develop all possible domestic options as resources for our energy supply. To reduce our dependence on foreign imports, it is imperative that policy makers create incentives to promote technologies that can produce quality alternative products. Our national security demands that the government undertake programs which assure the implementation of real alternative fuel technologies.

It is in the best security interests of our Nation to reduce our reliance on foreign energy suppliers. We can no longer afford to be subject to the whims and manipulations of foreign cartels like OPEC. Added to these threats posed by OPEC and the instability of the Middle East are the even more sinister possibilities that we face in other parts of the world. Developments in many regions of the world where much of today's energy supplies are obtained—West Africa, the Caspian Sea, Indonesia, Venezuela, and so forth—clearly serve notice that our Nation cannot continue to depend on these areas for our future energy needs. These events make it more pressing than ever that we proceed forward with the development of our own domestic alternative energy resources.

In the last Congress, both the House and the Senate passed comprehensive energy bills that would have brought us closer to these goals. In the Senate bill, we were able to strike a delicate balance between using our resources for energy and preserving our environment for future generations. I was pleased with the Senate version of the Energy Policy Act of 2002, and was disappointed that conferees were unable to iron out differences with the House of Representatives before adjournment. We must make energy independence a national priority because it is now essential to our homeland security.

Looking ahead, I will continue my work to build a cohesive national energy policy that ultimately reduces our dependence on foreign oil. To accomplish this goal, we must provide access to more resources, transmit these resources to the consumer, and encourage industrial and individual consumers to use more renewable energy sources. These important steps will lead to greater reliability and lower energy costs for consumers.

We should all work again in the 108th Congress to adopt a comprehensive energy plan that sets America on the road to energy independence and assures consumers of a reliable and affordable energy supply.

The legislation I am introducing today will encourage production of biodiesel and its use in this country; to promote the manufacture of energy efficient home appliances; to encourage the use of fuels produced from animal and agricultural wastes; to encourage the use of our waste sources such as landfill gas and municipal solid waste to produce energy; and to spur the investment in delivering fuels to rural America. These incentives for production and use of clean and renewable fuels can help bridge the investment cost gap between production of petroleum and renewable energy.

Each of these bills were either included or debated in the Senate during last year's Senate consideration and passage of the energy bill. I look forward to their inclusion in the debate and inclusion in any energy bill to be passed by the Senate during the 108th Congress.

The first bill I am introducing today is the Biodiesel Promotion Act of 2003. I am pleased to be joined in introducing this bill by Senators GRASSLEY, HAGEL, DAYTON, HARKIN, DURBIN, COLEMAN, and JOHNSON. This legislation will provide tax incentives for the production of biodiesel from agricultural oils, recycled oils, and animal fats and will ensure that biodiesel becomes a central component of this nation's automobile fuel market.

This legislation is identical to language authored by myself and Senator GRASSLEY included in the last Congress's Energy Bill. It is intended to be a starting point for our debate and discussion as we draft an energy bill for consideration in this Congress.

This legislation will provide a partial exemption from the diesel excise tax for diesel blended with biodiesel. Specifically, the bill provides a one-cent reduction for every percent of biodiesel from virgin agricultural oils blended

with diesel up to 20 percent. The legislation will also provide a half-cent reduction for every percent of biodiesel from recycled agricultural oils or animal fats.

Also importantly, in the year that we are to reauthorize the Transportation Enhancement Act of 1996, the bill provides for reimbursing the Highway Trust Fund from the USDA Commodity Credit Corporation, CCC. This procedure will protect the Trust Fund from lost revenues due to the biodiesel incentive while providing a much-needed boost to our nation's biodiesel industry. The cost to the CCC would be offset at least initially by the savings under the marketing loan program.

Biodiesel, which can be made from just about any agricultural oil including oils from soybeans, cottonseed, or rice, is completely renewable, contains no petroleum, and can be easily blended with petroleum diesel. A biodiesel-diesel blend typically contains up to 20 percent renewable content. It can be added directly into the gas tank of a compression-ignition, diesel engine vehicle with no major modifications. Biodiesel is completely biodegradable and non-toxic, contains no sulfur, and it is the first and only alternative fuel to meet EPA's Tier I and II health effects testing standards. Biodiesel also stands ready to help us reach the EPA's new rule to reduce the sulfur content of highway diesel fuel by over 95 percent.

Even after years of research and market development, biodiesel is not yet cost-competitive with petroleum diesel. In order to be so, market support and tax incentives are needed. I believe the provisions provided in this bill will help in leveling the field for biodiesel blends and help jumpstart this new industry.

The time is right for this investment. It is right for our rural economy, for our environment, and for our national energy security and I encourage my colleagues to join us in supporting the Biodiesel Promotion Act of 2003.

The second component of my package is the EPACT Alternative Fuel Flexibility Act of 2003. I am pleased to be joined today by Senators BOND and TALENT in introducing this legislation.

The purpose of this legislation is to place biodiesel fuel on equal footing with every other alternative motor fuel used in this nation.

The Energy Policy Act of 1992, EPACT, set a national objective to shift the focus of national energy demand away from imported oil toward renewable and domestically produced energy sources. When EPACT was passed in 1992, it recognized ethanol, natural gas, propane, electricity, and methanol as alternative fuels. The original list of alternative fuels did not include biodiesel because the technology had not been fully developed.

EPACT set a goal to replace 10 percent of petroleum-based fuels by 2000 and 30 percent by the year 2010. However, a GAO report issued in July of 2001 noted that ''limited progress has been made in increasing the numbers of alternative fuel vehicles, AFV, in the national vehicle fleet and the use of alternative fuels'' as compared to conventional vehicles and fuels.

We did not meet the original EPACT goals of replacing 10 percent of petroleum-based fuels by 2000. Today we are not on track to meet the goal of 30 percent by the year 2010. In fact, we haven't even come close, and that's partly a result of not allowing all alternative fuels to be used to meet the EPACT alternative fuel mandates.

This legislation will significantly increase the use of alternative fuels by allowing EPACT covered fleets to meet up to 100 percent of the EPACT purchase requirements through the use of biodiesel. Currently, covered fleets can only meet up to 50 percent of purchase requirements with biodiesel.

By offering an additional option for the use of alternative fuels, we will widen the possibilities for these fuels to be made more widely available. Fleets will continue to have the option to choose the complying vehicles and fuels that best meet their needs. This legislation is not expected to affect fleets that are currently using ethanol or natural gas. But this legislation does provide a further option for alternative fuel vehicles. Furthermore, it does not directly displace natural gas or ethanol sales, since biodiesel is used in medium- and heavy-duty trucks rather than light-duty vehicles.

By allowing fleets to meet 100 percent of their AFV requirement by using biodiesel, we'll take a positive step toward moving this country away from dependence on petroleum-based motor fuels and toward alternative motor fuels. I urge all of my colleagues to support this legislation.

The third bill I introduce today as part of my energy independence package is the Animal and Agricultural Waste Renewable Energy Production Act of 2003. I am pleased to be joined today by Senators HAGEL, BOND, and KERRY in introducing this legislation.

This legislation would provide a credit under Section 29 of the tax code for the production of fuels from animal and agricultural wastes.

Thanks to new technological developments, we can now produce significant quantities of alternative fuels from agricultural and animal wastes in an environmentally friendly manner. Production incentives are needed to assure implementation and commercialization of this new generation of technology.

Section 29 was originally enacted to provide an incentive to produce alternative and hard-to-reach fuels that could compete with fossil fuels and hopefully reduce the nation's dependence on foreign oil. As originally enacted, a number of ''non-conventional fuels'' were eligible for the credit, including the following: oil from shale; oil from tar sands; natural gas from geo-pressured brine, coal seams, Devonian shale, or tight sands; liquid, gaseous or solid synthetic fuel from coal, including coke and coke by-products; gas from biomass, including wood; steam from solid agricultural by-products; and processed solid wood fuels.

Other biomass by-products, such as agricultural and animal oils and solids, also should qualify the same as liquid or gaseous synthetic fuels derived from coal.

New technological advances have been developed which will convert these biomass wastes efficiently to alternative fuels. The most readily available of these wastes are agricultural and animal wastes, municipal wastes, plastics, used tires, and forest product wastes. This production incentive opportunity would provide significant new annual quantities of alternative fuel to replace foreign imported oil and should be considered a government investment in the nation's future.

