abortion, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. GRASSLEY:

S. 1606. A bill to reenact chapter 12 of title 11, United States Code, and for other purposes; read the first time.

By Mr. ASHCROFT:

S. 1607. A bill to ensure that the United States Armed Forces are not endangered by placement under foreign command for military operations of the United Nations, and for other purposes; to the Committee on Foreign Relations.

By Mr. WYDEN (for himself, Mr. CRAIG, and Mr. SMITH of Oregon):

S. 1608. A bill to provide annual payments to the States and counties from National Forest System lands managed by the Forest Service, and the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands managed predominately by the Bureau of Land Management, for use by the counties in which the lands are situated for the benefit of the public schools, roads, emergency and other public purposes; to encourage and provide new mechanism for cooperation between counties and the Forest Service and the Bureau of Land Management to make necessary investments in federal lands, and reaffirm the positive connection between Federal Lands counties and Federal Lands; and for other purposes; to the Committee on Energy and Natural Resources.

By Mrs. HUTCHISON (for herself, Mr. ABRAHAM, Mr. BENNETT, Mr. ROBERTS, Mr. BURNS, and Mr. HAGEL):

S. 1609. A bill to amend title XVIII of the Social Security Act to revise the update factor used in making payments to PPS hospitals under the medicare program; to the Committee on Finance.

By Mr. EDWARDS (for himself and Mr. ROBB):

S. 1610. A bill to authorize additional emergency disaster relief for victims of Hurricane Dennis and Hurricane Floyd; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SANTORUM:

S. 1605. A bill to establish a program of formula grants to the States for programs to provide pregnant women with alternatives to abortion, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

THE WOMEN AND CHILDREN'S RESOURCES ACT

Mr. SANTORUM. Mr. President, I rise today to introduce legislation that offers compassionate choices for women facing unplanned pregnancies. This bill, the Women and Children's Resources Act, establishes an $85 million formula grant program to provide pregnant women with alternatives to abortion.

The Women and Children's Resources Act (WCRA) is modeled after a successful program in Pennsylvania, Project Women In Need (WIN). This program was created under the Administration of former Governor Robert Casey and implemented during the current Administration of Governor Tom Ridge. Project WIN has filled a critical void for women seeking support during this confusing and uncertain time. The centers often receive 500 calls per week.

This legislation is designed to meet the needs of women facing one of the most important decisions of their lives. WCRA is intended to link women to a network of supportive organizations who are ready and willing to offer assistance in the form of pregnancy testing, adoption information, prenatal and postpartum health care, maternity and baby clothing, food, diapers and information on childbirth and parenting. Women can also receive referrals for housing, education, and vocational training. This bill seeks to provide compassionate choices to women; it is an effort to reach out to women and let them know they do not have to face this decision alone.

The bill directs federal funding to states through a formula based on the number of out-of-wedlock births and abortions in a state as compared to this sum for the nation. Upon receipt of this grant, states will select their prime contractors from the private sector to administer the program. The prime contractor will distribute Women and Children's Resources Grants to crisis pregnancy centers, maternity homes, and adoption services on a fee-for-service basis. Faith-based providers may also participate in the program, but they may not proselytize. Further, state-wide toll-free referral systems and other methods of advertisement will be established to make these services readily available to pregnant women and their children. Low-income women will be given priority for these services.

Because WCRA seeks to offer alternatives to abortion, contractors and subcontractors which receive funding under this bill cannot promote, refer, or counsel for abortion. Further, these entities must be physically and financially separate from any entity which promotes, refers, or counsels for abortion.

Mr. President, not every woman facing an unplanned pregnancy knows that supportive services exist. Many believe that the future they had planned is no longer achievable. They feel alone and abandoned. Often, they mistakenly believe that abortion is their only real choice. For this reason, WCRA offers compassionate, life-affirming choices and support. I urge my colleagues to join me in supporting this legislation.

Finally, I ask unanimous consent that the text of this legislation appear in the RECORD.

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

S. 1605

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 ''Women and Children's Resources Act''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds as follows:

(1) Women confronted with unplanned or crisis pregnancy often are left with the impression that abortion is the only choice that they have in dealing with their difficult circumstances.

(2) Women often lack accurate information, supportive counseling and other assistance regarding adoption and parenting alternatives to abortion.

(3) Organizations that provide accurate information, supportive counseling and other assistance regarding adoption and parenting alternatives to abortion often lack sufficient resources to reach women in need of their services and to provide for their needs.

(b) PURPOSE.—The purpose of this Act is—

(1) to promote childbirth as a viable and positive alternative to abortion and to empower those facing unplanned or crisis pregnancies to choose childbirth rather than abortion;

(2) to carry out paragraph (1) by supporting entities and projects that provide information, counseling, and support services that assist women to choose childbirth and to make informed decisions regarding the choice of adoption or parenting with respect to their children; and

(3) to maximize the effectiveness of this Act by providing funds only to those entities and projects that have a stated policy of actively promoting childbirth instead of abortion and that have experience in providing alternative-to-abortion services.

