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

DESIGNATION OF THE SPEAKER PRO TEMPORE
The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC, February 8, 2002.
I hereby appoint the Honorable Michael K. Simpson to act as Speaker pro tempore on this day.

J. Dennis Hastert, Speaker of the House of Representatives.

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

Father of eternal light and unconditional love, You inspire and bring to fulfillment every good intention. Be with us as the Winter Olympic games unfold before the world in Salt Lake City tonight.

Protect and guard the athletes of 77 nations as they gather. Keep them healthy in mind and body. Shield them from injury, threat of violence, or any personal harm. May our Nation with all its care and security plans bring friendship and a spirit of peace to the games by extending a gracious gift of hospitality to all foreign visitors. Athletes may make history in competition, but may all transcend the moment of victory and nationalism through personal excellence, precision, beauty, attitude and thus reveal the wonder of our humanity.

May all who participate or watch the games be touched by Your spirit and be recreated as children of light who hold promise and bring hope to the world.

In all our human efforts to achieve highest goals, even sports, may we be so blessed by You, O Lord, that we come to recognize in one another and even in ourselves a fire within—Your fire, Your image within us—both now and forever. Amen.

THE JOURNAL
The SPEAKER pro tempore. The Chair has examined the Journal of the last day’s proceedings and announces to the House his approval thereof. Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE
The SPEAKER pro tempore. The Chair will lead the House in the Pledge of Allegiance.

The SPEAKER pro tempore led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE
A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is required, a bill of the House of the following title:

S. 1888. An act to amend title 18 of the United States Code. (S. 1888 is 2:07 p.m.)

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1888. An act to amend title 18 of the United States Code. (S. 1888 is 2:07 p.m.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE
The SPEAKER pro tempore. Pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Thursday, February 7, 2002:


LEAVE OF ABSENCE
By unanimous consent, leave of absence was granted to:
Mr. Gibbons (at the request of Mr. Armey) for January 29 on account of inclement weather and airport delays.
Mrs. Bono (at the request of Mr. Armey) for the week of February 4 on account of illness.

SENATE ENROLLED BILL SIGNED
The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:


ADJOURNMENT
The SPEAKER pro tempore. Without objection, the House stands adjourned until 12:30 p.m. on Tuesday next for morning hour debates.

There was no objection. Accordingly (at 10 o'clock and 4 minutes a.m.), under its previous order, the House adjourned until Tuesday, February 12, 2002, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.
Under clause 8 of rule XII, executive communications were taken from the Speaker’s table and referred as follows:
5433. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agen-
cy’s final rule—Zeta-Cypermethrin and its Inactive Pesticide Toler-
ce [OPP–301207; FRL–6818–8] (RIN: 2070–A978) re-
ceived January 30, 2002, pursuant to 5 U.S.C.
801(a)(1)(A); to the Committee on Agri-
culture.
5434. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agen-
cy’s final rule—Bifenthrin; Pesticide Toler-
ce [OPP–300902; FRL–6818–3] (RIN: 2070–
A978) received January 30, 2002, pursuant to 5 U.S.C.
801(a)(1)(A); to the Committee on Agri-
culture.
5435. A letter from the Deputy Secretary, Department of Defense, transmitting a letter on the development of a new General Officer Regulation General Roger G. Dekok, United States Air Force, and his advancement to the grade of lieutenant general on the Retired List; to the Committee on Armed Services.
5436. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agen-
cy’s final rule—Clean Air Act Full Approval of Operating Permit Program; District of Co-
lnia; Correction [DC-T5–2001a; FRL–7139–
3] received January 30, 2002, pursuant to 5 U.S.
801(a)(1)(A); to the Committee on En-
ergy and Commerce.
5437. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agen-
cy’s final rule—Approval of Section 112(d) Author-
ization of Air Quality Plans; State of Maryland; Department of the Environ-
ment [MDD01–1000; FRL–7135–9] received January 30, 2002, pursuant to 5 U.S.
801(a)(1)(A); to the Committee on En-
ergy and Commerce.
5438. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agen-
cy’s final rule—Approval and Promulgation of State Implementation Plans; State of Alaska; Fairbanks [AK–01–804a; FRL–7133–1] received January 30, 2002, pursuant to 5 U.S.
801(a)(1)(A); to the Committee on En-
ergy and Commerce.
5439. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agen-
cy’s final rule—Approval and Promulgation of Air Quality Plans; Alabama Update to Mat-
erials Incorporated by Reference [AL–2002213;
FRL–7313–5] received January 30, 2002, pursu-
ant to 5 U.S.C. 801(a)(1)(A); to the Committee on En-
ergy and Commerce.
5441. A letter from the Assistant Legal Ad-
viser for Treaty Affairs, Department of State, on matters of International agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C.
112(a); to the Committee on International Rela-
tions.
5442. A letter from the General Counsel, General Accounting Office, transmitting a copy of the FY 2002 Budget for the Federal agency, and severally referred, as follows:
H. Res. 346. A resolution expressing the sense of the House of Representatives regard-
ing prenatal care for women and children; to the Committee on Health, Education, Labor, and the Public Health.
H.R. 1294: Mr. ACEVEDO-VILA, Mr. GONZALEZ, Mrs. VELAZQUEZ, Mr. HINOJOSA, Mr. GONZALEZ, Ms. VELOZA,
Mr. RODRIGUEZ, Mr. BECERRA, Mr. ORTIZ, Mr.
PUBLIC BILLS AND RESOLUTIONS
Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:
By Mr. CARDIN (for himself, Mr. ENGLISH, Mr. BOUCHER, Mr. TOWNS, Mr. PLATTTS, Mr. ACKERMAN, Mr. CLEMENT, Mr. WAMP, Mr. PORTMAN, Mr. GILLI
MOR, Mr. GREEN of Texas, and Mr. ENGEL):
H.R. 3710. A bill to amend title XVIII of the Social Security Act to improve patient ac-
to, and utilization of, the colorectal cancer screening benefit under the Medicare Program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subse-
sequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
By Mr. GRAVES:
H.R. 3711. A bill to amend the Internal Rev-
1986 to provide to employers a tax credit for compensation paid during the period employees are performing service as members of the Ready Reserve or the Na-
tional Guard; to the Committee on Ways and Means.
By Mr. KENNEDY of Minnesota:
H.R. 3712. A bill to provide for the convey-
ance of the former Ammunition Center in Buffalo, Minnesota, to the Buffalo Independent School District 877, which is currently using the property under agree-
ment with the Army; to the Committee on Armed Services.
By Mr. KING (for himself, Mr. OBER-
BRENOT, Mr. PRICE of Ohio, Mr. GOR-
DON, Mr. DELEGACKI, Mr. BACHUS, Ms. BROWN of Florida, Mr. BERBETTER, Mrs. KELLY, Mr. HALL of Ohio, Mr. SAXTON, Mr. FLETCHER, Mr. BURGESS of Indiana, Mrs. MCDERMOTT of New York, Mr. GOODLATTE, Mr. WIL-
son of South Carolina, Mr. SCHAFFER, Mr. OTTER, Mrs. MORELLA, Mr. TAJIHF, Mr. GILMAN, Mr. GRUCHY, Mr. HOBSON, Mr. RYUN of Kansas, Mr. McMI-
CHUGH, Mr. WOLF, Mr. CRAMER, Mr. SMITH of New Jersey, Mr. HORN, Mr. COSTELLO, Mr. STRICKLAND, and Mr. SOUDE:
H.R. 3713. A bill to amend the Internal Rev-
1986 to allow penalty-free with-
drawals from individual retirement accounts for adoption expenses; to the Committee on Ways and Means.
By Mr. PHELPS:
H. Res. 321. A concurrent resolution ex-
pressing the sense of Congress that money from the drug trade helps finance terror and terrorism and that the link between drugs and terror is one more reason for children not to use drugs; to the Committee on En-
ergy and Commerce.
By Ms. KOS-LEHTINEN (for herself, Mrs. JO DAVIS of Virginia, Mr. HART, Mrs. MYRICK, and Mrs.
NORTHUP):
H. Res. 363. A resolution expressing the sense of the House of Representatives regarding prenatal care for women and children; to the Committee on Energy and Commerce.
ADDITIONAL SPONSORS
Under clause 7 of rule XII, sponsors were added to public bills and resolu-
tions as follows:
H.R. 658: Mr. HART and Mr. STUPAK.
H.R. 690: Mr. KENNEDY of Rhode Island.
H.R. 2944: Mr. ANDREWS of Texas, Mr.
HINOJOSA, Mr. GONZALEZ, Ms. VELOZ, Mr. RODRIGUEZ, Mr. BECERRA, Mr. ORTIZ, Mr.
H. Res. 259: Ms. Hooley of Oregon.
H. Res. 339: Mr. McNulty and Mr. Pallone.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk’s desk and referred as follows:

49. The SPEAKER presented a petition of the Office of the Vice Mayor, Municipality of San Rafael, Republic of the Philippines, relative to Municipal Resolution No. 2001–103 petitioning the United States Congress that the Sangguniang Bayan members express sympathy and offer prayers to the innocent victims of the September 11, 2001 terrorist attacks of the World Trade Center and the Pentagon while at the same time condemning in its strongest terms the dastardly acts against humanity causing untold misery, anguish and trauma to the soul and spirit; to the Committee on Government Reform.
The Senate met at 9:30 a.m. and was called to order by the Honorable Debbie Stabenow, a Senator from the State of Michigan.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

We are coming to the Lord, Great petitions to Him bring. For His grace and mercy are such That we can never ask too much.

Let us pray.

Gracious God, we believe that in this time of prayer, our hearts will wing their way to Your generous heart and we will receive what we need from You, the very power that sways the universe. We pray not to get Your attention but because You already have gotten our attention. We do not seek to convince You to listen to our petitions because You have blessed and will bless the Senate through our prayers. We know You desire to provide the unity and oneness of purpose we need. Long before we ask for Your wisdom and guidance, You have motivated the request in us. Thank You for Your prevenient grace, offered even before we ask and provided way beyond our deserving. Out of Your immense desire to bless America, imbue the minds of the Senators with Your vision for what is best for our beloved Nation. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable Debbie Stabenow led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

U.S. Senate, President pro tempore, Washington, DC, February 8, 2002.

To the Senate:

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

Robert C. Byrd, President pro tempore.

Ms. Stabenow thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. Reid. Madam President, we are going to renew consideration of the farm bill this morning. Senator Conrad is here and is going to offer an amendment. There are other amendments that will be offered today. Senator Santorum should be here shortly. Senator Feinstein will be here to offer an amendment. We hope others who are on the finite list of amendments will come over to offer their amendments. It is the intention of the two leaders that this legislation be completed no later than Tuesday night. That could be a long night or a short night, according to what the wishes of Senators are. Senator Daschle has made a commitment that we are going to go to the energy bill next week. We are very close to seeing the end of this legislation. I know Senator Harkin and Senator Lugar would very much like to complete this legislation. The two leaders want it completed. I am confident it will be completed. There will be no rollcall votes today. The next rollcall vote will occur Monday at approximately a quarter to 6 in the evening.

RESERVATION OF LEADER TIME

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

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1731, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

Daschle (for Harkin) amendment No. 2471, in the nature of a substitute.

Daschle motion to reconsider the vote (Vote No. 377—107th Congress, 1st session) by which the second motion to invoke cloture on Daschle (for Harkin) amendment No. 2471 (listed above) was not agreed to.

Crapo/Craig amendment No. 2533 (to amendment No. 2471), to strike the water conservation program.

Crapo amendment No. 2835 (to amendment No. 2471), to strike the water conservation program.

AMENDMENT NO. 2836

The ACTING PRESIDENT pro tempore. The Senator from North Dakota. Mr. Conrad. Madam President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. Without objection, the pending amendments will be set aside. The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. Conrad], for himself and Mr. Craig, proposes an amendment numbered 2836.
Mr. CONRAD. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The text of the amendment is printed in today's RECORD under "Amendments Submitted."

Mr. CONRAD. Madam President, I am pleased to offer this amendment on behalf of myself and the Senator from Idaho, Mr. Lugar.

The purpose of this amendment is to provide a predictable, transparent, and equitable formula for the Department of Agriculture to use in establishing beet sugar marketing allotments in the future. This is an amendment that enjoys widespread support within the sugar beet industry. Producers in that industry recall, as I do, the very difficult and contentious period just a few years ago when the Department of Agriculture last attempted to establish beet sugar allotments with very little direction in the law.

That experience left us all believing that there must be a better way, that we should seek a method for establishing allotments that is fair and open and that provides certainty and predictability to the industry. On that basis, I urged members of the industry to work together to see if they could agree on a reasonable formula.

I am pleased to say that the amendment I am offering today with the Senator from Idaho reflects producers' efforts to forge that consensus. It provides that any future allotments will be based on each processor's weighted-average production during the years 1998 through 2000, with authority for the Secretary of Agriculture to make adjustments in the formula if an individual processor experienced disaster-related losses during that period or opened or closed a processing facility or increased or decreased their processing capacity through improved technology to extract more sugar from beets.

In addition, the formula allows for adjustments in the reallocation of beet sugar allotments to account for such industry events as the permanent termination of operations by a processor, the sale of a processor's assets to another processor, the entry of new processors, and so on.

Taken together, these provisions offer predictability, fairness, and transparency we all agree is much needed in the sugar beet industry.

I should emphasize that this amendment applies only to producers of beet sugar. It is not in any way directed at producers of cane sugar.

Again, I thank Senator Grassley for his work in support of the amendment. I urge its adoption.

I would be remiss if I did not also thank the industry. This was not easy for them to do. As one who was centrally involved in 1995, when we last faced this problem, I can tell the Senate, this is a better way of dealing with the problem. Instead of waiting for the problem to develop and then having a chaotic situation on our hands when there was no formula, no agreement, this provides the means of a reasonable and fair distribution of allocation in the future.

I thank the Chair and yield the floor. Mr. LUGAR, Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELLSTONE, Madam President, I ask unanimous consent that the order for the quorum be rescinded.

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

The Senator from Minnesota.

Mr. WELLSTONE. Madam President, my understanding is that there is an amendment that my colleague from Idaho has introduced, and my understanding is he has introduced it—which deals with a ban on packer ownership, an amendment which was passed by this body on December 13. This was a Johnson/Grassley/Wellstone bipartisan amendment. It had the support of the Senate and Senator from Wyoming, Mr. Thomas, as well.

My understanding is my colleague Senator HARKIN will soon do a second-degree amendment to the Craig amendment. I was concerned I may not be present when that happens, so I wanted to speak about this.

What the Craig amendment would do is nullify this packer ownership amendment and replace it with a study. The intent of this packer ownership amendment is clear. It restricts the major meatpacking firms from owning livestock in a 14-day period before taking livestock to slaughter. What we are talking about is a tactic used by some packers. It is really their own form of supply management to reduce competition. This is an amendment intended to increase competition and the bargaining power of the independent producers.

This amendment has the support of the Nation's two largest farm and ranch organizations; the National Farmers Union and the Farm Bureau Federation. They have both expressed strong support for a ban on packer ownership of livestock, as have many other agricultural organizations across the country.

The meatpacking industry is busily working the Halls of the Congress to kill our amendment because, unfortunately, some of these firms want to give preference to their own livestock so they do not have to pay the farmers and the ranchers a fair price. What they do is they buy when prices are low, and then when prices start to go up for the independent livestock producers, they dump on the market to keep prices down. They are like a cartel.

A lot of the independent livestock producers in Minnesota and the country are sick and tired of these conglomerates muscling their way to the dinner table and using their raw economic and political power to push the independent producers out of existence. As a matter of fact, a lot of taxpayers are sick of it as well. That is why I urge this amendment, which puts some limit on payments, passed yesterday. It was a very important reform amendment.

Some of these packers have even taken out attack ads against some of those who have supported this amendment. There is a dramatic attack ad by Smithfield in South Dakota—where they basically say if this amendment stays in, they are not going to do any more investment in South Dakota or hint that they are even going to leave. I do not know whether one calls that blackmail or whitemail or threat of capital strike. I am not sure.

The major question surrounding the intent of our amendment concerns the meaning of the word "control" and whether the inclusion of that word in our language prohibits forward contracts or contractual marketing arrangements. While all the sponsors of the amendment have made it clear that the word "control" in the context of the ownership restriction does not prohibit such arrangements, Senator HARKIN's amendment today should leave no doubt. The amendment of the Senator from Iowa makes it clear that forward contracts and other marketing arrangements do not give a packer operational control of the production process and makes it crystal clear what control is all about. We are not saying you cannot have contractual arrangements with other producers. We are talking about direct ownership.

I will discuss again the "why" of this amendment that passed in December. I have been having fun with this debate because it is serious but you have to have a twinkle in your eye. I believe the battleground is to call for more free enterprise in the free enterprise system. I am the conservative here calling for more competition in the food industry; the independent livestock producers want a fair shake. The packers have their own style of supply management. Again, they act as a cartel and jack the independent producers around. They buy when prices are low. When prices go up, they dump on the market to keep prices low. It is simply unacceptable.

We have had formal agriculture committee hearings in the State of Minnesota. This has been an issue for a number of years. Usually the processors with all of their power in the debate. Yesterday's vote in the Senate says, when it comes to income support in government payments, there have to be payment limitations. We are tired of it being in such inverse relation to need. That was a reform vote. Country-of-origin labeling was a reform vote. The environmental credits in this bill that Senator HARKIN has
worked on is a reform vote. A strong energy section in this bill is a reform vote. Rural economic development is a reform vote. Getting the loan rate up, at least somewhat, is a reform vote.

And this is a reform vote.

I join my colleague, Senator HARKIN, who is offering the second-degree amendment. I say to all Senators, this is a blatant effort on the part of these big packers, of these big processors, to go after the independent producers. They always think, because they have so much economic and political power, that they will win these votes.

I like my colleague from Idaho. It is my nature to like people. With all due respect, the amendment of the Senator from Idaho does not represent a step forward; it represents a great leap sideways.

The independent producers are being squeezed out of existence. These big conglomerates are not interested in a study. They are interested in whether or not we are on their side. As Senator from Minnesota, I can say with a great deal of good feeling and glee that I am on the side of the independent producers. I am on the side of our family farmers. I am not on the side of these big packers and these big conglomerates. They will not be able to muscle their way to the dinner table and push family farmers out of existence. They will not be able to muscle their way to the floor of the Senate to try to get a favorable vote. We are not going to let them do it.

Mr. HARKIN. Will the Senator yield?

Mr. WELLSTONE. I yield.

The PRESIDING OFFICER (Mr. MILLER). The Senator from Iowa.

Mr. HARKIN. I am pleased the Senator is pointing out what is happening. I specifically thank the Senator for pointing out the ad in the Sioux Falls Argus Leader Editor, newspaper on Sunday, February 3. This is a paid advertisement, quite a big ad from Smithfield Foods signed by Joseph Luter III, chairman and chief executive officer of Smithfield Foods. It is quite a lengthy ad. They are going after Senator JOHNSON for offering this amendment. I guess they are angry that his amendment passed.

In line with what the Senator from Minnesota said, this smacks of a powerful firm trying to use its economic power to blackmail. I have not seen in recent times a more blatant example of that than this ad put out by Smithfield Foods and Joseph Luter III. But let me read the last paragraph:

If the Johnson Amendment becomes law, Smithfield Foods will neither rebuild the Sioux Falls plant, or build a new plant in South Dakota, nor will we make any further investment in South Dakota, or for that matter in any other state whose public officials are hostile to our ongoing operations and industry.

Signed by Joseph Luter.

Now, that is economic blackmail.

We have more concentration in the meatpacking industry today than we had 100 years ago when this Congress began to break up the packers; they had too much economic power, too much concentration. We have more today than we did then.

This is economic blackmail. They are saying they will not do anything “in partnership” with any state who is hostile to our ongoing operations and industry.”

Well, they have plants in Iowa, too. But I can tell you that I am not hostile to their industry. We need the meatpacking industry in this country. We would like to have another meatpacking plant in the State of Iowa, in fact. However, what we do not want to see is the vertical integration where the packers own the livestock and they are able to dictate to a farmer what that price will be for the cattle. It used to be in my State a cattleman would get two, three, or four bids for his livestock. Now, with this kind of economic concentration, what happens is a packer goes out and says, this is what you are going to get or leave it. If they leave it, the packer says, that is all right, I have enough cattle of my own; I don’t need your cattle. I have a captive supply.

That is what happens. They drive more and more of our cattlemen out of business. I am upset at some of the entities that are supporting this position, saying the packers should own this livestock.

This amendment is very simple. It says that the packers, prior to 14 days, cannot engage in ownership or control. As the Senator said, we will shortly have a second-degree amendment to the Craig amendment whichundoesthat, to specifically point out what control is and is not so it would not prohibit, for example, forward contracting. If they are hung up on the word “control,” I would have the Secretary that Senator GRASSLEY and I are working together on to make crystal clear what we mean so there will not be any ambiguity. I don’t think there is in the present one, but we will make it even clearer.

I say to my friend from Minnesota, we ought to get even more votes now because of this kind of economic blackmail.

Mr. WELLSTONE. I ask my colleague if he will yield for a question. I say to my colleague from Pennsylvania [Mr. SANTORUM], for himself, Mr. DURBIN, Mr. FINGOLD, Mr. DRINKWINE, Mr. KOHL, Mr. HATCH, Mrs. CLINTON, and Mr. JEFFORDS, proposes an amendment numbered 2542 to Amendment No. 2471. Mr. SANTORUM. Mr. President, I ask unanimous consent that the pending amendment be set aside and I call up amendment No. 2471. The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2542 TO AMENDMENT NO. 2471

MR. SANTORUM. Mr. President, I ask unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM], for himself, Mr. DURBIN, Mr. FINGOLD, Mr. DRINKWINE, Mr. KOHL, Mr. HATCH, Mrs. CLINTON, and Mr. JEFFORDS, proposes an amendment numbered 2542 to Amendment No. 2471.

Mr. SANTORUM. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To improve the standards for the care and treatment of certain animals)

On page 945, line 5, strike the period at the end and insert a period and the following:

SEC. 102. IMPROVED STANDARDS FOR THE CARE AND TREATMENT OF CERTAIN ANIMALS.

(a) SOCIALIZATION PLAN; BREEDING RESTRICTIONS.—Section 13(a)(2) of the Animal Welfare Act (7 U.S.C. 2143(a)(2)) is amended—

(1) in subparagraph (A), by striking “and” at the end;
(2) in subparagraph (B), by striking the period at the end and inserting a semicolon; and
(3) by adding at the end the following:—
(C) for the socialization of dogs intended for sale as pets with other dogs and people, through compliance with a standard developed by the Secretary based on the recommendations of animal welfare and behavior experts that—
(i) prescribes a schedule of activities and other requirements that dealers and inspectors shall use to ensure adequate socialization; and
(ii) identifies a set of behavioral measures that inspectors shall use to evaluate adequate socialization; and
(D) for addressing the initiation and frequency of breeding of female dogs so that a female dog is not—
(i) bred before the female dog has reached at least 1 year of age; and
(ii) whelped more frequently than 3 times in any 24-month period.
(b) SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES.—Section 19 of the Animal Welfare Act (7 U.S.C. 2149) is amended—
(1) by striking “Sec. 19. (a) If the Secretary makes a written finding that inspectors shall use to evaluate adequate socialization; and
(ii) identifies actions that dealers and inspectors shall take to ensure adequate socialization; and
(iii) identifies a set of behavioral measures that inspectors shall use to ensure adequate socialization; and
(D) for addressing the initiation and frequency of breeding of female dogs so that a female dog is not—
(i) bred before the female dog has reached at least 1 year of age; and
(ii) whelped more frequently than 3 times in any 24-month period.
(2) SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES. —
(a) Suspension or Revocation of License.—
(1) IN GENERAL.—If the Secretary finds that any person licensed as a dealer, exhibitor, or operator of an auction sale subject to section 12, has committed a serious violation (as determined by the Secretary) of any rule, regulation, or standard governing the humane handling, transportation, veterinary care, housing, breeding, socialization, feeding, watering, or other humane treatment of dogs under section 12 or 13 on or more separate inspections within any 8-year period, the Secretary shall—
(A) suspend the license of the person for 21 days; and
(B) after providing notice and a hearing and all that follows and inserting “if the Secretary determines that 1 or more violations have occurred”; and
(B) by adding at the end the following:—
(2) LICENSE REVOCATION.—If the Secretary finds that any person licensed as a dealer, exhibitor, or operator of an auction sale subject to section 12, has committed a serious violation (as determined by the Secretary) of any rule, regulation, or standard governing the humane handling, transportation, veterinary care, housing, breeding, socialization, feeding, watering, or other humane treatment of dogs under section 12 or 13 on or more separate inspections within any 8-year period, the Secretary shall—
(A) suspend the license of the person for 21 days; and
(B) after providing notice and a hearing and all that follows and inserting “if the Secretary determines that 1 or more violations have occurred”; and
(b) SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES. —
(2) SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES. —
(a) Suspension or Revocation of License.—
(1) IN GENERAL.—If the Secretary finds that any person licensed as a dealer, exhibitor, or operator of an auction sale subject to section 12, has committed a serious violation (as determined by the Secretary) of any rule, regulation, or standard governing the humane handling, transportation, veterinary care, housing, breeding, socialization, feeding, watering, or other humane treatment of dogs under section 12 or 13 on or more separate inspections within any 8-year period, the Secretary shall—
(A) suspend the license of the person for 21 days; and
(B) after providing notice and a hearing and all that follows and inserting “if the Secretary determines that 1 or more violations have occurred”; and
(c) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall promulgate such regulations as are necessary to carry out the amendments made by this section, including development of the standards required by the amendments made by subsection (a).
more than three litters in a year. So I say as to a lot of these calls coming in, saying: You are going to be harming the mom-and-pop breeder here, the folks who have a female dog they want to breed for a little extra income as part of their family. If they did it and the animal, you are going to be affecting them, the answer is no, we are not. What we are talking about here are facilities that are in the commercial breeding. We want to make sure these puppies are bred well, when they enter the home, go into the home healthy. No. 1— I mean from disease and genetic maladies, but that they also go in properly socialized so they can be good pets.

The answers we have focused in on are really three. No. 1 is the area of socialization or interaction. It requires that the puppies in these breeding facilities interact with other dogs and with humans.

Can I imagine the situation where a dog is bred and put in a cage, basically isolated from human contact for several weeks and having no interaction with human beings and having no interaction with other dogs? Then placed in a home maybe with little interaction, no interaction with other dogs, and several weeks and having no interaction. It requires that a dog is bred and put in a cage, basically isolated from human contact. It is a standard that we believe are sound enforcement. Before I talk about this provision, let me make it clear that if the USDA goes in and finds a bad situation, they have the ability to revoke the license. These facilities are licensed by USDA. They have the ability to go in and immediately revoke the license of the Animal Welfare Act. We don’t change that. But we say under this legislation, if you have three such infractions within an 8-year period of time, USDA must automatically revoke the license. You can appeal and do all the things that every other licensee sometimes has to get your license reinstated. But this “three strikes and you are out” provision really tries to suggest to USDA that when you have a pattern of mistreatment and violation of the law, that action should be taken.

Again, let me remind everybody that USDA can do it right now. They have the discretion to do it with one infraction. We are saying that upon three, the license will be revoked. We are talking about breeders. We are not talking about breeders that breed fewer than four animals.

This is an amendment that has very broad support from over 800 animal welfare organizations, including the Humane Society and the American Society for Prevention of Cruelty to Animals.

Of course, this legislation is, frankly, a very modest amendment. I cannot tell you how many changes I have made. I think this is the fourth change. I have filed with this legislation in an attempt to try to deal with the research community that is concerned about certain aspects of this legislation and their application. We have dealt with the small breeders, even though, frankly, they are not covered by it. But we have tried to ameliorate some of the concerns from the American Kennel Club.

We have really worked very hard to try to make sure no one who is serious about the healthy breeding of puppies has a concern. It is not my intention to bring the dog police into every home in America that breeds puppies. The fact of the matter is there are large commercial establishments that, frankly, need to do a better job in breeding puppies for homes. I am hopeful that we can have very broad support. I have been working with Senator Helsm. Senator Helsm has been very helpful. I appreciate this morning his suggesting that we can now be supportive of this legislation as we have made the additional change in the legislation.

We are trying to work through all of these matters. I would be very happy if we could get this in the managers’ amendment. If not, I am certainly happy to take this to a vote. I think it will have very strong support from both sides of the aisle.

Who wants to have puppies in the home that are socialized or that have diseases or that are not in the best position to be good pets for our families across America? I thank the Chair for the time. I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. JOHNSON. Mr. President, I rise to express my strong opposition to the amendment offered by Senator Craig last evening which would eliminate a bipartisan provision in this farm bill that restores fairness, competition, and free enterprise into livestock markets.

In December, the Senate adopted an amendment to the farm bill based upon legislation I introduced 3 years ago which strengthens the Packers and Stockyards Act of 1921, by prohibiting large meatpackers from owning livestock—cattle, hogs, and sheep—for more than 14 days prior to slaughter.

Nearly every farm and ranch organization in the country supports a ban on packer ownership, including the American Farm Bureau, National Farmers Union, R-CALF, the Livestock Marketing Association, the Organization for Competitive Markets, the Center for Rural Affairs, and the Western Organization of Resource Councils, just to name a few.

Most importantly, every farm and ranch group in South Dakota supports my amendment, including Farm Bureau, Farmers Union, the Cattlemen, the Stockgrowers, Livestock Auction Markets, the Independent Pork Producers, and even South Dakota Governor Jankowski.

Let me take some time to clarify what our amendment does, and, what it does not do.

The objectives of our amendment are to increase competitive bidding, choice, market access, and bargaining power to farmers and ranchers in livestock markets. Here are the facts about our amendment.

First, my language strengthens section 202 of the Packers and Stockyards Act of 1921—and 80-year-old law—by prohibiting meatpackers from owning, feeding, or controlling livestock for more than 14 days prior to slaughter. Currently, packers are already prohibited from owning sale barns and auction markets.

Second, it exempts producer-owned cooperatives engaged in slaughter and meatpacking. In addition to packing plants owned by producers who slaughter less than 2 percent of the national annual slaughter of beef cattle—724,000 head—hogs—1,900,000 head or sheep—69,200.

Therefore, many of the innovative, start-up projects operating and being formed to give producers greater bargaining power in the market will not be affected by our amendment. Some have made very misleading and false statements about the Johnson-Grassley amendment and our intent. Let me try to clarify some of those issues.

This amendment does not prohibit meatpackers from purchasing livestock for slaughter. In fact, it promotes the
purchase of livestock in the cash market. Therefore, it promotes competition and bidding among a significant number of buyers.

Again, I say, this amendment does not bar packers from owning livestock for slaughter; it simply says that one must not own the livestock from birth all the way until slaughter, the vertical integration to which some aspire. It bans them from owning livestock prior to 14 days from the date of slaughter.

The amendment does not prohibit forward contracts wherein packers and growers work together to raise and market livestock as long as the livestock are owned by the individual farmer or rancher. Senator Grassley and I have taken significant efforts to make it crystal clear that forward contracts and marketing agreements are not prohibited under this amendment. We have entered into a colloquy making it clear that the word “control” only refers to substantial operational control and not contracts.

The goal of this amendment is narrow. The goal of this amendment is focused exclusively on the actual vertical integration, the actual packer ownership from birth to slaughter of livestock. There are those who would prefer that this amendment did apply to forward contracts, and I respect those who hold those views. But the goal of this amendment is narrow. The goal of this amendment is focused exclusively on the actual vertical integration, the actual packer ownership from birth to slaughter of livestock.

Some have questioned whether contracts or marketing arrangements known as forward contracts are permitted under the provision. The answer is yes.

Three of the most respected agricultural economists and legal counsel in America—Roger McEowen from Kansas State University, Peter Carstensen from the University of Wisconsin, and Neil Harl from Iowa State University—have completed an analysis that supports our intent that contractual marketing arrangements are not prohibited under this amendment. These experts agree with us that the meaning of the word “control” in this amendment applies to a potential arrangement purposefully drafted by a clever legal counsel to give a packer control over the ownership of livestock from birth to slaughter, though a farmer may hold title to the livestock, by providing the packer complete operational control over these animals.

Operational control provides the packer the ability to dictate nearly every detail of production and marketing, such as the facilities, nutritional, and veterinary decisions, as well as providing the packer 24-hour access to the livestock. Forward contracts and other marketing arrangements do not give a meatpacking firm managerial or operational control of the production-to-market process. Rather, such arrangements only provide the packer the contractual right to receive delivery of the livestock in the future. The producer signing the contract still makes most of the production decisions. Therefore, forward contracts or contractual marketing arrangements are still permitted under the language of this amendment and the word “control” does not affect their use.

So Senator Grassley and I have received assurance from legal counsel that “control” does not include forward contracts and marketing agreements. On the other hand, those expressing opposition have presented no legal analysis in support of their proposition that the word “control” in this legislation means a prohibition on forward contracting.

While marketing arrangements such as forward contracts have caused or can cause problems in the market, they are outside the scope of this specific amendment.

In a December colloquy with Senator Grassley, we stated the intent of the word “control” must be read in the context of ownership. In other words, contracts and forward contracts and operational control of livestock production, rather than the mere contract right to receive future delivery of livestock produced by a farmer, rancher, or feedlot operator. “Control” according to Senator Grassley, does not include any such contract right to control, manage, or supervise.” In the meaning of our amendment, the direction, management, and supervision is directed towards the production of livestock or the operations producing livestock, not the simple agreement or contract for delivery of livestock raised by someone else.

There are two reasons that forward contracts and marketing agreements are not within the definition of “control.” First, these contracts do not allow a packer to exercise any control over the livestock production or operation. Rather, the contracts merely provide the packer with the right to receive delivery of livestock in the future, and most include a certain number of quality specifications. There is no management, direction, or supervision over the farm operation in these contracts.

The farmer or rancher makes the decision to commit the delivery of livestock to a packer through the contract without ceding operational control. In fact, the farmer or rancher still could make a management decision to deliver the livestock to another packer other than the one covered in the contract, albeit subject to damages for breach of contract. If such contracts include detailed quality specifications, control of the operation remains with the farmer. The quality specifications simply relate to the amount of premiums or discounts in the final payment by the packer for the livestock delivered under the contract.

Second, several States, such as Iowa, Minnesota, Nebraska, and South Dakota, already prohibit packer or corporate ownership of livestock. The Iowa law, for example, prevents packers from owning, operating, or controlling a livestock feeding operation in that State. But packers and producers may still enter into forward contracts or marketing agreements without violating that law because operational control, in the context of ownership, is the issue. The term “control” is intended to be similarly interpreted and applied in this amendment. Beyond the genuine concern about this amendment, a few in the meatpacking industry have hastily come to false, or at least erroneous, conclusions about its effect, and, frankly, they are busily working the halls of Congress to kill that amendment due to those concerns. It may be that we simply have a profound philosophical difference between those of us who supported the amendment and others in opposition.

I believe our country is best served by a wide dispersion of independent livestock producers who have, in a free market, an opportunity to leverage a decent price for their animals and a decent profit for their efforts. We have a profound difference of opinion about what livestock production is all about and how our country is best served.

I believe in free enterprise. I believe in competition. I believe in independent producers having opportunities to seek out alternative buyers for their animals on an independent cash basis.

If some wish to forward contract and to secure its assurances, that is fine. That is a prerogative they have as well. But I do not believe we ought to have a total vertical integration of the livestock industry whereby a very small handful of huge agribusiness conglomerates control the production of livestock from birth all the way through slaughter, reducing livestock producers to simply low-wage employees, for all practical purposes. That is not my vision of rural America. That is not the vision shared by the people who supported this amendment.

I think that while a lot of this debate is caught up in what may sound legalistic to many, the actual consequences of what is going on here have profound effects on the look of rural America for all time to come.

There is a particular packer who has been running full-page ads in my State, apparently with an intent to intimidate me. They have the right to do that. It turns out that the packing company that does operations in my State is a pork production company which has never owned hogs, and has no particular immediate plan to, and would not be affected, at least for now,
by this amendment. They may wish to go into a different business plan than they have had in the past, and that may be the case.

But I want to make clear that I believe someone has to stand up for livestock and our country. We see this continued concentration, this continued integration, going on in every sector of the economy, but certainly in agriculture it has been one of the harshest. For that reason, Senator Grassley has offered this amendment. We have already passed this amendment on a narrow 51-to-46 vote earlier this past session of the 107th Congress.

I have no problem with an additional vote, an up-or-down vote. Let everyone stand up and be counted wherever they are. I respect my colleagues however they may come down on this issue. I do want to convey the real import, the real impact of this amendment, and make people understand what is, in fact, at stake.

The amendment being offered would reduce this antipacker ownership amendment to another study. Heaven knows, we have studies galore lining the shelves of every building in Washington, many of them gathering dust. We have known USDA to conduct study after study after study not leading to any matter of practical consequence. I don’t think our farmers and ranchers need another study.

It is incorrect to observe that no hearings have been conducted on the topic of packer ownership. Rather, the Senate Agriculture Committee has held three hearings on concentration in livestock markets, packer ownership, and other issues—in June of 1998, May of 1999, and April 2000—and the problems remain clear and the need to act remains real.

The percentage of hogs owned by packers rose from a small 6.4 percent, as recently as 1994, to 27 percent in 2001, from 6.4 percent to 27 percent packer ownership in a period of only 7 years, according to the University of Missouri. This increase in packer-owned hogs means that packers prefer to buy their own hogs instead of paying farmers a fair price, thereby depressing competition. Eighty-eight percent of respondents in the Iowa Farm and Rural Life Poll believed that meatpackers should be prohibited from owning livestock, and 89 percent believed that too much economic power is concentrated in a few large agribusinesses, according to studies done by Iowa State University.

When packers own their own farms and their own livestock, they do not make purchases from farmers who would otherwise be providing economic contributions to rural communities—main street businesses, school districts tax base, banks, car dealerships, feed stores, and so on. According to this amendment, there is a different vision for rural America, a far different vision than mine. I have a more optimistic view of what rural America could look like. I envision more farmers and ranchers being able to compete in a free market and a free enterprise system raising more livestock on family farms so local economies can grow and the environment can be safer for families to raise a living.