If these incentives are implemented, large marketable quantities of quality alternative fuel products can be produced as a replacement for foreign imported oil. These processes can achieve the desired results in an environmentally positive way that essentially converts all wastes to products and provides an answer for waste disposal problems. To achieve these results, financial incentives need be provided from the government. Section 29 should be extended to include alternative fuels produced from all biomass wastes and I encourage all of my colleagues to join us in supporting this legislation.

The fourth bill I am introducing today is the Capturing Landfill Gas for Energy Act of 2003. This legislation will provide a credit under either Section 29 or Section 45 of the tax code for the production of energy from landfill gas, LFG. It is designed to encourage additional collection and productive use of methane gas generated by garbage decomposing in America's landfills. LFG is a renewable fuel that can be used directly as an energy source for heating, as a clean burning vehicle fuel, as a hydrogen source for fuel cells. Furthermore, it can power generators to produce electricity.

Congress recognized the importance of LFG for energy diversity and national security by providing such a credit in 1980 and extending it for nearly two decades. With today's critical energy needs and emphasis on distributed generation, this incentive makes more sense than ever. Most of the 360 LFG projects that currently are operating were made economically feasible by the ''non-conventional-source fuel'' production tax credit under Section 29 of the tax code.

But since June 30, 1998, that credit to encourage construction of new LFG projects has been unavailable, and few have been constructed since that date. The U.S. Environmental Protection Agency estimates that 600–700 more LFG projects could be constructed nationwide if there were sufficient economic incentives in place to foster

their development. With such incentives, it is likely that about 55 new projects would be brought on line each year. Just one medium-sized project could provide three megawatts of electrical power capacity—enough to meet the electricity needs of 3,000 homes each year.

In addition to the value of LFG as an important contribution to our overall energy strategy, there are compelling environmental reasons to encourage these projects. Uncontrolled landfill gas can create fire hazards and odors and can impair air quality. The methane in landfill gas is 21 times more potent than carbon dioxide as a greenhouse gas. Even the large landfills that are required under the Clean Air Act to collect their gas and control non-methane organic compounds often find it more economic to simply flare or otherwise waste the gas rather than use the methane. Some smaller landfills are not required to collect the gas, and may continue to emit it for decades under the Clean Air Act. Thus, LFG projects not only reduce local and regional air pollution while yielding a renewable source of energy, they can also reduce the country's yearly emissions of greenhouse gases by a very substantial amount at a relatively small cost.

Unfortunately, the potential energy and environmental benefits of future LFG projects are substantial, but they will be lost without adequate LFG tax provisions to support project development. On average, the total capital cost of constructing an LFG-fueled electricity generating project is about $1 million per megawatt, and the annual operating and maintenance costs average another $150,000 per megawatt. The average capital cost of a new direct use fuel production and delivery project is about $2.5 million, with annual operation and maintenance costs of about $350,000.

My bill proposes sufficient, yet sensible, tax incentives to encourage these large investments, and I urge my colleagues to join me and support LFG tax credits.

Today I am also pleased to be joined by Senator AKAKA in introducing the fifth component of my energy package—the Waste to Energy Utilization Act of 2003. This legislation will provide a credit under Section 45 of the tax code for new waste-to-energy facilities or new generating units at existing facilities. Such a tax credit encourages clean renewable electricity and promotes energy diversity, while helping cities meet the challenge of trash disposal.

Nearly 2000 communities nationwide rely on waste-to-energy facilities to safely dispose of trash and generate clean, renewable energy that meets the power need of more than two and a half million homes. The U.S. Conference of Mayors has repeatedly urged Congress to include provisions that promote waste-to-energy in tax legislation and they are joined by the National Association of Regulatory Utility Commissioners, the Business Council for Sustainable Energy, the U.S. Chamber of Commerce, and the International Brotherhood of Boilermakers.

Arkansas stands with other environmentally conscious States in understanding that waste-to-energy technology saves valuable land and significantly reduces the amount of greenhouse gases that would have been released into our atmosphere without its operation. The volume of waste is reduced by greater than 90 percent in a waste-to-energy facility, and EPA has confirmed that more than 33 million tons of greenhouse gases are avoided annually by the combustion of municipal solid waste. Municipal solid waste is a sustainable source of clean, renewable energy.

Local governments spent about $1 billion over the past five years on air pollution control equipment to comply with EPA's Maximum Achievable Control Technology, MACT, standards required under the Clean Air Act. These retrofits have made waste-to-energy one of the cleanest power generators in the country. In June, EPA announced that these facilities have shown ''outstanding performance'' resulting in ''dramatic decreases'' in emissions, resulting in reductions of mercury emissions of more than 95 percent from a decade ago. Communities with waste-to-energy facilities recycle 33 percent of their trash, on average, and historically have more successful recycling programs than cities without waste-to-energy plants.

We must sustain a level marketplace to achieve energy diversity and economic growth. I believe this Senate should pass tax legislation that includes production tax credits to spur energy generation, and I encourage all of my colleagues to join us and support this legislation.

The sixth bill I introduce today is the Resource Efficient Appliance Incentives Act of 2003. I am pleased to be joined in introducing this bill by Senators ALLARD, GRASSLEY, HARKIN, STABENOW, HAGEL, LEVIN, and DEWINE.

This legislation will provide a tax credit for the production of super energy-efficient clothes washers and refrigerators if those appliances exceed new Federal energy efficiency standards. The tax credit would only be available for five years and would be capped for each manufacturer.

In 2001, the Department of Energy issued new energy efficiency standards for clothes washers. This agreement accompanies rules for higher efficiency refrigerators issued by the department two years ago. The new rules are significant because clothes washers, clothes dryers, and refrigerators account for approximately 15 percent of all household energy consumed in the U.S. annually. The tax incentives contained in this legislation are constructed to encourage manufacturers not only to exceed these new efficiency requirements, but to exceed them by up to 35 percent.

Tax incentives are essential to accelerate the production and market penetration of leading-edge appliance technologies that create significant environmental benefits. The need for super energy-efficient appliances is greater this year than at any time in the past 20 years. Over the life of the appliances, over 200 trillion BTUs of energy will be saved. This is the equivalent of taking 2.3 million cars off the road or making available for other uses the energy of six coal-fired power plants for a year.

In addition, the clothes washers will reduce the amount of water necessary to wash clothes by 870 billion gallons, an amount equal to the needs of every household in a city the size of Phoenix, Arizona for two years. The water savings attributable to these new technology machines is not based on some computer generated model but an actual case study that gathered data in the small community of Bern, KS by the Dept. of Energy's esteemed Oak Ridge National Laboratory in 1998.

The Association of Home Appliance Manufacturers estimates these super energy-efficient appliances could save the average family $100 per year—or $1,400 per family over the lifetime of the appliance. This legislation will create the incentives necessary to increase the production and sale of these super energy-efficient appliances in the short term while passing along energy savings to the American consumer.

As a DOE analysis indicates, high efficiency washers and refrigerators are significantly more expensive to manufacture than those that simply meet existing federal standards. Further, market surveys of consumers indicate that they are generally not willing to pay more for high efficiency appliances, even when it can be demonstrated that high efficiency appliances will generate greater savings in utility costs over time. The tax credit will provide an incentive for manufacturers to develop a greater selection of super efficient models that will appeal to consumers at all price points. In addition, to assure increased sales of these appliances, manufacturers will be encouraged to redirect their marketing and advertising resources toward the high efficiency models. Enactment of this legislation will bring immediate, significant, and lasting environmental benefits to the nation, and I encourage all of my colleagues to join us in supporting in this effort.

The final bill I am introducing today is the Gas Distribution Infrastructure Investment Act of 2003. This legislation will amend the Internal Revenue Code to modify the depreciation of natural gas pipelines, equipment, and infrastructure assets from 20 to 10 years.

America's demand for energy is expected to grow by 32 percent during the next 20 years. Consumer demand for natural gas will grow at almost twice that rate, due to its economic, environmental, and operational benefits. That level of natural gas use is almost 60

percent greater than the highest recorded level. To satisfy this projected demand, we must substantially expand our existing gas infrastructure. This is especially true with respect to the delivery sector. Higher capacity utilization of existing infrastructure will meet some of this increased demand, but the delivery sector still will require capital investments of at least $123 billion for infrastructure enhancement and additions.