SEC. 3. FORMULA GRANTS TO STATES FOR ALTERNATIVE-TO-ABORTION SERVICES PROGRAMS.

In the case of each State that in accordance with section 6 submits to the Secretary of Health and Human Services an application for a fiscal year, the Secretary shall make a grant to the State for the year for carrying out the purposes authorized in section 4(a) (subject to amounts being appropriated under section 11 for the year). The grant shall consist of the allotment determined for the State under section 7.

SEC. 4. ESTABLISHMENT AND OPERATION OF STATE PROGRAMS TO PROVIDE ALTERNATIVE-TO-ABORTION SERVICES; ADMINISTRATION OF PROGRAMS THROUGH CONTRACTS WITH ENTITIES.

(a) IN GENERAL.—Grant funds provided under this Act may be expended only for purposes of the establishment and operation of a State program (carried out pursuant to contracts under subsection (c)) designed to provide alternative-to-abortion services (as defined in section 9) to eligible individuals as described in subsection (b).

(b) ELIGIBLE INDIVIDUALS.—

(1) IN GENERAL.—Subject to paragraph (2), an individual is an eligible individual for purposes of subsection (a) if—

(A) the individual is pregnant (or has reasonable grounds to believe she may be pregnant);

(B) the individual (male or female) is the parent or legal guardian of an infant under 12 months of age; or

(C) the individual is the spouse or other partner of an individual described in subparagraph (A) or (B).

(2) PRIORITY FOR LOW-INCOME INDIVIDUALS.—Grant funds provided under this Act shall be awarded only to States that submit a grant application that assures that the State program—

(A) will give priority to serving eligible individuals who are from low-income families; and

(B) will not impose a charge on any eligible individual from a low-income family except to the extent that payment will be made by a third party (including a government agency) that is authorized or is under legal obligation to pay such charge.

(c) ADMINISTRATION OF PROGRAMS THROUGH CONTRACTS WITH EXPERIENCED ENTITIES AND

SERVICE PROVIDERS.—Grant funds provided under this Act shall be awarded only to States that submit a grant application that assures that the State program will be established and operated in accordance with the following:

(1) ESTABLISHMENT AND OPERATION OF PROGRAM.—

(A) PRIME CONTRACTOR.—The State shall enter into a contract with a nonprofit private entity that, under the contract, shall be designated as the ''prime contractor'' and shall have the principal responsibility for administering the State program, including subcontracting with service providers.

(B) SUBCONTRACTS WITH SERVICE PROVIDERS.—The prime contractor shall enter into subcontracts with service providers for reimbursement of alternative-to-abortion services provided to eligible individuals on a fee-for-service basis, as provided in paragraph (2)(C)(ii).

(C) EXPENDITURES OF GRANT.—The prime contractor shall be authorized to expend funds to administer the State program, reimburse service providers, and to provide additional supportive services to assist such providers in providing alternative-to-abortion services to eligible individuals consistent with the purposes of this Act, including providing for a toll-free referral system, advertising of alternative-to-abortion services, purchase of educational materials, and grants for new sites and new project development.

(D) REQUIREMENT FOR PRIME CONTRACTORS.—An entity may not become a prime contractor unless, consistent with the overall purpose of this Act, it has a stated policy of actively promoting childbirth instead of abortion.

(E) ADDITIONAL REQUIREMENTS FOR PRIME CONTRACTORS.—An entity may not become a prime contractor unless—

(i) for the 5-year period preceding the date on which the entity applies to receive the contract, it has been engaged primarily in the provision of core services or it has operated a project that provides such services;

(ii) it already serves as a prime contractor pursuant to a State appropriation designed to fund alternative-to-abortion services; or

(iii) it is a subsidiary of an entity that meets the criteria under clause (i) or (ii).

(F) REQUIREMENTS FOR SUBCONTRACTORS.—An entity may not become a service provider unless—

(i) it operates a service provider project that has a stated policy of actively promoting childbirth instead of abortion;

(ii) its project has been providing alternative-to-abortion services to clients for at least 1 year; and

(iii) its project is physically and financially separate from any entity that advocates, performs, counsels for or refers for abortion.

(G) RESTRICTION.—No prime contractor or service provider project may perform abortion, counsel for or refer for abortion, or advocate abortion.

(2) EXPENDITURES UNDER THE PROGRAM.—

(A) EXPENDITURES FOR START-UP COSTS.—For the first full fiscal year in which a State program has received grant funds pursuant to this Act, the State shall disburse grant funds to the prime contractor for start-up costs, in an amount not to exceed 10 percent of the total amount of the grant made to the State for that fiscal year.

(B) EXPENDITURES FOR ADMINISTRATIVE COSTS.—For the first full fiscal year in which a State program has received grant funds pursuant to this Act and for the 2 subsequent fiscal years, the State shall disburse grant funds to the prime contractor for administrative costs, in an amount not to exceed 20 percent of the total amount of the grant made to the State for those fiscal years. For all other fiscal years, the State shall disburse grant funds for administrative costs, in an amount not to exceed 15 percent of the total amount of the grant made to the State for the fiscal year.