I fear if we go the other direction, packer market power will grow, allowing packers to go to the cash market only during narrow bid windows or time periods each week rather than bidding all week, thus resulting in panic selling by producers.

A ban on packer ownership of livestock will not drive packers out of business. Most of their earnings are generated from branded products and companies marketing directly to consumers. Conversely, livestock ownership by packers could drive independent livestock producers out of business because they will simply be at the mercy of these large corporations.

I do not, again, have a problem with another study. It was important to clarify the forward contracting component of this amendment to make it crystal clear that that is not the gist of it. The gist is not forward contracting. The gist is the vertical integration of the actual ownership, the birth and slaughter of livestock in America.

We have a very fundamental decision to make in this body. I don’t understate the steep climb this amendment has to make. I know the packers have been putting forth a mighty lobbying effort. I know the intimidation efforts have been extraordinary. I recognize that no such amendment is contained in the House version of the agriculture bill and that, even if we were to survive in the conference committee, an uphill fight would occur there relative to this amendment.

Nonetheless, it is important to lay out in a clear, concise fashion what is at stake, what my motives are, what the motives are of the bipartisanship sponsors of this amendment, and to reflect that that may, in fact, be why this amendment acquired the support of every single Republican and Democratic Senator on the northern plains where livestock production is such a key component to the economies of our States.

I look forward to continued debate and another amendment to vote on. We will see what the final product is, but I did want to make it very clear what this amendment does, what it does not do, and to make certain people understand that this is not some arcane agricultural issue; that this, in fact, is fundamentally crucial to the look of rural America for all time to come.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania, Mr. SPECTER. Mr. President, I have conferred with the manager of the bill. I think it would be appropriate to ask unanimous consent to speak for up to 8 minutes as in morning business. The PRESIDING OFFICER. Without objection, it is so ordered.

(remarks of Mr. SPECTER are located in today’s Record under “Morning Business.”)

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I ask that the pending amendment be set aside.

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

AMENDMENT NO. 2829 TO AMENDMENT NO. 2711

Mrs. FEINSTEIN. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California (Mrs. FEINSTEIN) proposes an amendment numbered 2829.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To make up for any shortfall in the amount sugar supplying countries are allowed to export to the United States each year)

Strike the period at the end of section 143 and insert a period and the following:

SEC. 144. REALLOCATION OF SUGAR QUOTA.

Subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) is amended by adding at the end the following:

"PART VIII—REALLOCATING SUGAR QUOTA IMPORT SHORTFALLS"

SEC. 360. REALLOCATING CERTAIN SUGAR QUOTAS.

"(a) IN GENERAL.—Notwithstanding any other provision of law, not later than June 1 of each year, the United States Trade Representative, in consultation with the Secretary, shall determine the amount of the sugar quota used by each qualified supplying country for that fiscal year, and shall reallocate the unused quota for that fiscal year among qualified supplying countries on a first-come basis.

"(b) METHOD FOR ALLOCATING QUOTA.—In establishing the tariff-rate quota for a fiscal year, the Secretary shall consider the amount of the preceding year’s quota that was not used and shall increase the tariff-rate quota allowed by an amount equal to the amount not used in the preceding year.

"(c) DEFINITIONS.—In this section:

"(1) QUALIFIED SUPPLYING COUNTRY.—The term ‘qualified supplying country’ means one of the following 40 foreign countries that is allowed to export cane sugar to the United States under an agreement or any other country with which the United States has an agreement relating to the importation of cane sugar:

Argentina
Australia
Barbados
Belize
Bolivia
Brazil
Colombia
Congo
Costa Rica
Dominican Republic
Ecuador
El Salvador
Fiji
Gabon

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The PRESIDING OFFICER. The Senator from California (Mrs. FEINSTEIN) proposes an amendment numbered 2829.

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Brazil
Colombia
Congo
Costa Rica
Dominican Republic
Ecuador
El Salvador
Fiji
Gabon
Mrs. FEINSTEIN. Mr. President, I offer this amendment to update and somewhat improve the so-called sugar program. The sugar subsidy program has been driving the domestic cane refinery industry out of existence, and it has cost the nation thousands of good jobs. This amendment helps strike a new balance between saving our Nation's domestic refinery jobs and protecting sugar producers from foreign competition.

What this amendment does is ensure that the amount of sugar allowed to come into the United States actually makes it to the market. The amendment would reallocate the unfilled portion of a country's quota when that country doesn't fill its quota, which happens almost annually.

The Secretary of Agriculture does have the ability under present law to reallocate the quota, but it is a fight every year for domestic refineries to get enough sugar to refine, and it is also a fight to get the Secretary—regardless of whether it is a Democratic or Republican administration—to make this reallocation.

The amendment would allow refineries to obtain more sugar under the quota by taking some allocation from nations not exporting as much sugar as they are allowed and giving it to nations that would export more sugar to the United States.

The amendment is supported by the United States Cane Sugar Refiners' Association and the following independent refineries: C&H Sugar in Crockett, CA; Colonial Sugar in Gra-mercy, LA; Savannah Foods in Port Wentworth, GA; Imperial Sugar in Sugar Land, TX.

In the past, we have failed to balance the refineries and the growers of the sugar industry successfully. This farm bill represents an opportunity to make a change before more refineries are forced to close. This amendment will help the country's sugar refining industry. It will not strip the domestic producers of any benefits.

Something must be done to save our sugar refining industry. Since 1981, 13 out of 23 cane refineries in the United States have been forced out of business. Here they are on this chart: Hawaii, Florida, Massachusetts, New York, Illinois, Florida, Louisiana, Pennsylvania, Louisiana, Missouri, and Louisiana. The loss of jobs between 1981 and today is over 4,000. Those refineries that do remain open today struggle to survive under what are very onerous import restrictions.

At the end of the last year, we had a debate and the Senate overwhelmingly, regretfully, voted to continue the sugar subsidy program. I continue to oppose these sugar subsidies, but I recognize there are not the votes to eliminate the sugar program right now.

I first became involved in this issue when David Koncelik, the president and CEO of the California and Hawaiian Sugar Company, known as C&H, informed me in 1994 that his 88-year-old refinery, which he has been forced to temporarily close because it could not get cane sugar on the market to refine.

C&H is the largest refinery in the United States. It is the only such facility on the west coast. It refines about 1.256 million tons of cane sugar consumed in the United States. The company is capable of producing and selling about 800,000 tons of refined sugar annually. It is currently producing about 700,000 tons.

Anyone who has driven from San Francisco to Sacramento and crossed the Carquinez Straits, as you go on to the bridge, you look down and you see this old, large brick refinery known as C&H. All of us grew up to the C&H commercial where they sang "pure cane sugar from Hawaii"—something like that—and I have seen the struggle go on year after year.

Hawaii is C&H's sole source of domestic raw cane sugar. But the Hawaii sugarcane industry in 1998 has declined about 50 percent in sugar production, 50 percent in sugar production, and the Philippines, a 27 percent drop, but the allocation for both countries has remained the same. If the Philippines is not going to export and the Dominican Republic is not going to export their quota, all we want to do is let some country get that shortfall and put it on the market to give us our domestic sugar refiners the opportunity to buy it.

Other countries continue to export sugar, but they have substantially reduced their production. For example, since the allocations were made, the Dominican Republic has experienced a 50 percent decrease in sugar production, and the Philippines, a 27 percent drop, but the allocation for both countries has remained the same. The United States has continuously since 1934 in order to support high prices for domestic sugar cane and sugar beets. The USTR, working with the Department of Agriculture, allocates shares of the quota among 40 designated countries. Since the 1994 Uruguay Round of trade talks, the United States has allowed the designated countries to export 1.256 million tons of sugar to the United States under the quota. Today's sugar import restrictions are based on a formula derived from trade patterns that prevailed over a quarter of a century ago, and therein lies the rub and the major problem for domestic refineries such as C&H. The quota does not accurately reflect how much countries are able to export to the United States.

Some of the 40 designated countries have even been forced to provide an export tax for the distribution of the allocation. The result is that allocations are not seen the amount they are allowed to buy. It makes no sense.

Other countries continue to export sugar, but they have substantially reduced their production. For example, the allocation was made, the Philippines, a 50 percent decrease in sugar production, and the Philippines, a 27 percent drop, but the allocation for both countries has remained the same. If the Philippines is not going to export and the Dominican Republic is not going to export their quota, all we want to do is let some country get that shortfall and put it on the market to give us our domestic sugar refiners the opportunity to buy it.

Some countries have substantially increased their sugar production but not seen the amount they are allowed to export to the United States increase. For example, since the allocations were made, Guatemala, Colombia, and Australia have increased their production by 219 percent, 96 percent, and 61 percent, respectively, while their shares of the allocation have remained the same.

Some countries have similar allocations under the quota despite dramatically different levels of sugar exports. For example, Brazil and the Philippines are both allowed to export 14 percent of the total quota, but Brazil...
exports 21 times more sugar than the Philippines worldwide. It is unacceptable that quota allocations have not been revised for 20 years, or 2 decades, despite dramatic changes in the ability of many countries to produce and export sugar.

Is there a way to update the sugar export amounts allowed into the United States without adversely impacting growers? I believe there is, and the amendment I have offered will provide the slight change to the sugar export quota that is desperately needed.

The United States has imported on the average about 3 percent less sugar than the quota allowed from the 1996-through-1998 allocation because some countries did not fill their allocations. So there is that 3 percent out there. Since the sugar quota does not reflect the current capability of many countries to produce and export sugar, the GAO has concluded:

The United States Trade Representative’s current methodology for allocating the sugar tariff rate quota does not insure that all of the sugar allowed under the quota reaches the United States market.

There is the point. There is the difference between a market that does not reach the market in the quota should be made available.

I would like to read some of the July 1999 report on the sugar program issued by the GAO:

The current allocation process has resulted in fewer sugar imports than allowed under the tariff rate quota. From 1996 through 1998, the United States raw sugar imports averaged 75,000 tons less annually than the amount USDA allowed the United States Trade Representative to allocate under the tariff rate quota. According to domestic refinery officials, this shortfall has exacerbated recent declines in the overall availability of raw cane sugar on the U.S. market.

If there is a shortfall in sugar export to the United States, and refineries are shut down because there is not enough sugar to refine, we can allow the quota to be flexible when there is this shortfall. The amendment I have offered will reallocate unused sugar in the quota to other countries when there is an export shortfall. This is exactly what the USTR did as recently as 1995. It is also the precise recommendation of the GAO in its 1999 report. In suggesting change to the sugar program, the GAO advised:

Changes could include such actions as providing a means of reallocating the current quota.

All this amendment does is ensure the amount of sugar allowed to come into the United States is actually making it to the market. How is that threatening to anyone? This opportunity to reallocate the quota when there is a shortfall will not hurt growers because the shortfall does not represent enough sugar to affect price. Of course, that is what we will say, that this will affect price. It will not affect price in the price not affected price before. There is no reason to believe it will affect it now.

In the 1999 report, the GAO found:

Because the shortfalls in the tariff rate quota reduced total U.S. sugar supplies by less than 1 percent, they had a minimal effect on the domestic price of sugar.

If you do not trust me, trust the GAO. The inadequacies of the current import restrictions demand that Congress accept this amendment.

I respectfully ask my colleagues to support this amendment. It will help make the sugar program operate more effectively and efficiently. If this body cannot accept an amendment, it clearly tells me that not only is the sugar allocation outdated, but it is essentially controlled to manipulate so certain people can do business while others cannot.

These refineries are very important. My Crockett refinery is the major source of jobs in that entire Crockett community. Each year, the CEO has to come back here to plead with his representatives in Congress:

I can’t buy enough sugar on the market to keep my program going. I pay them good salaries. It is important I be able to operate and refine sugar. I want to buy it on the open market and I can’t— is simply wrong.

It is flawed public policy. I ask for this body’s support to pass this amendment.

I ask unanimous consent to have printed in the RECORD an article from the New York Times.

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

From the New York Times, May 6, 2001

Sugar Rules Defy Free-Trade Logic

(By David Barboza)

For anyone who thinks of the United States as a free-trade nation, the 10 story brick sugar refinery on Highway 90A here on the outskirts of Houston is startling.

The plant can produce up to 500,000 tons of sugar a year, enough to sweeten about 90 billion donuts. Each month, a sugar refinery processes the equivalent of the world’s annual sugar supply.

Yet earlier this year the owner of the plant—The Imperial Sugar Company, the nation’s biggest cane producer—was forced to file for Chapter 11 bankruptcy protection, because it has lost so much money lately turning relatively high-priced raw sugar into the refined sugar it sells into a depressed, glutted market.

Now, sugar producers are demanding an overhaul of the sugar program. Consumer groups want it abolished. And even its backers and beneficiaries—big growers that are major donors to both political parties—are dissatisfied.

They want more protection, complaining that new trade initiatives, like the North American Free Trade Agreement, threaten to undermine the industry and further depress the price of sugar.

Congress is hearing testimony on these matters as it takes up a new farm bill. The conventional wisdom is that Washington is unlikely to scrap a program that has bipartisan support, any more than it has been prone to eliminate supports for other farmers.

But some lawmakers say sugar policy, in particular, is ripe for revision.

Events of the past year indicate that the sugar program is inherently unmanageable and that radical reforms are needed urgently,” said Richard G. Lugar, chairman of the Senate Agriculture Committee and a longtime opponent of the program.

At the heart of the debate is a sugar policy that since the New Deal has held that domestic refiners get at least 91 percent of all sugar in the U.S., and that the rest is sold at an artificially high price. This creates a competitive advantage for domestic refiners, who are not subject to the vagaries of the commodity markets. The current program, put in place in 1981, promised that kind of stability by limiting imports and making loans to growers.

But in recent years, helped by technology and weather, production has exploded. And government subsidies and price supports, on balance, encouraged farmers to abandon even more seriously depressed crops in favor of sugar beets and cane.

Sugar production subsidies, hurt growers. But the hardest hit were cane refineries. At times, the prices they paid for raw sugar were higher than those at which they could sell refined sugar.

If nothing changes, industry officials fear a ferocious one-two punch: the possible loss of cane-refining capacity at home, which could hurt food producers, and a steady rise in imports, which could wipe out both domestic growers and refiners.

Free-market economists say that might be the most efficient outcome, but no industry disappears without a fight. The refiners are just one of the interest groups that have stormed Capitol Hill.

None are so powerful as the nation’s largest producer of raw sugar, the Flo-Sun Corporation of Palm Beach, Fla., run by Jose Feliciano and his wife, Cuban exiles who created a sugar empire in the Florida Everglades and who are now big donors to both Republicans and Democrats.

Flo-Sun and other giant producers want to strengthen the program by putting new restrictions on domestic production of sugar beets and cane. They also want to limit the scope of any future trade deal that might lead to what they consider unfair competition.

“We don’t believe we ought to sacrifice the American farmer to bring in sugar that is subsidized by other governments,” said Judy Sanchez, a spokeswoman at U.S. Sugar, one of Florida’s biggest cane growers.

Critics of the program—from food producers to refiners to consumer groups—would like the program discarded or significantly weakened.

“We want the program phased out,” said Jeff Nedelman, a spokesperson for the Coalition for Sugar Reform, a trade group that represents food and consumer groups, taxpayer watchdogs and environmental organizations.

This is corporate welfare for the sugar industry. The program sets artificial prices for consumers, direct payments by U.S. taxpayers to sugar growers, and it’s the Achilles’ heel of U.S. trade policy.

Chicago, home of Sara Lee cakes and Brach’s Starlight Mints candies, has aligned itself with the critics. A few weeks ago, Mayor Richard M. Daley and other city leaders announced that they encouraged Congress to end the sugar program, which they said was hurting the city’s makers of candy and food by inflating costs.

The General Accounting Office says the sugar program cost consumer about $1.9 billion in 1996, with the chief beneficiaries being beef producers, rice farmers and refiners.

Senator Byron L. Dorgan, a North Dakota Democrat who is a strong backer of the
sugar program, says Americans are not being overcharged. Rather, he contends, prices on the world market are artificially depressed by surplus sugar from countries that subsidize production.

"The world price has nothing to do with the cost of sugar," he said. "And my contention is that the program causes stable prices."

Americans' appetite for sugar is measured in pounds. The average person in this sugar-saturated country consumes more than 70 pounds a year of refined sugar and that does not include most soft drinks, sauces and syrups, which are sweetened with high-fructose corn syrup.

But even that appetite is no match for current levels of sugar production. A record 8.5 million tons of sugar was produced in the United States in 1999, and that sent raw sugar prices tumbling to 18 cents a pound, the lowest level in 20 years. The Agriculture Department stepped in last June to buy 132,000 tons, at a cost of $54 million, or 20 cents a pound.

Imperial Sugar—already burdened by $500 million in debt because of an acquisition spree—was hit harder than anyone in the industry. The company was forced to buy raw sugar at a rate that cut the same price that it could sell the finish product.

"We're out of gas before we turn the lights on," said Conrad III, Imperial's chairman, whose family acquired its first holdings in 1907. Imperial filed for bankruptcy protection in January.

The New York-based Domino, a unit of Tate & Lyle of Britain and a leading supplier of pure cane sugar to grocery chains, is also "in desperate shape," said Margaret Blamberg, a spokeswoman. C&H Sugar, a big California refiner, is struggling both with falling prices.

The world price has nothing to do with the need to lay that table. The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The amendment (No. 2836) was agreed to.

Mr. HARKIN. Madam President, I now ask for the regular order with respect to the amendment (No. 2835), and call up Senator Grassley's second-degree amendment (No. 2837), which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa (Mr. HARKIN), for himself and Mr. HARKIN, proposes an amendment numbered 2837 to amendment No. 2835.

Mr. HARKIN. Madam President, I ask unanimous consent that the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To make it unlawful for a packer to own, feed, or control livestock intended for slaughter)

Strike all after "SEC." and insert the following:

10. 1. PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVE

STOCK.

(a) In General.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192 (f)) (as amended by section 102 (a) (1)) is amended by striking subsection (f) and inserting the following:

"(1) Own or feed livestock directly, through a subsidiary, or through an arrangement that gives the packer operational, managerial, or supervisory control over the livestock, or over the farming operation that produces the livestock, to such an extent that the producer is no longer materially participating in the management of the operation with respect to the production of the livestock, except that this subsection shall not apply to:

"(i) an arrangement entered into within 14 days before slaughter of the livestock by a packer, a person acting through the packer, or a person owning or indirectly controlling, or is controlled by or under common control with, the packer;"
any way preclude various types of contracting arrangements, such as forward contracting, for example.

But those who are representing the huge packing industry have come in and kind of muddied the water. They have clouded it up and said, oh, no, this may take away a farmer’s right to contract. Of course, I have heard from some of my farmers in Iowa, who, first, do not want packer ownership of livestock because they know how badly that affects them. Second, they do not want to have interference with contractual relationships they might want to make with packers.

So to take care of any lingering concerns about this issue of the Johnson amendment, Senator Grassley is offering a second-degree amendment to Senator Craig’s amendment.

In essence, Senator Grassley’s amendment, which I have asked to be a printed in the Record, makes it very clear that while packers will not be able to own livestock, farmers will still be able to use contracts if they want to.

As I said, there has been a lot of sort of hubbub going on around the Johnson amendment. Earlier this morning, I engaged in a colloquy with my friend from Minnesota, Senator Wellstone. And there were these egregious ads taken out in the Sioux Falls Argus Herald by some large packer, Smithfield Foods. The person who signed that was Mr. Joseph W. Luter, III, chairman and chief executive officer of Smithfield Foods, Inc. We talked about this ad and how egregious, how bad about this issue of economic and political blackmail in the way this ad was written and what they are threatening to do. So again, to clear this up, Senator Grassley and I have offered this amendment to help address this type of economic blackmail.

What the bill said, and what the legislative history made clear, is that packers could no longer own livestock, but the farmers could still contract and enter into these marketing agreements.

Well now, how did the industry, the packing industry, create all this fuss? They did everything in their power to confuse and scare farmers, by making the conclusory statement that the Johnson legislation would ban contracting. In one paper, which Senator Craig referenced last night, eight economists made the same false assumption that the prohibition of packer control of livestock would affect contracting.

Why the economists assume this, I do not know. The economic paper provided no legal analysis. I am told that none of the eight economists is a lawyer or trained in law. The economic paper provided no legal analysis. In fact, to my knowledge, the opponents of this ban, the big packers, have never released any type of legal analysis to the public. They have just said this as a scare tactic. I guess the reason they have not released any legal analysis is because it would not survive legal or public scrutiny.

The economists relied on an incorrect legal assumption. So they relied on an incorrect legal assumption, and they provided a detailed analysis based on that incorrect legal assumption. And, of course, the packing industry and their apologists.

Thankfully, three lawyers who have worked in agriculture for years and are some of the best known in the field pointed out the fallacy of the economists’ assumption. Roger McEowoen of Kanawha, Iowa State University—whom I know personally is both a lawyer and an economist—and Peter Carstensen of the University of Wisconsin Law School, the three of them thoroughly explained that the word, “control,” has a very predictable meaning in the law and that it does not affect contracting. Madam President, I will not read it, but I ask unanimous consent to have printed in the Record the analysis and statement by individuals regarding the legal standpoint issue of “control.”

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

From a legal standpoint, “control” issues arise frequently in an agency context in situations involving the need to distinguish between an “independent contractor” and an “employee” for reasons including, but not limited to, liability and taxation. Typically, the existence of an agency relationship is a question of fact to be decided. At its very essence, whether a relationship is an independent contractor relationship or a master-servant relationship depends on whether the control is actual or apparent. A person who has performed has reserved the right to control the means by which the work is to be conducted. Under many production contract settings, the integrator controls both the mode and manner of the farming operation. The producer no longer makes many of the day-to-day management decisions while the integrator controls the pre-packaging cycle. The integrator is also typically given twenty-four-hour access to the producer’s facilities. In such contracts, formula pricing agreements and other types of marketing contracts typically do not give the integrator managerial or operational control of the production-to-marketing cycle. Instead, such contracts commonly provide the packer with only a contractual right to receive delivery of livestock in the future. While it is not uncommon that livestock marketing contracts contain quality specifications, most of those contract provisions relate to payment. In many premium or discount in the final contract payment for livestock delivered under the contract. Importantly, the manner in which quality requirements tied to price premiums are to be satisfied remains within the producer’s control. Accordingly, such marketing contracts would be held to be beyond the scope of the legislation’s ban on packer ownership or control of livestock more than two weeks before slaughter. Thus, a packer would still have the ability to coordinate supply chains and assure markets for live- stock producers through contractual arrangements provided the contracts do not give the packer operational and managerial control over livestock producer’s production activities.

Mr. HARKIN. So even with the assurance from these three legal experts, the opponents continue to raise doubts about the Johnson amendment’s effect on contracting, even to the extent that some of the original supporters of the ban now want to set it aside because they, too, are concerned about this control issue. We cannot take this step backward.

Recently, Senator Grassley and others, have been working with some of these legal experts, as well as the American Farm Bureau, to develop an amendment that takes away any delay further any ban on packer ownership. This amendment makes it even clearer that while packers cannot own livestock, farmers still have the ability to forward contract and enter marketing agreements.

Let me describe how this amendment works.

Essentially, this amendment says that a packer can forward a contract or enter into any type of marketing agreement as long as the producer continues to materially participate in the management of the operation with respect to the production of the livestock. The key phrase here is, “materially participate.”

Why do we choose those words? Because there is a well-established definition to the phrase. Every attorney who works with the farmers knows well the importance of the term. That is because a farmer who materially participates in the farming operation must pay self-employment taxes. Those who do not materially participate do not have to pay self-employment taxes.

The phrase has appeared in the IRS Code, section 1402(a) since 1956. To say that there is overly abundant case law and administrative comment and law review articles about the term would be understating.

The legal community, the tax community, and the farm community know the difference because it is simply the difference between having to pay self-employment taxes or not paying them.

What does this mean for forward contracting and marketing agreements? This amendment does not affect them. I know that farmers in Iowa who sell hogs under marketing agreements or who sell cattle under forward contracts materially participate because they pay self-employment taxes. Because the farmers materially participate in the management of their livestock production, this amendment will not affect their contracts.

This amendment takes care of any concern that people had about the original amendment; that is, it exempted cooperatives as well as small packers who slaughter less than 2 percent of the national slaughter.

Therefore, many of the innovative startup projects operating and being
formed to get producers greater bargaining power in the market will not be affected by this amendment.

I have to say something about Senator Craig's amendment in which he wants further study. Around here we know that packer ownership and captive supply over the years, and the only thing that is clear is that the issue begs for policy clarification from Congress.

Just in the past few years, the USDA released a major study on the procurement practices in the Texas panhandle as well as a recently released paper on the captive supply of cattle. This paper, which was released on January 18 of this year, included a 15-page appendix that lists the numerous studies already conducted. Senator Craig wants more studies.

What do these studies find? They find a strong correlation between increased captive supplies and lower prices. The correlation is there. But the studies usually state that it is too hard to tell for sure whether one causes the other.

It seems that the USDA is never going to be able to tell for sure. Someone can always create doubt. It is precisely in these types of situations that Congress should step in and clarify that certain practices such as packer ownership are illegal, to clarify it once and for all.

It really boils down to this: If you believe that the top four packers of cattle in this country who control 81 percent of the market should be able to own livestock in a captive situation—if you believe that—you want to vote for Craig. You don't want to vote for the Grassley amendment. But if you believe that the independent cattle producers in Missouri, Iowa, South Dakota, Nebraska, Texas, and Kansas—all over the Midwest and the West—if you believe that those independent producers ought to have some bargaining power and be able to bargain and negotiate with those top four packers on prices and have some independence and be able to own their livestock or to contract it, then you will want to vote for the Grassley amendment.

That is all about. You have huge packers who want to own livestock, who now own livestock. And here is the way it works. The packer owns the livestock. The farmer comes in. When cattle are ready to sell, you can't keep them around much longer; you have to sell them. So you go to the packer, and the packer says: Here is how much money I will give you for them. The livestock producer says: That is not enough. The packer says: Take it or leave it, because I have my own cattle which I can feed through the packinghouse, and I know you can't keep those cattle for another 14 days on feed.

There you go. They squeeze them. It is called economic concentration, and they squeeze those independent producers. They are going out of business right and left.

In my part of the country, we like to have a healthy livestock industry. You have balance. Sometimes when grain prices are low, you get high livestock prices. If livestock prices are low, you get higher grain prices. You have a good, even input. Some supermarkets may have both livestock on feed, whether it is cattle or hogs, and grain production.

This takes away from those independent farmers a valuable source of income and livelihood. Packer ownership does not help farmers. The packers get an increased ability to manipulate the markets. When packers lock up the chain space, as they say at the packing plant, the farmer does not have access to the market. We don't need a study. We have had enough studies. We need good, clear legislation. The Grassley amendment that prohibits the ownership of livestock by packers clears this up once and for all.

Studies we don't need. We don't have to wait for studies. We have had plenty of them. Our farmers have been calling for action for years. Literally dozens of farm, commodity, rural community, and religious groups seek a ban on packer ownership. The two largest general farm organizations, the American Farm Bureau and the National Farmers Union, have explicit policy against packer ownership. They don't call for more delay. They don't call for more wringing of hands, for more studies that never seem to come to fruition. They want us to respond to the real problems that real farmers have out in the countryside today.

Our farmers need more than just another study that is not going to show anything. They want real reform in the livestock markets. I think it is time to give them what they need and what our country needs. If we really believe in the market, as I do, then I believe in many players and transparency and openness, how can you vote to let four of the top packers of livestock who control 81 percent of the market control all the inputs? That is not a free market. What our livestock producers are calling for is a free market. That is what we are calling for.

I compliment my colleague from Iowa, Senator Grassley, for his amendment calling for forward contracting with the packers and the staffs working together with others—on a bipartisan basis to clear this up once and for all. When we get back next week, we will speak again about this.

Over the weekend, there should not be any doubt in anyone's mind that the Johnson amendment would prohibit forward contracting. It doesn't. But in case there is any lingering doubt, the Grassley amendment clears it up and makes it clearly clear that this amendment will not prohibit contracting relationships between farmers and packers.

I yield the floor.

The PRESIDING OFFICER (Mr. WELLSTONE). The Senator from Ohio. Mr. DEWINE, Mr. President, I rise today to thank Senators Lugar and Harkin for the hard work they have demonstrated on the Senate Committee on Agriculture, Nutrition, and Rural Development. I also thank them for accepting a sense-of-the-Senate resolution that is similar to a resolution I introduced earlier this week along with nine of my colleagues: Senators Bingaman, Dayton, Dorgan, Kerry, Sarbanes, Chafee, Dodd, Hagel, and Lott.

Our resolution highlighted the important role effective foreign assistance programs play in fostering political stability, food security, rule of law, democracy, and ultimately peace around the world.

Our resolution, as we originally introduced it, expressed the sense of the Senate regarding the importance of U.S. foreign assistance programs as a diplomatic tool for fighting global terrorism and promoting U.S. security interests.

Many times we think about foreign assistance as just humanitarian assistance, helping other people. We have an obligation to do that. We forget, though, that when it is used effectively, it is a good foreign policy tool. In fact, it is an essential foreign policy tool. Tragically, I believe we have seen the amount of money that we put into foreign assistance go down in real dollars over the last 20 years. So as we try to carry out American foreign policy, that tool is simply not there as much as it used to be.

Without question, there is a direct link between foreign aid programs and the self-sufficiency and stability of these developing countries. The reality is that when we go into a developing, impoverished, or war-torn nation and give the suffering people assistance, we can make a positive difference. We can feed starving children, care for the sick and elderly, house countless orphans, and teach people new and more effective methods of farming. If we do these things, the people of those nations would be better able to pull themselves out of hopelessness and despair. These assistance programs must be looked at not just as a handout but literally, as we always say, a hand up, giving people the opportunity to help themselves.

Chaos, poverty, hunger, political uncertainty, and social strife are the root causes of violence and conflict around the world. We know this. We also know we must not wait for a nation to implode before we take action. We must not wait for a nation's people to suffer from poverty, disease, and hunger. We must not wait for the rise of despotic leaders and corrupt governments, such as the Taliban.

I believe we certainly have a moral obligation to those in the world suffering at the hands of evil leaders and corrupt governments. We have a moral obligation to the 1.2 billion people in the world who are living on less than $1 a day. We have a moral obligation to...
the 3 billion people who live on only $2 a day. This kind of poverty is unacceptable and, quite candidly, it is dangerous to us and to the stability of the world. I think it is something we have to work to change. It is in our self-interest that we do so.

The fact is that foreign assistance has had an enormous impact when applied effectively. For example, over the past 50 years, our assistance has helped reduce infant child death rates in the developing world by 50 percent. We also have had a significant impact on worldwide child survival and health promotions, through initiatives such as vaccinations and school feeding programs.

Agriculture is certainly another area of great success. Today, 43 of the top 50 countries that import American agricultural products have in the past received humanitarian assistance from the United States. Today, they are our customers. Our investment in better seeds and agricultural techniques over the past two decades have made it possible to feed an additional 1 billion people throughout the world.

Despite its importance and immeasurable value, our overall foreign affairs budget is meager. For example, the international community is holding up, awaiting reforms to be made, a $1.5 billion proposal by Haiti to settle disputes concerning the May 2000 election. I believe it is correct to withhold that money. But what it means is that the only assistance coming from many countries—certainly the only assistance coming from the U.S.—is the purely humanitarian assistance that does not go through the Government. That purely humanitarian assistance has gone down and down and down. We have taken it down for the last few years. And all of these are deals that we will take it down again this year. I think that is, quite bluntly, a mistake. It is a mistake for us to continue to reduce this humanitarian assistance. This is not money that is going to the Government of Haiti. This money is going to NGOs, private organizations, charitable groups that are dealing directly with the people of Haiti, who are helping with agricultural problems and challenges and helping them feed their children through school feeding programs and others that are working on the problem. All of this work is done directly on the ground by people who are making a difference.

I think we should reconsider our position—the position we have seen in the past few years of continuing to ramp down that assistance that goes directly to these NGOs and to the people of Haiti. I believe we have a moral obligation to stay committed to these people, irrespective of what the Haitian Government does or does not do. The world reality is that we need to increase foreign assistance across the board, not just the money that goes to protect the Haitian people but the much-needed aid that reaches all corners of the developing world. While we as a Nation must project strength, we also must project compassion.

Quite simply, providing humanitarian assistance is the right thing to do. It is also in our national interest to do it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

ENERGY POLICY

Mr. MURKOWSKI. Mr. President, I rise today to bring to the attention of my colleagues the coming debate on the energy bill which will be before this body sometime next week, at the pleasure of the majority leader, of the minority leader, and I am sure of my colleagues the concern I have that somehow in this energy bill we may get into a debate—and it may be more than a debate. It may be pointing fingers at one another with regard to the Enron situation. I think it is fair to say there is a lot of blame around here.

The objective and responsibility we have is to correct the damage that has been done to ensure it does not happen again, and if indeed we can find accountability, we should proceed with that process because that is part of our job.

In my opinion, as the former chairman of the Energy Committee and a member currently, we have been on a little politics both in the House and Senate. We are trying to create a political issue out of the Enron failure. I think it is fair to say some members are really more interested in the facts. They are more interested in the rhetoric, which occasionally occurs around here.

What we have seen is the devastation with the loss of employees, the billions that are lost, and retirement funds that have been wiped out. Indeed, I think we have to focus on the reality that this is a series of lies, a series of deceits, a series of shoddy accounting, a series of misbehavior, a series of misconduct, a series of coverup. That is the bottom line. It should not have happened, but it did happen. I think it is fair to say our obligation goes to trying to protect the consumers and protect the stockholders.

One of the interesting things, though, as one who has followed the energy process very close, the failure of Enron really had nothing to do with the market price of national gas, or the market price to consumers in this country. It is very important to understand the system worked. In other words, Enron was buying and selling energy. They were not a great producer of energy. When they basically failed, those who were supplying Enron simply moved to other distributors. So the consumer was not hurt. Keep that in mind. This was a failure internally within this company that impacted a lot of people, but it did not affect the ratepayers or the supply in this country. The private system basically worked.

What are some of the issues surrounding the political gain or political consequences? I think we have to agree we should try and look at a bipartisan effort to present real solutions to America’s energy problems. Some are interested in demonizing the President and the Vice President with stories that are somewhat misleading and off the focus of the reality of why this corporate failure. We have seen our good

Now I want to try and balance that a little bit to be desired. To use that logic, we should be critical of any energy bill that helps meet our Nation’s growing energy needs just because a company, for that matter any company, even one producing renewable energy, could benefit.

It is true some elements of the administration’s energy policy are consistent with the views of Enron, but it is also true that far more elements of the Clinton administration’s energy policy were consistent with the views of Enron.

I think we have to look at some of the facts. I am prepared to do that in the next few minutes. For example, one of the elements, according to a Washington Post story on January 12, in a meeting when the Secretary of Energy Penna under the Clinton administration, and Ken Lay, who was the head of Enron, pressed the Clinton administration to propose legislation that would assert Federal authority over a national electricity market—now this is what the previous administration basically did. It was kind of interesting because some of the material that comes out of the research that is done by the media, that addresses some of the backroom meetings that went on, deserves the light of day, and I am prepared to share that briefly. I met with Ken Lay in my office on one occasion.

The purpose of Mr. Lay’s meeting with me was to encourage me to support deregulation at a time certain of America’s electric energy market. Under the deregulation plan he supported, there would be a simultaneous definite date under which various States would come in under deregulation. I was opposed to that.

Then, of course, in the California situation where we had a cap by the State of California on retail, and I felt we could not simply mandate everybody come in at the same time under deregulation. The fact that some have deregulated, like Pennsylvania, Texas, and other States, it has been very well. Those States have seen a reduction in their electric rates. It still was not a perfect process. The States should have the opportunity for innovation and to deregulate over a period of time.

According to a company version of the meeting, Lay and Penna, after my meeting with Lay, agreed that a go-slow approach to deregulation advocated by the Senate Energy Committee’s chairman, Frank Murkowski, Republican of Alaska, was unacceptable. In other words, Penna had asked Enron officials to keep the Energy Department staffers posted on developments in Congress.

The point I want to make, and make very clear, is it would not have been in the national interest to have followed the objective of Ken Lay and Enron to open up instantaneous deregulation of the electric marketplace. As indicated in the memorandum, in the meeting with Peña and Ken Lay—and Peña, again, was Secretary of Energy at that time—they agreed that my approach was too slow and unacceptable.

I want to compare where we are today because this is the issue, or the accusation, that somehow the energy plan proposed by the administration was out of the Enron playbook. I want to compare where the current energy bill is relative to the specifics that would be applicable to Enron if Enron were still a functioning corporation. So let us look at many of the elements of Senator Daschle’s energy bill because I believe many of them are straight out of the Enron playbook in asserting some Federal authority over a national electricity market. I think it should be pointed out that Enron has never wanted to deregulate electricity. Instead, they want to Federalize electricity. Now there is a difference. It is the regulatory process. Enron wanted different regulations, not deregulation in the sense of my last remarks where I indicated the only thing they would support was simultaneous deregulation.

They wanted to preempt States and put FERC, the Federal Energy Regulatory Commission, in charge. Enron wanted to create a one-size-fits-all system that benefits national marketers and excludes the State or the State marketer. They did not produce power—and, on the other hand, ignore local concerns and interests, which is one of the reasons I objected. Enron wanted special provisions of particular benefit to that company.

I think Enron had every intention of getting a movement in their direction, and they had access to take their plans directly to the upper echelons of the leadership, and they did. What is the purpose of all of this? The purpose is the virtual wish list, in my opinion, for a federalized system found to a large degree in the Daschle bill before the Senate. By knocking down State rights in exchange for Federal command and control, Enron would have gained the substantial advantage in energy markets at the hands of State protections of consumers. In other words, the State has the obligation to protect its consumers.