Shrinking the lifetime over which an asset is depreciated does not change the amount of expense a company is allowed to claim over the asset's useful life, but simply shortens the expensing period for tax purposes. This shortened tax life generates higher cash flows in terms of reduced tax liability during the asset's early useful lifetime. Conversely, the cash flows are decreased, relative to the longer depreciation life, during the later part of the asset's useful life. The overall impact is zero on a gross basis.

I urge my colleagues to support this important legislation. Infrastructure development and expansion is crucial if America's homes are to continue to rely on clean-burning natural gas to heat their homes and fuel their appliances.

I ask unanimous consent that each of the seven bills I am introducing today be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 355

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 ''Biodiesel Promotion Act of 2003''.

SEC. 2. INCENTIVES FOR BIODIESEL.

(a) CREDIT FOR BIODIESEL USED AS A FUEL.—

(1) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by inserting after section 40 the following new section:

''SEC. 40A. BIODIESEL USED AS FUEL.

''(a) GENERAL RULE.—For purposes of section 38, the biodiesel fuels credit determined under this section for the taxable year is an amount equal to the biodiesel mixture credit.

''(b) DEFINITION OF BIODIESEL MIXTURE CREDIT.—For purposes of this section—

''(1) BIODIESEL MIXTURE CREDIT.—

''(A) IN GENERAL.—The biodiesel mixture credit of any taxpayer for any taxable year is the sum of the products of the biodiesel mixture rate for each qualified biodiesel mixture and the number of gallons of such mixture of the taxpayer for the taxable year.

''(B) BIODIESEL MIXTURE RATE.—For purposes of subparagraph (A), the biodiesel mixture rate for each qualified biodiesel mixture shall be—

''(i) in the case of a mixture with only biodiesel V, 1 cent for each whole percentage point (not exceeding 20 percentage points) of biodiesel V in such mixture, and

''(ii) in the case of a mixture with biodiesel NV, or a combination of biodiesel V and biodiesel NV, 0.5 cent for each whole percentage point (not exceeding 20 percentage points) of such biodiesel in such mixture.

''(2) QUALIFIED BIODIESEL MIXTURE.—

''(A) IN GENERAL.—The term 'qualified biodiesel mixture' means a mixture of diesel and biodiesel V or biodiesel NV which—

''(i) is sold by the taxpayer producing such mixture to any person for use as a fuel, or

''(ii) is used as a fuel by the taxpayer producing such mixture.

''(B) SALE OR USE MUST BE IN TRADE OR BUSINESS, ETC.—

''(i) IN GENERAL.—Biodiesel V or biodiesel NV used in the production of a qualified biodiesel mixture shall be taken into account—

''(I) only if the sale or use described in subparagraph (A) is in a trade or business of the taxpayer, and

''(II) for the taxable year in which such sale or use occurs.

''(ii) CERTIFICATION FOR BIODIESEL V.—Biodiesel V used in the production of a qualified biodiesel mixture shall be taken into account only if the taxpayer described in subparagraph (A) obtains a certification from the producer of the biodiesel V which identifies the product produced.

''(C) CASUAL OFF-FARM PRODUCTION NOT ELIGIBLE.—No credit shall be allowed under this section with respect to any casual off-farm production of a qualified biodiesel mixture.

''(c) COORDINATION WITH EXEMPTION FROM EXCISE TAX.—The amount of the credit determined under this section with respect to any biodiesel V shall, under regulations prescribed by the Secretary, be properly reduced to take into account any benefit provided with respect to such biodiesel V solely by reason of the application of section 4041(n) or section 4081(f).

''(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) BIODIESEL V DEFINED.—The term 'biodiesel V' means the monoalkyl esters of long chain fatty acids derived solely from virgin vegetable oils for use in compressional-ignition (diesel) engines. Such term shall include esters derived from vegetable oils from corn, soybeans, sunflower seeds, cottonseeds, canola, crambe, rapeseeds, safflowers, flaxseeds, rice bran, and mustard seeds.

''(2) BIODIESEL NV DEFINED.—The term 'biodiesel NV' means the monoalkyl esters of long chain fatty acids derived from nonvirgin vegetable oils or animal fats for use in compressional-ignition (diesel) engines.

''(3) REGISTRATION REQUIREMENTS.—The terms 'biodiesel V' and 'biodiesel NV' shall only include a biodiesel which meets—

''(i) the registration requirements for fuels and fuel additives established by the Environmental Protection Agency under section 211 of the Clean Air Act (42 U.S.C. 7545), and

''(ii) the requirements of the American Society of Testing and Materials D6751.

''(4) BIODIESEL MIXTURE NOT USED AS A FUEL, ETC.—

''(A) IMPOSITION OF TAX.—If—

''(i) any credit was determined under this section with respect to biodiesel V or biodiesel NV used in the production of any qualified biodiesel mixture, and

''(ii) any person—

''(I) separates such biodiesel from the mixture, or

''(II) without separation, uses the mixture other than as a fuel,

then there is hereby imposed on such person a tax equal to the product of the biodiesel mixture rate applicable under subsection (b)(1)(B) and the number of gallons of the mixture.

''(B) APPLICABLE LAWS.—All provisions of law, including penalties, shall, insofar as applicable and not inconsistent with this section, apply in respect of any tax imposed under subparagraph (A) as if such tax were imposed by section 4081 and not by this chapter.

''(5) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

''(e) ELECTION TO HAVE BIODIESEL FUELS CREDIT NOT APPLY.—

''(1) IN GENERAL.—A taxpayer may elect to have this section not apply for any taxable year.

''(2) TIME FOR MAKING ELECTION.—An election under paragraph (1) for any taxable year may be made (or revoked) at any time before the expiration of the 3-year period beginning on the last date prescribed by law for filing the return for such taxable year (determined without regard to extensions).

''(3) MANNER OF MAKING ELECTION.—An election under paragraph (1) (or revocation thereof) shall be made in such manner as the Secretary may by regulations prescribe.

''(f) TERMINATION.—This section shall not apply to any fuel sold after December 31, 2005.''.

(2) CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) of the Internal Revenue Code of 1986 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 biodiesel fuels credit determined under section 40A(a).''.

(3) CONFORMING AMENDMENTS.—

(A) Section 39(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(11) NO CARRYBACK OF BIODIESEL FUELS CREDIT BEFORE JANUARY 1, 2003.—No portion of the unused business credit for any taxable year which is attributable to the biodiesel fuels credit determined under section 40A may be carried back to a taxable year beginning before January 1, 2003.''.

(B) Section 196(c) of such Code is amended by striking ''and'' at the end of paragraph (9), by striking the period at the end of paragraph (10), and by adding at the end the following new paragraph:

''(11) the biodiesel fuels credit determined under section 40A(a).''.

(C) Section 6501(m) of such Code is amended by inserting ''40A(e),'' after ''40(f),''.

(D) The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding after the item relating to section 40 the following new item:

''Sec. 40A. Biodiesel used as fuel.''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2002.

(b) REDUCTION OF MOTOR FUEL EXCISE TAXES ON BIODIESEL V MIXTURES.—

(1) IN GENERAL.—Section 4081 of the Internal Revenue Code of 1986 (relating to manufacturers tax on petroleum products) is amended by adding at the end the following new subsection:

''(f) BIODIESEL V MIXTURES.—Under regulations prescribed by the Secretary—

''(1) IN GENERAL.—In the case of the removal or entry of a qualified biodiesel mixture with biodiesel V, the rate of tax under subsection (a) shall be the otherwise applicable rate reduced by the biodiesel mixture rate (if any) applicable to the mixture.

''(2) TAX PRIOR TO MIXING.—

''(A) IN GENERAL.—In the case of the removal or entry of diesel fuel for use in producing at the time of such removal or entry a qualified biodiesel mixture with biodiesel V, the rate of tax under subsection (a) shall be the rate determined under subparagraph (B).

''(B) DETERMINATION OF RATE.—For purposes of subparagraph (A), the rate determined under this subparagraph is the rate determined under paragraph (1), divided by a

percentage equal to 100 percent minus the percentage of biodiesel V which will be in the mixture.

''(3) DEFINITIONS.—For purposes of this subsection, any term used in this subsection which is also used in section 40A shall have the meaning given such term by section 40A.