(C) EXPENDITURES FOR SERVICE COSTS.—

(i) DISBURSEMENT TO PRIME CONTRACTOR FOR SERVICE COSTS.—For each fiscal year, the State shall disburse to the prime contractor for service costs all remaining grant funds not expended on permissible administrative or start-up costs.

(ii) SERVICE PROVIDER REIMBURSEMENT RATES.—The prime contractor shall reimburse service providers for alternative-to-abortion services provided to eligible individuals at the following fee-for-service rates:

(I) $10 for every 10 minutes of counseling for eligible individuals.

(II) $10 for every 10 minutes of referral time spent.

(III) $20 per individual per hour of class instruction provided.

(IV) $10 for each self-administered pregnancy test kit provided.

(V) $10 for every pantry visit.

For fiscal year 2001 and subsequent fiscal years, each of the dollar amounts specified in this clause shall be adjusted to offset the effects of inflation occurring after the beginning of fiscal year 2000.

(d) ADDITIONAL RESTRICTIONS REGARDING EXPENDITURE OF GRANT FUNDS.—A State applying for a grant under this Act shall provide assurances, in its grant application, as follows:

(1) No grant funds will be expended for any of the following:

(A) Performing abortion, counseling for or referring for abortion, or advocating abortion.

(B) Providing, referring for, or advocating the use of contraceptive services, drugs, or devices.

(2) No grant funds will be expended to make payment for a service that is provided to an eligible individual if payment for such service has already been made, or can reasonably be expected to be made—

(A) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

(B) by an entity that provides health services on a prepaid basis.

(3) No grant funds will be expended—

(A) to provide inpatient hospital services;

(B) to make cash payments to intended recipients of services;

(C) to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility; or

(D) to satisfy any requirement that non-Federal funds be expended as a precondition of the receipt of Federal funds.

SEC. 5. SERVICES PROVIDED BY RELIGIOUS ORGANIZATIONS.

(a) PURPOSE.—The purpose of this section is to allow States to contract with religious organizations pursuant to section 4(c) on the same basis as any other nongovernmental provider without impairing the religious character of such organizations, and without diminishing the religious freedom of eligible individuals served under the State program.

(b) NONDISCRIMINATION AGAINST RELIGIOUS ORGANIZATIONS.—Religious organizations are eligible, on the same basis as any other nongovernmental organization, as contractors to provide services under a State program described in section 4(c) so long as the program is implemented consistent with the Establishment Clause of the United States Constitution. Neither the Federal Government nor a State receiving a grant under this Act shall discriminate against an organization which is or applies to be a contractor under section 4(c) on the basis that the organization has a religious character.

(c) RELIGIOUS CHARACTER AND FREEDOM.—

(1) RELIGIOUS ORGANIZATIONS.—A religious organization receiving a contract under section 4(c) shall retain its independence from Federal, State, and local governments, including such organization's control over the definition, development, practice, and expression of its religious beliefs.

(2) ADDITIONAL SAFEGUARDS.—Neither the Federal Government nor a State receiving a grant under section 2 shall require a religious organization to—

(A) alter its form of internal governance; or

(B) remove religious art, icons, scripture, or other symbols;

in order to be eligible for a contract under section 4(c).

(d) EMPLOYMENT PRACTICES.—

(1) TENETS AND TEACHINGS.—A religious organization that provides services under a program described in section 4(c) may require that its employees providing assistance under such program adhere to the religious tenets and teachings of such organization, and such organization may require that those employees adhere to rules forbidding the use of drugs or alcohol.

(2) TITLE VII EXEMPTION.—A religious organization's exemption provided under section 702 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–1, 2000e–2(e)(2)) regarding employment practices shall not be affected by the receipt of a contract under section 4(c).

(e) RIGHTS OF BENEFICIARIES OF ASSISTANCE.—

(1) IN GENERAL.—If an eligible individual has an objection to the religious character of the organization from which the individual receives, or would receive, alternative-to-abortion services, the State shall provide such individual within a reasonable period of time after the date of such objection with the names and addresses of alternative service providers that offer a range of services similar to those offered by the original service provider.

(2) NOTICE.—A State receiving a grant under this Act shall ensure that notice is provided to individuals described in paragraph (1) of the rights of such individuals under this section.

(f) NONDISCRIMINATION AGAINST BENEFICIARIES.—A religious organization shall not discriminate against an eligible individual in regard to providing alternative-to-abortion services on the basis of religion, a religious belief, or refusal to actively participate in a religious practice.

(g) FISCAL ACCOUNTABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), any religious organization receiving a contract under section 4(c) shall be subject to the same regulations as other contractors to account in accordance with generally accepted accounting principles for the use of such funds under this Act.