One Senator referred to the Bush energy plan the other day as “a cash and carry” for Enron. If that is the case, perhaps the Daschle bill before the Senate, the Daschle bill, than it did under the Bush energy plan. As I say, those who live in glasshouses should not throw stones and perhaps should not take baths.

I conclude with the situation surrounding the committee of jurisdiction, the Committee on Energy and Natural Resources. We talk about ensuring that we have an energy supply to meet our Nation’s needs. There is one place in this country where energy
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is in great demand. In my opinion, that is this body of the Senate. Energy, energy, everywhere, in all sorts of committees—except one committee. That is the committee where it belongs, the Energy and Natural Resources Committee.

Through a press release issued late last October, Senator Daschle basically pulled the plug on the Energy Committee: The Senate’s leadership wants to avoid quarrelsome, divisive votes in committee. That was how the release read.

What happened was, clearly, the majority leader did not like the writing on the wall, so he basically took and created his own bill and introduced it as the bill that will be considered by this body. I think the development of that bill was in the worst traditions of the Senate and was done without the open process associated with the committee requirements. There was no opportunity for Republican or Democrat amendments to do anything out far out of the reach of the public or input of the reach of the public, out of the glare of the media. That fact, in itself, should have the media howling. But I don’t hear many of them howling. But their silence tells me that fact has been somewhat deafening.

In doing so, the committee of jurisdiction has simply not been allowed to meet. That is in clear violation of committee rules and Senate rules. But we have not heard any markup since October. That is a mandate from the majority leader to the committee chairman, Senator Bingaman.

What frustrates a lot of Members on the committee is that this is applicable only to the Energy Committee. Other committees have been allowed to meet, and they have not been pushed aside. For example, the Commerce Committee has been allowed to meet because they are having a vigorous debate about the controversial issues of CAFE standards for automobiles. It is a legitimate debate, and it belongs in the Commerce Committee. It is an energy debate that should be aired in public, in the press, and under scrutiny of public opinion. That is current. But the committee of jurisdiction is not allowed to meet on the underlying bill.

The Environment and Public Works Committee has been allowed to meet. They are having a vigorous debate about another issue, and that is Price-Anderson, to help the nuclear plants that are online in this country. Again, it is an energy debate that should be aired in public, in the press, and under scrutiny. It is being done. Yet the underlying committee of jurisdiction is forbidden from meeting on the energy bill.

The Finance Committee has been allowed to meet. They are debating a wide variety of tax provisions to help spark the next generation energy sources for the country. Again, it is the energy debate that should be aired in public, in the press, and under scrutiny. And it is in the Finance Committee.

But where is the Energy Committee, the committee of jurisdiction? Silenced—totally silenced in this debate.

As the ranking member, I will not be silenced. I don’t think this is a fair process. We have an avenue available to help make certain the Americans hear the voice on the other side in this debate. We will continue our effort to carry out the challenge that President Bush laid out in his State of the Union to make this Nation energy independent, a goal in a just few years. As a consequence of our energy dependence on imported oil, we are about 57 percent dependent. On September 11, we were importing just over a million barrels a day from Iraq. Currently, that is 750,000 going about our business. As the question, whether indeed an energy bill should address our increased dependence on foreign sources of oil.

I am often reminded of a statement made by Mark Hatfield, who served in this body for many years. He headed up the Appropriations Committee. He was a pacifist, if I can characterize him to some degree. But on this issue of increasing our imports of oil from the Mideast, he often said: I will support opening up ANWR, opening up oil discoveries domestically, on any occasion, rather than send one more American, man or woman, overseas to fight a war on foreign soil over oil.

That is what part of this debate is going to be about, because we have opportunities to increase domestic oil production. Some are going to say that we have other forms of energy, let’s use them. We do, but the world moves on oil. Until we find another alternative, we are going to be increasing our dependence on very unstable sources: Iraq, Iran, Saudi Arabia. The consequences of that to the American people are, I think, severe.

We are going to have a debate in this body. There is going to be an effort to filibuster. The National Environmental Policy Act groups have been against us. This has been a cash cow for them. Opening up ANWR specifically is the lightning rod. Those organizations threaten another energy producer and put fear in the American people that it cannot be opened up safely.

They suggest it is a 6-month supply. That is absolutely ridiculous. That would be like assuming there was no other energy produced in this country or imported for a period of 6 months.

They say it is somewhere between 5.6 and 16 billion barrels. If it were in the middle, 10 billion barrels, it would equate to about 25 percent of the total crude oil produced in the United States. It would be the largest discovery, if you will, other than Prudhoe Bay. That is more oil than the proven reserves in Texas. We say it will take 10 years. We built the Empire State Building in less than 2 years. We built a pipeline in a couple of years—800 miles. By permitting, we could get this oil on line in a couple of years.

When Members are going to vote on this issue, they are going to be torn by the pressures from America’s environmental community that has milked this issue like a cash cow, for money and membership. When we eventually pass it, they are going to move on to another cause, make no mistake about it. I think we are all practical politicians who recognize that.

So these Members who stand here are going to have to make a vote on whether to be responsive to the environment groups or do what is right for America—that is, to reduce our dependence on imported oil.

This bill favors reduction in energy demand through the creation of new Federal agency efficiency standards—I refer to examples of the mandate to concern ourselves with the safety of the automobiles. We have to concern ourselves with the mandate that Government is going to dictate what kind of car you drive, jobs protected in the industry and فيه. These are considerations that I believe are paramount in the discussion on CAFE standards.

Some suggest the alternative is to let a scientific process set an achievable increase in CAFE standards, or mileage. That is the position I favor. Let’s do what is attainable so we can be held accountable, not being held accountable by the year 2015, or thereabouts, for an amount that may not be practicable, achievable, or may be at a cost that is prohibitive, or at a cost of safety or maybe at a cost of jobs.

Further, this legislation does not appear to solve the pressing energy problems the United States will face in the next decade, acting, instead, as the energy policy of 50 years from now. That is not what we want to do. That is just putting it off. By our account, this bill creates 40 Federal programs, 12 new Federal offices, and authorizes 41 new studies related to energy policy.

I am going to have a lot more to say about this later. I conclude my remarks again with the reference that each Member here is going to be held
accountable for his or her vote and that accountability should be on what is right for America, not what the environmental lobby dictates. I yield the floor.

I ask unanimous consent that an article appearing in the San Francisco Chronicle entitled “Baghdad Bombs” dated Monday, February 4, be printed in the Record. We are importing 750 million barrels a day from Iraq at the same time we are bombing them.

The PRESIDENT proclaims, the article was ordered to be printed in the Record, as follows:

[From the Associated Press, Feb. 4, 2002]

U.S.-BRITISH PLANES BOMB IRAQ

(By Ben Holland)

INSTANBUL, TURKEY—U.S. and British planes patrolling a no-fly zone over northern Iraq fired on two U.S. military aircraft in the northeastern part of the country to check if the Baghdad regime has dismantled its weapons of mass destruction. Baghdad has rejected a possible U.S. military action.

The bombing came amid rising debate on whether Iraq will seek Kurds in Turkey. The bombs were dropped after Iraqi forces northeast of Mosul in northern Iraq fired on a routine air patrol, the U.S. European Command said in a written statement.

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Cullin said. ‘There’s a day-to-day commitment made by three very strong coalition partners . . . toward a population we feel we have an obligation to protect,” Cullin said.

Expectations that Iraq could be the next target of the U.S.-led anti-terror campaign were strengthened by President Bush’s State of the Union address last week.

Bush said Iraq was part of an “axis of evil,” along with Iran and North Korea, and accused it of seeking weapons of mass destruction.

Turkey, host to the air patrols and a main transit route for northern Iraqi forces since September, 1996. Turkey has been flying patrols over northern Iraq since September. 1996. The two countries say the operation is designed to protect the Kurdish population of northern Iraq from Iraqi leader Saddam Hussein.

‘There’s a day-to-day commitment made by three very strong coalition partners . . . toward a population we feel we have an obligation to protect,” Cullin said.

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Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to the Crapo amendment, which was offered yesterday. I ask it be recalled for purposes of my offering an amendment to it.

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to the Crapo amendment, which was offered yesterday. I ask it be recalled for purposes of my offering an amendment to it.

Mr. REID. I send an amendment to the desk.

Mr. REID. I send an amendment to the desk.

The PRESIDENT OFFICER. The clerk will report.

Mr. REID. Mr. President, I ask unanimous consent the amendment is pending.

The PRESIDENT OFFICER. The clerk will call the roll.

The assistant legislative clerk read as follows:

‘There’s a day-to-day commitment made by three very strong coalition partners . . . toward a population we feel we have an obligation to protect,” Cullin said.

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to the Crapo amendment, which was offered yesterday. I ask it be recalled for purposes of my offering an amendment to it.

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Mr. REID. The PRESIDENT OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senate from Nevada [Mr. Reid] proposes an amendment numbered 2471 to amendment no. 2838.

“The text of the amendment is printed in today’s Record under “Amendments Submitted.”

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDENT OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 2838, WITHDRAWN

Mr. REID. Mr. President, I ask unanimous consent the amendment I just offered be withdrawn.

The PRESIDENT OFFICER. Without objection.

Mr. REID. Mr. President, a few weeks ago I saw a movie called “A Beautiful Mind.” It is based upon a true story of a man by the name of John Nash who is a mathematician from Blue Field, WV. He is probably one of smartest men ever born on this Earth. I was so fascinated by the movie that I read the book which was the basis for the movie. The book was even more intriguing, interesting, and fascinating than the movie. It was such a work of literature. I could not put it down.

One of the things that could be determined, for example, were moves of the military during the cold war. Through a mathematical formula using John Nash’s theory, you could determine what would happen if the United States did this. This is what the Soviet Union would do.

I will not go into any more detail other than tell you he was a brilliant man. But sadly, he became a schizophrenic paranoid. He had people talking to him all the time who were real to him. These people talking to John Nash were as real as if we were speaking to our wives when we left home today or speaking to one of the Senate staff. He believed things that he heard. And the movie depicts, he saw people on occasion.

Obviously, I was fascinated by this movie and by this book, but listening yesterday to the people come to this Chamber and talk about my language in this farm bill made me think of this movie and this book. I am not accusing them of being paranoid or schizophrenic because they were talking about something they either knew nothing about or they were imagining things. I am not saying that.

What I am saying, and I am going to talk about, is that I am fascinated by the movie about the water legislation and we simply were without any basis in fact. I don’t know where this came from.
In the State of the Presiding Officer—the land of lakes—Minnesota has hundreds of lakes, I am told. In Nevada, we have very few lakes. We have Lake Mead that is man made. We have Lake Mohave, that is man made because of the huge amount of water. We have Pyramid Lake and Walker Lake, two desert terminus lakes. There are only 20 lakes like those in the rest of the world.

We do not have many lakes. We have very few rivers. And what we call rivers, people from the Presiding Officer’s part of the country would laugh at. You can walk across our rivers. So conservation is important to us in the West.

I started my service in the Senate as a member of the Environment and Public Works Committee. I am still a member of that committee. I have been chairman of the committee twice. Probably the most controversial issue that we struggled with in that committee is how we deal with the negative environmental effects of farming and ranching.

One time I was serving as chairman of the subcommittee that dealt with fish and wildlife, and we worked on the difficult issue of the Endangered Species Act with the late John Chafee, my dear friend, who at that time was the chairman of the Environment and Public Works Committee, and my friend Max Baucus, who now is chairman of the Finance Committee, and at that time was the ranking member of the Environment and Public Works Committee, and Senator Dirk Kempthorne, now the Governor of Idaho. We worked together and crafted a very fine reform of the Endangered Species Act.

That effort failed for a couple reasons. One reason it failed was because it was not moved on quickly enough by Senator Lott, the then-majority leader. He had his own reasons for not moving on it. I am sure. At the time it gave people too much time to nitpick our legislation.

But I think the main reason the bill failed is that it gave landowners and farmers financial incentives and benefits for helping endangered species but the funding was not mandatory. So the farmers and landowners were afraid we would not give them any money. People did not know if the appropriations process would put money in their hands. So for the farmers and landowners who wanted financial help, we could not give it to them.

This program that is in this bill right now, that my friend, Senator Craig, is trying to change, fills the void that bill was in. It was just a few farmers. A lot of the water was being wasted that the farmers were using. The only way the wetlands were maintained, even as they were, was because of the overflow from the farms because the Newlands project, the first ever Bureau of Reclamation project, that created that farming community—dried up one lake—Lake Winnemucca is gone—and was in the process of drying up Pyramid Lake, lakes controlled and in the land of the Indians.

We were able to reverse that. I think we are going to have a healthy agricultural community, and certainly we are going to have a better Indian community. They have been able to do a lot of things as a result of that legislation.

But I only gave that example to show the huge amount of water that is used in agriculture. And at the time, they grew basically hay and alfalfa, which are very water intensive.

This section in this bill is a place to address these conflicts. The amendment, which I will offer at the appropriate time, to that program—I am amending my section through the appropriation process. So the funds will be scored by the Appropriations Committee and the Appropriations Committee and by the Appropriations Committee.

But I think the main issue in the farm bill—water in the farm bill—is to account for the legitimate concerns people have raised since this legislation first came up before the end of last year. One of my colleagues noted yesterday there will be an amendment to strike the program. That is what Senator Craig is doing, trying to eliminate it.

My amendment, and the provision in the bill that I have, is supported by hundreds of groups. The vote that we will take on my amendment and Senator Craig’s will be scored by the League of Conservation Voters. They already have a letter out on that.

But the groups supporting this legislation I talked about are too numerous to mention. There are scores of organizations that support this legislation, sometimes that use comes into conflict with other users.

We have had a long, ongoing problem with the tiny little Truckee River that runs through Reno, NV. It is tiny by the standards of Minnesota and other western States. It was just a few rivers, but in Nevada that is a river that is the lifeblood for the northern part of the State.

I worked and got passed, about 10 years ago, legislation that ended a 100-year water war between the States of California and Nevada, which involved two Indian tribes, two endangered species, involved the cities of Reno and Sparks, agricultural interests, and involved a wetlands that had gone from 100,000 acres to 2,000 very productive acres that were killing fish and animals that even came there. We resolved that. Now there is fresh water going in there. The legislation is almost a model.

At that time, the cities of Reno and Sparks were using 69,000 acre-feet of water a year. The farmers were getting out of that same little river, not long before that, 400,000 acre-feet of water a year. It was just a few rivers. A lot of the water was being wasted that the farmers were using. The only way the wetlands were maintained, even as they were, was because of the overflow from the farms because the Newlands project, the first ever Bureau of Reclamation project.
national organizations, such as the National Audubon Society, the World Wildlife Fund, The Wilderness Society, Trout Unlimited, Environmental Defense, and State and local organizations—well over 100 of them from Alabama to Wisconsin.

This is really good legislation.

Mr. President, I ask unanimous consent that letters that I have just spoken about be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

LEAGUE OF CONSERVATION VOTERS

RE: Oppose anti-environment amendments to the farm bill (S. 1731).

U.S. Senate, Washington, DC.

Dear Senator: The League of Conservation Voters (LCV) is the political voice of the conservation community. Each year, LCV publishes the National Environmental Scorecard, which details the voting record of Congress on environmental legislation. The Scorecard is distributed to LCV members, concerned voters nationwide, and the press.

LCV urges Members to oppose the following amendments to Senator Harkin’s (D-IA) Farm Bill:

A Smith (R-OR) amendment that would use disaster relief funds to pay farmers for implementing environmental laws. These payments to implement a broad range of federal laws and contracts could create a huge drain on funds that are needed to compensate farmers for real disasters and would chill enforcement of important federal environmental, labor and other safeguards.

A Crapo (R-ID) amendment that would strike a program that would purchase or lease water rights from farmers to help endangered fish and other species. The program guarantees state water law protections and state approval of all water purchases and leases.

A Roberts (R-KS) amendment that would allow self-interested parties, such as fertilizer company representatives, to become federally-reimbursed advisors to farmers on conservation practices. This would guarantee the high cost of state and federal conservation programs will be paid by a few commercial businesses with an interest in promoting heavy use of chemical inputs to formulate conservation plans designed to limit such inputs to protect water quality.

Two Burns (R-MT) amendments: the first would prohibit farmers from enrolling more than half of the farms in the Conservation Reserve Program, which could break up CRP into smaller tracts of land that have significantly less habitat value and bar the enrollment of sensitive lands. The amendment already prohibits more than 25% of eligible land in any county from being enrolled in regular CRP. The second Burns amendment would require that the Secretary pay more for enrolling less productive lands in CRP than more productive lands. Many valuable enrollments, such as stream buffer strips, are of low economic but high environmental value.

A Hutchinson (R-AK) amendment to exempt USDA’s Wildlife Services program from National Environmental Policy Act (NEPA) review in the killing of migratory birds. It would also authorize the Fish and Wildlife Service (FWS) to regulate such killings and create a dangerous prece-dent for piecemeal exemptions from NEPA and our international treaty obligations.

LCV’s Political Advisory Committee will consider including votes on these issues in compiling LCV’s 2002 Scorecard. If you need more information, please call Betsy Loyless in my office at (202) 785-8683.

Sincerely,

DEBRA CALLAHAN
President.

— February 5, 2002.

Dear Senator: We urge you to help resolve conflicts between farmers and endangered fish and other aquatic species by supporting the incentive-based Water Conservation Program in the conservation title of S. 1731, the Agriculture, Conservation and Rural Enhancement Act of 2001.

The Water Conservation Program authorizes the U.S. Department of Agriculture to acquire or lease water rights on 1.1 million acres of land, so long as water transfers are consistent with state water law and have been approved by state officials. State officials must also permit the Secretary of Agriculture to implement the program in their state.

Freshwater species are North America’s most endangered class of species—they are vanishing five times faster than North America’s mammals and birds as well as our nation’s tropical rainforest species. Inadequate stream flow is among the leading threats to endangered fish because low summer flows reduce dissolved oxygen levels, increase water temperatures, and limit access to food and spawning habitat. The absence of rising spring flows—which trigger spawning and aids fish migration—is also a major threat.

We urge you to support this voluntary, incentive-based approach to one of the nation’s most pressing environment challenges.

Please support the Water Conservation Program in the conservation title of S. 1731, the Agriculture, Conservation and Rural Enhancement Act of 2001.

Sincerely,

National Organizations: American Lands; Department of the Planet Earth; Endangered Species Coalition; Environmental Defense; Environmental Working Group; Institute for Agriculture and Trade Policy; Institute for Environment and Agriculture; Land Trust Alliance; National Wildlife Federation; Rural to-Trails Conservancy; Restore America’s Estuaries; Trout Unlimited; The Wilderness Society; World Wildlife Fund.

State and Regional Organizations: Alabama Rivers Alliance, AL; Altamaha Riverkeepers, GA; American Bottom Conservancy, IL; American PIE—Public Information on the Environment, MN; Amigos Bravos, NM; Arkansas Nature Alliance, AR; Ascuntry Mountian Audubon Society, VT; Audubon Alaska, AK; Audubon Colorado, CO; Audubon of Florida, FL; Audubon Society of New York State, Inc./Audubon International, NY; Bear River Watershed Association, UT; Tennessee Valley Authority Regional Conservation Alliance, ME; Blue Heron Environmental Network Inc., WV; Cacapon Institute, WV; California League of Conservation Voters, CA; California Trout, Inc.; CA; Campaign to Safeguard America’s Waters, Earth Island Institute, AK; Citizens for a Future New Hampshire, NH; Citizens for a Quieter Santa Barbara, CA; Citizens for a Healthy Great Basin, NV; Citizens for a Healthy Great American Station Foundation, NV; Friends of the Shenandoah River, VA.

CONGRESSIONAL RECORD — SENATE
February 8, 2002

Community Forestry Resource Center, MN; Concerned Citizens Committee of SE Ohio, OH; Delaware-Osage Audubon Society, NY; Devil’s Fork Trail Club, VA; Douglaston Chapter of the Sierra Club, NY; Duthces County Farm Bureau, NY; MTO-Kaths, FL; ECO-Store, FL; Endangered Habitats League, CA; Environmental Action!, GA; Environmental Defense Center, CA; Experience Appalachia!, OH; Federation of Fly Fishers, NH; Forest Guardians of Vermont, VT; Friends of Butte Creek, CA; Friends of Critters and the Salt Creek, IL; Friends of Queets Watershed, PA; Friends of the Locust Fork River, AL; Friends of the Nativate River, MD; Friends of the North Fork of the Shenandoah River, VA.

Friends of the Santa Clara River, CA; Friends of the St. Joe River Association, ID; Friends of the Wekiva River, In; FL; Friends of the White Salmon River, WA; Great American Station Foundation, NV; Great Basin Mine Watch, NV; Group for the South Fork, NY; Halifax River Audubon, FL; Hancock County Planning Commission, ME; Hardy Groves, Inc, FL; Humane Education Network, CA; Juniper New Mexico Foundation, NM; Keepers of the Willamette Valley, OR; League to Save Lake Champlain, VT; Lakeshore Greens, WI; Maine Congress of Local Associations, ME; Maine Farmland Trust, ME; Marion County Farm Bureau, KY; Michigan Resource Stewards, MI; Montana Fishing Outfitters Conservation Fund, MT; Montana River Action Network, MT; Mountain Chapter Trout Unlimited, NV; My Mother Garden Inc, Organic Herbs, FL; Nanticoke River Watershed Conservancy, DE.

New Jersey Chapter of the National Wild Turkey Federation, NJ; New Ulm Area Sport Fishermen, MN; New York Rivers United, NY; North Carolina Smart Growth Alliance, NC; North Fork River Improvement Association, CO; North Shore Audubon, NY; Ohio River Advocacy, OH; Ohio Valley Environmental Coalition, WV; Oregon Shores Conservation Coalition, OR; Organic Consumers Association, MN; Organic independents, MN; Palomar Audubon Society, CA; Palos Verdes/ South Bay Audubon Society, CA; Palouse Land Trust, ID; Pamlico-Tar River Foundation, NC; Park County Park and Recreation Council, MT; Patrick Environmental Awareness Group, VA; PCC Farmland Fund, WA; Peguannock River Coalition, NJ; Planning and Conservation League, CA; Potomac River Association, MD; Preserve California, CA; Rahway River Association, NJ; Rio Grande Restoration, NM; River Tales, PA; River Touring Section, John Muir Chapter, Sierra Club, WI; Rivers Council of Minnesota, MN; Rural Vermont, VT; Seal River Chapter—Izaak Walton League of America, WA; Seavey Funds, Inc, CA; South Carolina Forest Watch, SC; Southern Illinois University, Environmental Law Institute, IL; Southwest Environmental Center, NM; Student Environmental Coalition (watch of the Environment), IL; Students Improving the Lives of Animals, IL; Taking Responsibility for the Earth and the Environment, VA; United Anglers of California, Inc., CA; United Fish and Wildlife (now Watch of Trout Unlimited, UT; Vermont Association of Conservation Districts, VT; Virginia Forest Watch, VA; Walburg Realty & Investments Corp., CA; West Virginia Council of Trout Unlimited, WV; West Virginia Rivers Coalition, WV; Wisconsin Council of the Federal of Fly Fishers, WI.
Amendments to OPPOSE:
Smith (OR) Amendment: Senator Gordon Smith's amendment would use crop disaster relief fund to pay farmers for implementing environmental practices, including buffer strips, riparian areas and wetland habitat. The amendment would fund this initiative at $100 million.

Crapo Water Conservation Amendment: Senator Crapo has introduced an amendment that would weaken the water conservation provisions of the bill by converting a program designed to pay farmers to reduce water use to benefit endangered species into additional traditional CRP acres. The water conservation program in the bill does not take land out of production but instead allows farms to install more efficient water use equipment or shift to more water-efficient crops and lease their surplus water to neighboring farmers or irrigators. The proposed amendment would reduce the incentives created by the program.

Strengthening Wellstone: Senator Wellstone's amendment would require that the Environmental Quality Incentives Program (EQIP) be used to match Federal funds with contributions from states or local governments.

Durbin Amendments: The Durbin Amendment would provide an incentive-based tool to alleviate conflicts between farmers and endangered species. Attacks on this program have missed the point: it is the responsibility of farmers to take state water rights. But all leases must meet state water law and therefore in general must be approved by state officials, and the program will only be implemented when Governors have agreed. It is quite possible that other amendments designed to weaken this provision will also be introduced.

Robert's Technical Amendment: Senator Roberts has introduced an amendment that would weaken the quality and integrity of the valuable technical assistance that farmers need to implement cropping practices that are environmentally sound. The amendment could exclude employees of state of local government, such as conservation district personnel, from being able to offer the technical assistance needed to help farmers implement the farm conservation programs. At the same time, it would allow fertilizer company representatives and other self-interested actors to become federally regulated "crop advisors." The amendment would also require that the Natural Resources Conservation Service (NRCS) give maximum flexibility to the Secretary to establish a sound certification program that people must meet in order to become providers of conservation technical assistance.

Burns Amendments: Senator Burns has introduced two amendments to deal with "regulatory disasters," the amendment would require that the Farm Bill include a provision to pay farmers for implementing water conservation practices that help protect water quality. In addition, the amendment would establish the "Conservation Bank" program, as the "standard" for the technical assistance certification program that the Natural Resources Conservation Service (NRCS) must provide. The amendment would weaken the authority of the Fish and Wildlife Service (FWS) to regulate such killings. The amendment presently applies to migratory birds but would be narrowed to apply just to coromants. The amendment should be opposed in either form.

CONGRESSIONAL RECORD—SENATE S531
February 8, 2002
DEAR SENATOR: As the Farm Bill debate continues, we urge you to support or oppose the following amendments:

Wellstone Amendment: Senator Wellstone's amendment would institute safeguards to ensure that funds from the USDA's main water quality protection program (Environmental Quality Incentives Program—EQIP) are not used for the expansion of large confined animal feeding operations (CAFOs). The Farm Bill heading to the Senate floor, S. 1731, removes the animal unit eligibility cap for the Environmental Quality Incentives Program, opening the program to larger factory farms. The proposed Wellstone amendment would prevent EQIP from becoming a massive giveaway to the nation's largest industrial animal factories.

Grassley/Dorgan Payment Cap Amendment: Senators Grassley and Dorgan are offering a major commodity program reform amendment to reduce the payment limit per farm for direct payments to $75,000 and for marketing loan payments to $150,000. This compares to the levels in the underlying bill of $200,000 on direct payments and a $300,000 nominal limit and no effective limit at all on marketing loan gains. The amendment removes the major loopholes in current law and tightens the "actively engaged in agriculture" rules. The amendment would reinvest ¾ of the $1.3 billion savings in the food stamp program, with the remainder to the Initiative to restore the Agriculture and Food Systems program.

Although farm programs are typically justified as aid to family farms, farm payments in fact are designed to reduce the payment limit for the largest farms, many of which obtain more than $1 million per year. According to USDA, these farms use these funds to buy-out and to operate smaller and medium-sized farms. This amendment will help restore integrity to the programs. It also helps the environment because it will reduce some of the pollution problems, which lead to loss of habitats and excess use of chemicals.

Durbin Amendments: The Durbin Amendment would curtail incentives created by farm programs to cultivate new lands and increase production beyond levels supported by the market. Farm program payments, designed to serve as a safety net for the stability of the market, are giving farmers incentives to maintain and increased production at levels not supported by the market. According to USDA analysis, roughly 14 percent of cropland and pastureland were converted to row crops between 1982 and 1997. These conversions contribute to crop surpluses, low prices, and higher risk to producers, as well as environmental degradation. Durbin's amendment would devote to added nutrition programs.

Significantly less habitat value and to bar the enrollment of some highly sensitive lands. Senator Harkin's bill (S. 1731) already prohibits more than 25% of eligible land in counties from being enrolled in regular CRP. In addition, producers cannot receive more than $50,000 total in CRP program payments.

A second amendment by Senator Burns would require that the Department of Agriculture not pay farmers for CRP lands that are enrolled in electricity projects. An example is a system planted with wind turbines.

A second amendment by Senator Burns would require that the various farm programs contribute to "court" the livestock industry. The amendment would require that the Department of Agriculture not support the marketing of livestock on lands enrolled in CRP.

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whatever water he has. No one gives the farmer a way to get by until the drought is over.

My existing Water Conservation Program that is in the bill—and this substitute—would get him that payment to tide him over until the drought is over.

The existing program said that if a farmer wanted to transfer his water to benefit fish or water, lake, stream, or river during a drought year, he would get a Federal payment in return.

It would be up to the farmer and up to the State to decide if the State law would allow the transfer to occur. Many States already have programs such as this: California, Idaho, Oregon, Nevada.

Some of my colleagues from the West raised some concerns about the program before we recessed in December. They said a lot of things about the program that were not intended or just were not true.

Some of these arguments were repeated on the floor yesterday. They said it gave the Federal Government the right to confiscate water. I don’t know how to say it other than it doesn’t. It is ridiculous. They said if one is going to transfer his water under a short-term contract, they could take away the other farmer’s water. Think about the logic of that. If you are a farmer or a rancher who is using his water to irrigate, who, under this program, now decides to transfer his water in the stream ever mean another farmer is going to get less water? That is illogical. It doesn’t make sense.

Some of my colleagues had some legitimate questions about the program. The main concern was that the States rights and traditional role in setting their own water could be affected. So it was decided that one way to deal with this problem was to let the States decide whether they want the program or not. Senators DOMENICI and BINGAMAN and I amended the program to say that. If you don’t want to participate in the program, you don’t participate.

If you want to, come on in.

I thought more about their concerns and decided the best way to get water conservation programs implemented in the right way was to let the States run them as they do under a few USDA conservation programs already. The Conservation Reserve Enhancement Program and the Farmland Protection Program both put States in the driver’s seat with respect to conservation. The USDA makes sure that the State’s conservation ideas are sound and that the State implements conservation plans and agreements with USDA oversight.

That is what this amendment does. It replaces the existing program with two plans and agreements with USDA over the State implements conservation ideas are sound and that the USDA makes sure that the State both put States in the driver’s seat and that the States can use the money to help farmers switch crops and use less water. For these options, the State would get 75 percent of the cost of the measure adopted. A farmer, the State, or a conservation group can match the remaining cost.

The amount of water saved by virtue of the Federal contribution would be trawled back for environmental purposes while the measure is in place and only while the measure is in place.

The amount saved by the farmer’s contribution can be used by the farmer any way he wants. If the farmer wants to or decide more to the cost of the measure. The USDA say, 50 percent of the irrigation measure, he uses that 50 percent of the saved water.

Third, States can use the money to, sell options on, or buy water rights from willing farmers for fish and if consistent with State law. Like the Water Conservation Reserve Enhancement Program, States would have complete control over the program. For people walking in here yesterday saying they are taking away the States rights, buy any water rights are not man by the name of Mike Turnipseed, a very conservative person, believes this is a great program.

States must affirmatively ask to be certified by the Secretary to administer the program, and the State must designate an appropriate State agency to administer the program. The State would hold any water rights leased or acquired under this program. The Federal Government is strictly prohibited by the legislation from holding or buying water rights. In addition, States would have to subject all water leases and purchases for the review and approval of the State water boards—in our case, the State water engineer.

As I have mentioned, both programs have to be initiated by States subject to State water law, approved by State water officials, and ensure that the water rights be held by States. If that is not clear enough, I have added general language to make it clear that the State water law is paramount. I have also added language to ensure that private property rights are fully protected.

Both of these programs would help ease the conflicts between the needs of farmers and the needs of endangered fish, as we have seen in the Klamath Basin and in my State in the Truckee and Walker River Basins. These programs will give States the resources they need to plan ahead for years when water supplies are low to meet all needs. These programs will give farmers greater flexibility.

Under this program, a farmer who wouldn’t have enough water to have a profitable year can, if he or she chooses, transfer that water to benefit a lake or fish or a stream.

The contract payment can then tide the farmer over until better water years, years in which the fish don’t need the water. These programs will also have projects for fish species which are important to the recreational and commercial economies of States in the West.
Freshwater species are North America’s most endangered class of species. They are vanishing five times faster than North America’s mammals or birds and as quickly as tropical rain forest species. Habitat loss and degradation are the single biggest threat to freshwater species in trouble. Inadequate streamflow is the largest.

In closing, there are a few things to remember about these water conservation provisions: The Water Conservation Reserve Enhancement Program and the Water Benefits Program. First, both programs are completely voluntary. No farmer could be coerced, forced, or in any way cajoled into participating in either of them.

Second, the Federal Government, by this legislation, is explicitly prohibited from leasing, buying, and holding water rights.

Third, States must choose to participate in these programs. If they do, the programs are run by States and must be consistent with State water law.

Fourth, State water boards and engineers must review and approve all water transfers.

Fifth, the water benefits programs will pay for irrigation efficiency projects that not only conserve water for fish and other things, but will also conserve water that farmers can use to grow these crops or sell to other farmers.

But I think, most importantly, lastly, the program will help reduce conflicts between the needs of farmers and the needs of this Nation’s fish and wildlife, rather than just one or the other.

Mr. President, I have already asked that the list of organizations supporting this legislation be printed in the RECORD. It is extensive. I don’t see other Senators here in the Chamber, but virtually every State has organizations that support this legislation.

I yield the floor.

The PRESIDING OFFICER (Mr. LEAHY). The distinguished senior Senator from Montana is recognized.

AMENDMENT NO. 2839 TO AMENDMENT NO. 271

Mr. BAUCUS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The pending amendment is laid aside.

The PRESIDING OFFICER. The legislative clerk read as follows:

The Senator from Montana (Mr. BAUCUS), for himself, Mr. ENZI, Mr. REID, Ms. LANDRIEU, Mr. DORGAN, Mr. JOHNSON, Mr. CONRAD, Mrs. CARNARAHN, Mr. DAYTON, Ms. STABINOW, and Mrs. LINCULN, proposes an amendment number 2839.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

(Purpose: To provide emergency agriculture assistance)

On page 128, line 8, strike the final period and insert the period and the following:

Subtitle — Emergency Agriculture Assistance

SEC. 01. INCOME LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this subtitle as the "Secretary") shall receive $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses in calendar year 2001, including losses due to army worms.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with more Senators present, payments not for crop disasters, but for income loss to carry out the purposes of this section.

SEC. 02. LIVESTOCK ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary shall use $500,000,000 of funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received emergency disaster assistance from the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock programs, under section 306 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–51).

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–51).

SEC. 03. MARKET LOSS ASSISTANCE FOR APPLE PRODUCERS.

(a) IN GENERAL.—The Secretary of Agriculture shall use $100,000,000 of funds of the Commodity Credit Corporation fiscal year 2002 to make payments to apple producers, as soon as practicable after the date of enactment of this Act, for the loss of markets during the 2000 crop year.

(b) PAYMENT QUANTITY.—A payment to the producers on a farm for the 2000 crop year under this section shall be made on the lesser of—

(1) the quantity of apples produced by the producers on the farm during the 2000 crop year;

(2) 5,000,000 pounds of apples.

(c) LIMITATIONS.—The Secretary shall not establish a payment limitation, or income eligibility limitation, with respect to payments made under this section.

SEC. 04. COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this subtitle.

SEC. 05. ADMINISTRATIVE EXPENSES.

(a) IN GENERAL.—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Commodity Credit Corporation Appropriations Act, the Secretary of Agriculture shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture carrying out this subtitle $50,000,000, to remain available until expended.

(b) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

SEC. 06. REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this subtitle.

(b) PROCEDURE.—The promulgation of the regulations and administration of this subtitle shall be made without regard to the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture of July 1, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking;

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”);

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SEC. 07. EMERGENCY REQUIREMENT.

The entire amount necessary to carry out this subtitle is designated by Congress as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)).

Mr. BAUCUS. Mr. President, this amendment will help farmers who have experienced very deep, strong disasters due to weather conditions. It provides desperately needed disaster assistance for America’s farmers and ranchers.

I begin by thanking Senators ENZI, REID, BURNS, LANDRIEU, DORGAN, JOHN-son, CONRAD, CARNARAHN, DAYTON, SHERBY, and LINCOLN for cosponsoring this.

I also thank the 57 Senators who voted in support of this measure when we tried to append it to the stimulus package a couple weeks ago. We came very close to passing this amendment. Unfortunately, 10 of our colleagues were not present for the vote, and given the strong showing of bipartisan support and the likelihood that I think more than 60 Senators support this measure, it is very likely we will try again with more Senators present.

The amendment extends to the 2001 crop the same agricultural disaster programs that have proven crucial to American farmers in recent years. What could be more obvious and commonsense than to extend to the 2001 crop the same programs that have proven crucial to American farmers in recent years?

The amendment provides $1.8 billion for crop disaster program and covers quality loss due to army worms. It provides $500 million to the livestock assistance program, with $12 million directed to the Native American livestock feed program. It also addresses the concerns of our apple producers and provides $100 million toward their market loss assistance program.

Producers desperately need these disaster programs. They need them to help mitigate the devastating effects of unprecedented and extreme weather throughout the United States.

Mr. President, I know you will remember when you came to Montana, I
...
cannot hope to make up in volume what they are losing under Depression-era prices. In North Dakota, the brutal reality of today’s farm economics leaves little margin for either error or misfortune, and for many of those producers suffering natural disaster losses, their operation is at risk. That is why Congress must respond.

I want to commend the Senator from Montana for his tireless efforts to address the disaster situation. I know that his State has been hard hit by consecutive drought, and his ranchers are reeling. He’s been trying since last fall to respond in some way.

In my own State of North Dakota, we have received some of the rains that passed over Montana. Unfortunately, those rains came just as our wheat crop was maturing, and the result has been serious losses due to scab and other quality problems. Some estimates put North Dakota’s disaster losses last year at near $200 million. Even those who purchased crop insurance find that their indemnity payments won’t restore profitability to their operation, so that is why this additional assistance is required.

To vividly illustrate what last year’s disaster did to the typical farming operation in North Dakota, I would like to cite some figures from an instructor in an adult farm management program in my state.