''(4) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (6) and (7) of subsection (c) shall apply for purposes of this subsection.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 4041 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(n) BIODIESEL V MIXTURES.—Under regulations prescribed by the Secretary, in the case of the sale or use of a qualified biodiesel mixture (as defined in section 40A(b)(2)) with biodiesel V, the rates under paragraphs (1) and (2) of subsection (a) shall be the otherwise applicable rates, reduced by any applicable biodiesel mixture rate (as defined in section 40A(b)(1)(B)).''.

(B) Section 6427 of such Code is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

''(p) BIODIESEL V MIXTURES.—Except as provided in subsection (k), if any diesel fuel on which tax was imposed by section 4081 at a rate not determined under section 4081(f) is used by any person in producing a qualified biodiesel mixture (as defined in section 40A(b)(2)) with biodiesel V which is sold or used in such person's trade or business, the Secretary shall pay (without interest) to such person an amount equal to the per gallon applicable biodiesel mixture rate (as defined in section 40A(b)(1)(B)) with respect to such fuel.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to any fuel sold after December 31, 2002, and before January 1, 2006.

(c) HIGHWAY TRUST FUND HELD HARMLESS.—There are hereby transferred (from time to time) from the funds of the Commodity Credit Corporation amounts determined by the Secretary of the Treasury to be equivalent to the reductions that would occur (but for this subsection) in the receipts of the Highway Trust Fund by reason of the amendments made by this section.

S. 356

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 ''EPACT Alternative Fuel Flexibility Act of 2003''.

SEC. 2. BIODIESEL FUEL USE CREDITS.

Section 312(b) of the Energy Policy Act of 1992 (42 U.S.C. 13220(b)) is amended—

(1) by striking ''(b) USE OF CREDITS.—'' and all that follows through ''At the request'' and inserting the following:

''(b) USE OF CREDITS.—At the request''; and

(2) by striking paragraph (2).

S. 357

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

SECTION 1. MODIFICATION OF CREDIT FOR PRODUCTION OF FUEL FROM NONCONVENTIONAL SOURCES TO INCLUDE PRODUCTION OF FUEL FROM AGRICULTURAL AND ANIMAL WASTE.

(a) IN GENERAL.—Section 29(c)(1) of the Internal Revenue Code of 1986 (relating to definition of qualified fuels) is amended—

(1) by striking ''and'' at the end of subparagraph (B)(ii),

(2) by striking the period at the end of subparagraph (C) and inserting '', and'', and

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

''(D) liquid, gaseous, or solid fuels from qualified agricultural and animal waste, including such fuels when used as feedstocks.''.

(b) QUALIFIED AGRICULTURAL AND ANIMAL WASTE.—

(1) IN GENERAL.—Section 29(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(4) QUALIFIED AGRICULTURAL AND ANIMAL WASTE.—The term 'qualified agricultural and animal waste' means agriculture and animal waste, including by-products, packaging, and any materials associated with the processing, feeding, selling, transporting, or disposal of agricultural or animal products or wastes, including wood shavings, straw, rice hulls, and other bedding for the disposition of manure.''.

(2) CONFORMING AMENDMENT.—Section 29(c)(3) of such Code is amended—

(A) by striking ''and'' at the end of subparagraph (A),

(B) by striking the period at the end of subparagraph (B) and inserting '', and'', and

(C) by adding at the end the following new subparagraph:

''(C) qualified agricultural and animal waste.''.

(c) EXTENSION OF CREDIT.—Section 29(g) of the Internal Revenue Code of 1986 (relating to extension for certain facilities) is amended by adding at the end the following new paragraph:

''(3) FACILITIES PRODUCING FUELS FROM AGRICULTURAL AND ANIMAL WASTE.—In the case of facility for producing qualified fuels described in subsection (c)(1)(D)—

''(A) for purposes of subsection (f)(1)(B), such facility shall be treated as being placed in service before January 1, 1993, if such facility is placed in service after January 1, 2003, and before January 1, 2008, and

''(B) if such facility is originally placed in service after December 31, 1992, paragraph (2) of subsection (f) shall be applied with respect to such facility by substituting 'January 1, 2018' for 'January 1, 2003'.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuels sold after the date of the enactment of this Act.

S. 358

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

SECTION 1. CREDIT FOR PRODUCING FUEL FROM LANDFILL GAS.

(a) IN GENERAL.—Section 29 of the Internal Revenue Code of 1986 (relating to credit for producing fuel from a nonconventional source) is amended by adding at the end the following new subsection:

''(h) EXTENSION AND MODIFICATION FOR FACILITIES PRODUCING QUALIFIED FUELS FROM LANDFILL GAS.—

''(1) IN GENERAL.—In the case of a facility for producing qualified fuel from landfill gas which is placed in service after June 30, 1998, and before January 1, 2008, this section shall apply to fuel produced at such facility during the 5-year period beginning on the later of—

''(A) the date such facility was placed in service, or

''(B) the date of the enactment of this subsection.

''(2) REDUCTION OF CREDIT FOR PRODUCTION FROM CERTAIN LANDFILL GAS FACILITIES.—In the case of a facility to which paragraph (1) applies which is located at a landfill which is required pursuant to 40 CFR 60.752(b)(2) or 40 CFR 60.33c to install and operate a collection and control system which captures gas generated within the landfill, subsection (a)(1) shall be applied to gas so captured by substituting '$2' for '$3' for the taxable year during which such system is required to be installed and operated.

''(3) SPECIAL RULES.—In determining the amount of credit allowable under this section solely by reason of this subsection—

''(A) DAILY LIMIT.—The amount of qualified fuels sold during any taxable year which may be taken into account by reason of this subsection with respect to any facility shall not exceed an average barrel-of-oil equivalent of 200,000 cubic feet of natural gas per day. Days before the date the facility is placed in service shall not be taken into account in determining such average.

''(B) EXTENSION PERIOD TO COMMENCE WITH UNADJUSTED CREDIT AMOUNT.—In the case of fuels sold after 2003, subparagraph (B) of subsection (d)(2) shall be applied by substituting '2003' for '1979'.''.

(b) ADDITIONAL DEFINITION.—Section 29(d) of the Internal Revenue Code of 1986 (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

''(9) LANDFILL GAS FACILITY.—

''(A) IN GENERAL.—A facility for producing qualified fuel from landfill gas, placed in service before, on, or after the date of the enactment of this paragraph, includes all wells, pipes, and other gas collection equipment installed as part of the facility over the life of the landfill, including any modifications or expansions thereof, after the facility is first placed in service.

''(B) LANDFILL GAS.—The term 'landfill gas' means gas derived from the biodegradation of municipal solid waste.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold after the date of the enactment of this Act.

SEC. 2. EXTENSION AND EXPANSION OF CREDIT FOR PRODUCTION OF ELECTRICITY TO PRODUCTION FROM LANDFILL GAS.

(a) IN GENERAL.—Section 45(c)(1) of the Internal Revenue Code of 1986 (defining qualified energy resources) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by adding at the end the following new subparagraph:

''(D) landfill gas.''.

(b) QUALIFIED FACILITY.—Section 45(c)(3) of the Internal Revenue Code of 1986 (relating to qualified facility) is amended by adding at the end the following new subparagraph:

''(D) LANDFILL GAS FACILITY.—In the case of a facility using landfill gas to produce electricity, the term 'qualified facility' means any such facility owned by the taxpayer which is originally placed in service before January 1, 2008.''.

(c) SPECIAL RULES AND DEFINITIONS.—

(1) REDUCED CREDIT FOR CERTAIN PREEFECTIVE DATE FACILITIES.—Section 45(d) of the Internal Revenue Code of 1986 (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

''(8) REDUCED CREDIT FOR CERTAIN PREEFFECTIVE DATE FACILITIES.—In the case of any facility described in subparagraph (D) of paragraph (3) which is placed in service before the date of the enactment of this subparagraph—

''(A) subsection (a)(1) shall be applied by substituting '1.0 cents' for '1.5 cents', and

''(B) the 5-year period beginning on the date of the enactment of this paragraph shall be substituted in lieu of the 10-year period in subsection (a)(2)(A)(ii).''.