(2) LIMITED AUDIT.—If such organization segregates funds received under this Act into separate accounts, then only such funds shall be subject to audit by the government.

(h) COMPLIANCE.—Any party which seeks to enforce its rights under this section may assert a civil action for injunctive relief exclusively in an appropriate State court against the entity or agency that allegedly commits such violation.

(i) LIMITATIONS ON USE OF FUNDS FOR CERTAIN PURPOSES.—No grant funds obtained pursuant to this Act shall be expended for sectarian worship, instruction, or proselytization.

(j) PREEMPTION.—Nothing in this section shall be construed to preempt any provision of a State constitution or State statute that

prohibits or restricts the expenditure of State funds in or by religious organizations.

(k) TREATMENT OF SERVICE PROVIDERS.—This section applies to awards under section 4(c) made by prime contractors to service providers to the same extent and in the same manner as this section applies to awards under such section by States to prime contractors.

SEC. 6. STATE APPLICATION FOR GRANT.

An application for a grant under this Act is in accordance with this section if—

(1) the State submits the application not later than the date specified by the Secretary;

(2) the application demonstrates that the State program for which grant funds are sought will be established and operated in compliance with all of the requirements of this Act; and

(3) the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines are necessary to carry out this Act.

SEC. 7. DETERMINATION OF AMOUNT OF STATE ALLOTMENT.

(a) IN GENERAL.—The allotment of funds to be granted to each State for a fiscal year is to be the State-calculated percentage of the total amount available under section 11 for the fiscal year.

(b) STATE-CALCULATED PERCENTAGE.—The State-calculated percentage shall be determined by dividing—

(1) the number of children born in the State to women who were not married at the time of the birth plus the number of abortions performed in the State; by

(2) the number of children born in all States to women who were not married at the time of the birth plus the number of abortions performed in all States as last reported by the Centers for Disease Control and Prevention.

(c) UNALLOTTED FUNDS FOR FIRST THREE FISCAL YEARS.—For the first 3 fiscal years for which funds are appropriated under section 11, if excess funds are available due to the failure of any State to apply for grant funds under this Act, such excess funds shall be allotted to participating States in an amount equal to a percentage of the excess funds determined by dividing—

(1) the number of children born in the participating State to women who were not married at the time of the birth plus the number of abortions performed in the participating State; by

(2) the number of children born in all participating States to women who were not married at the time of the birth plus the number of abortions performed in all participating States as last reported by the Centers for Disease Control and Prevention.

(d) UNALLOTTED FUNDS FOR SUBSEQUENT FISCAL YEARS.—For years subsequent to the first 3 fiscal years for which funds are appropriated under section 11, if excess funds are available due to the failure of any State to apply for grant funds under this Act, such excess funds shall be allotted to participating States in an amount equal to a percentage of the total excess funds determined by dividing—

(1) the amount of service costs expended by an individual participating State under this Act during the previous calendar year; by

(2) the total amount of service costs expended by all participating States under this Act during the previous calendar year.

SEC. 8. BIENNIAL REPORTS TO CONGRESS.

The Secretary shall submit to the Congress periodic reports on the State programs carried out pursuant to this Act. The first report shall be submitted not later than February 1, 2001, and subsequent reports shall be submitted biennially thereafter.

SEC. 9. DEFINITIONS.

In this Act:

(1) ADMINISTRATIVE COSTS.—The term ''administrative costs'' means expenditures for costs associated with the administration of the State program by the prime contractor, including salaries of administrative office staff, taxes, employee benefits, job placement costs, postage and shipping costs, travel and lodging for administrative staff, office rent, telephone and fax costs, insurance and office supplies, professional development for administrative staff and ongoing legal, accounting, and computer consulting for the program. Such term does not include expenditures for start-up costs or service costs.

(2) ALTERNATIVE-TO-ABORTION SERVICES.—The term ''alternative-to-abortion services'' means core services and support services as defined in this section.

(3) CORE SERVICES.—The term ''core services'' means the provision of information and counseling that promotes childbirth instead of abortion and assists pregnant women in making an informed decision regarding the alternatives of adoption or parenting with respect to their child.

(4) LOW-INCOME FAMILY.—The term ''low-income family'' has the meaning given such term under section 1006(c) of the Public Health Service Act (42 U.S.C. 300a-4(c)).

(5) SUPPORT SERVICES.—The term ''support services'' means additional services and assistance designed to assist eligible individuals to carry their child to term and to support eligible individuals in their parenting or adoption decision. These support services include the provision of—

(A) self-administered pregnancy testing;

(B) baby food, maternity and baby clothing, and baby furniture;

(C) information and education, including classes, regarding prenatal care, childbirth, adoption, parenting, chastity (or abstinence); and

(D) referrals for services consistent with the purposes of this Act.

(6) PANTRY VISIT.—The term ''pantry visit'' means a visit by an eligible individual to a service provider during which baby food, maternity or baby clothing, or baby furniture are made available to the individual free of charge.