According to this farm management instructor, the farm operations he is advising—located in an area hit hard by natural disasters—had an average net farm income last year of just $25,937—down 54 percent from the previous year. These net farm income figures actually include government payments received under existing farm programs. If farm program payments are excluded, these farmers would have had a substantially negative farm income—losing $46,665 per farm, on average. That’s the harsh reality of farming in the Northern Great Plains today.

So again, for all these reasons, I am pleased to cosponsor this needed amendment, and I urge its adoption.

Mrs. CARNAHAN. Mr. President, I am pleased to have the opportunity to express my support for the Baucus amendment to the farm bill. I want to commend Senator BAUCUS for his leadership on this amendment.

The amendment provides much needed relief for our farmers and farm communities. This emergency assistance will provide an immediate boost to the sagging farm industry in Missouri. I am especially grateful to Senator BAUCUS for his assistance in providing relief to farmers whose crops were damaged by an invasion of armyworms. Armyworms marched through Missouri and left a trail of crop destruction and economic loss in their wake. The armyworm is a caterpillar only about an inch long but they march in large groups, moving on only after completely stripping an area. Last winter’s unusually warm weather and the summer drought conspired to make life easy for the armyworm and hard for the farmer.

Thousands of farmers across southern Missouri were devastated. One official at the Missouri Department of Agriculture said that last year’s invasion of the armyworm in his 38 years at the Department. Agriculture Secretary Ann Veneman declared 32 counties in Missouri disaster areas due to the extent of the armyworm damage.

Missouri wasn’t the only State hit hard by the armyworm infestation. Farmers throughout the Midwest and Northeast were all affected. The armyworms worked extremely fast. Jim Smith, a cattle farmer in Washington County, completely lost 30 acres of hay field and most of the hay on another 30 acres. He said that he did not even know he had armyworms until 20 acres had been mowed down “silk as concrete” by the insects. In his 73 years on the family farm, this says this is the worst he has ever seen.

This invasion has had severe economic consequences for my State. Missouri is second in the Nation in cattle farming. As a result of crop loss, farmers are forced to sell their reserve feed to feed their cattle and dairy cows. Farmers are not only losing thousands of dollars in crop loss, but also the additional and substantial expense of purchasing livestock feed for their herds this winter. In addition, some farmers were forced to sell their yearlings earlier than normal. Due to premature sales of yearlings, farmers got below average prices for their heads of stock, further increasing farm loss. The effects of this infestation will continue to be felt.

It isn’t just the farmers that are suffering economic loss. When the farmers hurt financially so do the feed merchants, farm supply dealers, and gas stations. The funds provided in this bill will help all of Missouri recover from the armyworm infestation. So, I support this amendment and I look forward to its inclusion in the farm bill.

Mr. HARKIN. Mr. President, President Bush was in Denver this morning. He has probably left by now, I suppose, to the extent of the armyworm damage. So again, for all these reasons, I am especially grateful to Senator BAUCUS for his assistance in providing relief to the Missouri farm areas. This emergency assistance will provide an immediate boost to the Missouri farm operations. They were devastated by the armyworm infestation. So, I support this amendment.

At the outset, I want to note I had a chance to speak personally with the President briefly when he visited Moline, IL, the home of John Deere, about 3 weeks ago. I asked if we could get together and meet on this farm bill, and he said that we could. I am still looking forward to that meeting.

The message that I thought came through loud and clear was that the President very clearly in Moline, IL, was that the farm bill is the economic recovery bill for rural America; that farmers need some certainty, and that our agricultural lenders, agricultural businesses and rural communities need some certainty about what the farm program will be this year.

Without some greater assurance, farmers cannot buy the supplies, equipment and other inputs they need and that affects the rural economy.

If I am hopeful the President will help us try to get this farm bill through the Senate, but we are still stuck on it. I remain hopeful we will be able to finish this farm bill next week, but then again that is not the point.

I paid some attention to the speech the President gave in Denver, and I was interested in what he mentioned. First of all, he said he was committed to the $73.5 billion over 10 years in new spending for the farm bill, which was in our budget resolution for this year. That is good, but it is important to note his budget also calls for dramatic reductions in commodity loan rates. A good share of that $73.5 billion would be released to make large loan rate reductions. So it is critical to look carefully below the surface of the budget.

Now, the President then went on to talk about how new farm bill funding may be leveraged.

He says he doesn’t want to “front-load” it, which he said “overpromises and underperforms.” I don’t quite understand that expression, but it is clear he wants to spend the farm bill funding evenly over 10 years. There was one glaring omission in the President’s remarks. He did not mention that his own Department of Agriculture, a month ago, estimated that net farm income this year would be 20 percent lower than it was last year unless we provide additional assistance. The President glossed over that fact about the dire state of the farm economy.

The President evidently is pointing at the Senate bill which puts somewhat more of the $73.5 billion in the first 5 years than it does in the second 5 years. Actually not a lot more. Half of $73.5 billion would be somewhere around $37 billion. Our bill is about $40 billion in outlays in the first five years. So it is only about $3 billion more than half. We believed it important to put more funding upfront because now is when it is critically needed. The President’s own Department of Agriculture said that we would see a 20 percent drop in net farm income this year. When farmers are hurting and going out of business, that is the time to come in and help.

I don’t know what the farm economic situation will be 8, 9, or 10 years from now. It may be just fine. If that is the case, we should not need to spend much of any money on commodity programs 8, 9, or 10 years from now. But when commodity prices are low and farmers are struggling, as they are, now is the time. This message has an urgency. That is the main reason why there is more funding in the first 5 years than in the second 5 years. The President did not mention...
that. He wants to say, whatever we spent this year is what we will spend 9 years from now. What sense does that make? I don’t know what will happen 9 years from now. I hope farmers are making good money and don’t need Government assistance 9 years from now. They will need money in the first 5 years of our bill because it is needed now to help farmers stay in business and for rural communities that are struggling economically.

The President said a good farm bill should include the farm savings account. That is fine. I have nothing against farm savings accounts. When you are losing 20 percent of net farm income, how do you have money to put into a savings account?

Then he said it must include conservation. I believe he said every day is Earth Day for people who rely on the land for a living.

If that is the case, why did the administration in December support a substitute Senate bill that slashed support for conservation? What the President is saying does not track with what the administration is doing in Washington on this farm bill.

The President was speaking to the National Cattlemen’s Beef Association, the producers of our beef cattle. I am disappointed the President did not mention packer concentration. We debated that this morning. We had debate on it in December also, including the fact there are more packers consuming 80 percent of all the cattle slaughtered in America. If that is not undue economic concentration, I don’t know what is. Yet the President did not talk about that.

We have an amendment on this bill to keep packers from feeding livestock so that our independent pork and beef producers can have a better bargaining position and a fighting chance to survive. But the President didn’t mention packer concentration. We debated that this morning. We had debate on it in December also, including the fact there are more packers consuming 80 percent of all the cattle slaughtered in America. If that is not undue economic concentration, I don’t know what is. Yet the President did not talk about that.

The President also said something about political budget gimmickry and cobbled together loose political coalitions. Is this the President who said we have to work together, that we should all work together in a bipartisan atmosphere?

There are competing interests. Agriculture covers a broad spectrum in America. We want to help farmers all over. We take care of farmers in Texas, or in Washington, or in Maryland, or in Iowa. It is a broad country. As chairman of the Senate Agriculture Committee, my responsibility is to be cognizant and aware and supportive of agriculture nationwide. Yes, we have put together coalitions. Of course we have. But isn’t that what the President wants to do? Work together in a bipartisan atmosphere and try to put together a coalition to get something through?

He said we cannot set the loan rates too high. Specifically, what does that mean? He also vowed, when he became President, he would make agriculture the cornerstone of U.S. economic policy. Yet I have not received the specifics from the Administration that would allow us to negotiate to come up with the new farm bill.

To make something a cornerstone, you have to lay a foundation down first. I have not seen the specifics of a farm bill from the Administration to lay down a foundation for agriculture. Last year, the Department of Agriculture under Secretary Veneman put out a policy book on American agriculture. I gave it high praise. I found I could support a lot of the objectives in that book, especially including stronger support for conservation. We put it in our bill. Most of it was in the Department of Agriculture book last year.

Again, I was very shocked in December when there was a substitute bill offered to ours that drastically cut the conservation programs in the bill and the administration supported it. So I hope there will be less talk about political gimmickry and more cooperation from this administration when it comes to getting this farm bill finished.

I am looking forward to work with the President. I have said that time and time again. We have worked in a bipartisan atmosphere here. I continue to point out, as I always say, the facts and figures of the bill we came through our committee with strong bipartisan support, every single title except the commodity title, which still had bipartisan support but just not overwhelming bipartisan support. The bill on the Senate floor now commands a bipartisan majority. It is good for agriculture.

If we are accused of having gone overboard to represent the dairy farmers in Vermont, the sugar farmers in Vermont, the apple growers in Washington State, the rice farmers in Arkansas, the corn and soybean farmers in Iowa, the wheat farmers in Kansas, the pork producers in Iowa and the upper Midwest, the cattle producers all over America, the orchards in Michigan, and the apple growers in Washington State—if we are accused of having gone out of our way to help them survive and be a vital part of rural America, I plead guilty. You bet we have because I believe in American agriculture, and I believe it still is the foundation for our economic policy in America.

Believing that, we have laid down the cornerstone, we have laid down the foundation, on energy and conservation and commodities and rural economic development and trade and, yes, nutrition.

On nutrition, for which the President’s budget provides some $4 billion less for nutrition than in our farm bill, that is an important part of the farm bill.

I appreciate the President paying a visit to the National Cattlemen’s Beef Association. I look forward to working with him in a bipartisan atmosphere, to get through a sound farm bill. I just hope his speech writers and those who are advising him might better inform him what we are doing.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

MR. LEAHY. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. HARKIN). Without objection, it is so ordered.

The Senator from Vermont.

MR. LEAHY. Mr. President, I had the privilege to be presiding while the distinguished Senator from Iowa was speaking of the work he has done putting together this farm bill. I listened. I have been chairman of the Agriculture Committee on one occasion, ranking member on another occasion, when we had to put through the 5-year farm bill.

I have worked with the distinguished chairman of the Agriculture Committee, and now Presiding Officer, for over 20 years between the House and the Senate. I know how hard it is to put such a bill together.

The distinguished Senator from Iowa worked very closely with all Members, both Republicans and Democrats—in meeting after meeting, conversation after conversation, on the floor, in their offices, in the Senate dining room, walking across the Hill. I have been privy to a number of those conversations.

A farm bill has a number of diverse aspects to it. The President seems to wrap everything into some kind of sense of patriotism. We have to be patriotic. We have to have a missile defense system to be patriotic, we have to pass tax credits. Incidentally, the last tax cut and stimulus package they proposed would have given, I believe, a quarter of a billion dollars to Enron. I am not quite sure just what kind of patriotism comes out of giving another $250 million of taxpayers’ money to Enron. Maybe it is because I come from Vermont and not Texas, but it didn’t seem all that patriotic. But I digress.

The point is, everybody in this body is patriotic. Republicans and Democrats. Why don’t we just acknowledge that? We wouldn’t be here otherwise. Let’s think, though, what that means. That means protecting all aspects of our country.

The United States is the only significant power in the world able to feed itself and still export food—billions of dollars worth of food. That is part of our national security. We are not energy sufficient. Maybe someday we will be. If we do a better job of conserving, we are a nation of over a quarter of a billion people and we can feed ourselves from within our own borders, and that will
continue to be true if we continue the incentives that keep people on the land, keep the land productive, protect the environment for farmers so they can keep that land productive, and to be able to tell farmers: You will work hard and you will be able to make a living out of it, your kids can go to college, someday you will be able to retire—all the things people desire. I hope as we go forward the White House would realize we are all in this together. We are not talking about a party. One of the things I have enjoyed the most, serving for 27 years now on the Agriculture Committee, is the bipartisanship of that committee. I value my friendship with the current chairman. I value my friendship with the former chairman, Senator Lugar. They are two of the closest friends I have in this body.

I remember Hubert Humphrey, George McGovern, and Bob Dole working closely together on nutrition matters. This is a diverse group, but I think one thing that united them was their great sense of humor and a passion, a special passion for feeding the children of this country.

There have been bipartisan coalitions on the committee ever since I came here. There was a bipartisan coalition that started the WIC Program, one of the best things for children, for pregnant women, for women post partum, after giving birth. These are programs that have come out of there—the School Lunch Program, which has improved the nutrition of our children and is now considered just a staple of Government. Yet as Harry Truman knew at the time of World War II, so many people were rejected for the draft because of lack of nutrition, so he started the School Lunch Program.

I say this to commend the tremendous work of the Senator from Iowa. I am proud of him. I am proud to be his friend. I am proud to serve as a member of the Banking Committee. With that, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Akaka). Without objection, it is so ordered.

HAPPY BIRTHDAY GREETINGS TO SENATOR PAUL SARBANES

Mr. BYRD. Mr. President, I am det轻ed to extend, even though belatedly, happy birthday greetings to the senior Senator from Maryland, Mr. Sarbanes. His birthday was on February 3, so he has now reached the grand age of 69. Oh yes, 69 again.

Let me say that Senator Sarbanes and I have more differences than just our ages. He is of Greek ancestry, and proud of it. I am of southern and Appa-lachian ancestry, and beyond that, going back through the years of time and change, of Anglo-Saxon ancestry, and I am proud of that.

He is a member of the Greek Orthodox Church. I am a member of the Southern Missionary Baptist Church. He is from the Chesapeake region of the Eastern Shore of Maryland. I am from the coalfields of southern West Virginia.

His career began by waiting on tables, washing dishes, and mopping floors in the Mayflower Grill in downtown Salisbury, MD. Mine began by working in a gas station in the cold winter of January and February 1935, having to walk 4 miles to work and 4 miles back, earning $50 a month, $600 a year.

But, Mr. President, Senator Sarbanes and I share many common interests. One of these common interests that Senator Sarbanes and I share is our love for the Senate. And I have always appreciated that in Senator Sarbanes' career.

I have observed Senator Sarbanes since he was first elected to the Senate in 1976—200 years after that historic year of 1776. I have admired the rational way that this perfectly reasonable man has always gone about his business.

I watch him when he is listening to witnesses in committees. I serve on the Budget Committee of the Senate with Senator Sarbanes. He has a rare, subtle way of listening carefully and then going right to the crux of a matter. He is very effective in his questions and the manner in which he performs his work on committees.

He is a thinker. I spoke of his Greek ancestry. Paul Sarbanes is the epitome of the Greek thinker, of which we have read so much in history.

I have watched him as he has served as chairman of the Congressional Joint Economic Committee, as chairman of the Senate Banking, Housing, and Urban Affairs Committee. He is also the chairman of the impressive and influential Maryland congressional delegation, which includes Senator Barbara Mikulski in the Senate as well as Representative Steny Hoyer in the House.

He has been a very effective member of the Senate Foreign Relations Committee and, as I earlier indicated, as a member of the Senate Budget Committee.

There is a long list of reasons I admire Paul Sarbanes. One of the reasons I came to admire Paul Sarbanes was the support he gave to me when I was the majority leader and when I was minority leader in the Senate. During most of the time, the most difficult votes, in the midst of the most controversial issues, I nearly always called upon Paul Sarbanes for his counsel, for his advice. Every leader would be fortunate to have a Paul Sarbanes who, to whom he could go and seek advice and counsel.

So there he was, with his advice and his friendship. I can’t begin to say how much I appreciated that in Paul Sarbanes, as one of the most probing, acute intellects that I have seen in my 56 years of serving in legislative bodies. His word is his bond. His loyalty is unchallenged. His integrity is beyond reproach.

So allow me to use these belated birthday greetings to say: Thank you; thank you, Senator Paul Sarbanes, for being a friend as well as a colleague; thank you for your tremendous work for your State and our country.

I should also thank the people of the State of Maryland for having the wisdom and the common sense to send Paul Sarbanes here to be with us in 1982, in 1988, in 1994, and in 2000. He is now the longest serving U.S. Senator in the history of the State of Maryland. The Senate and our country are the better for it.

Count your garden by the flowers, Never by the leaves that fall; Count your days by the sunny hours, Not by the wandering clouds; Count your nights by stars, not shadows; Count your days by smiles, not tears.

And on this beautiful February afternoon, Paul Sarbanes, count your life by smiles, not tears.

FAITH

Mr. BYRD. Mr. President, yesterday the President spoke at the National Prayer Breakfast. Let me just quote a few excerpts from the President’s remarks:

"Since we met last year, millions of Americans have been led to pray. They have prayed for comfort in time of grief; for understanding in a time of anger; for protection in a time of uncertainty. Many, including those who have been on time, believe the prayers of this nation are a part of the good that has come from the evil of September 11th, more good than we could ever have predicted. Tragedy has taught us that "divine" courage and the generosity of our people.

"None of us would ever wish on anyone what happened on that day. Yet, as with each life, sorrows we would not choose can bring wisdom and strength gained in no other way. This insight is central to many faiths, and certainly to faith that finds hope and comfort in a cross.

"Every religion is welcomed in our country; all are practiced here. Many of our good citizens profess no religion at all. Our country has never had an official faith. Yet we have all been witnesses these past 21 weeks to the power of faith to see us through the hurt and loss that has come to our country. Faith gives the assurance that our lives and our history have a moral design. As individuals, we know that suffering is temporary, and hope is eternal. As a nation, we know that the righteous will inherit the Earth. Faith teaches humility, and with it, tolerance. Once we have recognized God’s image in ourselves, we must recognize it in every human being."

Mr. President, I ask unanimous consent that the entire speech by President Bush be printed in the RECORD at the close of my remarks.
The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BYRD. Mr. President, I will differ with President Bush in many things, and in many ways; and I suppose I will differ with every Senator here at some point differ with the President in regard to something. On his faith-based initiative, I may differ with him. But I am glad that the President took time in his busy day to make these remarks at the National Prayer Breakfast. I am glad to hear him utter the name of God—the person in our country who is at the apex of the executive branch of Government, pausing in his day to recognize a higher power than that of the Chief Executive of this country. The Chief Magistrate of our Nation spoke of God and spoke of having been on bended knee.

Mr. President, remarks such as these have become all too rare, even in this country, when uttered by a high Government official who is elected directly, but indirectly, at least — by the people of the United States.

So I respect President Bush for his humility, for his willingness to call upon God, to express a faith, to express a concern, and to call upon the Creator of us all. It is unfortunate, but these are times when few men and women, relatively speaking, it seems to me, recognize God in their lives and in the life of the Nation. Blessed is the nation whose God is the Lord.

I am almost an antique around these precincts in our Capitol. I suppose one might say I am almost a neanderthal, having lived 84 years. I come from a background in which God was a major factor in my life.

When I was a little boy living in the “sticks” in southern West Virginia, in Mercer County, impressed upon my young mind was a belief in a Higher Power. I read the one book in my humble household—the Bible—the King James version of the Bible. The woman who raised me was my aunt. Her husband was my uncle by virtue of their marriage. Many times, when I was a child living in Mercer County, I would hear her pray after we had turned out the kerosene lamps. I would hear her praying in the other room. Even after I had grown to manhood and was a Member of Congress and would go back to West Virginia on the weekends, or during a recess, always when I started back to Washington, she would say, “ROBERT, you be a good boy. I always pray for you.”

Many times, I have gone back to those coal fields and knocked on the door at night, at 2 o’clock in the morning, 3 o’clock in the morning, after having driven across mountain roads from Washington. She would always get up and unlock the door. Sometimes I would go up on the porch and see her on her knees. Many times I would get out of bed and unlock the door and let me in the house and offer to fix a meal for me at 1 or 2 o’clock in the morning. And then, when I would go to bed, and the lights were all out, I would hear her prayers coming from another room. I knew she was on her knees.

So, the President spoke of having been on his knees at times, and that our Nation during these trying days has found comfort in its suffering by being on its knees. People are turning back to the church. I remember that woman who raised me. And I remember him, her husband. I knew no other father than he. He was the only man I ever knew as my father—except for one occasion when I was in high school, my senior year, when he and I caught a truck and I caught a bus and I traveled back to North Carolina where I did meet my biological father and spent about a week in his home. But that coal miner who raised me, and whom I called my dad, was likewise a religious man.

These two wonderful old people, this couple who raised me, didn’t go around wearing their religion on their sleeve and making a big whoop-de-do about it; they didn’t claim to be good, as the Bible says they go. They didn’t belong to the Christian right or the Christian left, or Christian middle, or whatever it was. They had that King James Bible in their home. They lived their religion. They didn’t look down upon any man and didn’t look up to any man—except they looked up to God. So they brought me up like that and taught me like that.

Now, I will say this: Regardless of how far one has come from the right path, if he has had this basic faith drilled into him from the beginning by parents who reared him and taught him how to live, he may stray away from those lessons, but he will come back.

We all err and fall short of the glory of God. It just touches my heart and makes me feel good that the Chief Magistrate of our country talks about getting on his knees. So I say while I may differ, from May 14, 1981, when President Bush, I will also respect him and respect his humility, his basic faith exemplified by what he is saying in this instance, exemplified by his indicating that a nation advances when it adheres to its principles. It comes to coal miners, to farmers, to schoolteachers, to lawyers, but it comes.

I salute President Bush for his remarks. I hope he will continue to call upon his Maker in his search for strength and comfort.

Mr. President, I will disagree mightily, I will differ on President Bush as President, I will also respect him and respect his humility, his basic faith exemplified by what he is saying in this instance, exemplified by his indicating that a nation advances when it adheres to its principles. It comes to coal miners, to farmers, to schoolteachers, to lawyers, but it comes.

I salute President Bush for his remarks. I hope he will continue to call upon his Maker in his search for strength and comfort.

Now perhaps I did not think so much about these things when I was 24 or when I was 34, but 50 years later at the age of 84, I am drawn to think about these things. No, the party platform will not be worth much to me in that hour. Nor will it be to you or to you, Mr. President, if some of us, it will be all too soon. We know not when. It comes to us all. It comes to Presidents. It comes to Kings. It comes to Governors. It comes to Senators. It comes to coal miners, to farmers, to schoolteachers, to lawyers, but it comes.

I hope we will never become so mighty, so wrapped up in ourselves individually, so subordinated to the tenets of partisan political parties, that we fail to acknowledge, when it comes down to the last mile of the way, the last hour of my days, if I have a clear mind at that point I will not be thinking about the Democratic Party. I will not be reciting the tenets of the principal—of the—Democratic Party. Political party in that moment will mean nothing to me. Instead, I will be wondering, how will it be with my soul when I have to meet God face-to-face.

There may come a time in the young lives of these high school juniors who are here as pages, when they, too, will find succor and comfort only in God’s Word, feeling that, yes, He is here, He knows about their grief.

I lost a grandson 20 years ago this year. For a long time thereafter, I walked in a deep valley. I sought everywhere for strength. I went to see the coroner. I went to see the State policeman who was there and saw my grandson’s body removed from the truck that had crashed and then caught fire. I went to see the volunteer fire department that was nearby. Again and again I went to these same people. I was searching, trying to persuade myself that my grandson was honored. I found the greatest of comfort when I felt that my grandson was aware of my grief—that he knew about my grief, and that I have the promise in God’s Word that I can see Michael again.

I lost a grandson another time in my life. I was much younger than 84, much younger than I was in 1982 when I lost my grandson. This was back in 1945, during the Second World War. I had been a welder in Baltimore for a year and a half working on “Victory” ships and “Liberty” ships. I decided to take my wife and two daughters and go south to Florida the next winter rather than remain in Baltimore shipyards where the cold winds came across the bay, and we were on the decks of the welding the coal steel. I was in Crab Orchard, WV, in southern West Virginia, visiting with my uncle and aunt who had raised me and I dreamed
that Mr. Byrd, the man whom I had always recognized as my dad, had died.

The very next day I received a telegram from my brother—who is still living; he is 88, a little older than I, still living in North Wilkesboro, NC—saying to me, a spiritual father, that Cornelius Calvin Sale, had died. After having dreamed that my adopted father had died, the very next day I received a telegram saying that my natural father had died.

Mr. Sale had bought a Greyhound bus and we traveled to North Carolina. I attended the funeral of my father, Mr. Sale. From there, I left alone to go to Florida to get a job there, if I could, as a welder, building ships. I traveled all night on a bus. I took a welding test the next morning in Jacksonville in a shipyard. I failed the test. Having been up all night, I didn’t have a steady hand, perhaps, I failed that test.

I asked: Where else are they testing and hiring welders here in Florida? I was told that the west end of Florida on the side of the gulf. I was told that they were hiring welders in Tampa. So across Florida I started again on a bus. When I reached Lake-land, late in the day, I got off the bus and walked into a little grocery store and bought a stick of pepperoni, some crackers, a piece of Longhorn cheese, and a can of sardines. I sat down on a railroad rail outside the grocery store and ate. What was left, I put back in the paper bag and found myself a hotel. It didn’t cost much in those days to stay in a hotel, so I spent the night in a hotel.

While in that hotel I, of course, felt lonely. My wife and two daughters were back in West Virginia, miles away. I was homesick.

I opened the drawer of a table in the room, and there was a Gideon Bible. That was the first Gideon Bible I had ever seen. It was the King James version. I like its immaculate English, its beautiful prose. I read two or three chapters of that Bible and went to bed.

I attended an execution once of a young man who killed a cab driver. He had hired a cab driver in Huntington, WV, to take him to Logan. On the way to Logan he shot the cab driver in the back, tossed him out beside the road, took his money, and went on. A few days later the young man was apprehended in a theater in Montgomery, WV. He was brought to trial, convicted, and sentenced to die in the electric chair.

West Virginia law at that time required a certain number of witnesses to an execution. I thought that, inasmuch as I had occasion often to speak to young people in Sunday school classes, churches, Boy Scouts, Girl Scout troops, 4H Clubs, if I could talk with this young man who was about to go to the electric chair, he might be able to tell me something that would help these young people with whom I would meet and speak.

On this occasion I went to the State penitentiary at Moundsville. I asked the warden to let me be one of the witnesses. He gave his approval. Before the execution, which was scheduled to be at 9 p.m., I asked the warden to let me talk with this young man whose name was Jim Hewlett. This was in 1951 when I was a member of the West Virginia Senate. I went to the death house, entered the death chamber, and asked the warden to let me talk with this young man whose name was Jim Hewlett.

Some years later, probably 30 years later, I was in the northern panhandle of West Virginia, and while I was there, someone said: Why don’t you go down and see Father—I don’t remember the Father’s name—go down and see Father So-and-So. He’s very ill, and I am sure that he would help him if you just stopped by and said hello.

I said: OK, where does he live?

I had my driver take me to the man’s house. He was sitting out on the back porch in the sunshine. I introduced myself and sat down with him.

For some reason, I cannot account why, my conversation went back to a time when I visited Moundsville and witnessed the execution of a young man named Jim Hewlett. I don’t recall how our conversation took this turn, but this priest, who, indeed, was in very failing health, listened raptly as I told about this execution, about what I had said, about what Jim Hewlett had said.

When I finished, the priest said: Yes, that’s the way it was. You see, I was the Chaplain that night when you visited Jim Hewlett in his cell.

I didn’t know the priest; I didn’t know his name. But there he was, 30 years later, and he had been in that cell.

The point I want to make is this. The young man scoffed at religion, and after he was convicted of this crime and scheduled to die, he asked for a chaplain in his cell. He scoffed at religion. But when the last days came and Governor Patteson of West Virginia declined to change his sentence, declined to commute his sentence from death to life in prison or whatever, Jim Hewlett knew then that he was, indeed, going to die, and he wanted a chaplain in his cell. He had scoffed at religion. Now, when he knew that he indeed was going to meet God shortly, he wanted a chaplain in his cell.

I was why I say to you young people all over this country, there will come a time when you, too, will want—will want God.
Last night, I passed beside the blacksmith's door, and heard the anvil ring the vesper chime. And looking in, I saw upon the floor, old hammers worn with beating years of time.

"How many anvils have you had," said I. "To wear and batter all these hammers so?" "Only one," the blacksmith said, then with twinking eye, "The anvil wears the hammers out, you know.

And so the Bible, the anvil of God's word. For centuries, skeptical blows have beaten upon, But, though the noise of falling blows was deafening, The anvil is unharmed, the hammers gone.

EXHIBIT I

REMARKS BY THE PRESIDENT AT NATIONAL PRAYER BREAKFAST, WASHINGTON HILTON HOTEL, WASHINGTON, DC

The President: Thank you very much. John, Laura and I are really honored to join you this morning to celebrate the 50th anniversary of the National Prayer Breakfast. And, of course, whatever prayer you used for eloquence, worked. (Laughter and applause.) I appreciate your message and I appreciate your service to our great country. (Applause.)

I want to thank Jon Kyl and Judge Sentelle for their words, and CeCe for your music. Setting the stage, I want to meet Joe Finley, the New York City firefighter. He's a living example of what sacrifice and courage mean. Thank you for coming, Joe. (Applause.)

I want to thank Congressman Bart Stupak. I really appreciate the fact that my National Security Advisor, Condoleezza Rice, is here to offer prayer. (Applause.) I appreciate the members of my Cabinet who are here. I want to say hello to the members of Congress.

I'm particularly grateful to Lisa Beamer for her reading and for her example. (Applause.) I appreciate here example of faith made stronger in trial. In the worst moments of her life, Lisa has been a model of grace—her own, and. (Applause.) And all America welcomes into the world Todd and Lisa's new daughter, Morgan Kay Beamer. (Applause.)

Since we met last year, millions of Americans have been led to pray. They have prayed for comfort in time of grief; for understanding in a time of anger; for protection in time of danger. Many, including me, have been on bended knee. The prayers of this nation are a part of the good that has come from the evil of September the 11th. More good than we could ever have predicted. Tragedy has brought forth the courage and the generosity of our people.

None of us would ever wish on any one what happened on that day. Yet, as with each life, sorrows we would not choose can bring wisdom and strength gained in no other way. The lesson that is central to many faiths, and certainly to faith that finds hope and comfort in a cross.

Every religion is welcomed in our country; all are free. Many of our good citizens profess no religion at all. Our country has never had an official faith. Yet we have all been witnesses these past 21 weeks to the power of faith to see us through the hurt and loss that has come to our country.

Faith gives the assurance that our lives and our history have a moral design. As individuals, we know that suffering is temporary, and hope is eternal. As a nation, we know that the ruthless will not inherit the Earth. Faith teaches humility, and with it, tolerance. Once we have recognized God's image in ourselves, we must recognize it in every human being.

Respect for the dignity of others can be found outside of religion, just as intolerance is sometimes found within it. Yet for millions of Americans, the practice of tolerance is a command of faith. When our country was attacked, Americans did not respond with bigotry. People from other countries and cultures have been treated with respect. And this is one victory in the war against terror. (Applause.)

At the same time, faith shows us the reality of good, and the reality of evil. Some believe that all the problems of this world have eternal consequences. It is always, and everywhere, wrong to target and kill the innocent. It is always, and everywhere, wrong to be cruel and hatefully oppressive. It is always, and everywhere, right to be kind and just, to protect the lives of others, and to lay down your life for a friend.

The men and women who charged into burning buildings to save others, those who fought the hijackers, were not confused about the difference between right and wrong. They knew the difference. They knew their duty. And we know their sacrifice was not in vain. (Applause.)

Faith shows us the way to self-giving, to love our neighbors as we would want to be loved ourselves. In service to others, we find deep human fulfillment. And as acts of service are multiplied, our nation becomes a more welcoming place for the weak, and a better place for those who suffer and grieve.

For half a century now, the National Prayer Breakfast has been a symbol of the vital place of faith in the life of our nation. You've reminded generations of leaders of a purpose and a power greater than their own. In times of calm, and in times of crisis, you've called us to prayer.

In this time of testing for our nation, my family and I have been blessed by the prayers of countless Americans. We have felt their sustaining power and we're incredibly grateful. Tremendous challenges await this nation, and there will be hardships ahead. Faith will not make our path easy, but it will give us strength for the journey.

The promise of faith is not the absence of suffering, it is the presence of grace. And at every step we are secure in knowing that suffering produces perseverance, and perseverance produces character, and character produces hope—and hope does not disappoint.

May God bless you and may God continue to bless America. (Applause.)

Mr. BYRD. Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The senior Senator from West Virginia yields the floor and suggests the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001—Continued

Mr. REID. Mr. President, I ask for the regular order, and I ask that the Crapo amendment be the regular order.

The PRESIDING OFFICER. The amendment for the regular order is before the Senate.

Mr. REID. Mr. President, I appreciate that very much. I didn't know that. Thanks for advising me.
Process was not served on Randy Weaver, and the process server thought they had given him notice of the trial. But that led to the issuance of a warrant of arrest, and Randy Weaver resisted on the mountaintop. That led the Bureau of Alcohol, Tobacco, and Firearms unit to come to try to compel the arrest. A fire fight ensued, where Deputy Marshal Degan was killed; where Sammy Weaver, age 14, was killed in an incident involving Sammy Weaver and an FBI BATF unit. That was totally inappropriate conduct by the Bureau of Alcohol, Tobacco and Firearms in mounting this assault on Randy Weaver and his family.

During the course of these hearings, FBI Director Louis Freeh conceded that the FBI had violated Weaver's constitutional rights in their use of deadly force, and the FBI changed those practices. John Magaw, who was the Director of the Bureau of Alcohol, Tobacco and Firearms, steadfastly defended the propriety of what BATF had done in the face of what the subcommittee found to be overwhelming evidence of impropriety on the part of the BATF.

Recently President Bush nominated Mr. Magaw to be an under secretary for the Department of Transportation for airport security. And that was at Senator Craig, who sat with the subcommittee—although not a member of the subcommittee—and myself to have a meeting with Mr. Magaw to review his conduct and his attitude toward the Bureau of Alcohol, Tobacco and Firearms, and the view the subcommittee took of those discussions, we went into the matter in some detail. When Mr. Magaw had his hearing on December 20, I questioned him at length before the Commerce subcommittee. Although not a member, I received the acquiescence of the Commerce Committee and the subcommittee to question Mr. Magaw. We went through the facts.

Mr. Magaw said at that hearing that if he had it all to do over again, he would, in effect, concede that the BATF unit had made serious mistakes in their conduct there. Notwithstanding those qualifications that I personally had about Mr. Magaw's judgment, even in the face of this concession, it seemed to me that when we have the major problems of airport security in the United States today, and the President, Mr. Magaw, had personally interviewed me, and I discussed the matter at length with Secretary of Transportation, Norman Mineta, who wanted Mr. Magaw confirmed. That was the last day of the session. I decided not to put a hold on Mr. Magaw. I thought, in fact, he would be confirmed in what we call wrap-up. But somebody else put a hold on, not me. He was not confirmed.

The President made an interim appointment. After we reconvened in January, Mr. Magaw has been confirmed by the Senate. I have taken these few minutes to put on the record what I think is a very important concession from the then-Director of the Bureau of Alcohol, Tobacco and Firearms, that his unit did not act properly.

We have to recognize, in my opinion, that when congressional oversight finds serious errors and serious problems with the administrative branches, that there be a sincere effort to correct them, and to the credit of the FBI and Louis Freeh, that concession was made. They changed their policy on the use of deadly force. Now we have on the record at these hearings in the Commerce Committee that then-Director Magaw conceded and elaborated on changes which he had made in BATF procedures. I yield the floor.

CONGRATULATIONS TO HIGHMORE, SD GRAND OPENING OF THE NEW HIGHMORE HIGH SCHOOL

Mr. DASCHLE. Mr. President, I would like to take this opportunity to congratulate the community of Highmore, SD, and the Highmore School District as they celebrate the grand opening of their new high school. Helping each child obtain the best possible education is more important than ever. While some of our Nation's schools are providing instruction at an exceptional level, others are simply not making the grade. Poor infrastructure may even have an effect on student learning. When a school has a leaky roof, or holes in the walls, or other unsafe conditions, it sends a message to the students who attend that education is not really a high priority.

Highmore is sending a different message to its children. Highmore's commitment to give its students a safe learning environment will have tremendous benefits for years to come. This community should be commended for its efforts to ensure every child in the district has access to a quality education, starting with a great school building.

I am especially impressed by the determination of the school district and Superintendent Larry Gauer to see this project to completion. School Board President Julie Gutzmer, Vice Chairmen Larry Scott, board members Jim Frost, Ed Westcott, Jerry Dittman, Rod Kusser and Peggy Kroeplin, and the outstanding faculty and staff are all to be commended for their vision and dedication.

It is true that our Nation's future security depends on the soundness of its foundation. Our future will be strong and bright only if we help all of our children grow up to be well-educated, healthy, contributing citizens. I view public education as an investment in our national security, and I will continue my efforts to see that all students have access to a healthy, positive school environment that encourages them to learn and grow.

But the Federal Government can only be a partner in this important effort. Parents and communities like Highmore working together is what will make the difference for the youth of South Dakota and across the Nation. It is wonderful to see that the people of Highmore are making education a priority. I salute them for their foresight.

ADDITIONAL STATEMENTS

MINNESOTAN TO LEAD THE NATION INTO THE WINTER OLYMPICS

• Mr. DAYTON. Mr. President, as we all know, the 2002 Winter Olympics begin tonight in Salt Lake City. These games have taken on a special importance in our country this year in the wake of the September 11 terrorist attacks, and will be an important part of our Nation's healing process.

That is why I am so proud that Minnesota Stacey Liapis will help carry the flag that once flew at the World Trade Center into the Opening Ceremony of the Olympics. Stacey Liapis is a curling team member from Bemidji, who at the age of 27, is competing for the first time in the Winter Olympics. Before making it to Salt Lake City, Liapis finished eighth at the 1998 World Championships and came in fifth in 2001.

Stacey took up curling in 1987 and her mother most of her career with her older sister Kari Erickson, the skip for the U.S. team. They were inspired by their parents, both of whom were recreational curlers.

In honor of Stacey’s many accomplishments and to mark her being chosen as one of the eight Olympic athletes to carry the ground zero flag into the Opening Ceremony of the Winter Olympics, I am having a U.S. flag flown over our Nation's Capitol. The chosen athletes, one from each of the eight Winter Olympic sports, were selected by their teammates. I congratulate Stacey on being recognized by her teammates with this honor.