(2) COORDINATION WITH SECTION 29.—Section 45(c)(3) of such Code (relating to qualified facility), as amended by subsection (b), is amended by adding at the end the following new subparagraph:

''(E) COORDINATION WITH SECTION 29.—The term 'qualified facility' shall not include any facility the production from which is taken

into account in determining any credit under section 29 for the taxable year or any prior taxable year.''.

(3) LANDFILL GAS.—Section 45(c) of such Code is amended by adding at the end the following new paragraph:

''(5) LANDFILL GAS.—The term 'landfill gas' means gas derived from the biodegradation of municipal solid waste.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to electricity sold after the date of the enactment of this Act.

S. 359

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 ''Waste to Energy Utilization Act of 2003''.

SEC. 2. CREDIT FOR ELECTRICITY PRODUCED FROM MUNICIPAL SOLID WASTE.

(a) IN GENERAL.—Section 45(c)(1) of the Internal Revenue Code of 1986 (defining qualified energy resources) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by adding at the end the following new subparagraph:

''(D) municipal solid waste.''.

(b) QUALIFIED FACILITY.—Section 45(c)(3) of the Internal Revenue Code of 1986 (relating to qualified facility) is amended by adding at the end the following new subparagraph:

''(D) MUNICIPAL SOLID WASTE FACILITY.—

''(i) IN GENERAL.—In the case of a facility or unit using municipal solid waste to produce electricity, the term 'qualified facility' means—

''(I) any facility owned by the taxpayer which is originally placed in service on or after date of the enactment of this subparagraph and before January 1, 2008, or

''(II) any unit owned by the taxpayer which is originally placed in service and added to another facility on or after such date of enactment and before January 1, 2008.

''(ii) SPECIAL RULE.—In the case of a qualified facility described in clause (i)(II), the 10-year period referred to in subsection (a) shall be treated as beginning no earlier than the date of the enactment of this subparagraph.

''(iii) CREDIT ELIGIBILITY.—In the case of any qualified facility described in clause (i), if the owner of such facility is not the producer of the electricity, the person eligible for the credit allowable under subsection (a) is the lessee or the operator of such facility.''.

(c) DEFINITION.—Section 45(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(5) MUNICIPAL SOLID WASTE.—The term 'municipal solid waste' has the meaning given the term 'solid waste' under section 2(27) of the Solid Waste Disposal Act (42 U.S.C. 6903).''.

(d) NO CREDIT FOR CERTAIN PRODUCTION.—Section 45(d) of the Internal Revenue Code of 1986 (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

''(8) OPERATIONS INCONSISTENT WITH SOLID WASTE DISPOSAL ACT.—In the case of a qualified facility described in subsection (c)(3)(D), subsection (a) shall not apply to electricity produced at such facility during any taxable year if, during a portion of such year, there is a certification in effect by the Administrator of the Environmental Protection Agency that such facility was permitted in a manner inconsistent with section 4003(d) of the Solid Waste Disposal Act (42 U.S.C. 6943(d)).''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to electricity sold after the date of the enactment of this Act, in taxable years ending after such date.

S. 360

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

SECTION 1. NATURAL GAS DISTRIBUTION LINES TREATED AS 10-YEAR PROPERTY.

(a) IN GENERAL.—Subparagraph (D) of section 168(e)(3) of the Internal Revenue Code of 1986 (relating to classification of certain property) is amended by striking ''and'' at the end of clause (i), by striking the period at the end of clause (ii) and by inserting '', and'', and by adding at the end the following new clause:

''(iii) any natural gas distribution line.''.

(b) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) of the Internal Revenue Code of 1986 is amended by inserting after the item relating to subparagraph (D)(ii) the following:

''(D)(iii) ..... 20''.

(c) ALTERNATIVE MINIMUM TAX EXCEPTION.—Subparagraph (B) of section 56(a)(1) of the Internal Revenue Code of 1986 is amended by inserting before the period the following: ''or in clause (iii) of section 168(e)(3)(D)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

S. 361

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 ''Resource Efficient Appliance Incentives Act of 2003''.

SEC. 2. CREDIT FOR ENERGY EFFICIENT APPLIANCES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following new section:

''SEC. 45G. ENERGY EFFICIENT APPLIANCE CREDIT.

''(a) GENERAL RULE.—For purposes of section 38, the energy efficient appliance credit determined under this section for the taxable year is an amount equal to the applicable amount determined under subsection (b) with respect to the eligible production of qualified energy efficient appliances produced by the taxpayer during the calendar year ending with or within the taxable year.

''(b) APPLICABLE AMOUNT; ELIGIBLE PRODUCTION.—For purposes of subsection (a)—

''(1) APPLICABLE AMOUNT.—The applicable amount is—

''(A) $50, in the case of—

''(i) a clothes washer which is produced in 2003 with at least a 1.26 MEF (at least 1.42 MEF for washers produced after 2003 but not after 2006), or

''(ii) a refrigerator produced in 2003 which consumes at least 10 percent less kWh per year than the energy conservation standards for refrigerators promulgated by the Department of Energy effective July 1, 2001,

''(B) $100, in the case of—

''(i) a clothes washer which is produced in 2003 with at least a 1.42 MEF (at least 1.5 MEF for washers produced after 2003 and before 2008), or

''(ii) a refrigerator produced after 2002 and before 2007 which consumes at least 15 percent less kWh per year (at least 20 percent less kWh per year for refrigerators produced in 2007) than such energy conservation standards, and

''(C) $150, in the case of a refrigerator which consumes at least 20 percent less kWh per year than such energy conservation standards and is produced after 2002 and before 2007.

''(2) ELIGIBLE PRODUCTION.—

''(A) IN GENERAL.—The eligible production of each category of qualified energy efficient appliances is the excess of—

''(i) the number of appliances in such category which are produced by the taxpayer during such calendar year, over

''(ii) the average number of appliances in such category which were produced by the taxpayer during calendar years 2000, 2001, and 2002.

''(B) CATEGORIES.—For purposes of subparagraph (A), the categories are—

''(i) clothes washers described in paragraph (1)(A)(i),

''(ii) clothes washers described in paragraph (1)(B)(i),

''(iii) refrigerators described in paragraph (1)(A)(ii),

''(iv) refrigerators described in paragraph (1)(B)(ii), and

''(v) refrigerators described in paragraph (1)(C).

''(C) SPECIAL RULE FOR 2003 PRODUCTION.—For purposes of determining eligible production for calendar year 2003—

''(i) only production after the date of enactment of this section shall be taken into account under subparagraph (A)(i), and

''(ii) the amount taken into account under subparagraph (A)(ii) shall be an amount which bears the same ratio to the amount which would (but for this subparagraph) be taken into account under subparagraph (A)(ii) as—

''(I) the number of days in calendar year 2003 after the date of enactment of this section, bears to

''(II) 365.

''(c) LIMITATION ON MAXIMUM CREDIT.—

''(1) IN GENERAL.—The maximum amount of credit allowed under subsection (a) with respect to a taxpayer for all taxable years shall be $60,000,000 except that not more than $30,000,000 shall be allowed for production of any combination of clothes washers produced with a 1.26 MEF (described in subsection (b)(1)(A)(i)) and refrigerators described in subsection (b)(1)(A)(ii).

''(2) LIMITATION BASED ON GROSS RECEIPTS.—The credit allowed under subsection (a) with respect to a taxpayer for the taxable year shall not exceed an amount equal to 2 percent of the average annual gross receipts of the taxpayer for the 3 taxable years preceding the taxable year in which the credit is determined.

''(3) GROSS RECEIPTS.—For purposes of this subsection, the rules of paragraphs (2) and (3) of section 448(c) shall apply.

''(d) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED ENERGY EFFICIENT APPLIANCE.—The term 'qualified energy efficient appliance' means—

''(A) a clothes washer described in subparagraph (A)(i) or (B)(i) of subsection (b)(1), or

''(B) a refrigerator described in subparagraph (A)(ii), (B)(ii) or (C) of subsection (b)(1).

''(2) CLOTHES WASHER.—The term 'clothes washer' means a residential clothes washer, including a residential style coin operated washer.

''(3) REFRIGERATOR.—The term 'refrigerator' means an automatic defrost refrigerator-freezer which has an internal volume of at least 16.5 cubic feet.

''(4) MEF.—The term 'MEF' means Modified Energy Factor (as determined by the Secretary of Energy).

''(e) SPECIAL RULES.—

''(1) IN GENERAL.—Rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply for purposes of this section.