(7) REFERRAL TIME.—The term ''referral time'' means the time taken to research and set up an appointment on behalf of an eligible individual to secure support through a referral.

(8) REFERRALS.—The term ''referrals'' means action taken on behalf of an eligible individual to secure additional support from a social service agency or other entity. Referral may be for services, items and assistance regarding physical and mental health (prenatal, postnatal, and postpartum), food, clothing, housing, education, vocational training, and for other services designed to assist pregnant women and infants in need.

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

(10) SERVICE COSTS.—The term ''service costs'' means expenditures for costs incurred by the prime contractor to provide support for service provider projects, including salaries for technical support staff, taxes, employee benefits, job placement costs, professional development and ongoing training, educational and informational material for eligible individuals and counselors, advertising costs, operation of a toll-free referral system, travel for technical support staff, billing and database computer consulting, seminars for counseling training, meetings regarding program compliance requirements, minor equipment purchases for service provider projects, new project development, and service provider reimbursements for alternative-to-abortion services.

(11) SERVICE PROVIDER.—The term ''service provider'' means a nongovernmental entity that operates a service provider project and which enters into a subcontract with the prime contractor that provides for the reimbursement for alternative-to-abortion services provided to eligible individuals.

(12) SERVICE PROVIDER PROJECT.—The term ''service provider project'' means a project or program operated by a service provider that provides alternative-to-abortion services. All service provider projects must provide core services and may also provide support services.

(13) START-UP COSTS.—The term ''start-up costs'' means expenditures associated with the initial establishment of the State program, including the cost of obtaining furniture, computers and accessories, copy machines, consulting services, telephones, and other office equipment and supplies.

(14) STATE.—The term ''State'' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands.

SEC. 10. DATE CERTAIN FOR INITIAL GRANTS.

The Secretary shall begin making grants under this Act not later than 180 days after the date on which amounts are first appropriated under section 11, subject to the receipt of State applications in accordance with section 6.

SEC. 11. FUNDING.

For the purpose of carrying out this Act, there is authorized to be appropriated $85,000,000 for each of the fiscal years 2000 through 2004.

SEC. 12. OFFSET.

It is the sense of the Senate that overall funding for the Department of Health and Human Services should not be increased under this Act.

By Mr. WYDEN (for himself, Mr. CRAIG, and Mr. SMITH of Oregon):

S. 1608. A bill to provide annual payments to the States and counties from National Forest System lands managed by the Forest Service, and the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands managed predominately by the Bureau of Land Management, for use by the counties in which the lands are situated for the benefit of the public schools, roads, emergency and other public purposes; to encourage and provide new mechanism for cooperation between counties and the Forest Service and the Bureau of Land Management to make necessary investments in federal lands, and reaffirm the positive connection between Federal Lands counties and Federal Lands; and for other purposes; to the Committee on Energy and Natural Resources.

SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT

● Mr. WYDEN. Mr. President, it is time for Congress to enact a new program that combines secure funding for county services with a fresh approach to the management of federal lands in rural communities. Under our legislation counties will be connected to federal lands not just through the cutting of timber but also through important

road maintenance projects, watershed improvements and programs that promote tourism and recreation.

Since 1908, natural resource dependent communities have received federal funds for schools, roads and basic services based on the level of federal timber programs. The Forest Service cuts timber and the counties receive revenue. This has long constituted the traditional relationship between the counties and federal land management.

Now, as a result of changes in natural resource policies causing declines in timber production, many of our rural communities are finding it almost impossible to fund essential programs for school children, infrastructure and other needs.

There is a crisis in rural, timber-dependent America that must be addressed now. This crisis can be addressed now and in the future by providing secure, consistent funding to counties, and by encouraging a new cooperative relationship between these communities and federal land managers.

Congress must promptly enact a new program that combines traditional funding for county services with creative new policies that provide real connections between rural communities and the federal lands they cherish.

Senator CRAIG and I have been discussing how this might be accomplished because we realize that no pending proposal addressing the county payment issue has won the support of both the Congress and the Clinton administration.

In an effort to break this gridlock, we have developed the Secure Rural Schools and Community Self-Determination Act bill.

Our proposal would work as follows:

Counties will receive a consistent payment amount each year totaling 75% of the average of the top three federal land revenue years for their area between 1985 and the present, tied to the Consumer Price Index for rural areas. That consistent payment amount will be a combination of traditional 25% payments from the Forest Service and 50% payments from the Bureau of Land Management plus money from the general treasury where the traditional revenue stream does not rise to the level of the necessary consistent payment amount.

Counties would receive an additional 25% of the average amount described above from the general treasury to use for projects recommended by local community advisory committees and approved by the Forest Service or the Bureau of Land Management. These projects could include watershed restoration, road maintenance, or timber harvest, among other opportunities, as long as the project is in compliance with all applicable forest plans and environmental laws.