Thank you, Stacey for your participation in this historic event. Tonight, you will make all Minnesotans and the entire Nation proud. •

THE PIPELINE SAFETY IMPROVEMENT ACT OF 2001

• Mr. MCCAIN. Mr. President, one year ago today, the Senate passed S. 235, the Pipeline Safety Improvement Act of 2001. This bill, overwhelmingly approved by a vote of 98-0, is the product
of many months of hearings, bipartisan compromise, and cooperation that began during the last Congress. It is designed to promote both public and environmental safety by reauthorizing and strengthening our federal pipeline safety programs which expired in September, 2000.

Since the Senate began debating pipeline safety improvement legislation in 1999, the House has taken little action on the issue. Pipeline safety improvement measures are available for consideration by the House, including a bill introduced December 20, 2001 by the Chairman of the House Transportation and Infrastructure Committee. I encourage the House to act swiftly and help prevent not only needless deaths and injuries, but also environmental and economic disasters. Legislative action is necessary as demonstrated by the number of tragic accidents that have occurred.

For example, on June 10, 1999, 277,000 gallons of gasoline leaked from a 16 inch underground pipeline into the Hannah Creek near Bellingham, WA. The gasoline migrated into the Whatcom Creek, where it was subsequently ignited. The ignition set off an explosion and fire, burning along both sides of the creek, for approximately 1.5 miles, killing two 10 year old boys and a 19 year old young man who was fishing in the creek. In addition to the three deaths, there were eight injuries and environmental damage to the area. Also, the fire damaged the Bellingham Water Treatment Plant and other industrial buildings as well as a private residence. Interstate 5 was closed for a period of time because of the thick smoke, and the Coast Guard closed Bellingham Bay for a one mile radius from the mouth of the Whatcom Creek.

Other tragedies have occurred. On August 19, 2000, a natural gas transmission line ruptured in Carlsbad, NM, killing 12 members of two families. On September 7, 2000, a bulldozer in Lubbock, TX, ruptured a propane pipeline. The Maryland gas pipeline was ignited by a passing vehicle, creating a fireball and an 18 year old young man who was fishing in the creek. In addition to the three deaths, there were eight injuries and environmental damage to the area. Also, the fire damaged the Bellingham Water Treatment Plant and other industrial buildings as well as a private residence. Interstate 5 was closed for a period of time because of the thick smoke, and the Coast Guard closed Bellingham Bay for a one mile radius from the mouth of the Whatcom Creek.

Congress was called on to act after the first accident in Washington. I introduced S. 2438, the Pipeline Safety Improvement Act of 2000, on April 13, 2000. With the assistance of a bipartisan group of Senators, including Senators Slade Gorton and Patty Murray, the Commerce Committee reported the measure favorably in March of last year. The Senate took swift action upon return from the August recess, during which the accident in New Mexico had occurred. We passed S. 2438 by unanimous consent on September 7, 2000, on the same day as the rupture in Texas.

The Senate’s accomplishment that year stemmed from several months of hearings and countless meetings. Unfortunately, the House failed to approve a pipeline safety measure so we were never able to go to conference or send a measure to the President. Our collective inaction was a black mark on the 106th Congress.

After the opening of the 107th Congress, I introduced nearly identical legislation, S. 235, the Pipeline Safety Improvement Act of 2001. The Senate acted swiftly and passed S. 235 on this date last year, one of the first legislative actions of the 107th Congress. The House now has the opportunity to remove the black mark by acting on pipeline safety legislation.

Including the tragedies I mentioned earlier, a total of 71 fatalities have occurred as a result of a pipeline accident during this period. It should be noted, however, that despite these horrible accidents, the pipeline industry has a good safety record relative to other forms of transportation. According to the Department of Transportation, pipeline related incidents dropped nearly 80 percent between 1975 and 1998, and the loss of product due to accidental ruptures has been cut in half. From 1989 through 1998, pipeline accidents resulted in about 22 fatalities per year—far fewer than the number of fatal accidents experienced among other modes of transportation. But this record should not be used as an excuse for inaction on legislation to strengthen pipeline safety.

The Office of Pipeline Safety, OPS, within the Department of Transportation’s, DOT, Research and Special Programs Administration, RSPA, oversees the transportation of about 65 percent of the petroleum and most of the natural gas transported in the United States. OPS regulates the day-to-day safety of 3,000 gas pipeline operators with more than 1.6 million miles of pipeline. It also regulates more than 200 hazardous liquid operators with 155,000 miles of pipelines. Given the immense array of pipelines that traverse our nation, reauthorization of our pipeline safety programs is critical to the safety and security of thousands of communities and millions of Americans nationwide.

Early action by the Senate demonstrates our firm commitment to improving pipeline safety. I will continue to do all I can to advance pipeline safety legislation this year. When the Senate considers an Energy bill in the upcoming days or weeks, I intend to offer S. 235 as an amendment to it. I hope my colleagues will join with me in demonstrating their strong support for addressing identified pipeline safety lapses and will vote for this amendment.

I remain hopeful that Congress as a whole will finally act before we receive another call to action by yet another tragic accident. Action is needed. It is needed now.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

In 1999, I introduced a bill to address a terrible crime that occurred May 19, 1994 in Savannah, GA. Milton Bradley, 72, was fatally strangled by a man who believed Bradley to be gay.
February 8, 2002

The attacker, Gary Ray Bowles, 32, was charged with the murder in connection with the incident.

I believe that government’s first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is a step in the right direction toward preventing violence that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

MINNESOTAN TO LEAD THE NATION INTO THE WINTER OLYMPICS

Mr. DAYTON. Mr. President, as all of America knows, the XIX Olympic Winter Games begin tonight in Salt Lake City. For an athlete, making the Olympic team is one of the highest possible accomplishments. To be chosen by one’s teammates to carry the American flag and to lead the American team into tonight’s opening ceremony is an absolutely stratospheric achievement!

That great honor has been bestowed by the American team on Minnesota’s Amy Peterson. I wish to pay tribute to her extraordinary athletic skills and leadership abilities, and to all the Minnesota athletes competing in this year’s Games.

Amy is a speed skater from Maplewood, MN, who at the age of 30 is competing in her fifth Olympics! She has already won a silver medal and two bronze medals for the United States, and this year she hopes to cap her career with a gold medal. Amy, I hope you achieve your goal. Yet, you have already surpassed that high achievement by the honor you earned tonight.

Amy has been called, in recent press reports, “arguably the greatest Winter Olympian in Minnesota history.” That is quite a distinction, since Minnesota has always been one of the best-represented states in the Winter Games. Both the 1960 and 1980 gold medal-winning U.S. men’s hockey teams were spearheaded by Minnesota players and coaches. In the most recent Winter Games, Minnesota players led the U.S. women’s hockey team to win the gold medal. In so many other winter sports, Minnesota athletes have excelled. Now, to that roster of great Minnesota athletes and leaders, we proudly add the name of Amy Peterson.

To honor Amy’s many accomplishments, I am pleased to report by her American teammates to lead them, I am having an American flag flown today over the U.S. Capitol. When the Games are concluded, I will present this flag to Amy. I hope she will fly it proudly for her lifetime, and that it will always remind her of this most special night.

RECOGNITION OF THE POLAR PLUNGE FOR SPECIAL OLYMPICS

Mr. BUNNING. Mr. President, today I rise to recognize the recent success of the Third Annual Polar Bear Plunge for Special Olympics Kentucky.

This always exciting, entertaining, and chilling polar plunge was able to shatter previous year’s records for participants and money raised. With nearly 260 “Polar Bears” taking the icy plunge, Special Olympics Kentucky raised more than $45,000 to help support children and adults with mental disabilities. Special attention needs to be paid to such groups as the Lexington Police/POP Bluegrass Lodge No. 4 for raising $4,684 and Louisa Elementary School for raising $660. We should all thank them for their commitment to the betterment of Kentucky’s disabled community.

RECOGNITION OF DEPUTY SHERIFF KEITH FLINK

Mr. GRASSLEY. Mr. President, on October 20th, a significant event took place that I am afraid we lost in the news. Deputy Sheriff Keith Flink was recognized by the National Order of Benevolent Elks’ Drug Awareness Program and the Drug Enforcement Administration with the first ever Enrique Camarena Award. His efforts to educate the young people of Iowa deserve to be highlighted.

The Enrique Camarena Award honors law enforcement officials who perform above and beyond the call of duty in drug enforcement. Enrique Camarena was a DEA agent who was kidnapped, tortured, and murdered by drug traffickers while working undercover in March of 1985. Agent Camarena believed that one person could make a difference.

The memory of his sacrifice made for his country has been memorialized through the celebration of National Red Ribbon Week, and now through the National Enrique Camarena Award that was established by the Benevolent and Protective Order of Elks. The award was established to recognize and honor an individual who has made a significant contribution in the field of drug prevention and who personifies Agent Camarena’s belief that one person can make a difference.

Last fall, Deputy Sheriff Keith D. Flink from Odebolt, IA, was the winner of the first Enrique Camarena Award. Deputy Sheriff Flink has spent over 30 years working in law enforcement, and working with young people to teach them the dangers of drugs and alcohol, mostly on his own time. I think the time and commitment that Deputy Sheriff Flink has given to his community is best reflected in a letter his children sent to the Selection Committee. I would like to have printed the full text of the letter in the Record following this statement, and add my praise to theirs for the hard work their father has done in Sac County.

It is important that each of us remembers that it is the activities of people like Deputy Sheriff Flink that really make a difference. The people of Odebolt, the citizens of Sac County, are very proud of Keith. The Elks recognized the value of his contributions by giving him this award. And we, as a nation, should always remember that while the “big things” that was as a country stand for are important, it is the everyday activities that make a difference. We should never forget, never become too busy to recognize the accomplishments of everyday heroes like Deputy Sheriff Keith Flink.

The letter follows:

OCTOBER 1, 1999.

Enrique Camarena Award Selection Committee.

Dear Selection Committee: My brothers and I heard our father, Keith Flink, has been nominated for the Enrique Camarena Award. After hearing this, we wanted his dedication and achievements to be known. He has achieved many great things in life by doing tasks above and beyond what is expected. He is concerned with the people that he has no problem teaching about “the war on drugs” while not on duty. There are so many times he will work the night shift, sleep for 4 or 5 hours and get up to give a presentation on his own time. He does this with no complaints because it is very important to him to get everyone to “say no to drugs”! He has also done a lot of research to give great, effective presentations to the citizens in the area. As you can see, he is very dedicated to his job and his family.

Our father has taught us a lot about life. While growing up, we always saw him practicing what he truly believed. He still does this through all the volunteering he does for the safety of the community. He is a true leader by the work that he does and the positive example that he sets for society.

My brothers and I are very proud of our father and would be honored if he was the recipient of the Enrique Camarena Award. He definitely deserves it!

Thank you for your time.

Sincerely,

JEANA BOYD,
JUSTIN FLINK,
JOBY FLINK.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-5296. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, a determination by the Deputy Secretary of State concerning assistance for the Independent States of the Former Soviet Union; to the Committee on Foreign Relations.

EC-5297. A communication from the Chairmen of the Nuclear Regulatory Commission, transmitting, pursuant to law, the Commission’s report under the Government in the Sunshine Act for Calendar Year 2001; to the Committee on Governmental Affairs.

EC-5298. A communication from the Deputy Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule...
entitled “Tough Diamonds (Sierra Leone and Liberia) Sanctions Regulations” on February 4, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-5308. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Protection of Stratospheric Ozone: Allocation of Essential-use Allowances for Calendar Year 2002; and Extension of the De Minimis Exemption for Essential Laboratory and Analytical Uses through Calendar Year 2005” (FRL 7140-9) received on February 6, 2002; to the Committee on Environment and Public Works.

EC-5309. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Revision to the California State Implementation Plan, South Coast Air Quality Management District” (FRL 7134-4) received on February 6, 2002; to the Committee on Environment and Public Works.

EC-5310. A communication from the Administrator of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the Capital Investment Plan for Fiscal Years 2003 through 2007, an overview of the Federal Aviation Administration’s National Airspace System capital investments; to the Committee on Commerce, Science, and Transportation.

EC-5311. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations: Lake Pontchartrain, LA” (RRN 2115-AE47/2002-0013) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5312. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations: Lake Pontchartrain, LA” (RRN 2115-AE47/2002-0018) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5313. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regulated Navigation Areas; Safety and Security Zones: Long Island Sound Marine Inspection and Captain of the Port Zone” (RRN 2115-AE47/2002-0041) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5314. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations: West Bay, MA” (RRN 2115-AE47/2002-0012) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5315. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations: Missouri River” (RRN 2115-AE47/2002-0015) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5316. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations: Harlem River, NY” (RRN 2115-AE47/2002-0010) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5317. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regulated Navigation Areas; Hinchland Point and Hampton Roads, VA and Adjacent Waters” (RRN 2115-AE47/2002-0003) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5318. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Safety/Security Zone Regulations; St. Croix, USVI” (RRN 2115-AE47/2002-0007) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5319. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Capital Investment Program; Incorporation of Offshore Supply Vessels” (RRN 2115-AE47/2002-0001) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5320. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations; Falgout Canal, LA” (RRN 2115-AE47/2002-0011) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5321. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations; Lake Pontchartrain, LA” (RRN 2115-AE47/2002-0018) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5322. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations; Lake Pontchartrain, LA” (RRN 2115-AE47/2002-0013) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5323. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regulated Navigation Areas; Safety and Security Zones: Long Island Sound Marine Inspection and Captain of the Port Zone” (RRN 2115-AE47/2002-0041) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5324. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regulated Navigation Areas; Safety and Security Zones: Long Island Sound Marine Inspection and Captain of the Port Zone” (RRN 2115-AE47/2002-0041) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5325. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regulated Navigation Areas; Safety and Security Zones: Long Island Sound Marine Inspection and Captain of the Port Zone” (RRN 2115-AE47/2002-0041) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5326. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regulated Navigation Areas; Safety and Security Zones: Long Island Sound Marine Inspection and Captain of the Port Zone” (RRN 2115-AE47/2002-0041) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5327. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regulated Navigation Areas; Safety and Security Zones: Long Island Sound Marine Inspection and Captain of the Port Zone” (RRN 2115-AE47/2002-0041) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.
United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations: Maybank Highway Bridge, Johns Island, SC” (RIN2115–A147)(2002–0009)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5326. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regatta Regulations: Fireworks Displays, Atlantic Ocean, Virginia Beach, Virginia” (RIN2115–AE46)(2002–0006)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5327. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regatta Regulations: Fireworks Displays, Patapsco River, Baltimore, Maryland” (RIN2115–AE46)(2002–0007)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5328. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regatta Regulations: Fireworks Displays, Terrebonne Bayou, LA” (RIN2115–AE47)(2002–0010) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5329. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Regatta Regulations: Fore River Bridge Approach Procedures; Miscellaneous Amendments (28); Amdt. No. 2074” (RIN2112–AA65)(2002–0005)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5330. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Safety/Security Zone Regulations: Fore River Bridge Approach Procedures; Miscellaneous Amendments (34); Amdt. No. 2075” (RIN2112–AA65)(2002–0006)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5331. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Safety/Security Zone Regulations; Port Hueneme Harbor, Ventura County, California (COTP Los Angeles)” (RIN2115–A977)(2002–0012)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5332. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Szachy (Jolich) Pier, Chicago, Illinois” (RIN2115–AA97)(2002–0014)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5333. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Safety/Security Zone Regulations: Lake Michan Navy Pier, Chicago, Illinois” (RIN2115–AA97)(2002–0015) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5334. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Safety/Security Zone Regulations: Seabrook Nuclear Power Plant, Seabrook, New Hampshire” (RIN2112–AA61)(2002–0016) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5335. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives: Dornier Luftfahrt GmbH Models 228–100, 101, 200, 300; Beechcraft Model B200 Super King Air 222–AA64”(2002–0065)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5336. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Standard Instrument Approach Procedures; Miscellaneous Amendments (41); Amdt. No. 2075” (RIN2112–AA65)(2002–0006)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5337. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Removal of the Prohibition Against Certain Flights Within the Territory of a airspace of Argentine” (RIN2112–AA64)(2002–0007)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5338. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Service Difficulty Reports; Delay of the Processing of Airworthiness” (RIN2112–AFT1)(2002–0001)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5339. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Standard Instrument Approach Procedures; Miscellaneous Amendments (40); Amdt. No. 2075” (RIN2112–AA65)(2002–0006) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5340. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Standard Instrument Approach Procedures; Miscellaneous Amendments (43); Amdt. No. 2080” (RIN2112–AA65)(2002–0009)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5341. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Standard Instrument Approach Procedures; Miscellaneous Amendments (45); Amdt. No. 2080” (RIN2112–AA65)(2002–0008)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5342. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Standard Instrument Approach Procedures; Miscellaneous Amendments (19); Amdt. No. 2081” (RIN2112–AA65)(2002–0007)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5343. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Drawbridge Regulations: Reims Aviation S.A. Model F.06 Airplanes; Correction” (RIN2112–AA64)(2002–0055)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. LIEBERMAN (for himself, Mr. SANTORUM, Mr. BAYH, Mr. BROWNBACK, Mr. NELSON of Florida, Mr. CRUZAN, Mr. CARMAN, Mr. LOGAN, Mr. CLINTON, and Mr. HATCH):

S. 261. A bill to promote charitable giving, and for other purposes; to the Committee on Finance.

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

S. 262. A bill to establish the Freedom’s Way national Heritage Area in the States of Massachusetts and New Hampshire, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KERRY (for himself and Mr. HOLLINGS):

S. 265. A bill to improve passenger automobile fuel economy and safety, reduce greenhouse gas emissions, reduce dependence on foreign oil, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DAYTON:

S. 267. A bill to amend the Internal Revenue Code of 1986 to freeze the highest Federal income tax rate at 38.8 percent; to the Committee on Finance.

S. 677. At the request of Mr. HATCH, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 677, a bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financing to redeem bonds, to modify the price limit on mortgage subsidy bond rules based on median family income, and for other purposes.
At the request of Mr. Bingaman, the name of the Senator from Arkansas (Mrs. Lincoln) was added as a cosponsor of S. 999, a bill to amend title 10, United States Code, to provide for a Korean Defense Service Medal to be issued to members of the Armed Forces who participated in operations in Korea after the end of the Korean War.

S. 1729

At the request of Mr. Bayh, the name of the Senator from North Dakota (Mr. Dorgan) was added as a cosponsor of S. 1729, a bill to facilitate service for the United States, and for other purposes.

S. 1972

At the request of Mr. Johnson, his name was added as a cosponsor of S. 1972, a bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

S. 2172

At the request of Mrs. Hutchison, the name of the Senator from Kansas (Mr. Roberts) was added as a cosponsor of S. 2172, a bill to amend the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to provide greater protection of workers’ retirement plans, to prohibit certain activities by persons providing auditing services to issuers of public securities, and for other purposes.

AMENDMENT NO. 2533

At the request of Mr. Craig, the name of the Senator from Arizona (Mr. Kyl) was added as a cosponsor of amendment No. 2533.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. Lieberman (for himself, Mr. Santorum, Mr. Bayh, Mr. Brownback, Mr. Nelson of Florida, Mr. Cochran, Mrs. Carnahan, Mr. Lugar, Mrs. Clinton, and Mr. Hatch):

S. 24. A bill to promote charitable giving, and for other purposes; to the Committee on Finance.

Mr. Lieberman. Mr. President, I am truly proud to join Senators Santorum, Bayh, Brownback, Bill Nelson, Cochran, Carnahan, Lugar, Clinton, and Hatch in introducing the Charity Aid, Recovery, and Empowerment, or CARE, Act. This important bill responds to a significant problem facing our nation: the social service needs of far too many of our fellow citizens continue to go unmet, and we in Congress are obligated to bring additional resources to people in need and to assist and empower the community and charitable groups seeking to serve them.

A little over a year ago, Senator Santorum and I stood with President Bush in announcing his Faith-Based and Community Initiative. At the time, I embraced the plan’s worthy goals, to strengthen our partnerships with charitable organizations and help them help more people in need, but I cautioned that the devil truly would be in the details.

As it turned out, those details, particularly as they related to creating a tax break for faith-based groups at the public policy table, proved more than devilish when it came to translating our outline into legislation. It would not be an exaggeration to say that many people had lost faith in ever seeing anything remotely resembling a faith-based and community initiative.

But after many months of discussion, debate, and disappointments, I am proud to report that we have finally reached a balanced, bipartisan agreement, one that avoids the controversies that have to date bogged down the President’s plan in Congress, and that advances our common interest in turning the growing good will in our country into more good works in our communities. The truly bipartisan and diverse group of cosponsors who join me today testify to that.

That good will is an unmistakable outgrowth of the September 11 attacks. I have never seen our country more united or more willing to unite around our common values, to freedom and tolerance, faith and family, responsibility and community. With this bill, we hope to harness that renewed American spirit to help make our country as good as we aspire it to be and as good as our people and places it has too often gone missing.

We start by acknowledging that, in the wake of September 11 and the weakened economy, there is an ongoing and consequential charity crunch. With so much of our generosity focused on relief efforts, contributions to other groups have dropped markedly and resources have dwindled considerably, severely constraining the ability of many vital charities to meet rising demands. A survey released this week by the Association of Fundraising Professionals found that 44 percent of charities are experiencing shortfalls in contributions.

This bill is designed in part to respond directly to that charity crunch with a targeted two-year strategy to help leverage new public and private funding for the nation’s non-profits. It would create a series of new tax incentives and preferences, including a meaningful deduction for non-itemizers, to spur more charitable giving. And it would substantially increase Federal funding for the Social Services Block Grant program, which underwrites a broad range of critical programs, by more than $1 billion.

But this is not a short-term or short-sighted proposal. The CARE Act empowers a number of other tools to help empower community and faith-based groups over the long haul and expand their capabilities, by providing new forms of technical assistance that will make it easier for smaller grassroots organizations to qualify for Federal aid. And it builds on a proposal that Senator Santorum and I have long advocated to expand the use of innovative Individual Development Accounts, IDAs, to help low-income working families save and build assets and attain security.

As you can tell, this is not just a faith-based bill. It is a civil society bill. It is aimed at strengthening support for the broad range of community, civic, and philanthropic groups, including the religiously-affiliated, that are strengthening our social fabric. It contains none of the troubling charitable choice provisions that were in the House bill, H.R. 7, that undermined or preempted civil rights laws and raised constitutional concerns.

What it does do, though, is to take some common-sense, narrowly-targeted steps to knock down specific, documented barriers preventing many smaller faith-based social service providers from fairly competing for Federal funding. There’s just no good reason to disqualify an otherwise qualified faith-based group just because they have a cross on their wall or a mezuzah on their door, or because they have a religious name in their title, or they have a cross in their mission statement.

In moving forward with this bill, we as Democrats and Republicans recognize that while charities are not a replacement for government, government cannot do it all. In fact, there are some things that government cannot do at all, like repairing the human spirit. That is why it is so important for us to partner with the agents of civil society, who, as we saw again and again after September 11, can fill in those holes and fill up our hearts.

And that is why I am so pleased with this proposal, and proud of the work we have done together to make it viable. In the end, the Good Lord, not the devil, is in the details. I want to thank the President for his leadership and his cooperation, and to thank my friend Senator Santorum for his steadfast faith in that process. This is one CARE package that will, I am confident, deliver a lot of good to a lot of people, and which I believe a lot of Democrats and Republicans will eagerly support.

People in need and the groups that help them are waiting for our help. The CARE Act will bring it to them. I urge my colleagues to join with us in passing it. 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. 24

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 “Charity Aid, Recovery, and Empowerment Act of 2002” or the “CARE Act of 2002.”

TABLE OF CONTENTS. The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
TITLE I—CHARITABLE GIVING INCENTIVES PACKAGE

Sec. 101. Deduction for portion of charitable contributions to be allowed to individuals who do not itemize deductions.

Sec. 102. Tax-free distributions from individual retirement accounts for charitable purposes.

Sec. 103. Increased support for corporate charitable contributions.

Sec. 104. Charitable deduction for contributions of food and book inventories and bonds.

Sec. 105. Reform of excise tax on net investment income of private foundations.

Sec. 106. Excise tax on unrelated business taxable income of charitable remainder trusts.

Sec. 107. Expansion of charitable contribution allowed for scientific property used for research and for computer technology and equipment used for educational purposes.

Sec. 108. Adjustment to basis of 8 corporation stock for certain charitable contributions.

TITLE II—INDIVIDUAL DEVELOPMENT ACCOUNTS

Sec. 201. Short title.


Sec. 203. Definitions.

Sec. 204. Structure and administration of qualified individual development account programs.

Sec. 205. Procedures for opening and maintaining an individual development account and qualifying for matching funds.

Sec. 206. Deposits by qualified individual development account programs.

Sec. 207. Withdrawal procedures.

Sec. 208. Certification and termination of qualified individual development account programs.

Sec. 209. Reporting, monitoring, and evaluation.


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Sec. 212. Matching funds for individual development account programs provided through a tax credit for qualified financial institutions.

TITLE III—EQUAL TREATMENT FOR NONGOVERNMENTAL PROVIDERS

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Sec. 502. Support for nonprofit community-based organizations; Corporation for National and Community Service.

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Sec. 505. Coordination.

TITLE VI—SOCIAL SERVICES BLOCK GRANT

Sec. 601. Restoration of authority to transfer up to 10 percent of TANF funds to the Social Services Block Grant.

Sec. 602. Restoration of funds for the Social Services Block Grant.

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TITLE VII—MATERNITY GROUP HOMES

Sec. 701. Maternity group homes.

TITLE I—CHARITABLE GIVING INCENTIVES PACKAGE

Sec. 101. Deduction for portion of charitable contributions to be allowed to individuals who do not itemize deductions.

(a) IN GENERAL.—Section 170 of the Internal Revenue Code of 1986 (relating to charitable contributions, contributions and gifts) is amended—

(1) in the case of an individual who does not itemize his deductions for any taxable year beginning after December 31, 2001, and before January 1, 2004, there shall be taken as a gross charitable deduction in the case of a qualified charitable distribution under section 170 an amount equal to the lesser of—

(1) the amount allowable under subsection (a) of the taxable year for cash contributions, or

(2) $400 ($800 in the case of a joint return).

(2) DIRECT CHARITABLE DEDUCTION.—

(1) IN GENERAL.—Subsection (b) of section 63 of the Internal Revenue Code of 1986 (defining taxable income) is amended by striking “and at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting “, and”, and by adding at the end thereof the following new paragraph:

“(3) the direct charitable deduction.”

(2) DEFINITION.—Section 63 of such Code is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

“(g) DIRECT CHARITABLE DEDUCTION.—For purposes of this section, the term ‘direct charitable deduction’ means any charitable contribution described in section 170(a) which is taken as a direct charitable deduction for the taxable year under section 170(m).

(3) CONFORMING AMENDMENT.—Subsection (d) of section 63 of such Code is amended by striking “and” at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting “, and”, and by adding at the end thereof the following new paragraph:

“(3) the direct charitable deduction.”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 102. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT ACCOUNTS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subsection (d) of section 408 of the Internal Revenue Code of 1986 (relating to individual retirement accounts) is amended by adding at the end the following new paragraph:

“(8) DISTRIBUTIONS FOR CHARITABLE PURPOSES.—

(A) IN GENERAL.—No amount shall be includible in gross income by reason of a qualified charitable distribution (as defined in this paragraph) to a split-interest entity.

(B) QUALIFIED CHARITABLE DISTRIBUTION.—For purposes of this paragraph, the term ‘qualified charitable distribution’ means any distribution from an individual retirement account—

(i) which is made directly by the trustee—

(1) to an organization described in section 170(c), or

(2) to a split-interest entity, and

(ii) which is made on or after the date that the individual for whose benefit the account has maintained an income interest attributable to distribution other than one or more of the following: the individual for whose benefit such account is maintained, the spouse of such individual, or any organization described in section 170(c).

(c) CONTRIBUTIONS MUST BE OTHERWISE DEDUCTIBLE.—For purposes of this paragraph—

(i) DIRECT DEDUCTIONS.—A distribution to an organization described in section 170(c) shall be treated as a qualified charitable distribution only if a deduction for the entire distribution would be allowable under section 170 (determined without regard to subsection (c) thereof and this paragraph).

(ii) SPLIT-INTEREST GIFTS.—A distribution to a split-interest entity which is treated as a qualified charitable distribution only if a deduction for the entire value of the interest in the distribution for the use of an organization described in section 170(c) would be allowable under section 170 (determined without regard to subsection (b) thereof and this paragraph).

(iii) APPLICATION OF SECTION 72.—Notwithstanding section 72, in determining the extent to which a distribution is a qualified charitable distribution, the entire amount of such distribution shall be treated as includible in gross income without regard to subparagraph (A) to the extent that such amount does not exceed the aggregate amount which would be so includible if all amounts were distributed from all individual retirement accounts otherwise taken into account in determining the inclusion on such distribution under section 72. Proper adjustments shall be made in applying section 72 to other distributions in such taxable year and subsequent taxable years.

(E) SPECIAL RULES FOR SPLIT-INTEREST ENTITIES.—

(i) CHARITABLE REMAINDER TRUSTS.—Notwithstanding section 72(a), distributions made from a trust described in subparagraph (G)(i) shall be treated as ordinary income in the hands of the recipient of the annuity described in section 664(a)(1)(A) or the payment described in subparagraph (G)(iii).

(ii) POOLED INCOME FUNDS.—No amount shall be includible in the gross income of a pooled income fund (as defined in subparagraph (G)(ii)) by reason of a qualified charitable distribution to such fund, and all distributions from the fund which are attributable to qualified charitable distributions shall be treated as ordinary income to the recipient.

(iii) CHARITABLE GIFT ANNUITIES.—Qualified charitable gift annuities shall not be treated as an investment in the contract.

(F) DENIAL OF DEDUCTION.—Qualified charitable distributions shall not be taken into account in determining the deduction under section 170.

(G) SPLIT-INTEREST ENTITY DEFINED.—For purposes of this paragraph, the term ‘split-interest entity’ means—

(i) a charitable remainder annuity trust, or

(ii) a charitable remainder unitrust (as such terms are defined in this paragraph) which is funded exclusively by qualified charitable distributions,
"(i) a pooled income fund (as defined in section 642(c)(5)), but only if the fund accounts separately for amounts attributable to qualified charitable distributions, and

(ii) DETERMINATION OF APPLICABILITY (as defined in section 501(m)(5))."

(b) MODIFICATIONS RELATING TO INFORMATION RETURNS BY CERTAIN TRUSTS.—

(1) RETURNS. —Section 6034 of the Internal Revenue Code of 1986 (relating to returns by trusts described in section 4947(a)(2)) or claiming charitable deductions under section 642(c) is amended to read as follows:

"(a) TRUSTS DESCRIBED IN SECTION 4947(a)(2).—Every trust described in section 4947(a)(2) shall furnish such information with respect to the taxable year as the Secretary may by forms or regulations require.

"(b) TRUSTS CLAIMING A CHARITABLE DEDUCTION UNDER SECTION 642(c).—

(1) IN GENERAL.—Every trust not required to file a return under subsection (a) but claiming a charitable, etc., deduction under section 642(c) for the taxable year shall furnish such information with respect to such taxable year as the Secretary may by forms or regulations prescribe, including:

(A) the amount of the charitable, etc., deduction taken under section 642(c) within such year,

(B) the amount paid out within such year which represents amounts for which charitable contributions were taken in prior years, but which have not been paid out at the beginning of such year,

(C) the amount for which charitable, etc., deductions have been taken in prior years but which have not been paid out at the beginning of such year,

(D) the amount paid out of principal in the current and prior years for charitable, etc., purposes,

(E) the total income of the trust within such year and the expenses attributable thereto, and

(F) a balance sheet showing the assets, liabilities, and net worth of the trust as of the beginning of such year.

(2) EXCEPTIONS.—Paragraph (1) shall not apply if—

(A) the trust does not apply to file a return under paragraph (1) but claims a charitable deduction under section 642(c) for the taxable year, or

(B) the amount paid out within such year which represents amounts for which charitable contributions were taken in prior years, but which have not been paid out at the beginning of such year, was less than $1,000.

(3) CONFIDENTIALITY OF NONCHARITABLE BENEFICIARIES.—Subsection (b) of section 6104 of such Code (relating to inspection of returns) is amended by adding at the end the following sentence: "In the case of a trust which is required to file a return under section 6034(a), this subsection shall not apply to information regarding beneficiaries which are not organizations described in section 170(c)."

(4) EFFECTIVE DATES.—

(1) SUBSECTION.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2001, and before January 1, 2004.

(2) SUBSECTION.—The amendments made by subsection (a) shall apply to returns for taxable years beginning after December 31, 2001.

SEC. 103. INCREASE IN CAP ON CORPORATE CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Paragraph (2) of section 170(b) of the Internal Revenue Code of 1986 (relating to corporations) is amended by striking "10 percent" and inserting "the applicable percentage".

(b) APPLICABLE PERCENTAGE.—Subsection (b) of section 170 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(3) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (2), the applicable percentage shall be determined in accordance with the following table:

For taxable years beginning in:

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<thead>
<tr>
<th>Calendar Year</th>
<th>Applicable Percentage</th>
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<tr>
<td>2002 - 2004</td>
<td>13</td>
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<tr>
<td>2005 - 2006</td>
<td>15</td>
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<tr>
<td>2007 - 2008</td>
<td>18</td>
</tr>
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and thereafter ................................ 20."

(c) CONFORMING AMENDMENTS.—

(1) Sections 512(b)(10) and 850(b)(2)(A) of the Internal Revenue Code of 1986 are each amended by striking "10 percent" each place it occurs and inserting the "applicable percentage" (determined under section 170(b)(3)).

(2) Sections 545(b)(2) and 556(b)(2) of such Code are each amended by striking "10 percent limitation" and inserting "applicable percentage limitation".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 104. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD AND BOOK INVENTORY.

(a) FOOD INVENTORY.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

"(7) SPECIAL RULE FOR CONTRIBUTIONS OF FOOD INVENTORY.—For purposes of this section—

(A) IN GENERAL.—In the case of a charitable contribution of apparently wholesome food which is a qualified contribution (within the meaning of paragraph (3)) and in the case of a qualified corporate contribution, the applicable percentage determined under section 642(c)(2) shall be increased by an amount which is calculated by subtracting the amount determined under clause (i) thereof (computed without taking into account the amount determined under clause (i) thereof).

(B) DETERMINATION OF BASIS.—For purposes of this paragraph, if a taxpayer—

(1) does not account for inventories under section 471, and

(2) is not required to capitalize indirect costs under section 263A, the taxpayer may elect, solely for purposes of paragraph (3)(b)(ii), to treat the basis of any charitable contribution as being equal to 25 percent of the fair market value of such contribution.

(C) DETERMINATION OF FAIR MARKET VALUE.—In the case of a charitable contribution of apparently wholesome food which is a qualified contribution (within the meaning of paragraph (3)), and which is not required to capitalize indirect costs under section 263A, the taxpayer may elect, solely for purposes of paragraph (3)(b)(ii), to treat the basis of any charitable contribution as being equal to 25 percent of the fair market value of such contribution.

SEC. 105. INCREASE IN CAP ON CORPORATE CHARITABLE CONTRIBUTIONS—

(a) IN GENERAL.—Paragraph (2) of section 170(b) of the Internal Revenue Code of 1986 (relating to corporations) is amended by striking "10 percent" and inserting "the applicable percentage".

(b) APPLICABLE PERCENTAGE.—Subsection (b) of section 170 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(3) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (2), the applicable percentage shall be determined in accordance with the following table:

For taxable years beginning in:

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<tr>
<th>Calendar Year</th>
<th>Applicable Percentage</th>
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<td>2007 - 2008</td>
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</tbody>
</table>

and thereafter ................................ 20."

(c) CONFORMING AMENDMENTS.—

(1) Sections 512(b)(10) and 850(b)(2)(A) of the Internal Revenue Code of 1986 are each amended by striking "10 percent" each place it occurs and inserting the "applicable percentage" (determined under section 170(b)(3)).

(2) Sections 545(b)(2) and 556(b)(2) of such Code are each amended by inserting "applicable percentage limitation" after subparagraph (D) and by inserting after subparagraph (D) the following new subparagraph:

"(E) APPARENTLY WHOLESOME FOOD.—For purposes of this paragraph, the term ‘apparently wholesome food’ has the meaning given such term by section 471(b)(2)."
(c) BONDS.—Section 170(e)(6) of the Internal Revenue Code of 1986 (relating to special rule for contributions of stock for which market quotations are readily available) is amended by—

(1) by striking “stock” in subparagraph (A) and inserting “stock or qualified appreciated bonds”;

(2) in paragraph (6) by striking at the end the following new subparagraph:

“(D) QUALIFIED APPRECIATED BONDS.—

(i) IN GENERAL.—For purposes of this paragraph, the term ‘qualified appreciated bonds’ means United States Treasury securities and such other debt instruments as may be prescribed by the Secretary in regulations.

(ii) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001, and before January 1, 2004.

(2) by temporary repeal of reduction in tax where private foundation meets certain distribution requirements.—Section 4946(a)(15) of the Internal Revenue Code of 1986 is amended by inserting “beginning after December 31, 2003” before “2 percent” and inserting “1 percent (2 percent for any taxable year beginning after December 31, 2003)”.

(b) Temporary Repeal of Reduction in Tax Where Private Foundation Meets Certain Distribution Requirements.—Section 4946(a)(15) of the Internal Revenue Code of 1986 is amended by inserting “beginning after December 31, 2003” after “any taxable year”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 106. EXCISE TAX ON UNRELATED BUSINESS TAXABLE INCOME OF CHARITABLE REMANDBER TRUSTS.

(a) IN GENERAL.—Subsection (a) of section 664 of the Internal Revenue Code of 1986 (relating to excise tax based on investment income) is amended by striking “2 percent” and inserting “1 percent (2 percent for any taxable year beginning after December 31, 2003)”.