''(2) AGGREGATION RULES.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as 1 person for purposes of subsection (a).

''(f) VERIFICATION.—The taxpayer shall submit such information or certification as the Secretary, in consultation with the Secretary of Energy, determines necessary to claim the credit amount under subsection (a).''.

(b) LIMITATION ON CARRYBACK.—Section 39(d) of the Internal Revenue Code of 1986 (relating to transition rules) is amended by adding at the end the following new paragraph:

''(11) NO CARRYBACK OF ENERGY EFFICIENT APPLIANCE CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the energy efficient appliance credit determined under section 45G may be carried to a taxable year ending before January 1, 2003.''.

(c) CONFORMING AMENDMENT.—Section 38(b) of the Internal Revenue Code of 1986 (relating to general 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 energy efficient appliance credit determined under section 45G(a).''.

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 45G. Energy efficient appliance credit.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to appliances produced after December 31, 2002, in taxable years ending after such date.

Mr. GRASSLEY. Mr. President, I rise to voice my strong support for legislation introduced today by Senators LINCOLN and ALLARD, entitled ''The Resource Efficient Appliance Incentive Act of 2003.'' I'm proud to be an original cosponsor.

This legislation will provide a valuable incentive to accelerate and expand the production and market penetration of ultra energy-efficient appliances. By providing a tax credit for the development of super energy-efficient washing machines and refrigerators, this legislation creates the incentives necessary to increase the production and sale of these appliances in the short term and ultimately lead to a dramatic change in consumer purchasing decisions.

Under this proposal, manufacturers would be eligible to claim a credit of either $50 or $100, depending on efficiency level, for each super energy-efficient washing machine produced between 2003 and 2007. Likewise, manufacturers would be eligible to claim a credit of $50, $100, or $150, depending on efficiency level, for each super energy-efficient refrigerator produced between 2003 and 2007. It is estimated that this tax credit will increase the production and purchase of super energy-efficient washers by almost 200 percent and the purchase of super energy-efficient refrigerators by over 285 percent.

Equally important is the long-term environmental benefits of the expanded use of these appliances. Over the life of the appliances, over 200 trillion Btus of energy will be saved. This is the equivalent of taking 2.3 million cars off the road or closing 6 coal-fired power plants for a year. In addition, the clothes washers will reduce the amount of water necessary to wash clothes by 870 billion gallons, an amount equal to the needs of every household in a city the size of Phoenix, Arizona for two years. And, the benefits to consumers over the life of the washers and refrigerators from operational savings is estimated at nearly $1 billion.

In my home State of Iowa, this legislation would result in the production of 1.5 million super energy-efficient washers and refrigerators during the next five years. I also expect Iowans to save $11 million in operational costs over the life span of the appliances, and 9 billion gallons of water—enough to supply drinking water for the entire State for 30 years.

As Chairman of the Senate Finance Committee, I look forward to working with Senators LINCOLN and ALLARD as we continue to promote energy conservation and efficiency.

By Ms. MIKULSKI (for herself Ms. SNOWE, Mr. SARBANES, Ms. COLLINS, Mrs. MURRAY, and Ms. CANTWELL):

S. 362. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes; to the Committee on Finance.

Ms. MIKULSKI. Mr. President, today, I rise to talk about an issue that is very important to me, very important to my constituents in Maryland and very important to the people of the United States of America.

For the fifth Congress in a row, I am joining in a bipartisan effort with my friend and colleague, Senator OLYMPIA SNOWE, to end an unfair policy of the Social Security System.

Senator SNOWE and I are introducing the Social Security Family Protection Act. This bill addresses retirement security and family security. We want the middle class of this Nation to know that we are going to give help to those who practice self-help.

What is it I am talking about? I was shocked when I found out that Social Security does not pay benefits for the last month of life. If a Social Security retiree dies on the 18th of the month or even on the 30th of the month, the surviving spouse or family members must send back the Social Security check for that month.

I think that is a harsh and heartless rule. That individual worked for Social Security benefits, earned those benefits, and paid into the Social Security trust fund. The system should allow the surviving spouse or the estate of the family to use that Social Security check for the last month of life.

This legislation has an urgency. When a loved one dies, there are expenses that the family must take care of. People have called my office in tears. Very often it is a son or a daughter that is grieving the death of a parent. They are clearing up the paperwork for their mom or dad, and there is the Social Security check. And they say, ''Senator, the check says for the month of May. Mom died on May 28. Why do we have to send the Social Security check back? We have bills to pay. We have utility coverage that we need to wrap up, mom's rent, or her mortgage, or health expenses. Why is Social Security telling me, 'Send the check back or we're going to come and get you'?''

With all the problems in our country today, we ought to be going after drug dealers and tax dodgers, not honest people who have paid into Social Security, and not the surviving spouse or the family who have been left with the bills for the last month of their loved one's life. They are absolutely right when they call me and say that Social Security was supposed to be there for them.

I've listened to my constituents and to the stories of their lives. What they say is this: ''Senator MIKULSKI, we don't want anything for free. But our family does want what our parents worked for. We do want what we feel we deserve and what has been paid for in the trust fund in our loved one's name. Please make sure that our family gets the Social Security check for the last month of our life.''

That is what our bill is going to do. That is why Senator SNOWE and I are introducing the Family Social Security Protection Act. When we talk about retirement security, the most important part of that is income security. And the safety net for most Americans is Social Security.

We know that as Senators we have to make sure that Social Security remains solvent, and we are working to do that. We also don't want to create an undue administrative burden at the Social Security Administration—a burden that might affect today's retirees. But it is absolutely crucial that we provide a Social Security check for the last month of life.

How do we propose to do that? We have a very simple, straightforward way of dealing with this problem. Our legislation says that if you die before the 15th of the month, you will get a check for half the month. If you die after the 15th of the month, your surviving spouse or the family estate would get a check for the full month.

We think this bill is fundamentally fair. Senator SNOWE and I are old-fashioned in our belief in family values. We believe you honor your father and your mother. We believe that it is not only a good religious and moral principle, but it is good public policy as well.

The way to honor your father and mother is to have a strong Social Security System and to make sure the system is fair in every way. That means fair for the retiree and fair for the

spouse and family. We strongly feel that the current system is an injustice to spouses and families across the Nation. Just because a beneficiary passes away, it does not mean that their bills can go unpaid. Join us to correct this policy and to ensure that families and recipients are protected during this difficult time. That is why we support making sure that the surviving spouse or family can keep the Social Security check for the last month of life.

We urge our colleagues to join us in this effort and support the Social Security Family Protection Act. I ask unanimous consent that the text of my bill be printed in the RECORD.

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

S. 362

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 ''Social Security Family Protection Act''.

SEC. 2. COMPUTATION AND PAYMENT OF LAST MONTHLY PAYMENT.

(a) OLD-AGE AND SURVIVORS INSURANCE BENEFITS.—Section 202 of the Social Security Act (42 U.S.C. 402) is amended by adding at the end the following:

''Last Payment of Monthly Insurance Benefit Terminated by Death

''(z)(1) In any case in which an individual dies during the first 15 days of a calendar month, the amount of such individual's monthly insurance benefit under this section paid for such month shall be an amount equal to 50 percent of the amount of such benefit (as determined without regard to this subsection), rounded, if not a multiple of $1, to the next lower multiple of $1. This subsection shall apply with respect to such benefit after all other adjustments with respect to such benefit provided by this title have been made.

''(2) Any payment under this section by reason of paragraph (1) shall be made in accordance with section 204(d).''.

(b) DISABILITY INSURANCE BENEFITS.—Section 223 of the Social Security Act (42 U.S.C. 423) is amended by adding at the end the following:

''Last Payment of Benefit Terminated by Death

''(k)(1) In any case in which an individual dies during the first 15 days of a calendar month, the amount of such individual's monthly insurance benefit under this section paid for such month shall be an amount equal to 50 percent of the amount of such benefit (as determined without regard to this subsection), rounded, if not a multiple of $1, to the next lower multiple of $1. This subsection shall apply with respect to such benefit after all other adjustments with respect to such benefit provided by this title have been made.

''(2) Any payment under this section by reason of paragraph (1) shall be made in accordance with section 204(d).''.