The Forest Service and Bureau of Land Management would be required to certify that a local consensus of environmental, industry, and other stakeholders exists, as well as approve the proposed project as environmentally sound. If consensus proposals cannot be developed in a particular county, then the money would be made available to counties that have developed such proposals. It bears repeating that all projects would have to comply with all environmental laws and regulations, as well as all applicable forest plans.

We believe that this bill has the potential to break the impasse on the county payment issue on Capitol Hill. But even more important, it represents an opportunity to forge a new charter for federal/county government cooperation, to encourage local citizens to seek consensus-based solution for resource conflicts, and to make critical investments in the stewardship of our federal lands.

This proposal will not please the proponents favoring pure decoupling of payments from timber harvest. It will also be opposed by those who are prepared to hobble the Forest Service or the Bureau of Land Management if they feel the timber harvest levels are not high enough. Our objective is to break the gridlock on federal support of counties, while bringing the nature of the relationship between the federal land managers and public land dependent communities into the twenty-first century. This bill provides a foundation to help rural counties through their immediate crisis, and down a path that will make sense in the next century.●

● Mr. CRAIG. Mr. President, I rise today with my colleagues from Oregon, Senator WYDEN and Senator SMITH of Oregon to introduce the Secure Rural Schools and Community Self Determination Act of 1999.

Perhaps as much as any other state, our counties have suffered as federal forest lands have been beset with conflict, and as the receipts promised to counties for educational purposes have decreased dramatically. Senator Wyden's counties are also suffering, as are other counties throughout the West and the country as a whole. Today, we wish to propose a solution to this problem.

When the National Forests were withdrawn from the Public Domain at the turn of the century, they were established with a basic commitment to local governments. Gifford Pinchot and other visionary conservationists of that day persuaded often-skeptical Federal and local government officials that retention of lands by the Federal Government, the creation of forest reserves, and the sustainable management of these forests would be good for local people, good for local governments, good for the country, and good for the environment.

Pinchot and his peers based these assurances on the proposition that the proceeds from the sustainable management and sale of the fiber, forage, and other resources from these reserved Federal lands would be shared between the local and Federal Governments. Consequently, cooperative management between local governments and Federal land managers—both the Forest Service and the Bureau of Land Management—has been a hallmark of good intergovernmental cooperation in many of our states, including Oregon and Idaho. In many cases, local governments have incurred costs from increased police, search and rescue, and fire protection associated with federally owned lands.

Our Federal forests have been crucial to the education of our children. Receipts from the sale of Federal timber and other commodities have been a vital component of county school and road budgets. In many cases, these funds have supported school lunches, special education, and a variety of assistance measures for disadvantaged children. In a very real sense, the bounty of our forests has allowed us to give a hand to our most needy rural children, including Native Americans and Hispanics. So this should be the one federal program through which concerns for the ''environment and education'' can be fulfilled by the same thoughtful actions.

However, we live in a different time, and federal forest management policies have become a source of considerable controversy. Timber sales have been reduced. Revenues both to the Federal treasury and the counties have decreased precipitously. Consequently, our rural school systems are in crisis.

Unfortunately, rather than coming together to forge a solution to these problems, the extremes on both sides of the equation are moving further apart. And they are placing our school children in the center of the controversy. One group seems to want to hold our school children hostage—to use the diminishing receipts and the deteriorating school systems as leverage to advantage their side of the forest management debate, favoring increased timber harvests. The other extreme would make our rural school children orphans—sending them out into the wilderness with no secure financial support in order to expedite the achievement of their goal of eliminating federal timber sales.

Senator WYDEN and I reject both of these extremes. We reject the notion that we cannot provide the school systems with additional support, without increasing timber harvesting. At the same time, we reject the proposition that we should completely ''decouple'' the support for rural schools from any responsibility on the part of the federal land management agencies, thereby totally separating local concerns from federal land management.

Gifford Pinchot articulately outlined the responsibility that the Federal Government generally, and the Forest Service and BLM specifically, assumed when the Federal forests were withdrawn from disposal or later retained in Federal ownership. In its simplest terms, this is a responsibility to provide local governments with a source of

revenue that they are otherwise denied as a consequence of their inability to tax federal lands. That responsibility is still as relevant today as it was at the turn of the century or during the Depression. It is still relevant today, irrespective of what options we choose for how to manage our Federal forests.

Indeed, the most telling flaw in the proposal to decouple county payments from timber receipts is the notion that this responsibility—willing assumed by the Forest Service at the turn of the century and BLM during the Depression—should be transformed into either the sole responsibility of the federal taxpayer, or no one's responsibility as it becomes another entitlement program which the Federal Government and taxpayers feel free to eliminate or reduce as their needs dictate.

Our proposal starts by establishing a set payment amount with which the counties can provide support for rural school systems. This set payment is based upon an average of representative years of timber receipts. In this respect, this proposal is similar to that offered by the Clinton Administration, and to H.R. 2389 being considered in the House.

But here is where the similarity stops. We would not establish a separate appropriations line—which in all likelihood would be underfunded like the existing Payment in Lieu of Taxes System. Nor would we impose the responsibility to meet this payment on the Forest Service's or the BLM's annual budget.