(b) Temporary Repeal of Reduction in Tax Where Private Foundation Meets Certain Distribution Requirements.—Section 4946(a)(15) of the Internal Revenue Code of 1986 is amended by inserting “beginning after December 31, 2003” after “any taxable year”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 107. MODIFIED ADJUSTED GROSS INCOME.


(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.

The term “modified adjusted gross income” means adjusted gross income—

(i) determined without regard to sections 86, 893, 911, 931, and 933 of the Internal Revenue Code of 1986;

(ii) increased by the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax.

(b) EFFECTIVE DATE.—The term “modified adjusted gross income” means account established for an eligible individual as part of a qualified individual development account program, but only if the written governing instrument creating the account meets the following requirements:

(A) The owner of the account is the individual for whom the account was established.

(B) No contribution will be accepted unless it is in cash.

(C) The holder of the account is a qualified financial institution.

(D) The assets of the account will not be commingled with other property except in a common trust fund or common investment fund.

(E) Except as provided in section 207(b), any amount in the account may be paid out only for the purpose of paying the qualified expenses of the account owner.

(3) Parallel Account.—The term “parallel account” means a separate, parallel individual or pooled account for all matching funds and earnings dedicated to an Individual Development Account account owner as part of a qualified individual development account program, the sole owner of which is a qualified financial institution, a qualified nonprofit organization, or an Indian tribe.

(4) Other Definitions.—In this section—

(A) Defined terms. The term “Indian tribe” means any Indian tribe as defined in section 4(12) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(12)), and Indian Housing Trust Funds (as defined in section 4(21) of such Act (25 U.S.C. 4103(21)), tribal...
The term "qualified individual development account program" means a program established under section 204 after December 31, 2001, under which—

(A) Individual Development Accounts and parallel accounts held by a qualified financial institution, and

(B) additional activities determined by the Secretary, in consultation with the Secretary of Health and Human Services, as necessary to responsibly develop and administer accounts, including recruiting, providing financial and other training, and monitoring, are carried out by the qualified financial institution, a qualified nonprofit organization, or an Indian tribe.

(8) QUALIFIED EXPENSE DISTRIBUTION.—

(A) IN GENERAL.—The term “qualified expense distribution” means any amount paid (including through electronic payments) or distributed out of an Individual Development Account and a parallel account established for an eligible individual if such amount—

(i) is paid by the qualified financial institution, qualified nonprofit organization, or Indian tribe—

(II) in the case of a qualified final distribution, directly to the spouse, any dependent, or other named beneficiary of the deceased Account owner, and

(ii) is paid after the Account owner has completed a financial education course if required under section 206(b).

(B) QUALIFIED EXPENSES.—

(i) General.—The term "qualified expenses" means any of the following expenses approved by the qualified financial institution, qualified nonprofit organization, or Indian tribe:

(I) Higher education expenses.

(II) Qualified first-time homebuyer costs.

(III) Qualified business capitalization or expansion costs.

(IV) Qualified rollovers.

(b) Standard and applicability of course.—The Secretary, in consultation with representatives of qualified individual development account programs and financial educators, shall establish minimum quality standards for the content of financial education courses and providers of such courses offered under paragraph (1) and a protocol to exempt individuals from the requirement under paragraph (2) in the case of hardship, lack of need, the attainment of age 61, or a qualified final distribution.

(c) Proof of status as an eligible individual.—Federal income tax forms for the immediately preceding taxable year shall be presented to the qualified financial institution, qualified nonprofit organization, or Indian tribe at the time of the establishment of the Individual Development Account and in any taxable year in which contributions are made to the Account for matching funds under section 206(b)(1)(A).

(d) Direct deposits.—The Secretary may, under regulations, provide for the direct deposit of any portion (not less than $1) of any overpayment of Federal tax of an individual as a contribution to the Individual Development Account of such individual.

SEC. 206. DEPOSITS BY QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) Parallel accounts.—The qualified financial institution, qualified nonprofit organization, or Indian tribe shall deposit all matching funds for each Individual Development Account into a parallel account at a qualified financial institution to qualify for matching funds under section 206(b)(1)(A).

(b) Regular deposits of matching funds.—

(1) General.—Subject to paragraph (2), the qualified financial institution, qualified nonprofit organization, or Indian tribe shall deposit into the parallel account with respect to each eligible individual the following amounts:

(A) A dollar-for-dollar match for the first $500 contributed by the eligible individual

SEC. 205. PROCEDURES FOR OPENING AND MAINTAINING AN INDIVIDUAL DEVELOPMENT ACCOUNT AND QUALIFYING FOR MATCHING FUNDS.

(a) Opening an account.—An eligible individual may open an Individual Development Account with a qualified financial institution, a qualified nonprofit organization, or an Indian tribe upon certification that such individual has never maintained any other Individual Development Account (other than an Individual Development Account to be terminated by a qualified rollover).

(b) Required completion of financial education course.—Before becoming eligible to withdraw matching funds, owners of Individual Development Accounts must complete a financial education course offered by a qualified financial institution, a qualified nonprofit organization, an Indian tribe, or a government entity.

(c) Standard and applicability of course.—The Secretary, in consultation with representatives of qualified individual development account programs and financial educators, shall establish minimum quality standards for the content of financial education courses and providers of such courses offered under paragraph (1) and a protocol to exempt individuals from the requirement under paragraph (2) in the case of hardship, lack of need, the attainment of age 61, or a qualified final distribution.
into an Individual Development Account with respect to any taxable year of such individual.

(B) Any matching funds provided by State, local, or private sources in accordance to the matching ratio set by those sources.

(2) INFLATION ADJUSTMENT.—
(A) IN GENERAL.—In the case of any taxable year beginning after 2003, the dollar amount referred to in paragraph (1)(A) shall be increased by an amount equal to—
(i) such dollar amount, multiplied by

(ii) the adjustment determined under section 1(f)(3) of the Internal Revenue Code of 1986 for the calendar year in which the taxable year begins, by substitution of 1986 for 1985 in the table prescribed by such section.

(B) ROUNDING.—If any amount as adjusted under subparagraph (A) is not a multiple of $20, such amount shall be rounded to the nearest multiple of $20.

(3) TIMING OF DEPOSITS.—A deposit of the amounts described in paragraph (1) shall be made into a parallel account—

(A) in the case of amounts described in paragraph (1)(A), not later than 30 days after the end of the calendar quarter during which the contribution described in such paragraph was made; and

(B) in the case of amounts described in paragraph (1)(B), not later than 2 business days after such amounts were provided.

(4) OTHER REQUIREMENTS.

For allowance of tax credit for Individual Development Account subsidies, including matching funds, see section 45G of the Internal Revenue Code of 1986.

(c) DEPOSIT OF MATCHING FUNDS INTO INDIVIDUAL DEVELOPMENT ACCOUNT OF INDIVIDUAL WHO HAS ATTAINED AGE 61.—In the case of an Individual Development Account of an individual who attains the age of 61, the qualified financial institution, qualified nonprofit organization, or Indian tribe which owns the parallel account shall deposit the funds in such parallel account into the Individual Development Account of such individual on not less than an annual basis.

(d) UNIFORM ACCOUNTING REGULATIONS.—To ensure proper recordkeeping and determination of the tax credit under section 45G of the Internal Revenue Code of 1986, the Secretary shall prescribe regulations with respect to the dates for matching funds in the parallel accounts.

(e) REGULAR REPORTING OF ACCOUNTS.—Any qualified financial institution, qualified nonprofit organization, or Indian tribe shall report the balances in any Individual Development Account and parallel account of an individual on not less than an annual basis to such individual.

SEC. 207. WITHDRAWAL PROCEDURES.

(a) WITHDRAWALS FOR QUALIFIED EXPENSES.—

(1) IN GENERAL.—An Individual Development Account owner may withdraw funds in order to pay qualified expense distributions from such individual’s—

(A) Individual Development Account, and

(B) parallel account, but only—

(i) from matching funds which have been on deposit in such parallel account for at least 60 days,

(ii) from earnings in such parallel account, after all matching funds described in clause (i) have been withdrawn, and

(iii) if such withdrawal does not result in a remaining balance in such parallel account which is less than the remaining balance in the Individual Development Account after such withdrawal.

(2) PROCEDURE.—Upon receipt of a withdrawal request which meets the requirements of this subsection, the qualified financial institution, qualified nonprofit organization, or Indian tribe shall directly transfer the funds electronically to the distributee described in subparagraph (A)(ii). If a distributee is not equipped to receive funds electronically, the qualified financial institution, qualified nonprofit organization, or Indian tribe shall transfer such funds by paper check to the distributee.

(b) WITHDRAWALS FOR NONQUALIFIED EXPENSES.—An Individual Development Account owner may withdraw any amount of funds from the Individual Development Account for purposes other than to pay qualified expenses described in subparagraph (A) if, after such withdrawal, the amount in the parallel account of such owner (excluding earnings on matching funds) exceeds the amount remaining in such Individual Development Account, then such owner shall forfeit from the parallel account the lesser of such excess or the amount withdrawn.

(c) WITHDRAWAL FROM ACCOUNTS OF NON-ELIGIBLE INDIVIDUALS.—If the individual for whose benefit an Individual Development Account is established ceases to be an eligible individual such individual shall cease to be an Individual Development Account, but such individual shall not be eligible for any further matching funds under section 206(b)(1)(A) for the account of the individual unless the funds withdrawn are transferred to the Account during the taxable year in which such individual is not an eligible individual.

(d) EFFECT OF PLEDGING ACCOUNT AS SECURITY.—If, during any taxable year of the individual for whose benefit an Individual Development Account is established, that individual pledges the Account or any portion thereof as security for a loan, the portion so used shall be treated as a withdrawal of such portion for purposes other than to pay qualified expenses, and such individual shall forfeit an equal amount of matching funds from the individual’s parallel account.

SEC. 208. CERTIFICATION AND TERMINATION OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) CERTIFICATION PROCEDURES.—Upon establishing a qualified individual development account program under section 204, a qualified financial institution, a qualified nonprofit organization, or an Indian tribe in which the Secretary forms a partnership with the Secretary shall develop and implement a protocol and set forth any documentation required by the Secretary, that—

(1) the amounts described in subparagraphs (A) and (B) of section 204(b)(1) are operating pursuant to all the provisions of this title, and

(2) the qualified financial institution, qualified nonprofit organization, or Indian tribe agrees to implement an information system necessary to monitor the cost and outcomes of the qualified individual development account program.

(b) AUTHORITY TO TERMINATE QUALIFIED IDA PROGRAM.—If the Secretary determines that a qualified financial institution, a qualified nonprofit organization, or an Indian tribe under this title is not operating a qualified individual development account program in accordance with the requirements of this title (and has not implemented any corrective recommendations directed by the Secretary), the Secretary shall terminate the qualified financial institution, qualified nonprofit organization, or Indian tribe’s authority to conduct the program. If the Secretary is unable to identify a qualified financial institution, a qualified nonprofit organization, or an Indian tribe to assume the authority to conduct such program, then any funds in a parallel account established for the benefit of any individual under such program shall be deposited into the Individual Development Account of such individual as of the first day of the next taxable year.

SEC. 209. REPORTING, MONITORING, AND EVALUATION.

(a) RESPONSIBILITIES OF QUALIFIED FINANCIAL INSTITUTIONS, QUALIFIED NONPROFIT ORGANIZATIONS, AND INDIAN TRIBES.—

(1) IN GENERAL.—Each qualified financial institution, qualified nonprofit organization, or Indian tribe that operates a qualified individual development account program under section 204 shall report annually to the Secretary within 90 days after the end of each calendar year on—

(A) the number of eligible individuals making contributions into Individual Development Accounts, and

(B) the amounts contributed into Individual Development Accounts and deposited into parallel accounts for matching funds,

(C) the amounts withdrawn from Individual Development Accounts and parallel accounts, and the purposes for which such amounts were withdrawn,

(D) the balances remaining in Individual Development Accounts and parallel accounts, and

(E) such other information needed to help the Secretary monitor the cost and outcomes of the qualified individual development account program (provided in a non-individually-identifiable manner).

(2) ADDITIONAL REPORTING REQUIREMENTS.—Each qualified financial institution, qualified nonprofit organization, or Indian tribe that operates a qualified individual development account program under section 204 shall report at such time and in such manner as the Secretary may prescribe any additional information that the Secretary requires to be provided for purposes of administering and supervising the qualified individual development account program. This additional data may include, without limitation, identifying information about Individual Development Account holders, their Accounts, additional Accounts, and withdrawals from the Accounts.

(b) RESPONSIBILITIES OF THE SECRETARY.—

(1) MONITORING PROTOCOL.—Not later than 120 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Health and Human Services, shall develop and implement a protocol and process information on—

(A) the characteristics of participants, including age, gender, race or ethnicity, marital status, number of children, employment status, and monthly income, that are utilized to develop an information system necessary to monitor the cost and outcomes of individual development account programs.

(B) deposits, withdrawals, balances, uses of Individual Development Accounts, and participant characteristics,

(C) the characteristics of qualified individual development account programs, including match rate, economic education requirements, permissible uses of accounts, staffing of programs in full time employees, and the total costs of programs.

(D) process information on program implementation and administration, especially on problems encountered and how problems were resolved.

(3) REAUTHORIZATION REPORT ON COST AND OUTCOMES OF IDAS.—
(A) IN GENERAL.—Not later than July 1, 2008, the Secretary of the Treasury shall submit a report to Congress and the chairmen and ranking members of the Committee on Finance, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Ways and Means of the House of Representatives, the Committee on Education and the Workforce of the House of Representatives, in which the Secretary shall—

(i) summarize the previously submitted annual reports required under paragraph (2),

(ii) from a representative sample of qualified Individual Development account programs, include an analysis of—

(I) the economic, social, and behavioral outcomes,

(II) the changes in savings rates, asset holdings, and household debt, and overall changes in economic stability,

(III) the changes in outlooks, attitudes, and behavior toward savings strategies, investment, education, and family,

(IV) the integration into the financial mainstream, including decreased reliance on alternative financial institutions and increased participation in acquisition of mainstream financial products, and

(V) the involvement in civic affairs, including neighborhood schools and associations associated with participation in qualified individual development account programs,

(iii) from a representative sample of qualified individual development account programs, include a comparison of outcomes associated with such programs with outcomes associated with other Federal Government social and economic development programs, including asset building programs, and

(iv) make recommendations regarding the reauthorization of the qualified individual development account programs, including—

(I) recommendations regarding reforms that will improve the cost and outcomes of the such programs, including the ability to help low income families save and accumulate productive assets,

(II) recommendations regarding the appropriate levels of subsidies to provide effective incentives for financial institutions and account holders under such programs, and

(IV) recommendations regarding how such programs should be integrated into other Federal poverty reduction, asset building, savings, and community development policies and programs.

(B) AUTHORIZATION.—There is authorized to be appropriated $2,500,000, for carrying out the purposes of this paragraph.

SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Secretary $1,000,000 for fiscal year 2003 and for each fiscal year through 2009, for the purposes of implementing this title, including the reporting, monitoring, and evaluation described in section 209, to remain available until expended.

SEC. 211. ACCOUNT FUNDS DISREGARDED FOR PURPOSES OF CERTAIN MEASUREMENTS—TESTED FEDERAL PROGRAMS.

Notwithstanding any other provision of Federal law that requires consideration of 1 or more financial circumstances of an individual, for the purposes of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such provision to be provided to or for the benefit of such individual, any amount shall be disregarded for such purposes equal to the sum of—

(I) the lesser of—

(A) all amounts (including earnings thereon) in any Individual Development Account of such individual, or

(B) an amount equal to $1,000 times the number of years (including the year in which such determination is made) that such Account (including any predecessor Account) has been open;

(II) the matching deposits made on behalf of such individual (including earnings thereon) in any parallel account.

SEC. 212. MAKING FUNDS FOR INDIVIDUAL DEVELOPMENT ACCOUNTS PROVIDED THROUGH A TAX CREDIT FOR QUALIFIED FINANCIAL INSTITUTIONS.

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

"SEC. 45G. INDIVIDUAL DEVELOPMENT ACCOUNT INVESTMENT CREDIT.

(1) IN GENERAL.—For purposes of this section, the term 'individual development account investment credit' means—

(A) the aggregate amount of dollar-for-dollar matches under such program which are timely deposited into a parallel account, plus

(B) $50 with respect to each Individual Development Account maintained as of the end of any calendar year in which the taxable year of such Account begins;

(2) DETERMINATION OF AMOUNT.—For purposes of this section—

(I) the 'individual development account investment credit' means the excess (if any) of—

(1) the tax imposed under this chapter (other than the taxes imposed under the parts described in subparagraphs (C) through (Q) of section 26(b)(2)), over

(2) the credits allowable under subparagraph (B) (other than this section) and subparagraph D of this part.

(3) INDIVIDUAL DEVELOPMENT ACCOUNT INVESTMENT CREDIT.

(I) IN GENERAL.—For purposes of this section, the term 'individual development account investment' means, with respect to an individual development account program of a qualified financial institution in any taxable year, an amount equal to the sum of—

(A) the aggregate amount of dollar-for-dollar matches under such program under section 206(b)(1)(A) of the Savings for Working Families Act of 2002 for such taxable year, plus

(B) $50 with respect to each Individual Development Account maintained as of the end of any calendar year in which the taxable year of such Account begins.

(II) PERMISSIBILITY OF CARRYOVER.—The individual development account investment credit determined under paragraph (1)(A) may be carried over to any taxable year beginning after December 31, 2002.

(3) DETERMINATION OF LIMITATION.—The limitations on the number of Individual Development Accounts under paragraph (1)(B) shall be allocated by the Secretary among qualified individual development account programs selected by the Secretary, and

(b) CREDIT TREATED AS BUSINESS CREDIT.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credits) is amended by striking the last sentence of paragraph (14), by striking the period at the end of paragraph (15) and inserting ‘‘, plus’’, and by adding at the end the following new paragraph:

"(16) the individual development account investment credit determined under section 45G(a)."

(c) NO CARRYBACKS.—Subsection (d) of section 39 of the Internal Revenue Code of 1986 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

"(11) NO CARRYBACK OF SECTION 45G CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credits for any taxable year which is attributable to the individual development account investment credit determined under section 45G may be carried back to a taxable year ending before January 1, 2003.

(d) CONFORMING AMENDMENT.—The table of subpart B of part IV of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 45G. Individual development account investment credit."
SECTION 301. NONGOVERNMENTAL ORGANIZATIONS.

(a) GENERAL AUTHORITY.—For any social service program, agency, or intermediate organization that the Secretary determines to have the capacity and the demonstrated effectiveness to provide social services, and that is entitled to a waiver of any fee for procedures of the Secretary, the Secretary shall adopt procedures to expedite the consideration of applications for exempt status under section 501(c)(3) of the Internal Revenue Code of 1986 by any organization that (1) is organized and operated for the primary purpose of providing social services; (2) is seeking a contract or grant under a Federal, State, or local contract or grant program that provides funding for social services programs; (3) establishes that, under the terms and conditions of the contract or grant program, an organization is required to obtain such exempt status before the organization is eligible to apply for a contract or grant; (4) includes with its exemption application a copy of its completed Federal, State, or local contract or grant application; and (5) meets such other criteria as the Secretary deems appropriate for expedited consideration.

(b) SUPPORT FOR STATES.—The Secretary—(1) may award grants to and enter into cooperative agreements with States and political subdivisions of States to provide seed money to establish State and local offices of faith-based and community initiatives; and (2) shall provide technical assistance to States and political subdivisions of States in administering the provisions of this Act.

(e) DEFINITIONS.—In this section—

(1) FEDERAL, STATE, LOCAL, ORGANIZATION—The term ‘federal, state, local, or organization’ means a Federal, state, tribal, or local government or any agency or instrumentality thereof.

(2) STATE.—The term ‘state’ means each of the several States,

(3) LOCAL GOVERNMENT.—The term ‘local government’ means any political subdivision of any state, including a county, city, town, or other political subdivision thereof.

(4) ORGANIZATION.—The term ‘organization’ means a profit-seeking or non-profit-seeking organization, whether public or private, and regardless of its incorporated or unincorporated status.

(5) PROGRAM.—The term ‘program’ means a program that is to provide services to low-income families and low-income individuals to become self-sufficient, including—

(1) child care services, protective services for children and adults, services for children and adults in foster care, adoption services, services related to the management and maintenance of public housing, services for the aged and disabled, and services for the blind, deaf, and developmentally disabled; (2) transportation services; (3) job training and related services, and employment services; (4) information, referral, and counseling services; (5) the delivery of meals, and services related to soup kitchens or food banks; (6) health support services; (7) literacy and mentoring programs; (8) services for the prevention and treatment of the mentally ill; (9) services for the prevention of crime and the prevention of assistance to the victims and the families of criminal offenders, and services related to the intervention in, and prevention of, domestic violence; and (10) services related to the assistance for housing under Federal law.

(b) SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS.—(1) In general.—The term ‘nonprofit community-based organization’ means a nonprofit organization, as defined in section 501(c)(3) of the Internal Revenue Code of 1986, that provides services to low-income families and low-income individuals to become self-sufficient, including—

(1) child care services, protective services for children and adults, services for children and adults in foster care, adoption services, services related to the management and maintenance of public housing, services for the aged and disabled, and services for the blind, deaf, and developmentally disabled; (2) transportation services; (3) job training and related services, and employment services; (4) information, referral, and counseling services; (5) the delivery of meals, and services related to soup kitchens or food banks; (6) health support services; (7) literacy and mentoring programs; (8) services for the prevention and treatment of the mentally ill; (9) services for the prevention of crime and the prevention of assistance to the victims and the families of criminal offenders, and services related to the intervention in, and prevention of, domestic violence; and (10) services related to the assistance for housing under Federal law.

(c) APPLICATIONS.—(1) In general.—An agency that administers a social service program, and that is authorized to award grants or cooperative agreements to nongovernmental organizations under the program, may award a grant or cooperative agreement to a nongovernmental organization (referred to in this subsection as an “intermediate grantor”) on behalf of a nongovernmental organization (referred to in this subsection as a “nongovernmental organization”) that provides funding for social services programs.

(d) LIMITATION.—(1) Grants.—The term ‘grant’ means a grant or cooperative agreement under this Act.

(e) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year 2003, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(f) DEFINITION.—In this section, the term ‘community-based organization’ means a nonprofit corporation or association that has—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or (2) a current annual budget (current as of the date the entity seeks assistance under this section) of not more than $50,000.

(g) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—(1) In general.—The term ‘nongovernmental organization’ means a nonprofit organization, as defined in section 501(c)(3) of the Internal Revenue Code of 1986, that provides services to low-income families and low-income individuals to become self-sufficient, including—

(1) child care services, protective services for children and adults, services for children and adults in foster care, adoption services, services related to the management and maintenance of public housing, services for the aged and disabled, and services for the blind, deaf, and developmentally disabled; (2) transportation services; (3) job training and related services, and employment services; (4) information, referral, and counseling services; (5) the delivery of meals, and services related to soup kitchens or food banks; (6) health support services; (7) literacy and mentoring programs; (8) services for the prevention and treatment of the mentally ill; (9) services for the prevention of crime and the prevention of assistance to the victims and the families of criminal offenders, and services related to the intervention in, and prevention of, domestic violence; and (10) services related to the assistance for housing under Federal law.

(h) USE.—(1) Preference.—An agency that administers a social service program, and that is authorized to award grants or cooperative agreements to nongovernmental organizations under the program, may award a grant or cooperative agreement to a nongovernmental organization (referred to in this subsection as a “nongovernmental organization”) that provides funding for social services programs; (2) to alter or remove provisions in its charter or bylaws caused by the provision of a nongovernmental organization of any law that would alter or remove the provisions as provided in this paragraph; or (3) to alter or remove religious qualifications for membership on its governing boards.

(i) PRIOR EXPERIENCE.—A nongovernmental organization that has not previously been awarded a contract, grant, or cooperative agreement from an agency shall not, for that reason, be disadvantaged in a competition for a contract, grant, or cooperative agreement to deliver services under a social service program from the agency administering the program.

(j) USE.—(1) In general.—An agency that administers a social service program, and that is authorized to award grants or cooperative agreements to nongovernmental organizations under the program, may award a grant or cooperative agreement to a nongovernmental organization (referred to in this subsection as a “nongovernmental organization”) that provides funding for social services programs; (2) to alter or remove provisions in its charter or bylaws caused by the provision of a nongovernmental organization of any law that would alter or remove the provisions as provided in this paragraph; or (3) to alter or remove religious qualifications for membership on its governing boards.

(k) PRIOR EXPERIENCE.—A nongovernmental organization that has not previously been awarded a contract, grant, or cooperative agreement from an agency shall not, for that reason, be disadvantaged in a competition for a contract, grant, or cooperative agreement to deliver services under a social service program from the agency administering the program.

(l) USE.—(1) In general.—An agency that administers a social service program, and that is authorized to award grants or cooperative agreements to nongovernmental organizations under the program, may award a grant or cooperative agreement to a nongovernmental organization (referred to in this subsection as an “intermediate grantor”) on behalf of a nongovernmental organization (referred to in this subsection as a “nongovernmental organization”) that provides funding for social services programs.

(m) USE.—(1) In general.—An agency that administers a social service program, and that is authorized to award grants or cooperative agreements to nongovernmental organizations under the program, may award a grant or cooperative agreement to a nongovernmental organization (referred to in this subsection as an “intermediate grantor”) on behalf of a nongovernmental organization (referred to in this subsection as a “nongovernmental organization”) that provides funding for social services programs.

(n) USE.—(1) In general.—An agency that administers a social service program, and that is authorized to award grants or cooperative agreements to nongovernmental organizations under the program, may award a grant or cooperative agreement to a nongovernmental organization (referred to in this subsection as an “intermediate grantor”) on behalf of a nongovernmental organization (referred to in this subsection as a “nongovernmental organization”) that provides funding for social services programs.

(o) USE.—(1) In general.—An agency that administers a social service program, and that is authorized to award grants or cooperative agreements to nongovernmental organizations under the program, may award a grant or cooperative agreement to a nongovernmental organization (referred to in this subsection as an “intermediate grantor”) on behalf of a nongovernmental organization (referred to in this subsection as a “nongovernmental organization”) that provides funding for social services programs.
SEC. 502. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

(a) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Corporation for National and Community Service established under section 178 of the National and Community Service Act of 1990 (42 U.S.C. 12638), to—

(1) provide technical assistance for community-based organizations, which may include—

(A) grant writing and grant management assistance, which may include assistance provided through workshops and other guidance;

(B) legal assistance with incorporation;

(C) legal assistance to obtain tax-exempt status; and

(D) information on, and referrals to, other nongovernmental organizations that provide expertise in accounting, on legal issues, on tax issues, in program development, and on a variety of other organizational topics;

(2) provide information and assistance for community-based organizations on capacity building;

(3) provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of nonprofit community-based organizations;

(5) assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) encourage research on the best practices of social service organizations.

(b) APPLICATIONS.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State, or political subdivision shall submit an application to the Corporation at such time, in such manner, and containing such information as the Corporation may require.

(c) LIMITATION.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Secretary) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the provision of social services, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(e) DEFINITION.—In this section, the term “community-based organization” means a nonprofit corporation or association that—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $50,000.

SEC. 503. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(a) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Secretary of Housing and Urban Development (referred to in this section as “the Secretary”) may award grants to and enter into cooperative agreements with nongovernmental organizations, to—

(1) provide technical assistance for community-based organizations, which may include—

(A) grant writing and grant management assistance, which may include assistance provided through workshops and other guidance;

(B) legal assistance with incorporation;

(C) legal assistance to obtain tax-exempt status; and

(D) information on, and referrals to, other nongovernmental organizations that provide expertise in accounting, on legal issues, on tax issues, in program development, and on a variety of other organizational topics;

(2) provide information and assistance for community-based organizations on capacity building;

(3) provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of community-based organizations;

(5) assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) encourage research on the best practices of social service organizations.

(b) APPLICATIONS.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State, or political subdivision shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(c) LIMITATION.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Secretary) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the provision of social services, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(e) DEFINITION.—In this section, the term “community-based organization” means a nonprofit corporation or association that—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $50,000.

SEC. 504. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; DEPARTMENT OF HEALTH AND HUMAN SERVICES.

(a) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Secretary of Health and Human Services, in order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Secretary) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(b) LIMITATION.—There are authorized to be appropriated for the provision of social services, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the provision of social services, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(d) DEFINITION.—In this section, the term “community-based organization” means a nonprofit corporation or association that—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $50,000.

SEC. 505. RESTORATION OF FUNDS FOR THE SOCIAL SERVICES BLOCK GRANT.

SEC. 601. RESTORATION OF AUTHORITY TO TRANSFER UP TO 10 PERCENT OF TANF FUNDS TO THE SOCIAL SERVICES BLOCK GRANT.

(a) IN GENERAL.—Section 404(d)(2) of the Social Security Act (42 U.S.C. 604(d)(2)) is amended to read as follows:

“‘(2) LIMITATION ON AMOUNT TRANSFERABLE TO TITLE XX PROGRAMS.—A State may use not more than 10 percent of the amount of any grant made to the State under section 404(a) for a fiscal year to carry out State programs pursuant to title XX.’.”

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to amounts made available for fiscal year 2003 and each fiscal year thereafter.

SEC. 602. RESTORATION OF FUNDS FOR THE SOCIAL SERVICES BLOCK GRANT.

(a) FINDINGS.—Congress makes the following findings:

(1) On August 22, 1996, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105) was signed into law.

(2) Provide information and assistance for community-based organizations on capacity building;

(3) Provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) Provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of community-based organizations;

(5) Assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) Encourage research on the best practices of social service organizations.

(b) APPLICATIONS.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State, or political subdivision shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(c) LIMITATION.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Secretary) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the provision of social services, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(e) DEFINITION.—In this section, the term “community-based organization” means a nonprofit corporation or association that—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $50,000.
(2) In enacting that law, Congress authorized $2,300,000,000 for fiscal year 2003 and each fiscal year thereafter to carry out the Social Services Block Grant program established under Section 302(a)(1) of the Social Security Act (42 U.S.C. 1397 et seq.).

(b) RESTORATION OF FUNDS.—Section 2003(c) of the Social Security Act (42 U.S.C. 1397f(c)) is amended—

(1) in paragraph (10), by striking “and” at the end;

(2) in paragraph (11), by striking and each fiscal year thereafter’,” and inserting a semicolon;

and

(3) by adding at the end the following:

“(12) $1,975,000,000 for the fiscal year 2003; and

“(13) $2,800,000,000 for the fiscal year 2004.”.

SEC. 603. REQUIREMENT TO SUBMIT ANNUAL REPORT ON STATE ACTIVITIES.

(a) IN GENERAL.—Section 2006(e) of the Social Security Act (42 U.S.C. 1397f(e)) is amended by adding at the end the following:

“(A) IN GENERAL.—There shall be submitted by the States and submit to the Secretary a report with respect to fiscal year 2002 and each fiscal year thereafter.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to information submitted by States under section 2006 of the Social Security Act (42 U.S.C. 1397e) with respect to fiscal year 2002 and each fiscal year thereafter.

TITLE VII—MATERNITY GROUP HOMES

SEC. 701. MATERNITY GROUP HOMES.

(a) PERMISSIBLE USE OF FUNDS.—Section 322 of the Runaway and Homeless Youth Act (42 U.S.C. 5174) is amended—

(1) in subsection (a)(1), by inserting “including maternity group homes” after “group homes”; and

(2) in paragraph (a)(1), by striking “”

(c) MATERNITY GROUP HOME.—In this part, the term “maternity group home” means a community-based, adult-supervised group home that provides parenting and life-skills training to expectant mothers and their children with a supportive and supervised living arrangement in which such mothers are required to learn parenting skills, including child development, family budgeting, health and nutrition, and other skills to promote their long-term economic independence and the healthy holding of their children.

(b) CONTRACT FOR EVALUATION.—Part B of the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.) is amended by adding at the end the following:

“SEC. 323. CONTRACT FOR EVALUATION.

“(a) IN GENERAL.—The Secretary shall enter into a contract with a public or private entity for an evaluation of the maternity group homes that are supported by grant funds under this Act.

“(b) INFORMATION.—The evaluation described in subsection (a) shall include the collection of information about the relevant characteristics of individuals who benefit from maternity group homes such as those that are supported by grant funds under this Act and what services provided by those maternity group homes are most beneficial to such individuals.

“(c) REPORT.—Not later than 2 years after the date on which the Secretary enters into a contract for an evaluation under subsection (a), and biennially thereafter, the entity conducting the evaluation under this section shall submit to Congress a report on the status, activities, and accomplishments of maternity group homes that are supported by grant funds under this Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 388 of the Runaway and Homeless Youth Act (42 U.S.C. 5751) is amended—

(1) in section 388(a)—

(A) by striking “There” and inserting the following:

“(A) IN GENERAL.—There;

(B) in subparagraph (A), as redesignated, by inserting “and the purpose described in subparagraph (B)” after “other than part E”; and

(C) by adding at the end the following:

“(B) MATERNITY GROUP HOMES.—There is authorized to be appropriated, for maternity group homes eligible for assistance under section 322(a)(1)—

“(i) $33,000,000 for fiscal year 2003; and

“(ii) such sums as may be necessary for fiscal year 2004.

(2) in subsection (a)(2)(A), by striking “paragraph (1)” and inserting “paragraph (1)(A)”.

THE CHARTY AID, RECOVERY AND EMPOWERMENT, (“CARE”) ACT OF 2002—SECTION-BY-SECTION SUMMARY

OVERVIEW

The Lieberman-Santorum CARE Act aims to tap into America’s renewed spirit of unity, community and responsibility in the wake of September 11th to better respond to pressing social problems and ultimately help more people in need. To do so, it would leverage new support and resources for a broad range of community-based programs including those that are already working cooperatively with government to provide critical services and improve people’s, and those who want to become part of that partnership.

This diverse universe of charitable organizations—which proved once again after the terrorist attacks how effective they are in meeting real human needs—is uniquely American and forms the backbone of our civil society. The CARE Act would strengthen that backbone through a broad array of tools and strategies—tax incentives to spur more private charitable giving; innovative programs and economic self-sufficiency for low-income families; technical assistance to help smaller social services providers do more good works; narrowly-tailored efforts to remove unfair barriers facing faith-based groups in competing fairly for federal aid; and additional federal funding for essential social service programs.

TITLE I: CHARITABLE GIVING INCENTIVES

This section offers a series of targeted tax incentives to spur additional charitable giving and to streamline the relationship of government agencies helping those in need. Among other things, these provisions would:

Create a charitable tax deduction of up to $400 for individuals and $800 for couples who do not itemize on their tax returns;

Allow IRA holders to make charitable contributions from their accounts;

Provide an enhanced deduction for donations of food and books to charitable organizations;

Reduce and simplify the excise tax on foundations from 2 percent to 1 percent on encumbered grant funds;

Raise the contributions cap for subchapter C corporations and expand incentives for S corporations to increase corporate charitable giving; and

Modify the unrelated business income tax for charitable remainder trusts.

These provisions are designed to respond to the immediate challenges facing charities in the wake of the September 11th attacks and the weakened economy, which have put a significant drain on resources. These provisions, which are effective through 2005, have not been officially scored by the Joint Tax Committee, but are estimated to cost between $8 billion and $12 billion.

TITLE II: INDIVIDUAL DEVELOPMENT ACCOUNTS

This section encompasses the bipartisan legislation that Senators Lieberman and Santorum have introduced to expand the use of Individual Development Accounts (IDAs) to encourage low-income working families to save and build assets. IDAs are special savings accounts that offer beneficiaries from the sponsoring bank or community organization, on the condition that the proceeds go to buying a home, starting or expanding a small business or post-secondary education—the assets necessary to provide stability and self-sufficiency.

Initial IDA demonstrations around the country have proven successful in changing the lives of account holders and reducing their dependency on governmental and other social services. The CARE Act aims to build on these successes and increase the availability of IDAs, by significantly reducing the cost for banks and community organizations to offer these innovative accounts. Specifically, it would provide a dollar-for-dollar tax credit to offset the matching contributions up to $500 per account. This incentive, which is estimated to cost $1.7 billion over the next 10 years, could help create as many as 900,000 new accounts over that time.

TITLE III: EQUAL TREATMENT FOR NON-GOVERNMENTAL PROVIDERS

This section corrects a long-standing complaint of small faith-based organizations—that certain government agencies have refused to consider grant applicants with religious symbols or elements containing religious art, icons scriptures or other religious tools. The CARE Act would fulfill any applicant from meeting the other grant criteria or address the issue of pre-emption or civil rights laws.

This section also addresses another problem many smaller community and faith- based grassroots organizations face in obtaining federal funding. These organizations often do not have the resources to seek and administer a government grant or contract, even though they may be best positioned to deliver the services. To help these overcome that hurdle, this section authorizes government agencies to give grants or enter into cooperative agreements with larger and more experienced organizations, which will be able to sub-contract to them, subcontracts or subgrants to smaller grassroots organizations, with whom they will work to administer the grant.

TITLE IV: 501(c)(3) EZ PASS

This section would make it easier for many charitable groups to obtain a 501(c)(3) designation, and thereby make it easier to qualify for federal grants and other benefits. This status confirms that an organization is a tax-exempt charity, eligible to receive tax-exempt donations. Although any group that applies for that status can hold itself out as a 501(c)(3) once it sends the IRS its application, a number of government programs won’t consider applications from any group that hasn’t yet received approval of its application from the IRS—a process that sometimes can take several years.

To help facilitate that process, the bill requires the IRS to expedite its review of any application of any group that needs that status to apply for a government grant or contract. And, in effort to help the smallest of these groups, the bill requires that the application fee for groups whose annual revenues don’t exceed $50,000.
To help small community and faith-based organizations better partner with the government and serve communities in need, the bill called Compassion Capital Fund and authorizes four agencies to distribute its resources. HHS, DOJ, HUD and the Corporation for National and Community Service will offer technical assistance to community-based organizations for activities such as writing and managing grants, assistance in incorporating and gaining tax-exempt status, information on capacity building and help researching and replicating model social service programs.