(c) BENEFITS AT AGE 72 FOR CERTAIN UNINSURED INDIVIDUALS.—Section 228 of the Social Security Act (42 U.S.C. 428) is amended by adding at the end the following:

''Last Payment of Benefit Terminated by Death

''(i)(1) In any case in which an individual dies during the first 15 days of a calendar month, the amount of such individual's monthly insurance benefit under this section paid for such month shall be an amount equal to 50 percent of the amount of such benefit (as determined without regard to this subsection), rounded, if not a multiple of $1, to the next lower multiple of $1. This subsection shall apply with respect to such benefit after all other adjustments with respect to such benefit provided by this title have been made.

''(2) Any payment under this section by reason of paragraph (1) shall be made in accordance with section 204(d).''.

SEC. 3. CONFORMING AMENDMENTS REGARDING PAYMENT OF BENEFITS FOR MONTH OF RECIPIENT'S DEATH.

(a) OLD-AGE INSURANCE BENEFITS.—Section 202(a)(3) of the Social Security Act (42 U.S.C. 402(a)(3)) is amended by striking ''the month preceding'' in the matter following subparagraph (B).

(b) WIFE'S INSURANCE BENEFITS.—

(1) IN GENERAL.—Section 202(b)(1)(D) of such Act (42 U.S.C. 402(b)(1)(D)) is amended—

(A) by striking ''and ending with the month'' in the matter immediately following clause (ii)(II) and inserting ''and ending with the month in which she dies or (if earlier) with the month'';

(B) by striking subparagraph (E); and

(C) by redesignating subparagraphs (F) through (K) as subparagraphs (E) through (J), respectively.

(2) CONFORMING AMENDMENT.—Section 202(b)(5)(B) of the Social Security Act (42 U.S.C. 402(b)(5)(B)) is amended by striking ''(E), (F), (H), or (J)'' and inserting ''(E), (G), or (I)''.

(c) HUSBAND'S INSURANCE BENEFITS.—

(1) IN GENERAL.—Section 202(c)(1)(D) of the Social Security Act (42 U.S.C. 402(c)(1)(D)) is amended—

(A) by striking ''and ending with the month'' in the matter immediately following clause (ii)(II) and inserting ''and ending with the month in which he dies or (if earlier) with the month'';

(B) by striking subparagraph (E); and

(C) by redesignating subparagraphs (F) through (K) as subparagraphs (E) through (J), respectively.

(2) CONFORMING AMENDMENT.—Section 202(c)(5)(B) of the Social Security Act (42 U.S.C. 402(c)(5)(B)) is amended by striking ''(E), (F), (H), or (J)'' and inserting ''(E), (G), or (I)''.

(d) CHILD'S INSURANCE BENEFITS.—Section 202(d)(1) of the Social Security Act (42 U.S.C. 402(d)(1)) is amended—

(1) by striking ''and ending with the month'' in the matter immediately preceding subparagraph (D) and inserting ''and ending with the month in which such child dies or (if earlier) with the month''; and

(2) in subparagraph (D), by striking ''dies, or''.

(e) WIDOW'S INSURANCE BENEFITS.—Section 202(e)(1) of the Social Security Act (42 U.S.C. 402(e)(1)) is amended by striking ''ending with the month preceding the first month in which any of the following occurs: she remarries, dies,'' in the matter following subparagraph (F) and inserting ''ending with the month in which she dies or (if earlier) with the month preceding the first month in which any of the following occurs: she remarries, or''.

(f) WIDOWER'S INSURANCE BENEFITS.—Section 202(f)(1) of the Social Security Act (42 U.S.C. 402(f)(1)) is amended by striking ''ending with the month preceding the first month in which any of the following occurs: he remarries, dies,'' in the matter following subparagraph (F) and inserting ''ending with the month in which he dies or (if earlier) with the month preceding the first month in which any of the following occurs: he remarries,''.

(g) MOTHER'S AND FATHER'S INSURANCE BENEFITS.—Section 202(g)(1) of the Social Security Act (42 U.S.C. 402(g)(1)) is amended—

(1) by inserting ''with the month in which he or she dies or (if earlier)'' after ''and ending'' in the matter following subparagraph (F); and

(2) by striking ''he or she remarries, or he or she dies'' and inserting ''or he or she remarries''.

(h) PARENT'S INSURANCE BENEFITS.—Section 202(h)(1) of the Social Security Act (42 U.S.C. 402(h)(1)) is amended by striking ''ending with the month preceding the first month in which any of the following occurs: such parent dies, marries,'' in the matter following subparagraph (E) and inserting ''ending with the month in which such parent dies or (if earlier) with the month preceding the first month in which any of the following occurs: such parent marries,''.

(i) DISABILITY INSURANCE BENEFITS.—Section 223(a)(1) of the Social Security Act (42 U.S.C. 423(a)(1)) is amended by striking ''ending with the month preceding whichever of the following months is the earliest: the month in which he dies,'' in the matter following subparagraph (D) and inserting the following: ''ending with the month in which he dies or (if earlier) with whichever of the following months is the earliest:''.

(j) BENEFITS AT AGE 72 FOR CERTAIN UNINSURED INDIVIDUALS.—Section 228(a) of the Social Security Act (42 U.S.C. 428(a)) is amended by striking ''the month preceding'' in the matter following paragraph (4).

(k) EXEMPTION FROM MAXIMUM BENEFIT CAP.—Section 203 of the Social Security Act (42 U.S.C. 403) is amended by adding at the end the following:

''Exemption From Maximum Benefit Cap

''(m) Notwithstanding any other provision of this section, the application of this section shall be made without regard to any amount received by reason of section 202(z), 223(j), or 228(i).''.

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to deaths occurring after the date that is 180 days after the date of the enactment of this Act.

By Ms. MIKULSKI (for herself, Mr. SARBANES, Ms. COLLINS, Mr. BINGAMAN, Mr. DASCHLE, Ms. SNOWE, Mr. DORGAN, Ms. LANDRIEU, Mrs. MURRAY, Mr. BREAUX, Ms. CANTWELL, Mr. KENNEDY, and Mrs. CLINTON):

S. 363. A bill to amend title II of the Social Security Act to provide that the reductions in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation; to the Committee on Finance.

Ms. MIKULSKI. Mr. President, I rise today to talk about an issue that is very important to me, very important to my constituents in Maryland and very important to government workers and retirees across the Nation. I am reintroducing a bill to modify a cruel rule of government that is unfair and prevents current workers from enjoying the benefits of their hard work during retirement. My bill has bipartisan support and the House companion bill

had nearly 300 cosponsors last year. With this strong bipartisan support, I hope that we can correct this cruel rule of government this year.

Under current law, a Social Security spousal benefit is reduced or entirely eliminated if the surviving spouse is eligible for a pension from a local, State or Federal Government job that was not covered by Social Security. This policy is known as the Government Pension Offset.

This is how the current law works. Consider a surviving spouse who retires from government service and receives a government pension of $600 a month. She also qualifies for a Social Security spousal benefit of $645 a month. Because of the Pension Offset law, which reduces her Social Security benefit by 2/3 of her government pension, her spousal benefit is reduced to $245 a month. So instead of $1245, she will receive only $845 a month. That is $400 a month less to pay the rent, purchase a prescription medication, or buy groceries. I think that is wrong.

My bill does not repeal the government pension offset entirely, but it will allow retirees to keep more of what they deserve. It guarantees that those subject to the offset can keep at least $1200 a month in combined retirement income. With my modification, the 2/3 offset would apply only to the combined benefit that exceeds $1200 a month. So, in the example above, the surviving spouse would face only a $30 offset, allowing her to keep $1215 in monthly income.

Unfortunately, the current law disproportionately affects women. Women are more likely to receive Social Security spousal benefits and to have worked in low-paying or short-term government positions while they were raising families. It is also true that women receive smaller government pensions because of their lower earnings, and rely on Social Security benefits to a greater degree. My modification will allow these women who have contributed years of important government service and family service to rely on a larger amount of retirement income.

The last time Congress passed a bill significantly effecting Social Security benefits was in 1999. At that time, the Senate unanimously voted for and passed H.R. 5, The Senior Citizens' Freedom to Work Act of 1999. This legislation ensured that senior citizens who choose to work or who must work can earn income after retirement without losing a portion of their Social Security benefit. That law helps senior citizens who earn above $17,000 per year. In contrast, my bill specifically targets those with much lower retirement incomes around $13,000 per year and less. I believe that we must work to ensure a safety net for all of our seniors—including those retired federal employees who every day are forced to make difficult choices between rent, food, and prescription drugs due to the drastic effects of the government pension offset.