Instead, we provide the Forest Service and the BLM with the authority to use any available receipts to meet these payments, and—only if these receipts fall short—to make up the difference from unobligated funds in the General Treasury. The intent here is to retain an obligation on the part of the Forest Service and the BLM, but to provide some flexibility in meeting this obligation.

Based upon our experience with the Quincy Library Group, the Applegate Partnership, and elsewhere, we have come to conclude that the best, recent decisions concerning federal resource management have enjoyed significant, local input. That is why our proposal contains a unique element—Senator WYDEN's idea, actually—to foster both local consensus and federal accountability around the management of federal lands.

Only 75 percent of the money to be given to the counties is provided for the traditional school and road programs. The remaining 25 percent would be provided to the counties for federal land management investments. The counties may fund either commercial or noncommercial projects on the federal lands at the recommendation of local advisory groups, and with the agreement of federal land managers. Projects must comply with all environmental laws and regulations, and must be consistent with the applicable land management plan. Any proceeds from revenue generating projects will be split equally between the affected county and the federal land management agency. The county share will go to supporting schools and roads, while the federal share will go to infrastructure maintenance or ecosystem restoration. Any funds left-over because of a lack of local agreement will be reallocated to counties where agreement on resource stewardship priorities has been reached.

This proposal is as value-neutral concerning the resource debate as we could make it. It neither encourages nor discourages a particular resource management outcome. But it does have a very heavy prejudice that Senator WYDEN and I have become very passionate about. We are in favor of people of goodwill reasoning together to improve the quality of their lives and the quality of our environment. We cannot legislate an end to conflict. But we can use the legislative process to create an environment in which people are motivated to resolve their differences. That is what we think this bill does.●

By Mrs. HUTCHISON (for herself, Mr. ABRAHAM, Mr. BENNETT, Mr. ROBERTS, Mr. BURNS, and Mr. HAGEL);

S. 1609. A bill to amend title XVIII of the Social Security Act to revise the update factor used in making payments to PPS hospitals under the Medicare program; to the Committee on Finance.

THE AMERICAN HOSPITAL PRESERVATION ACT OF 1999

Mrs. HUTCHISON. Mr. President, I rise today to introduce, along with my colleagues Senators ABRAHAM, BENNETT, ROBERTS, BURNS, and HAGEL, the American Hospital Preservation Act of 1999.

Mr. President, the single biggest Medicare dollar issue facing hospitals today is a recently enacted reduction in the annual inflation adjustment for inpatient hospital payments. Prior to 1997, Medicare provided an annual inflation adjustment for the PPS (prospective payment system) payments it makes to hospitals, according to the patient's diagnosis. The inflation update is calculated using the projected increase in the hospital market basket indicator (MBI), which is just a way to calculate the overall inflation rate for hospital costs.

To achieve savings in the Medicare program, the 1997 balanced budget agreement between Congress and the President included a tightening of the MBI to ensure after-inflation savings in Medicare.

The bill I am introducing today will ease that tightening somewhat to reflect the savings we've made beyond our original estimate. Specifically, the bill will restore .5 percent of those scheduled reductions in the MBI for FY '00 through '02.

This restoration will bring inpatient reimbursement rates closer in line to actual health care inflation, which is necessary given the significant reductions in government and private health insurance plans that providers are increasingly experiencing. The bill will also serve to help hospitals and other institutional providers to adjust to new outpatient payment systems as well as greater than anticipated costs stemming from Y2K compliance, prescription drugs, and blood supplies. Y2K compliance alone is estimated to cost hospitals between $7 billion and $8 billion. To make matters worse, the Health Care Finance Administration (HCFA) has been making cuts in its payments to hospitals and other Medicare providers that are even beyond the savings Congress originally called for.

My bill will provide a temporary shot in the arm to hospitals already hard hit by overall Medicare provider reimbursement cuts, and particularly cuts in outpatient services. As hospitals learn to adjust to the new reimbursement system for outpatient services, continuing to receive inflation adjustments might just mean the difference between disaster and survival.

This bill also reflects the recommendation made by the Medicare Payment Advisory Commission (MedPAC) to provide the ½ percent restoration to the inpatient MBI.

This legislation is particularly justified considering that, far from the $115 billion originally envisioned to be saved through FY '02, the Medicare system is now projected to be in about $200 billion better shape than anticipated. Savings in Medicare from hospitals alone are estimated to be $20 billion more than first estimated.

Mr. President, rural hospitals, and all hospitals for that matter, operate on very slim margins yet manage to bring cutting-edge medical care to the communities they serve. But changes in Medicare payments to hospitals have put many institutions in a bind. Others are fighting for their lives.