TITLE V: SOCIAL SERVICES BLOCK GRANT

This section would increase Federal funding for the Social Services Block Grant (SSBG), which most charitable organizations agree is a critically important and effective program for meeting the needs of disadvantaged communities and families. SSBG provides flexible funds to states for such vital programs as Meals on Wheels, child elder protective services, and support services for the disabled. Over the last five years, however, the program has seen its funding reduced by billions of dollars.

The bill aims to restore funding for SSBG over the next two years to its authorized level as dictated in the 1996 welfare reform law. This increase would raise the funding level to $1.975 billion for fiscal year 2003; the program is currently funded at $1.7 billion. It would then raise the funding level to its full authorized level—$2.8 billion—for fiscal year 2004. This would represent an increase of $275 million for the coming fiscal year, and more than $680 million for the following year.

TITLE VII: MATERNITY GROUP HOMES

This section is designed to advance one of the key goals of welfare reform—helping teen mothers achieve self-sufficiency—by strengthening federal support for locally-run maternity group home programs. The 1996 welfare reform law requires that minors live at home under adult supervision or in one of these maternity group homes in order to receive benefits. Teenagers who are provided the opportunity to live in these homes are more likely to continue their education or receive training, less likely to have a second teenage pregnancy, and more likely to find gainful employment that allows them to leave. Now we should expand the opportunity, by giving more teen mothers this kind of opportunity, the bill creates a separate funding stream for maternity group home programs and authorizes $32 million in additional funding.

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

S. 1925. A bill to establish the Freedom’s Way National Heritage Area in the States of Massachusetts and New Hampshire, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. KERRY. Mr. President, I rise to introduce legislation to establish the Freedom’s Way National Heritage Area in New Hampshire and Massachusetts. The bill is cosponsored by Senator KENNEDY and Senator GREGG.

Title I proposes to establish a national heritage area including 36 communities in Massachusetts and six communities in New Hampshire. The area has important cultural and natural resources that are important to New England and the entire nation. I want to highlight just a few of the reasons I believe this designation makes sense.

The Freedom’s Way is an ideal candidate because it is rich in historic sites, trails, landscapes and views. The land and the area’s resources are pieces of American history and culture. The entire region, and especially places like Lexington and Concord, is important to our country’s founding and our political and philosophical principles. Within the 42 communities are truly special places. These include the Minuteman National Historic Park, more than 40 National Parks and Districts, National Historic Landmarks, the Great Meadows National Wildlife Refuge, Walden Pond State Reservation, Gardener State Park, Harvard Shaker Village and the Shirley Shaker Village. In addition, there is strong grassroots support for this designation. The people of these communities organized themselves in this effort and have now turned to us for assistance. I hope we can provide it. Supporters include elected officials dedicated to preserving a small piece of American and New England history, and local business leaders. It is an honor to help their cause.

Finally, I am very pleased that Senators from both Massachusetts and New Hampshire have embraced this proposal. I thank Senators KENNEDY and GREGG.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 206—DESIGNATING THE WEEK OF MARCH 17 THROUGH MARCH 23, 2002 AS “NATIONAL INHALANTS AND POISON PREVENTION WEEK”

Mr. MURKOWSKI submitted the following resolution, which was referred to the Committee on the Judiciary:

S. Res. 206

Whereas according to the National Institute on Drug Abuse, inhalant use ranks third in popularity behind use of alcohol and tobacco for all youths through the eighth grade;

Whereas the over 1,000 products that are being inhaled to get high are legal, inexpensive, and found in nearly every home and corner market;

Whereas using inhalants even once to get high can lead to kidney failure, brain damage, or even death;

Whereas inhalants are considered a gateway drug, 1 that leads to the use of harder, more deadly drugs; and

Whereas because inhalant use is difficult to detect, the products used are accessible and affordable, and abuse is so common, increased education of young people and their parents regarding the dangers of inhalants is an important step in our Nation’s battle against drug abuse: Now, therefore, be it

Resolved, by the Senate:

(1) designates the week of March 17 through March 23, 2002, as “National Inhalants and Poison Prevention Week”;

(2) encourages the States and faith-based communities and families to learn about the dangers of inhalant abuse and discuss those dangers with their children; and

(3) requests that the President issue a proclamation calling upon the people of the United States to observe the week with appropriate activities.

Mr. MURKOWSKI. Mr. President, today I rise to submit a resolution to designate March 17 to March 23, 2002 as “National Inhalants and Poison Prevention Week.”

What exactly are inhalants? Inhalants are the intentional breathing of gases for the purpose of reaching a high. Over 1,400 common products can be abused—such as lighter fluid, pressurized whipped cream, hair spray, and gasoline, the abused product of choice in rural Alaska. These products are inexpensive, easily obtained and legal. An inhalant abuse counselor told me, “If it smells like a chemical, it can be abused.” It’s a “silent epidemic” because few adults really appreciate the severity of the problem. One in five students has tried inhalants by the time they reach the eighth grade.

The use of inhalants by children has nearly doubled in the last 10 years. Further, inhalants are the third most abused substances among teenagers, behind alcohol and tobacco.

These are facts that should trouble every parent, and every American. Inhalants are deadly. Inhalant vapors react with fatty tissues in the brain, literally dissolving them. One time use of inhalants can cause instant and permanent brain, kidney, liver or other organ damage. The user can also suffer from instant heart failure known as “Sudden Sniffing Death Syndrome”, this means an abuser can die the first, tenth or hundredth time he or she uses inhalant. In fact, according to a recent study by the Alaska Native Health Consortium, inhaling has a higher risk of “instant death” than any other abused substance.

That’s what happened to Theresa, an 18-year-old who lived in rural Western Alaska. Theresa was inhaling gasoline, shortly thereafter her heart stopped. She was found alone and outside in near zero degree temperatures. Theresa, who was the youngest of five children and just a month shy of graduating high school, was flown to Fairbanks Memorial Hospital where she was pronounced dead on arrival.

To help combat this, the Yukon-Kuskokwim Health Corporation opened Alaska’s first inhalant treatment center last year. It is my hope that someday our treatment facility will only have empty beds. But, if this dream is to be realized, we must stop the abuse before the kids have to go into treatment. My experience has been that prevention through education is the key. As such awareness must be promoted among young people, parents and educators. I hope that a national week of awareness will encourage programs throughout the country, alerting parents and children to the dangers of inhalants.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2836. Mr. CONRAD (for himself and Mr. CRAPO) proposed an amendment to amendment SA 2871 submitted by Mr. DASCHLE and
intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Mr. HARKIN (for Mr. GRASSLEY (for himself and Mr. HARKIN)) proposed an amendment to amendment SA 2835 submitted by Mr. CRAIG and intended to be proposed to the amendment SA 2835 proposed by Mr. DASCHLE (S. 1731) supra.

Mr. REID (for Mr. JEFFORDS) proposed an amendment to amendment SA 2836 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

Mr. BAUCUS proposed an amendment to amendment SA 2837 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

Mr. DASCHLE and intended to be proposed to the amendment SA 2838 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

Mr. HARKIN (for Mr. GRASSLEY (for himself and Mr. HARKIN)) proposed an amendment to amendment SA 2839 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

Mr. DASCHLE and intended to be proposed to the amendment SA 2840 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

Mr. REID (for Mr. JEFFORDS) proposed an amendment to amendment SA 2841 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

Mr. DASCHLE and intended to be proposed to the amendment SA 2842 submitted by Mr. REID (for Mr. JEFFORDS) proposed an amendment to amendment SA 2843 submitted by Mr. CRAIG and in—

TEXT OF AMENDMENTS

SA 2836. Mr. CONRAD (for himself and Mr. CRAPO) proposed an amendment to amendment SA 2836 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Beginning on page 86, strike line 22 and all that follows thereto on page 87, line 21, and insert the following:

'(2) by striking subparagraph (B) and inserting the following:

'(B) BEET SUGAR.—

'(i) IN GENERAL.—Except as otherwise provided in this subparagraph and sections 339c(g), 339f(b), and 396f(b), the Secretary shall make all allocations for beet sugar among beet sugar processors for each crop year that allotments are in effect on the basis of the adjusted weighted average quantity of beet sugar produced by each processor during the 1998 through 2000 crop years, as determined under this subparagraph.

'(ii) QUANTITY.—The quantity of an allocation made for beet sugar for a crop year under clause (i) shall bear the same ratio to the quantity of allocations made for all beet sugar processors for the crop year under clause (i) as the adjusted weighted average quantity of beet sugar produced by the processor (as determined under clauses (iii) and (iv)) bears to the total of the adjusted weighted average quantities of beet sugar produced by all processors as so determined.

'(iii) WEIGHTED AVERAGE QUANTITY.—Subject to clause (iv), the weighted quantity of beet sugar produced by a beet sugar processor during each of the 1998 through 2000 crop years shall be (as determined by the Secretary):

'(I) in the case of the 1998 crop year, 25 percent of the quantity of beet sugar produced by the processor during the crop year;

'(II) in the case of the 1999 crop year, 35 percent of the quantity of beet sugar produced by the processor during the crop year; and

'(III) in the case of the 2000 crop year, 40 percent of the quantity of beet sugar produced by the processor (including any quantity of sugar produced from the Commodity Credit Corporation) during the crop year.

'(iv) ADJUSTMENTS.—

'(I) IN GENERAL.—The Secretary shall adjust the weighted average quantity of beet sugar produced by a beet sugar processor during the 1998 through 2000 crop years under clause (iii) if the Secretary determines that, during any such crop year, the processor—

'(aa) opened or closed a sugar beet processing factory; or

'(bb) each subsequent fiscal year (referred to in this clause as a 'subsequent fiscal year'), subject to subclause (III).

'(II) REASSIGNMENT.—If the acquired factories do not have production for the complete initial fiscal year and the first subsequent fiscal year, the Secretary shall reassign the temporary allocation to other processors of beet sugar on a pro rata basis.

'(III) USE OF OTHER FACTORIES TO FILL ALLOCATION.—If the transferred allocation to the buyer for the purchased factories that the factories cannot be filled by the production by the purchased factory or factories for the initial fiscal year or a subsequent fiscal year, the remainder of the allocation may be filled by beet sugar produced by the buyer from other factories of the buyer.

'(v) NEW ENTRANTS ACQUIRING ONGOING FACTORIES.—If a new entrant acquires a sugar beet factory during the period of the 1998 through 2000 crop years that (at the time of acquisition) has no allocation associated with the factory under this part, the Secretary shall—

'(I) assign an allocation for beet sugar to the new entrant that provides a fair and equitable distribution of the allocations for beet sugar; and

'(II) reduce the allocations for beet sugar of all other processors on a pro rata basis to reflect the new allocation.

'(vi) NEW ENTRANTS ACQUIRING FACTORIES WITH PRODUCTION HISTORY.—If a new entrant acquires a sugar beet factory that has production history during the period of the 1998 through 2000 crop years and that is producing beet sugar at the time the allocations are made from a processor that has an allocation of beet sugar, the Secretary shall transfer a portion of the allocation to the seller of the sugar beet factory that is pro—

SA 2837. Mr. HARKIN (for Mr. GRASSLEY (for himself and Mr. HARKIN)) proposed an amendment to amendment SA 2837 submitted by Mr. CRAIG and intended to be proposed to the amendment SA 2838 submitted by Mr. DASCHLE (S. 1731) to strengthen the safety net for agricultural producers,
to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Strike all after "SEC. 1." and insert the following:

10. PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVE- STOCK.

(a) In General.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192(f)) (as amended by amendment 1921(a)), is amended by striking subsection (f) and inserting the following:

"(f) Own or feed livestock directly, through a subsidiary, or through an arrangement that gives the packer operational, managerial, or supervisory control over the livestock, or over the farming operation that produces the livestock, to such an extent that the producer is no longer materially participating in the management of the operation with respect to the production of the livestock, except that this subsection shall not apply to—

"(1) an arrangement entered into within 14 days of the date of the livestock being "sold" to a packer, a person acting through the packer, or a person that directly or indirectly controls, or is controlled by or under common control with, the packer;

"(2) a cooperative or entity owned by a cooperative, if a majority of the ownership interest in the cooperative is held by active cooperative members that—

"(A) own, feed, or control livestock; and

"(B) provide the livestock to the cooperative for slaughter; or

"(3) a packer that is owned or controlled by producers of a type of livestock, if during a calendar year the packer slaughters less than 2 percent of the head of that type of livestock slaughtered in the United States; or"

(b) Effective Date.—

(1) In General.—Subject to paragraph (2), the amendments made by subsection (a) take effect on the date of enactment of this Act.

(2) Transition Rules.—In the case of a packer that on the date of enactment of this Act owns or controls livestock intended for slaughter in violation of section 202(f) of the Packers and Stockyards Act, 1921 (as amended by subsection (a)), the amendments made by subsection (a) apply to the packer—

(A) in the case of a packer of swine, beginning on the date that is 18 months after the date of enactment of this Act; and

(B) in the case of a packer of any other type of livestock, beginning as soon as practicable, but not later than 180 days, after the date of enactment of this Act, as determined by the Secretary of Agriculture.

SA 2838. Mr. REID proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be pending on the floor (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Beginning on page 286, strike line 11 and all that follows through page 288, line 19, and insert the following:

"40,000,000.

(d) Duration of Contracts; Hardwood Tree Contract.—Section 1231(e) of the Food Security Act of 1985 (16 U.S.C. 3831(e)) is amended—

(1) by striking "In the" and inserting the following:

"(A) In general.—In the";

(2) by striking "The Secretary and inserting the following:

"(B) Existing Hardwood Tree Contracts.—The Secretary;" and

(3) by adding at the end the following:

"(C) Extension of Hardwood Tree Contracts.—

"(i) In general.—In the case of land devoted to hardwood trees under a contract entered into under this subchapter before the date of enactment of this subchapter, the Secretary may extend the contract for a term of not more than 15 years.

"(ii) Rental Payments.—The amount of a rental payment for a contract extended under clause (i) shall be determined by the Secretary; but

"(III) shall not exceed 50 percent of the rental payment that was applicable to the contract before the contract was extended.

"(B) in paragraph (1), by striking "During the 2001 and 2002 calendar years, the Secretary shall extend contracts for a term of not more than 15 years." and inserting—

"During the 2001 and 2002 calendar years, the Secretary shall extend contracts for a term of not more than 15 years.

"(ii) have established a program to protect in-stream flows; and

"(ii) agrees to hold water rights leased or purchased under a proposal submitted under subparagraph (A).

"(5) Eligible Acreage.—An eligible entity may enroll in the program land that is adjacent to a watercourse or lake (as determined by the Secretary), if—

"(A) the land can be restored as a wetland, grassland, or other habitat, as determined by the Secretary; and

"(B) the restoration would significantly improve riparian functions; or

"(C) water or water rights appurtenant to the land are leased or sold to an appropriate State agency or State-designated water entity, as determined by the Secretary.

"(6) Relationship to Other Enrolled Acreage.—For any fiscal year, acreage enrolled in this subsection shall not affect the quantity of—

"(A) acreage enrolled to establish conservation buffers as part of the program announced on March 24, 1998 (63 Fed. Reg. 14109); or

"(B) acreage enrolled in the program before the date of enactment of this subsection.

"(7) Duties of Eligible Entities.—Under a contract entered into with respect to enrolled land under the program, during the term of the contract, an eligible entity shall agree—

"(A)(i) to restore the hydrology of the enrolled land to the maximum extent practicable, as determined by the Secretary; and

"(ii) to establish on the enrolled land wetland, grassland, vegetative cover, or other habitat, as determined by the Secretary; or

"(B) to transfer to the State, or a designee of the State, water rights appurtenant to the enrolled land.

"(8) Rental Rates.—

(A) Irrigated Land.—With respect to irrigated land enrolled in the program, the rental rate shall be established by the Secretary, acting through the Deputy Administrator for Farm Programs—

"(i) on a watershed basis;

"(ii) using data available as of the date on which the rental rate is established; and

"(iii) at a level sufficient to ensure, to the maximum extent practicable, that the eligible entity is fairly compensated for the irrigated land value of the enrolled land.

"(B) Nonirrigated Land.—With respect to nonirrigated land enrolled in the program, the rental rate shall be calculated by the Secretary, in accordance with the conservation reserve program manual of the Department that is in effect as of the date on which the rental rate is calculated.

"(C) Application.—An eligible entity that enters into a contract to enroll land into the program shall receive, in exchange for the enrollment, payments that are based on—

"(i) the irrigated rental rate described in subparagraph (A), if the owner or operator agrees to enter into an agreement with the State and approved by the Secretary under which the operator leases the land for in-stream flows that purposes, surface water appurtenant to the enrolled land; or

"(ii) the irrigated rental rate described in subparagraph (A), if the owner or operator agrees to enter into an agreement with the State and approved by the Secretary under which the operator leases the land for in-stream flows.
‘‘(ii) the nonirrigated rental rate described in subparagraph (B), if an owner or operator does not enter into an agreement described in clause (i)’’.

(b) EFFECTIVE DATE.—In carrying out this subsection, the Secretary shall give priority consideration to any State proposal that—

(A) provides a State share of 20 percent or more of the cost of the proposal; and

(B) significantly advances the goals of Federal, State, tribal, and local fish, wildlife, and plant conservation plans, including—

(i) plans that address—

(A) multiple endangered species or threatened species (as defined in section 3 of the Endangered Species Act of 1973 (16 U.S.C. 1533)); or

(B) species that may become threatened or endangered if conservation measures are not carried out;

(ii) agreements entered into, or conservation plans submitted, under section 6 or 18(a)(2)(A), respectively, of the Endangered Species Act of 1973 (16 U.S.C. 1535, 1539a(2)(A)); or

(iii) State wildlife management areas.

(18) CONSULTATION.—In carrying out this subsection, the Secretary shall consult with—

(A) the Secretary of the Interior; and

(B) Indian tribes.

(II) WATER LAW.—Nothing in this subsection—

(A) preempts any State water law;

(B) affects any litigation concerning the entitlement to, or lack of entitlement to, water that is pending as of the date of enactment of this subsection;

(C) expands, alters, or otherwise affects the existence or scope of any water right of any individual (except to the extent that the individual agrees otherwise under the program); or

(D) authorizes or entitles the Federal Government to hold or purchase any water right.

(19) CALIFORNIA WATER LAW.—

(A) IN GENERAL.—Nothing in this subsection authorizes the Secretary to enter into an agreement, in accordance with this subsection, with a landowner for water obtained from an irrigation district, water district, or other similar governmental entity in the State of California.

(B) TREATMENT OF CALIFORNIA DISTRICTS.—An irrigation district, water district, or similar governmental entity in the State of California—

(I) shall be considered an eligible entity for purposes of this subchapter; and

(ii) may develop a program under this subchapter.

(20) DISTRICT PROGRAMS.—All landowners participating in a program under this subchapter that is sponsored by a district or entity described in subparagraph (B) shall be willing participants in the program.

(21) GROUNDWATER.—A right to groundwater shall not be subject to any provision of this subsection unless the right is granted—

(A) under applicable State law;

(B) through a groundwater water rights process that is fully integrated with the surface water rights process of the applicable State; and

(h) VEGETATIVE COVER; HAYING AND GRAZING; WIND TURBINES.—Section 1232(a) of the Food Security Act of 1985 (16 U.S.C. 3832(a)) is amended—

(1) in paragraph (4)—

(A) in subparagraph (A), by striking ‘‘and’’ at the end;
(2) avoiding, to the maximum extent practicable, the need for resource and regulatory programs by assisting producers in protecting soil, water, air, and related natural resources and meeting environmental quality criteria established by Federal, State, and local agencies;

(3) providing flexible technical and financial assistance to install and maintain conservation systems that enhance soil, water, related natural resources (including grazing land and wetland), and wildlife while sustaining production of food and fiber;

(4) assisting producers to make beneficial, cost-effective changes to cropping systems, grazing management, nutrient management, or other practices on agricultural land;

(5) facilitating partnerships and joint efforts among producers and governmental and nongovernmental organizations; and

(6) consolidating and streamlining conservation planning and regulatory compliance processes to reduce administrative burdens on producers and the cost of achieving environmental goals.

SEC. 1240A. DEFINITIONS.

"In this chapter:

(1) BEGINNING FARMER OR RANCHER.—The term 'beginning farmer or rancher' has the meaning provided under section 950(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1999a).

(2) COMPREHENSIVE NUTRIENT MANAGEMENT.—

(A) IN GENERAL.—The term 'comprehensive nutrient management' means any combination of structural practices, land management practices, and management activities associated with crop or livestock production and preservation of natural resources (especially the preservation and enhancement of water quality) that are compatible.

(B) ELEMENTS.—For the purpose of subparagraph (A), structural practices, land management practices, and management activities associated with livestock production are—

(i) manure and wastewater handling and storage;

(ii) manure processing, composting, or digestion, including processes of capturing emissions, concentrating nutrients for transport, destroying pathogens or otherwise improving the environmental safety and beneficial uses of manure;

(iii) land treatment practices;

(iv) nutrient management;

(v) recordkeeping;

(vi) feed management; and

(vii) other waste utilization options.

(C) PRACTICE.—

(i) PLANNING.—The development of a comprehensive management plan shall be a practice that is eligible for incentive payments and technical assistance under this chapter.

(ii) IMPLEMENTATION.—The implementation of a comprehensive nutrient plan shall be accomplished through structural and land management practices identified in the plan.

(3) ELIGIBLE LAND.—The term 'eligible land' means agricultural land (including cropland, grassland, rangeland, pasture, private nonindustrial forest land, and other land on which crops or livestock are produced), including agricultural land that the Secretary determines poses a serious threat to soil, water, or related resources by reason of their topography, climatic, soil, geographic, flood, or saline characteristics, or other factors or natural hazards.

(4) INNOVATIVE TECHNOLOGY.—The term 'innovative technology' means a new conservation technology that, as determined by the Secretary:

(A) maximizes environmental benefits; (B) complements agricultural production; and

(C) may be adopted in a practical manner.

(5) LAND MANAGEMENT PRACTICE.—The term 'land management practice' means site-specific nutrient or manure management, integrated pest management, irrigation management, tillage or residue management, grazing management, soil quality management, or other land management practice carried out on eligible land that the Secretary determines is needed to protect from degradation, in the most cost-effective manner, water, soil, or related resources.

(6) LIVESTOCK.—The term 'livestock' means dairy cattle, beef cattle, laying hens, hogs, poultry, and other structural practice that the Secretary determines is needed to protect, in the most cost-effective manner, water, soil, or related resources.

(7) MANAGED GRAZING.—The term 'managed grazing' means the practice of 1 or more practices that involve the frequent rotation of animals on grazing land to—

(A) enhance plant health;

(B) limit soil erosion;

(C) protect groundwater and surface water quality; or

(D) benefit wildlife.

(8) MAXIMIZE ENVIRONMENTAL BENEFITS PER DOLLAR EXPENDED.—

(A) IN GENERAL.—The term 'maximize environmental benefits per dollar expended' means to maximize environmental benefits to the extent the Secretary determines is practicable and appropriate, taking into account the amount of funding made available to carry out this chapter.

(B) LIMITATION.—The term 'maximize environmental benefits per dollar expended' does not include the Secretary:

(i) to require the adoption of the least cost practice or technical assistance; or

(ii) to require the development of a plan under section 1240E as part of an application for payments or technical assistance.

(9) PRACTICE.—

(A) IN GENERAL.—The term 'practice' means an owner, operator, landlord, tenant, or sharecropper that—

(i) shares in the risk of producing any crop or livestock; and

(ii) is entitled to share in the risk of producing any crop or livestock available for marketing from a farm (or would have shared had the crop or livestock been produced).

(B) HYBRID SEED GROWERS.—In determining whether a grower of hybrid seed is a producer, the Secretary shall not take into consideration the existence of a hybrid seed contract.

(C) PROGRAM.—The term 'program' means the environmental quality incentives program comprised of sections 1240 through 1240J.

(D) PROGRAM.—The term 'program' means the environmental quality incentives program comprised of sections 1240 through 1240J.

(11) PROGRAM.—The term 'program' means the environmental quality incentives program comprised of sections 1240 through 1240J.

(12) STRUCTURAL PRACTICE.—The term 'structural practice' means—

(A) the establishment on eligible land of a site-specific animal waste management facility, terrace, grassed waterway, contour grass strip, filterstrip, tailwater pit, permanent or temporary waterfowl or wildlife habitat, constructed wetland, or other structural practice that the Secretary determines is needed to protect, in the most cost-effective manner, water, soil, or related resources from the most significant agricultural, flood, or saline characteristic, or other factors or natural hazards.

(13) INCENTIVE PAYMENT.—The term 'incentive payment' means the payment of funds made available under this chapter to producers to implement structural practices.

(14) BENEFIT WILDLIFE.—The term 'benefit wildlife' means the environmental quality incentives program shall be eligible for any combination of technical assistance, incentive payments, and education.

(15) INDIVIDUAL PRODUCER.—The term "individual producer" means the application of 1 or more practices that involve the frequent rotation of animals on grazing land to—

(A) enhance plant health;

(B) limit soil erosion;

(C) protect groundwater and surface water quality; or

(D) benefit wildlife.

(16) MAXIMIZE ENVIRONMENTAL BENEFITS PER DOLLAR EXPENDED.—

(A) IN GENERAL.—The term 'maximize environmental benefits per dollar expended' means to maximize environmental benefits to the extent the Secretary determines is practicable and appropriate, taking into account the amount of funding made available to carry out this chapter.

(B) LIMITATION.—The term 'maximize environmental benefits per dollar expended' does not include the Secretary:

(i) to require the adoption of the least cost practice or technical assistance; or

(ii) to require the development of a plan under section 1240E as part of an application for payments or technical assistance.

(17) PRACTICE.—

(A) IN GENERAL.—The term 'practice' means an owner, operator, landlord, tenant, or sharecropper that—

(i) shares in the risk of producing any crop or livestock; and

(ii) is entitled to share in the risk of producing any crop or livestock available for marketing from a farm (or would have shared had the crop or livestock been produced).

(B) HYBRID SEED GROWERS.—In determining whether a grower of hybrid seed is a producer, the Secretary shall not take into consideration the existence of a hybrid seed contract.

(C) PROGRAM.—The term 'program' means the environmental quality incentives program comprised of sections 1240 through 1240J.

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(A) the establishment on eligible land of a site-specific animal waste management facility, terrace, grassed waterway, contour grass strip, filterstrip, tailwater pit, permanent or temporary waterfowl or wildlife habitat, constructed wetland, or other structural practice that the Secretary determines is needed to protect, in the most cost-effective manner, water, soil, or related resources from the most significant agricultural, flood, or saline characteristic, or other factors or natural hazards.

(13) INCENTIVE PAYMENT.—The term 'incentive payment' means the payment of funds made available under this chapter to producers to implement structural practices.

(14) BENEFIT WILDLIFE.—The term 'benefit wildlife' means the environmental quality incentives program shall be eligible for any combination of technical assistance, incentive payments, and education.

(15) INDIVIDUAL PRODUCER.—The term "individual producer" means the application of 1 or more practices that involve the frequent rotation of animals on grazing land to—

(A) enhance plant health;

(B) limit soil erosion;

(C) protect groundwater and surface water quality; or

(D) benefit wildlife.
more applications for technical assistance, cost-share payments, or incentive payments are comparable, the Secretary shall not assign a higher priority to the application only because it represents the least cost to the program established under the program.

"(d) Cost-Share Payments. —

"(1) In General. — Except as provided in paragraph (b) of this subsection, cost-share payments provided to a producer proposing to implement 1 or more practices under the program shall be no more than 75 percent of the cost of the practice as determined by the Secretary.

"(2) Exceptions. —

"(A) Limited resource and beginning farmers. — The Secretary may increase the amount provided to a producer under paragraph (1) to not more than 90 percent if the producer is a limited resource or beginning farmer or rancher, as determined by the Secretary.

"(B) Cost-share Assistance from Other Sources. — Except as provided in paragraph (a), any cost-share payments received by a producer from a State or private organization or person for the implementation of 1 or more practices on eligible land of the producer shall be in addition to the payments provided to the producer under paragraph (1) of this subsection.

"(3) Other Payments. — A producer shall not be eligible for cost-share payments for practices on eligible land under the program if the producer receives cost-share payments or other benefits for the same practice on the same land under chapter 1 and the program.

"(e) Incentive Payments. — The Secretary shall make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage a producer to perform 1 or more practices.

"(f) Technical Assistance. —

"(1) In General. — The Secretary shall allocate funding under the program for the provision of technical assistance according to the purpose and project cost for which the technical assistance is provided for a fiscal year.

"(2) Amount. — The allocated amount may vary according to —

"(A) the type of expertise required;

"(B) the quantity of time involved; and

"(C) any factor determined appropriate by the Secretary.

"(3) Limitation. — Funding for technical assistance under the program shall not exceed the planning and technical assistance provided to the Secretary for the technical assistance assistance program for a fiscal year.

"(4) Other Authorities. — The receipt of technical assistance under the program shall not affect the eligibility of the producer to receive technical assistance under other authorities of law available to the Secretary.

"(g) Incentive Payments for Technical Assistance. —

"(1) In General. — A producer that is eligible to receive technical assistance for a practice development or improvement of a comprehensive nutrient management plan may obtain an incentive payment that can be used to obtain technical assistance associated with the development of any component of the comprehensive nutrient management plan.

"(2) Purpose. — The purpose of the payment shall be to provide a producer the option of obtaining technical assistance for developing any component of a comprehensive nutrient management plan from a certified provider.

"(h) Payment. — The incentive payment shall be —

"(i) in addition to cost-share or incentive payments, or any other benefits the producer would otherwise receive for structural practices and land management practices;

"(ii) used only to procure technical assistance from a certified provider that is necessary to develop any component of a comprehensive nutrient management plan; and

"(iii) paid at a rate determined appropriate by the Secretary, taking into account —

"(I) the extent and complexity of the technical assistance provided;

"(II) the costs incurred by the private provider in providing the technical assistance; and

"(III) the costs incurred by the private provider in providing the technical assistance;

"(i) in general. — Only persons that have been certified by the Secretary under section 124H(f)(3) shall be eligible to provide technical assistance under this subsection.

"(ii) quality assurance. — The Secretary shall ensure that certified providers are capable of providing technical assistance regarding comprehensive nutrient management plans that meets the specifications and guidelines of the Secretary and that meets the needs of producers under the program.

"(j) Advance Payment. — On the determination of the Secretary that the proposed comprehensive nutrient management of a producer is eligible for an incentive payment, the Secretary, in advance of the incentive payment in order to procure the services of a certified provider.

"(k) Final Payment. — The final installment of the incentive payment shall be payable to a producer on presentation to the Secretary of documentation that is satisfactory to the Secretary and that demonstrates —

"(i) completion of the technical assistance;

"(ii) the actual cost of the technical assistance;

"(iii) modification or termination of contracts;

"(IV) Voluntary Modification or Termination. — The Secretary may modify or terminate a contract entered into with a producer under this chapter if —

"(A) the producer violates the terms of the contract or the contract ceases to be in effect; and

"(B) the Secretary determines that the modification or termination is in the public interest.

"(2) Involuntary Termination. — The Secretary may terminate a contract under this chapter if the Secretary determines that the producer violated the contract.

"(l) Evaluation of Offers and Payments. —

"(1) In General. — In evaluating applications for technical assistance, cost-share payments, and incentive payments, the Secretary shall award a higher priority to assistance that meets the specifications and guidelines of the Secretary and that meets the needs of producers under the program.

"(2) Evaluation of Offers and Payments. —

"(i) shall be in addition to cost-share or incentive payments, or any other benefits the producer would otherwise receive for structural practices and land management practices;
“(d) U:\nAgriculture, Conservation, and Rural Enhance-
ment Act of 2002; or south Dakota, Texas, and Wyoming”.
’’(B) CONSERVATION MEASURES.

‘’(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall provide cost-share payments, incentive payments, and groundwater education activities under this subsection, the Secretary shall enter into contracts in accordance with this section with producers the activities of which affect water quality (including the quality of public drinking water supplies) to implement and maintain

‘’(A) describe the specific nutrient management, pest management, soil erosion, or other practices to be implemented, maintained, or improved;

‘’(B) contain a statement of implementation for those practices;

‘’(C) to the maximum extent practicable, address water quality priorities of the watershed in which the operation is located; and

‘’(D) contain such other terms as the Secretary determines to be necessary.

‘’(2) FUNDING.—Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended by

‘’(A) describe the specific nutrient management, pest management, soil erosion, or other practices to be implemented, maintained, or improved;

‘’(B) contain a statement of implementation for those practices;

‘’(C) to the maximum extent practicable, address water quality priorities of the watershed in which the operation is located; and

‘’(D) contain such other terms as the Secretary determines to be necessary.

‘’(2) FUNDING.—Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended by striking subsection (b) and inserting the following:

‘’(b) ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.—Subject to section 241 of the Agriculture, Conservation, and Rural Enhancement Act of 2002, and the Omnibus Commodity Credit Corporation Charter Act (15 U.S.C. 714i) is amended in the last sentence by inserting “but excluding transfers and allotments for conservation technical assistance” after “technical assistance”.

SEC. 214. WETLANDS RESERVE PROGRAM.

‘’(a) TECHNICAL ASSISTANCE.—Section 1237(a) of the Food Security Act of 1985 (16 U.S.C. 3837(a)) is amended by inserting “including the total number of acres enrolled in the wetlands reserve program shall not exceed 2,225,000 acres, of which, to the maximum extent practicable

‘’(b) MAXIMUM ENROLLMENT.—Section 1237(b) of the Food Security Act of 1985 (16 U.S.C. 3837(b)) is amended by striking paragraph (1) and inserting the following:

‘’(1) MAXIMUM ENROLLMENT.—

‘’(A) IN GENERAL.—The total number of acres enrolled in the wetlands reserve program shall not exceed 2,225,000 acres, of which, to the maximum extent practicable

‘’(1) $1,200,000,000 for each of fiscal years 2004 and 2005;

‘’(2) $1,300,000,000 for fiscal year 2003;

‘’(3) $1,450,000,000 for each of fiscal years 2004 and 2005;

‘’(4) $1,500,000,000 for fiscal year 2006; and

‘’(5) $500,000,000 for fiscal year 2007.”.

‘’(c) REIMBURSEMENTS.—Section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) is amended in the last sentence by inserting “but excluding transfers and allotments for conservation technical assistance” after “technical assistance”.

SEC. 214. WETLANDS RESERVE PROGRAM.

‘’(a) TECHNICAL ASSISTANCE.—Section 1237(a) of the Food Security Act of 1985 (16 U.S.C. 3837(a)) is amended by inserting “including the total number of acres enrolled in the wetlands reserve program shall not exceed 2,225,000 acres, of which, to the maximum extent practicable

‘’(b) MAXIMUM ENROLLMENT.—Section 1237(b) of the Food Security Act of 1985 (16 U.S.C. 3837(b)) is amended by striking paragraph (1) and inserting the following:

‘’(1) MAXIMUM ENROLLMENT.—

‘’(A) IN GENERAL.—The total number of acres enrolled in the wetlands reserve program shall not exceed 2,225,000 acres, of which, to the maximum extent practicable

‘’(1) $1,200,000,000 for each of fiscal years 2004 and 2005;

‘’(2) $1,300,000,000 for fiscal year 2003;

‘’(3) $1,450,000,000 for each of fiscal years 2004 and 2005;

‘’(4) $1,500,000,000 for fiscal year 2006; and

‘’(5) $500,000,000 for fiscal year 2007.”.

‘’(c) REIMBURSEMENTS.—Section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) is amended in the last sentence by inserting “but excluding transfers and allotments for conservation technical assistance” after “technical assistance”.
subject to subparagraph (b), the Secretary shall enroll 250,000 acres in each calendar year.

"(B) WETLANDS RESERVE ENHANCEMENT AGRICULTURAL PROGRAM.—The acreage enrolled under subparagraph (A) for a calendar year, not more than 25,000 acres may be enrolled in the wetlands reserve enhancement program described in subsection (a)."

(c) REAUTHORIZATION.—Section 1237(c) of the Food Security Act of 1985 (16 U.S.C. 3837c(c)) is amended by striking "2002" and inserting "2006".

(d) WETLANDS RESERVE ENHANCEMENT PROGRAM.—Section 1237 of the Food Security Act of 1985 (16 U.S.C. 3837) is amended by adding at the end the following:

"(b) WETLANDS RESERVE ENHANCEMENT PROGRAM.—

"(1) IN GENERAL.—Notwithstanding the Federal Land and Cooperative Agreement Act of 1977 (41 U.S.C. 501 et seq.), the Secretary may enter into cooperative agreements with State or local governments, and with private organizations, to develop, on land that is enrolled, or is eligible to be enrolled, in the wetland reserve established under this subchapter, wetland restoration activities in watershed areas.

"(2) PURPOSE.—The purpose of the agreement shall be to address critical environmental issues.

"(3) RELATIONSHIP TO OTHER AUTHORITIES.—Nothing in this subsection limits the authority of the Secretary to enter into a cooperative agreement with a party under which agreement the Secretary and the party—

"(A) share a mutual interest in the program under this chapter; and

"(B) contribute resources to accomplish the purposes of that program.

(e) MONITORING AND MAINTENANCE.—Section 1237b of the Food Security Act of 1985 (16 U.S.C. 3837b) is amended by striking "assistance" and inserting "assistance (including monitoring and maintenance)".

SEC. 2. WATER BENEFITS PROGRAM.

Subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3821 et seq.) is amended by adding at the end the following:

"CHAPTER 6—WATER CONSERVATION

"SEC. 1240R. WATER BENEFITS PROGRAM.

(a) DEFINITIONS.—In this section:

"(i) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(I) an owner or operator of agricultural land;

"(II) a person or entity that holds water rights in accordance with State law; and

"(III) any other landowner.

"(2) PROGRAM.—The term 'program' means the water benefits program established under subsection (b).