Why do we punish people who have committed a significant portion of their lives to government service? We are talking about workers who provide some of the most important services to our community—teachers, firefighters, and many others. Some have already retired. Others are currently working and looking forward to a deserved retirement. These individuals deserve better than the reduced monthly benefits that the Pension Offset currently requires.

Government employees work hard in service to our nation, and I work hard for them. I do not want to see them penalized simply because they have chosen to work in the public sector, rather than for a private employer, and often at lower salaries and sometimes fewer benefits. If a retired worker in the private sector received a pension, and also received a spousal Social Security benefit, they would not be subject to the Offset. I think we should be looking for ways to reward government service, not the other way around. I believe that people who work hard and play by the rules should not be penalized by arcane, legislative technicalities.

Frankly, I would like to repeal the offset all together. But, I realize that budget considerations make that unlikely. As a compromise, I hope we can agree that retirees who have worked hard all their lives should not have this offset applied until their combined monthly benefit, both government pension and Social Security spousal benefit, exceeds $1,200.

I also strongly believe that we should ensure that retirees buying power keeps up with the cost of living. That's why I have also included a provision in this legislation to index the $1,200 amount to inflation so retirees will see their minimum benefits increase along with the cost of living.

The Social Security Administration recently estimated that enacting the provisions contained in my bill will have a minimal long-term impact on the Social Security Trust Fund—about 0.01 percent of taxable payroll. Additionally, my bill is bipartisan and is strongly supported by CARE, the Coalition to Assure Retirement Equity with 43 member organizations including the National Association of Retired Federal Employees, NARFE, the American Federation of Federal State County and Municipal Employees, AFSCME, the National Education Association, NEA, and the National Treasury Employees Union, NTEU.

I urge my colleagues to join me in this effort and support my legislation to modify the Government Pension Offset. I ask unanimous consent that the text of my bill be printed in the RECORD.

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

S. 363

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 ''Government Pension Offset Reform Act''.

SEC. 2. LIMITATION ON REDUCTIONS IN BENEFITS FOR SPOUSES AND SURVIVING SPOUSES RECEIVING GOVERNMENT PENSIONS.

(a) WIFE'S INSURANCE BENEFITS.—Section 202(b)(4)(A) of the Social Security Act (42 U.S.C. 402(b)(4)(A)) is amended—

(1) by inserting ''the amount (if any) by which the sum of such benefit (before reduction under this paragraph) and'' after ''two-thirds of''; and

(2) by inserting ''exceeds the amount described in subsection (z) for such month,'' before ''if''.

(b) HUSBAND'S INSURANCE BENEFITS.—Section 202(c)(2)(A) of such Act (42 U.S.C. 402(c)(2)(A)) is amended—

(1) by inserting ''the amount (if any) by which the sum of such benefit (before reduction under this paragraph) and'' after ''two-thirds of''; and

(2) by inserting ''exceeds the amount described in subsection (z) for such month,'' before ''if''.

(c) WIDOW'S INSURANCE BENEFITS.—Section 202(e)(7)(A) of such Act (42 U.S.C. 402(e)(7)(A)) is amended—

(1) by inserting ''the amount (if any) by which the sum of such benefit (before reduction under this paragraph) and'' after ''two-thirds of''; and

(2) by inserting ''exceeds the amount described in subsection (z) for such month,'' before ''if''.

(d) WIDOWER'S INSURANCE BENEFITS.—Section 202(f)(2)(A) of such Act (42 U.S.C. 402(f)(2)(A)) is amended—

(1) by inserting ''the amount (if any) by which the sum of such benefit (before reduction under this paragraph) and'' after ''two-thirds of''; and

(2) by inserting ''exceeds the amount described in subsection (z) for such month,'' before ''if''.

(e) MOTHER'S AND FATHER'S INSURANCE BENEFITS.—Section 202(g)(4)(A) of such Act (42 U.S.C. 402(g)(4)(A)) is amended—

(1) by inserting ''the amount (if any) by which the sum of such benefit (before reduction under this paragraph) and'' after ''two-thirds of''; and

(2) by inserting ''exceeds the amount described in subsection (z) for such month,'' before ''if''.

(f) AMOUNT DESCRIBED.—Section 202 of such Act (42 U.S.C. 402) is amended by adding at the end the following:

''(z) The amount described in this subsection is, for months in each 12-month period beginning in December of 2003, and each succeeding calendar year, the greater of—

''(1) $1200; or

''(2) the amount applicable for months in the preceding 12-month period, increased by the cost-of-living adjustment for such period determined for an annuity under section 8340 of title 5, United States Code (without regard to any other provision of law).''.

(g) LIMITATIONS ON REDUCTIONS IN BENEFITS.—Section 202 of such Act (42 U.S.C. 402), as amended by subsection (f), is amended by adding at the end the following:

''(aa) For any month after December 2003, in no event shall an individual receive a reduction in a benefit under subsection (b)(4)(A), (c)(2)(A), (e)(7)(A), (f)(2)(A), or (g)(4)(A) for the month that is more than the reduction in such benefit that would have applied for such month under such subsections as in effect on December 1, 2003.''.

SEC. 3. EFFECTIVE DATE.

The amendments made by section 1 shall apply with respect to monthly insurance benefits payable under title II of the Social Security Act for months after December 2003.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 51—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON GOVERNMENTAL AFFAIRS

Ms. COLLINS (for herself and Mr. LIEBERMAN) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 51

Resolved,

SECTION 1. COMMITTEE ON GOVERNMENTAL AFFAIRS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs (referred to in this resolution as the ''committee'') is authorized from March 1, 2003, through February 28, 2005, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2003.—The expenses of the committee for the period March 1, 2003, through September 30, 2003, under this section shall not exceed $4,764,738, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of the committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2004 PERIOD.—The expenses of the committee for the period October 1, 2003, through September 30, 2004, under this section shall not exceed $8,387,779, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of the committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2005.—For the period October 1, 2004, through February 28, 2005, expenses of the committee under this section shall not exceed $3,576,035, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of the committee (under procedures specified by section 202(j) of that Act).

SEC. 2. REPORTING LEGISLATION.

The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 2005.

SEC. 3. EXPENSES; AGENCY CONTRIBUTIONS; AND INVESTIGATIONS.

(a) EXPENSES OF THE COMMITTEE.—

(1) IN GENERAL.—Except as provided in paragraph (2), any expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

(2) VOUCHERS NOT REQUIRED.—Vouchers shall not be required for—

(A) the disbursement of salaries of employees of the committee who are paid at an annual rate;

(B) the payment of telecommunications expenses provided by the Office of the Sergeant at Arms and Doorkeeper;

(C) the payment of stationery supplies purchased through the Keeper of Stationery;

(D) payments to the Postmaster of the Senate;

(E) the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper;

(F) the payment of Senate Recording and Photographic Services; or

(G) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

(b) AGENCY CONTRIBUTIONS.—There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee for the period March 1, 2003, through September 30, 2003, for the period October 1, 2003, through September 30, 2004, and for the period October 1, 2004, through February 28, 2005, to be paid from the appropriations account for ''Expenses of Inquiries and Investigations'' of the Senate.

(c) INVESTIGATIONS.—

(1) IN GENERAL.—The committee, or any duly authorized subcommittee of the committee, is authorized to study or investigate—

(A) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(B) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(C) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(D) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud, and the use of offshore banking and corporate facilities to carry out criminal objectives;

(E) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge and talents;

(iii) the adequacy of present intergovernmental relations between the United States and international organizations principally concerned with national security of which the United States is a member; and

(iv) legislative and other proposals to improve these methods, processes, and relationships;

(F) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries;

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(G) the efficiency and economy of all branches and functions of Government with particular references to the operations and management of Federal regulatory policies and programs.

(2) EXTENT OF INQUIRIES.—In carrying out the duties provided in paragraph (1), the inquiries of this committee or any subcommittee of the committee shall not be construed to be limited to the records, functions, and operations of any particular branch of the Government and may extend to the records and activities of any persons, corporation, or other entity.