Rural communities across Texas have felt the impact of hospital closures for more than a decade now. When a rural hospital closes, local residents lose access to routine, preventative care, not to mention emergency services that can save life and limb. Doctors and other highly trained professionals move away. Then people must drive a hundred miles or more in some cases to get the care city dwellers take for granted. Local economies suffer when jobs are lost. Existing businesses may have to move, and new businesses won't locate in places where health care is unavailable. Hospital closure can be a death-kneel for struggling towns.

Other rescue efforts are moving forward to preserve the ability of our nation's hospitals and other Medicare providers to provide adequate health care to their patients. I am cosponsoring a number of bills that have been introduced to strengthen hospitals' financial position. one would limit hospitals' losses under the new outpatient reimbursement system; another would

increase the reimbursements made to rural hospitals for seniors in Medicare Choice-Plus (managed care) plans.

Finally, my successful effort to ensure that states' tobacco settlement funds stay in our state and out of the clutches of the federal government has meant that many hospitals across the country are receiving a financial boost. As a result, hospitals across Texas and health care systems across the country are in line to receive the lion's share of $246 billion in state tobacco settlement payments over the next 25 years and beyond.

America's hospitals aren't out of the woods yet, but first aid is on the way.

Thank you, Mr. President, and I urge my colleagues to support and pass the American Hospital Preservation Act of 1999.

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. 1609

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 ''American Hospital Preservation Act of 1999''.

SEC. 2. REVISION OF PPS HOSPITAL PAYMENT UPDATE.

(a) IN GENERAL.—Section 1886(b)(3)(B)(i) of the Social Security Act (42 U.S.C. 1395ww(b)(3)(B)(i)) is amended—

(1) in subclause (XV), by striking ''1.8 percentage points'' and inserting ''1.3 percentage points''; and

(2) in subclause (XVI), by striking ''1.1 percentage points'' and inserting ''0.6 percentage point''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if included in the enactment of the Balanced Budget Act of 1997.

ADDITIONAL COSPONSORS

S. 51

At the request of Mr. BIDEN, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 51, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

S. 71

At the request of Ms. SNOWE, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 71, a bill to amend title 38, United States Code, to establish a presumption of service-connection for certain veterans with Hepatitis C, and for other purposes.

S. 424

At the request of Mr. COVERDELL, the names of the Senator from Wyoming (Mr. ENZI) and the Senator from Arizona (Mr. MCCAIN) were added as cosponsors of S. 424, a bill to preserve and protect the free choice of individuals and employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 469

At the request of Mr. BREAUX, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of S. 469, a bill to encourage the timely development of a more cost effective United States commercial space transportation industry, and for other purposes.

S. 655

At the request of Mr. LOTT, the names of the Senator from North Dakota (Mr. CONRAD) and the Senator from Arizona (Mr. KYL) were added as cosponsors of S. 655, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 664

At the request of Mr. CHAFEE, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 664, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 665

At the request of Mr. COVERDELL, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 665, a bill to amend the Congressional Budget and Impoundment Control Act of 1974 to prohibit the consideration of retroactive tax increases.

S. 666

At the request of Mr. LUGAR, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 666, a bill to authorize a new trade and investment policy for sub-Saharan Africa.

S. 784

At the request of Mr. ROCKEFELLER, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 784, a bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program.

S. 914

At the request of Mr. SMITH, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 914, a bill to amend the Federal Water Pollution Control Act to require that discharges from combined storm and sanitary sewers conform to the Combined Sewer Overflow Control Policy of the Environmental Protection Agency, and for other purposes.

S. 922

At the request of Mr. ABRAHAM, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 922, a bill to prohibit the use of the ''Made in the USA'' label on products of the Commonwealth of the Northern Mariana Islands and to deny such products duty-free and quota-free treatment.

S. 935

At the request of Mr. LUGAR, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 935, a bill to amend the National Agricultural Research, Extension, and Teaching Policy Act of 1977 to authorize research to promote the conversion of biomass into biobased industrial products, and for other purposes.

S. 1020

At the request of Mr. GRASSLEY, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1023

At the request of Mr. MOYNIHAN, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 1023, a bill to amend title XVIII of the Social Security Act to stabilize indirect graduate medical education payments.

S. 1024

At the request of Mr. MOYNIHAN, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 1024, a bill to amend title XVIII of the Social Security Act to carve out from payments to Medicare+Choice organizations amounts attributable to disproportionate share hospital payments and pay such amounts directly to those disproportionate share hospitals in which their enrollees receive care.

S. 1028

At the request of Mr. HATCH, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1028, a bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law, and for other purposes.

S. 1070

At the request of Mr. BOND, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 1070, a bill to require the Secretary of Labor to wait for completion of a National Academy of Sciences study before promulgating a standard, regulation or guideline on ergonomics.

S. 1086

At the request of Mrs. HUTCHISON, the names of the Senator from Maine (Ms. SNOWE) and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 1086, a bill to amend the Internal Revenue Code of 1986 to waive the income inclusion on a distribution from an individual retirement account to the extent that the distribution is contributed for charitable purposes.

S. 1140

At the request of Mrs. BOXER, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1140, a bill to require the