"(b) ESTABLISHMENT.—The Secretary shall establish a program to promote water conservation, to be known as the 'water benefits program', under which the Secretary shall make payments to eligible States to pay the Federal share of the cost of—

"(i) in accordance with subsection (f), irrigation efficiency infrastructure or measures that provide in-stream flows for fish and wildlife and other environmental purposes (including wetland restoration);

"(ii) converting from production of a water-intensive crop to a crop that requires less water or any other activity in watershed areas;

"(iii) converting from production of a water-intensive crop to a crop that requires less water, as defined in subsection (e)(2); and

"(iv) converting from a production of a water-intensive crop to a crop that provides in-stream flows for fish and wildlife; or

"(v) another activity that is determined by the Secretary to be appropriate to carry out the purposes of this section.

"(c) PROTECTION OF PRIVATE PROPERTY RIGHTS.

"(1) WILLING SELLERS AND LESSORS.—An agreement may be executed under this subsection only if each eligible entity that is a party to the agreement is a willing seller or lessor.

"(2) PROPERTY RIGHTS.—Nothing in this section implies that the Federal Government or any State government to condemn private property.

"(d) ELIGIBLE STATES.—To be eligible to receive a payment under the program, a State shall—

"(1) establish a State program under which the State—

"(A) submits to the Secretary a plan to protect in-stream flows; and

"(B) obtains a State plan from the State program and plan by the Secretary;

"(2) subject each lease, purchase, dry-year optioning, and dedication of water and water rights to any review and approval required under State law, such as review and approval by a water board, water court, or water engineer of the State; and

"(3) ensure that each lease, purchase, dry-year optioning, and dedication of water and water rights is consistent with State water law.

"(e) ROLE OF SECRETARY.—In carrying out this section, the Secretary shall—

"(1) certify State programs established under subsection (d)(1) for an initial term, and any subsequent renewal of terms, of not more than 3 years, subject to renewal;

"(2) establish guidelines for participating States to pay the Federal share of assisting the conversion from production of water-intensive crops to crops that require less water;

"(3) establish guidelines for participating States to pay the non-Federal share of the cost of on-farm and off-farm irrigation efficiency infrastructure and measures described in subsection (f)(2); and

"(4) establish guidelines for participating States for the lease, purchase, dry-year optioning, and dedication of water and water rights under State programs.

"(f) ESTABLISH A PROGRAM WITHIN THE AGRICULTURAL RESOURCES CONSERVATION AND CUSTOMS ACT OF 1990.—

"(1) IN GENERAL.—The Secretary shall establish a program within the Agricultural Resources Conservation and Customs Act of 1990 (15 U.S.C. 3732) to provide, directly or indirectly, in-stream flows for fish and wildlife and any subsequent renewal of terms, of not more than 3 years, subject to renewal;

"(2) subject each lease, purchase, dry-year optioning, and dedication of water and water rights to any review and approval required under State law, such as review and approval by a water board, water court, or water engineer of the State; and

"(3) ensure that each lease, purchase, dry-year optioning, and dedication of water and water rights is consistent with State water law.

"(g) COST SHARING.—

"(1) NON-FEDERAL SHARE.—The non-Federal share of the cost of converting from production of a water-intensive crop to a crop that requires less water, or of an irrigation efficiency infrastructure or measure assisted under subsection (d)—

"(A) shall not be less than 25 percent; and

"(B) shall be paid by—

"(i) an owner or operator of a farm or ranch (including an Indian tribe); or

"(ii) a nonprofit organization.

"(2) INCREASED NON-FEDERAL SHARE.—If an owner or operator of a farm or ranch pays 50 percent or more of the cost of converting from production of a water-intensive crop to a crop that requires less water, or of an irrigation efficiency infrastructure or measure, the owner or operator shall retain the right to use 50 percent of the water conserved by the conversion, infrastructure, or measure.

"(h) ELIGIBLE STATES.

"(1) PROGRAM.—In making allocations to States, the Secretary shall consider the extent to which the plan required by subsection (b)(3)A) significantly advances the goals of Federal, State, tribal, and local fish, wildlife, and plant conserva- 

"(2) PLANS THAT PROVIDE BENEFITS TO THE FISH, WILDLIFE, OR PLANTS LOCATED IN 1 OR MORE—

"(B) State wildlife management areas.

"(B) ELIGIBLE IRRIGATION EFFICIENCY INFRASTRUCTURE AND MEASURES.—Eligible irrigation efficiency infrastructure and measures referred to in paragraph (1) are—

"(i) the construction and maintenance of stream gauging stations;

"(ii) establish guidelines for participating States to pay the Federal share of assisting the conversion from production of a water-intensive crop to a crop that provides in-stream flows for fish and wildlife; or

"(iii) another activity that is determined by the Secretary to be appropriate to carry out the purposes of this section.

"(B) State wildlife management areas.

"(1) ELIGIBLE IRRIGATION EFFICIENCY INFRASTRUCTURE AND MEASURES.—Eligible irrigation efficiency infrastructure and measures referred to in paragraph (1) are—

"(A) lining of ditches, insulation of piping, and installation of irrigation efficiency infrastructure;

"(B) tail water return systems;

"(C) low-energy precision applications;

"(D) low-flow irrigation systems, including drip and trickle systems and micro-sprinkler systems;

"(E) spray jets or nozzles that improve water distribution efficiency;

"(F) surge valves;

"(G) conversion from gravity or flood irrigation to low-flow sprinkler or drip irrigation systems;

"(H) intake screens, fish passages, and conversion of diversions to pumps;

"(i) alternate furrow wetting, irrigation scheduling, and similar measures; and

"(J) such other irrigation efficiency infrastructure and measures as the Secretary determines to be appropriate to carry out the program.

"(C) COST SHARING.—

"(1) NON-FEDERAL SHARE.—The non-Federal share of the cost of converting from production of a water-intensive crop to a crop that requires less water, or of an irrigation efficiency infrastructure or measure assisted under subsection (d)—

"(A) shall not be less than 25 percent; and

"(B) shall be paid by—

"(i) an owner or operator of a farm or ranch (including an Indian tribe); or

"(ii) a nonprofit organization.

"(2) INCREASED NON-FEDERAL SHARE.—If an owner or operator of a farm or ranch pays 50 percent or more of the cost of converting from production of a water-intensive crop to a crop that requires less water, or of an irrigation efficiency infrastructure or measure, the owner or operator shall retain the right to use 50 percent of the water conserved by the conversion, infrastructure, or measure.

"(B) ELIGIBLE IRRIGATION EFFICIENCY INFRASTRUCTURE AND MEASURES.—

"(1) IN GENERAL.—The Secretary may pay up to 50 percent of the cost of converting from production of a water-intensive crop to a crop that provides in-stream flows for fish and wildlife and any other activity in watershed areas;

"(2) affect any litigation concerning the existence or scope of any water right of...
any individual (except to the extent that the individual agrees otherwise under the program); or
(4) authorizes or entitles the Federal Government to hold or purchase any water right.
(5) **California Water Law.**

(1) **In General.**—Nothing in this section authorizes the Secretary to enter into an agreement that is inconsistent with this subchapter; with a landowner for water obtained from an irrigation district, water district, or other similar governmental entity in the State of California.

(2) **Treatment of California districts.**—An irrigation district, water district, or similar governmental entity in the State of California—

(A) shall be considered an eligible entity for purposes of this subsection; and

(B) may develop a program under this subsection.

(3) **District programs.**—All landowners participating in a program under this subchapter that is sponsored by a district or entity described in paragraph (2) shall be willing participants in the program.

(B) **Groundwater.**—A right to groundwater shall not be subject to any provision of law unless the right is granted—

(1) under applicable State law; and

(2) through a groundwater water rights process that is fully integrated with the surface water rights process of the applicable affected State.

(1) **Funding.**—

(1) **In General.**—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

(A) $25,000,000 for fiscal year 2002; and

(B) $20,000,000 for fiscal year 2003; and

(B) **State.**—For each fiscal year, of the funds made available under paragraph (1), the Secretary shall use not more than $5,000,000 to carry out the monitoring program under subsection (e)(5).

(4) **Administration.**—

(A) **General.**—For each fiscal year, of the funds made available under paragraph (1), the Secretary shall use not more than $50,000 for administration of the program.

(B) **State.**—For each fiscal year, of the funds made available under paragraph (1), not more than 3 percent shall be made available to States for administration of the program.

SA 2840. Mr. BAUCUS proposed an amendment to amendment SA 2471 submitted by Mr. DASCHEL and intended to be part of the bill (S. 1721) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs to ensure consumers abound in food and fiber, and for other purposes; as follows:

On page 128, line 8, strike the final period and insert a period and the following:

**Subtitle—Emergency Agriculture Assistance**

**SEC. 01. INCOME LOSS ASSISTANCE.**

(a) **In General.**—The Secretary of Agriculture (referred to in this title as the “Secretary”) shall use $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers who have incurred qualifying income losses in calendar year 2001, including losses due to army worms.

(b) **Administration.**—The Secretary shall make assistance available under this section in the same manner as provided under section 512 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(c)).

**SEC. 02. LIVESTOCK ASSISTANCE PROGRAM.**

(a) **General.**—The Secretary shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for the fiscal year 2001.

(b) **Administration.**—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–51), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) **Use of Funds for Cash Payments.**—The Secretary may use funds made available under this section to make, in a manner consistent with the program, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

**SEC. 03. MARKET LOSS ASSISTANCE FOR APPLES.**

(a) **In General.**—The Secretary of Agriculture shall use $100,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to make payments to apple producers, as soon as practicable after the date of enactment of this Act, for the loss of markets during the 2000 crop year.

(b) **Payment Quantity.**—A payment to the producers on a farm for the 2000 crop year under this section shall be made on the lesser of—

(1) the quantity of apples produced by the producers on the farm during the 2000 crop year;

(2) 5,000,000 pounds of apples.

(c) **Limitations.**—The Secretary shall not establish a payment, or income eligibility limitation, with respect to payments made under this section.

**SEC. 04. COMMODITY CREDIT CORPORATION.**

The Secretary shall fund, facilities, and authorities of the Commodity Credit Corporation to carry out this subtitle.

**SEC. 05. ADMINISTRATIVE EXPENSES.**

(a) **In General.**—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–51), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(b) **Receipt and Acceptance.**—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

**SEC. 06. REGULATIONS.**

(a) **In General.**—The Secretary may promulgate such regulations as are necessary to implement this subtitle.

(b) **Procedure.**—The promulgation of the regulations and administration of this subtitle may be made with—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 5 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(c) **Congressional Review of Agency Rulemaking.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

**SEC. 07. EMERGENCY REQUIREMENT.**

The entire amount necessary to carry out this subtitle is designated by Congress as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(c)).

SA 2840. Mr. REID (for Mr. JEFFORDS) proposed an amendment to the bill S. 1206, to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Appalachian Regional Development Act Amendments of 2002”.

**SEC. 2. PURPOSES.**

(a) **This Act.**—The purposes of this Act are—

(1) to reauthorize the Appalachian Regional Development Act of 1965 (40 U.S.C. App.); and

(2) to ensure that the people and businesses of the Appalachian region have the know ledge, skills, and access to telecommunication and technology services necessary to carry out the knowledge-based economy of the United States.

(b) **Appalachian Regional Development Act of 1965.**—Section 2 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in subsection (b), by inserting after the third sentence the following: “Consistent with the goal described in the preceding sentence, the Appalachian region should be able to take advantage of eco-industrial development, which promotes both employment and economic growth and the preservation of natural resources.”;

and

(2) in subsection (c)(2)(B)(ii), by inserting “including eco-industrial development technologies” before the term “technologies.”

**SEC. 3. FUNCTIONS OF THE COMMISSION.**

Section 102(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in paragraph (5), by inserting “, and support,” after “formation of”;

(2) in paragraph (7), by striking “and” at the end.

(3) in paragraph (8), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

“(9) encourage the use of eco-industrial development technologies and approaches; and

(10) seek to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.”.

CONGRESSIONAL RECORD—Senate February 8, 2002 S564
SEC. 4. INTERAGENCY COORDINATING COUNCIL ON APPALACHIA.

Section 104 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) by striking “The President” and inserting “(a) IN GENERAL.—The President”; and

(2) by adding the following—

“(b) INTERAGENCY COORDINATING COUNCIL ON APPALACHIA.—

“(1)-establishment.—In carrying out sub-section (a), the President shall establish an interagency council to be known as the ‘Interagency Coordinating Council on Appalachia’.

“(2) MEMBERSHIP.—The Council shall be composed of—

“(A) the Federal Cochairman, who shall serve as Chairperson of the Council; and

“(B) representatives of Federal agencies that carry out economic development programs in the region.

SEC. 5. TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 202 the following—

“SEC. 203. TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.

“(a) IN GENERAL.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to persons or entities in the region for projects—

“(1) to increase affordable access to advanced telecommunications, entrepreneur, and management technologies or applications in the region;

“(2) to provide education and training in the use of telecommunications and technology;

“(3) to develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce;

“(4) to support entrepreneurial opportunities for businesses in the information technology sector.

“(b) SOURCE OF FUNDING.—

“(1) IN GENERAL.—Assistance under this section may be provided—

“(A) exclusively from amounts made available to carry out this section; or

“(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

“(2) FEDERAL SHARE REQUIREMENTS SPECIFIED IN OTHER LAWS.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

“(c) COST SHARING FOR GRANTS.—Not more than 50 percent (or 80 percent in the case of a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.”.

SEC. 7. REGIONAL SKILLS PARTNERSHIPS.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 204 (as added by section 6) the following—

“SEC. 205. REGIONAL SKILLS PARTNERSHIPS.

“(a) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term ‘eligible entity’ means a consortium that—

“(1) is established to serve 1 or more industries in a specified geographic area; and

“(2) consists of representatives of—

“(A) businesses (or a nonprofit organization that represents businesses);

“(B) labor organizations;

“(C) State and local governments; or

“(D) educational institutions.

“(b) PROJECTS TO BE ASSISTED.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to eligible entities in the region for projects to improve the job skills of workers for a specified industry, including projects for—

“(1) the assessment of training and job skill needs identified by employers of workers for the specified industry;

“(2) the development of curricula and training methods, including, in appropriate cases, electronic learning or technology-based training;

“(3)(A) the identification of training providers; and

“(B) the development of partnerships between the industry and educational institutions, including community colleges;

“(4) the development of apprenticeship programs;

“(5) the development of training programs for workers, including dislocated workers; and

“(6) the development of training plans for businesses.

“(c) ADMINISTRATIVE COSTS.—An eligible entity may use not more than 10 percent of the amounts made available to it for administrative costs associated with the projects described in subsection (b).

“(d) SOURCE OF FUNDS.—

“(1) IN GENERAL.—Assistance under this section may be provided—

“(A) exclusively from amounts made available to carry out this section; or

“(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

“(2) FEDERAL SHARE REQUIREMENTS SPECIFIED IN OTHER LAWS.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

“(e) COST SHARING FOR GRANTS.—Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.”.

SEC. 8. PROGRAM DEVELOPMENT CRITERIA.

(a) ELIMINATION OF GROWTH CENTER CRITERIA.—Section 224(a)(1) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by adding at the end the following—

“(d) DISTRESSED COUNTIES AND AREAS.—For fiscal years 2003 and 2004, the areas determined by the Secretary to be distressed counties and areas shall be those areas that—

“(1) have a distressed county designation in effect after August 7, 2002; and

“(2) were in the most recently completed full economic census.

“(e) IN GENERAL.—Nothing in this section shall be construed to preclude the eligibility of any otherwise eligible entity for any assistance for which Federal funds are available under any other law.

“(f) EXCELLENT LOCAL DEVELOPMENT—EXCEPTIONS.

“(1) IN GENERAL.—Nothing in this section shall be construed to preclude the eligibility of any otherwise eligible entity for any assistance for which Federal funds are available under any other law.

“(2) EXCELLENT LOCAL DEVELOPMENT—EXCEPTIONS.

“(1) IN GENERAL.—Nothing in this section shall be construed to preclude the eligibility of any otherwise eligible entity for any assistance for which Federal funds are available under any other law.

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“(2) EXCELLENT LOCAL DEVELOPMENT—EXCEPTIONS.

“(1) IN GENERAL.—Nothing in this section shall be construed to preclude the eligibility of any otherwise eligible entity for any assistance for which Federal funds are available under any other law.

“(2) EXCELLENT LOCAL DEVELOPMENT—EXCEPTIONS.
(b) Telecommunications and Technology Initiative.—Of the amounts made available under subsection (a), the following amounts may be made available to carry out section 201:

(1) $10,000,000 for fiscal year 2002.

(2) $8,000,000 for fiscal year 2003.

(3) $5,000,000 for each of fiscal years 2004 through 2006.

(c) Availability.—Sums made available under subsection (a) shall remain available until expended.

SEC. 11. ADDITION OF COUNTIES TO APPALACHIAN REGION.

Section 405 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the third undesignated paragraph (relating to Kentucky)—

(A) by inserting “Edmondson,” “Cumberland,”; and

(B) by inserting “Hart,” “Harlan,”; and

(C) by striking “Montgomery,” and inserting “Montgomery;” and

(2) in the fifth undesignated paragraph (relating to Mississippi)—

(A) by striking “Monroe,”; and

(B) by inserting “Panola,” after “Oktibbeha,”.

SEC. 12. TERMINATION.

Section 405 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking “2001” and inserting “2006”.

SEC. 13. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Section 101(b) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the third sentence by striking “implementation program” and inserting “strategy statement”;

(b) Section 101(c)(7) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking “expiring no later than September 30, 2001”;

(c) Sections 202, 214, and 302(a)(1) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) are amended by striking “grant-in-aid programs” wherever it appears and inserting “grant programs”;


(f) Section 214 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the section heading, by striking “GRANT-IN-AID” and inserting “GRANT”;

(2) in subsection (a)—

(A) by striking “subsection (a)(3)” each place it appears and inserting “Act;”

(B) in the first sentence, by striking “grant-in-aid Acts” and inserting “Acts;” and

(C) by striking the “grant-in-aid Act” each place it appears and inserting “grant program;” and

(D) by striking the third sentence; and

(3) by striking subsection (c) and inserting the following:

“(c) Definition of Federal Grant Program.—

(1) In general.—In this section, the term ‘Federal grant program’ means any Federal grant program authorized by this Act or any other Act that provides assistance for—

(A) the acquisition or development of land;

(B) the construction or equipment of facilities; or

(C) any other community or economic development or economic adjustment activity.

(2) Inclusion.—In this section, the term ‘Federal grant program’ includes a Federal grant program such as a Federal grant program authorized by—

(A) the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.);

(B) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.);

(C) the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.);

(D) the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2911 et seq.);

(E) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

(F) title VI of the Public Health Service Act (42 U.S.C. 295 et seq.);

(G) sections 201 and 209 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141, 3189);

(H) title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5501 et seq.); or

(I) part IV of title III of the Communications Act of 1934 (47 U.S.C. 309 et seq.).

(3) Exclusions.—In this section, the term ‘Federal grant program’ does not include—

(A) the program for construction of the Appalachian development highway system authorized by section 201;

(B) any program relating to highway or road construction authorized by title 23, United States Code; or

(C) any other program under this Act or any other Act to the extent that a form of financial assistance other than a grant is authorized;”;

and

(4) by striking subsection (d).

(g) Section 224(a)(2) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking “relative per capita income” and inserting “per capita market income”;

(h) Section 225 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.)—

(1) in subsection (a), by striking “development program” and inserting “development strategies;” and

(2) in subsection (b), by striking “development programs” and inserting “development strategies”;

(i) Section 303 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the section heading, by striking “in-vehicle monitoring systems” and inserting “STRATEGIES;”

(2) in the first sentence, by striking “implementing investments programs” and inserting “implementing strategies;” and

(3) by striking “implementing investment program” each place it appears and inserting “implementing strategies;”

(j) Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the next-to-last undesignated paragraph—

(1) by inserting “‘Committee on Public Works and Transportation’ and inserting ‘Committee on Transportation and Infrastructure’.”

SA 2841. Mr. KERRY (for himself and Mr. HOLLINGS) submitted an amend-
\(\text{(d) DEFINITIONS.—In this section:}\)

\(\text{\(1\) ELIGIBLE MANUFACTURER.—The term ‘eligible manufacturer’ means a manufacturer of passenger automobiles for which the average fuel economy standard (as determined under section 32902 of title 49, United States Code) for any model year that ends within the taxable year equals or exceeds 37 miles per gallon.}\)

\(\text{\(2\) FUEL-EFFICIENT PASSENGER AUTOMOBILE.—The term ‘fuel-efficient passenger automobile’ means a passenger automobile (as defined in section 32901(a)(16) of title 49, United States Code) that obtains an average fuel economy of more than 50 miles per gallon in normal operation (as determined by the Secretary of Transportation after consultation with the Administrator of the Environmental Protection Agency).}\)

\(\text{\(3\) PRODUCED.—The term ‘domestically produced’ means a vehicle at least 75 percent of the costs to the manufacturer of producing the vehicle is attributable to labor added in the United States, as determined by the Administrator of the Environmental Protection Agency on the basis of information submitted by the manufacturer.}\)

\(\text{\(4\) REGULATIONS.—\(\text{\(\text{\(1\) IN GENERAL.—The Secretary shall promulgate such regulations as necessary to carry out the purposes of this section.}\)\)\)\)\)\)\)\)\)

\(\text{\(2\) ADMINISTRATOR OF ENVIRONMENTAL PROTECTION AGENCY.—The Administrator of the Environmental Protection Agency, in consultation with the Secretary of Transportation and the Secretary of the Treasury, shall prescribe such regulations as necessary to determine whether a motor vehicle meets the requirements to be eligible for a credit under this section.}\)

\(\text{\(3\) TERMINATION.—This section shall not apply to any property placed in service after December 31, 2003.}\)

\(\text{\(4\) CONFORMING AMENDMENTS.—\(\text{\(\text{\(1\) Section 1016(a) is amended by striking ‘in paragraph (26), by striking the period at the end of paragraph (27) and inserting ‘, and’, and by adding at the end the following:}\)\)\)\)\)\)

\(\text{\(2\) Section 33(d)(1)(B)(iii) is amended by inserting ‘, or not allowed under section 33B solely by reason of the application of section 33B(b)(2)’ before the period.}\)

\(\text{\(3\) Section 33(c)(2) is amended by inserting ‘33B(c)(3)’ after ‘33B(c)(2)’, (4) Section 3501(m) is amended by inserting ‘33B(c)(3),’ after ‘33B(c)(4)’, (5) The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 320A the following:}\)

\(\text{\(\text{“Sec. 33B. Manufacturer’s credit for domestically-produced fuel efficient vehicles.”}\)\)\)

\(\text{\(5\) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2002.}\)

\(\text{\(6\) SA 2842. Mr. REED (for himself and Mr. BOND) proposed an amendment to the bill S. 2371, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:}\)

\(\text{Beginning on page 246, strike line 4 and all that follows through page 258, line 19, and insert the following:}\)

\(\text{\(7\) SEC. 2. FUEL CONSERVATION.}\)

\(\text{\(a) In general.—Section 1231(d) of the Food Security Act of 1985 (16 U.S.C. 3831(d)) as amended by section 212(c)(2) is amended by striking “41,100,000” and inserting “40,000,000.”}\)

\(\text{\(b) ADDITIONAL WATER CONSERVATION ACREAGE UNDER CONSERVATION RESERVE ENHANCEMENT PROGRAM.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) as amended by section 212(d) is amended at the end by the following:}\)

\(\text{\(1) ADDITIONAL WATER CONSERVATION ACREAGE UNDER CONSERVATION RESERVE ENHANCEMENT PROGRAM.—In this subsection:}\)

\(\text{\(A\) ELIGIBLE ENTITY.—The term ‘eligible entity’ means:}\)

\(\text{\(i\) an owner or operator of agricultural land;}\)

\(\text{\(ii\) a person or entity that holds water rights in accordance with State law; and}\)

\(\text{\(iii\) any other landowner.}\)

\(\text{\(B\) PROGRAM.—The term ‘program’ means the conservation reserve enhancement program announced on May 27, 1998 (63 Fed. Reg. 28965).}\)

\(\text{\(2) PROTECTION OF PRIVATE PROPERTY RIGHTS.—}\)

\(\text{\(A\) WILLING SELLERS AND LESSORS.—An agreement may be executed under this subsection for the eligible entity (or as a party to the agreement is a willing seller or willing lessor.}\)

\(\text{\(B\) PROPERTY RIGHTS.—Nothing in this subsection authorizes the Federal Government or any State government to condemn private property.}\)

\(\text{\(3) ENROLLMENT.—In addition to the acreage authorized to be enrolled under subsection (d), in carrying out the program, the Secretary shall enroll not more than 500,000 acres in eligible States to promote water conservation.}\)

\(\text{\(4) ELIGIBLE STATES.—To be eligible to participate in the program, a State—}\)

\(\text{\(A\) shall submit to the Secretary, for review and approval, a proposal that meets the requirements of the program; and}\)

\(\text{\(B\) shall—}\)

\(\text{\(i\) have established a program to protect in-stream flows; and}\)

\(\text{\(ii\) agree to hold water rights leased or purchased under a proposal submitted under subparagraph (A).}\)

\(\text{\(5) ELIGIBLE ACREAGE.—An eligible entity may enroll in the program land that is adjacent to a watercourse or lake, or land that would contribute to the supply of water from a watercourse or lake (as determined by the Secretary).}\)

\(\text{\(A\) the land can be restored as a wetland, grassland, or other habitat, as determined by the Secretary; and}\)

\(\text{\(B\) the restoration would significantly improve riparian functions; or}\)

\(\text{\(C\) water or water rights appurtenant to the land are leased or sold to an appropriate State agency or State-designated water trust, as determined by the Secretary.}\)

\(\text{\(6) RELATIONSHIP TO OTHER ENROLLED ACREAGE.—For any fiscal year, acreage enrolled under this subsection shall not affect the quantity of—}\)

\(\text{\(A\) acreage enrolled to establish conservation buffers as part of the program announced on March 24, 1998 (63 Fed. Reg. 14109); or}\)

\(\text{\(B\) acreage enrolled in the program before the date of enactment of this subsection.}\)

\(\text{\(7) DUTIES OF ELIGIBLE ENTITIES.—Under a contract entered into with respect to enrolled land under the program, during the term of the contract, an eligible entity shall agree:}\)

\(\text{\(A\) to restore the hydrology of the enrolled land to the maximum extent practicable, as determined by the Secretary; and}\)

\(\text{\(B\) to transfer to the State, or a designee of the State, water rights appurtenant to the enrolled land.}\)

\(\text{\(8) RENTAL RATES.—}\)

\(\text{\(A\) IRRIGATED LAND.—With respect to irrigated land enrolled in the program, the rental rate shall be established by the Secretary, acting through the Deputy Administrator for Farm Programs—}\)

\(\text{\(i\) on a watershed basis;}\)

\(\text{\(ii\) using data available as of the date on which the rental rate is calculated; and}\)

\(\text{\(iii\) at a level sufficient to ensure, to the maximum extent practicable, that the eligible entity is fairly compensated for the irrigated land value of the enrolled land.}\)

\(\text{\(B\) NONIRRIGATED LAND.—With respect to nonirrigated land enrolled in the program, the rental rate shall be calculated by the Secretary, in accordance with the conservation reserve program manual of the Department that is in effect as of the date on which the rental rate is calculated.}\)

\(\text{\(9) PRIORITY.}\)

\(\text{\(A\) FOR THE ENVIRONMENT.—In carrying out this subsection, the Secretary shall give priority consideration to any State proposal that—}\)

\(\text{\(i\) provides a State share of 20 percent or more of the cost of the proposal; and}\)

\(\text{\(B\) significantly advances the goals of Federal, State, tribal, and local fish, wildlife, and plant conservation plans, including—}\)

\(\text{\(i\) plans that address—}\)

\(\text{\(A\) multiple endangered species or threatened species (as defined in section 3 of the Endangered Species Act of 1973 (16 U.S.C. 1532)); or}\)

\(\text{\(B\) species that may become threatened or endangered if conservation measures are not carried out;}\)

\(\text{\(ii\) agreements entered into, or conservation plans submitted, under section 6 or 10(a)(2)(A), respectively, of the Endangered Species Act of 1973 (16 U.S.C. 1536(a)(2)(A)); or}\)

\(\text{\(iii\) plans that provide benefits to the fish, wildlife, or plants located in 1 or more—}\)

\(\text{\(i\) refuges within the National Wildlife Refuge System; or}\)

\(\text{\(ii\) State wildlife management areas.}\)

\(\text{\(10) CONSULTATION.—In carrying out this subsection, the Secretary shall consult with—}\)

\(\text{\(A\) the Secretary of the Interior; and}\)

\(\text{\(B\) affected Indian tribes.}\)

\(\text{\(11) STATE WATER LAW.—Nothing in this subsection—}\)

\(\text{\(A\) preempts any State water law;}\)

\(\text{\(B\) affects any litigation concerning the entitlement to, or lack of entitlement to, water that is pending as of the date of enactment of this subsection; and}\)

\(\text{\(C\) expands, alters, or otherwise affects the existence or scope of any water right of an individual (except to the extent that the individual agrees otherwise under the program); or}\)
\(\text{(D)}\) authorizes or entitles the Federal Government to hold or purchase any water right.

\(\text{(12) CALIFORNIA WATER LAW.}\) The term in this subsection authorizes the Secretary to enter into an agreement, in accordance with this chapter, with a landowner for water obtained from an irrigation district, the State, or any other public or private entity described in subparagraph (B) shall be willing participants in the program.

\(\text{(13) GROUNDWATER.}\) A right to groundwater shall not be subject to any provision of this subsection unless the right is granted—

\(\text{(A)}\) under applicable State law; and

\(\text{(B)}\) through a groundwater rights process that is fully integrated with the surface water rights process of the applicable affected States.

\(\text{(c) WATER BENEFITS PROGRAM.—Subtitle D of title XII of the Food Security Act of 1985 (18 U.S.C. 3311 et seq.) is amended by adding at the end the following:}\)

\[\text{CHAPTER 6—WATER CONSERVATION}\]

\[\text{SEC. 1240R. WATER BENEFITS PROGRAM.}\]

\(\text{(a) DEFINITIONS.}\) In this section:

\(\text{(1) ELIGIBLE ENTITY.}\) The term ‘eligible entity’ means—

\(\text{(A)}\) an owner or operator of agricultural land;

\(\text{(B)}\) a person or entity that holds water rights in accordance with State law; and

\(\text{(C)}\) any other landowner.

\(\text{(2) PROGRAM.}\) The term ‘program’ means the water benefits program established under subsection (b).

\(\text{(b) ESTABLISHMENT.}\) The Secretary shall establish a program to promote water conservation, to be known as the ‘water benefits program’, under which the Secretary shall make payments to eligible States to pay the Federal share of costs incurred by the States to:

\(\text{(1) in accordance with subsection (f), irrigation efficiency infrastructure or measures that provide in-stream flows for fish and wildlife and other individual purposes (including wetland restoration);}\)

\(\text{(2) converting from production of a water-intensive crop to a crop that requires less water};\)

\(\text{(3) the lease, purchase, dry-year optioning, or dedication of water or water rights to provide, directly or indirectly, in-stream flows for fish and wildlife and other environmental purposes (including wetland restoration).}\)

\(\text{(c) PROTECTION OF PRIVATE PROPERTY RIGHTS.}\)

\(\text{(1) WILLING SELLERS AND LESSORS.}\) An agreement may be executed under this subsection only if each eligible entity that is a party to the agreement is a willing seller or willing lessor.

\(\text{(2) PROPERTY RIGHTS.}\) Nothing in this section authorizes the Federal Government or any State government to condemn private property.

\(\text{(d) ELIGIBLE STATES.}\) To be eligible to receive payment under the program, a State shall—

\(\text{(1) establish a State program under which the State holds and enforces water rights leased, purchased, dry-year optioned, or dedicated to provide in-stream flows for fish and wildlife;}\)

\(\text{(2) designate a State agency to administer the State program;}\)

\(\text{(3)(A) submit to the Secretary a State plan to protect in-stream flows; and}\)

\(\text{(B) obtain approval of the State program and plan by the Secretary;}\)

\(\text{(4) subject each lease, purchase, dry-year optioning, and dedication of water and water rights to review and approval under State law, such as review and approval by a water board, water court, or water engineer of the State; and}\)

\(\text{(5) ensure that in-stream lease, purchase, dry-year optioning, and dedication of water and water rights is consistent with State water law.}\)

\(\text{(e) ROLE OF SECRETARY.}\) In carrying out this section, the Secretary shall—

\(\text{(1) certify State programs established under subsection (d) to ensure that each in-stream water right is permanently allocated, directly or indirectly, to in-stream flows.}\)

\(\text{(2) establish guidelines for participating States to pay the Federal share of assisting the conversion from production of water-intensive crops to crops that require less water.}\)

\(\text{(3)(A) give an eligible entity with respect to the establishment and implementation of the program;}\)

\(\text{(B) identify irrigation efficiency infrastructure and measures described in subsection (f)(2);}\)

\(\text{(C) establish guidelines for participating States for the lease, purchase, dry-year optioning, or dedication of water and water rights under State programs;}\)

\(\text{(D) establish a program within the Agricultural Research Service, in collaboration with the United States Geological Survey, to monitor State efforts under the program, including the construction and maintenance of stream gauging stations;}\)

\(\text{(E) require revision of a State program under paragraph (1) if State administration of the State program does not meet the terms of the certification; and}\)

\(\text{(F) consult with the Secretary of the Interior and affected Indian tribes, particularly with respect to the establishment and implementation of the program.}\)

\(\text{(f) IRRIGATION EFFICIENCY INFRASTRUCTURE AND MEASURES.}\)

\(\text{(1) IN GENERAL.}\) The Secretary may pay—

\(\text{(A) the Federal share of the cost of converting from production of a water-intensive crop to a crop that requires less water, as described in subsection (e)(2));}\)

\(\text{(B) the Federal share of the cost of on-farm and off-farm irrigation efficiency infrastructure and measures described in paragraph (2) if not less than 75 percent or more of the water conserved as a result of the infrastructure and measures is permanently allocated, directly or indirectly, to in-stream flows.}\)

\(\text{(2) ELIGIBILITY.}\) The term ‘irrigation efficiency infrastructure and measures’ referred to in paragraph (1) are—

\(\text{(A) lining or reduction of piping, and installation of ditch portals or gates;}\)

\(\text{(B) tail water return systems;}\)

\(\text{(C) low-energy precision applications;}\)

\(\text{(D) low-flow irrigation systems, including drip and trickle systems and micro-sprinkler systems;}\)

\(\text{(E) spray jets or nozzles that improve water distribution efficiency;}\)

\(\text{(F) surge valves;}\)

\(\text{(G) conversion from gravity or flood irrigation to low-flow sprinkler or drip irrigation systems;}\)

\(\text{(H) intake screens, fish passages, and conversion of diversions to pumps;}\)

\(\text{(I) alternate furrow wetting, irrigation scheduling, and irrigation treatment;}\)

\(\text{(J) such other irrigation efficiency infrastructure and measures as the Secretary determines to be appropriate to carry out the program.}\)

\(\text{(g) COST SHARING.}\)

\(\text{(1) NON-FEDERAL SHARE.}\) The non-Federal share of the cost of converting from production of a water-intensive crop to a crop that requires less water, or of an irrigation efficiency infrastructure or measure assisted under this subsection—

\(\text{(A) shall not be less than 25 percent; and}\)

\(\text{(B) shall be paid by—}\)

\(\text{(i) a State;}\)

\(\text{(ii) an owner or operator of a farm or ranch (including an Indian tribe); or}\)

\(\text{a nonprofit organization.}\)

\(\text{i. INCREASED NON-FEDERAL SHARE.—If an owner or operator of a farm or ranch pays 50 percent or more of the cost of converting from production of a water-intensive crop to a crop that requires less water, or of an irrigation efficiency infrastructure or measure, the owner or operator shall retain the right to use 50 percent of the water conserved by the conversion, infrastructure, or measure.}\)

\(\text{(3) LEASING OF CONSERVED WATER.—A State shall—}\)

\(\text{(A) give an eligible entity with respect to the establishment and implementation of the option of leasing, or providing a dry-year option on, conserved water for 30 years; and}\)

\(\text{(B) increase the non-Federal share under paragraph (1) accordingly, as determined by the Secretary.}\)

\(\text{(4) WATER LEASE AND PURCHASE.—The cost of water or water rights that are directly leased, purchased, subject to a dry-year option, or dedicated under this section shall not be subject to the cost-sharing requirement of this subsection.}\)

\(\text{(5) STATE ALLOWANCES.—In making allocations to States, the Secretary shall consider the extent to which the State plan required by subsection (b)(3)(A) significantly advances the goals of Federal, State, tribal, and local fish, wildlife, and plant conservation plans, including—}\)

\(\text{(1) plans that address—}\)

\(\text{(A) multiple endangered species or threatened species (as defined in section 3 of the Endangered Species Act of 1973 (16 U.S.C. 1532)); or}\)

\(\text{(B) species that may become threatened or endangered if conservation measures are not carried out; or}\)

\(\text{plans entered into, or conservation plans submitted, under section 6 or 10(a)(2)(A), respectively, of the Endangered Species Act of 1973 (16 U.S.C. 1535, 1539(a)(2))); and}\)

\(\text{(3) plans that provide benefits to the fish, wildlife, or plants located in 1 or more—}\)

\(\text{(A) refuges within the National Wildlife Refuge System; or}\)

\(\text{(B) State wildlife management areas.}\)

\(\text{(1) STATE WATER LAW.—Nothing in this section—}\)

\(\text{(1) preempts any State water law; and}\)

\(\text{(2) affects any litigation concerning the entitlement to, or lack of entitlement to, water that is subject to any date of enactment of this section;}\)

\(\text{(2) expands, alters, or otherwise affects the existence or scope of any water right of any individual (except to the extent that the individual agrees otherwise under the program); or}\)

\(\text{authorize or entitles the Federal Government to hold or purchase any water right.}\)

\(\text{(j) CALIFORNIA WATER LAW.—}\)

\(\text{(1) IN GENERAL.—Nothing in this section authorizes the Secretary to enter into an agreement with a landowner for water obtained from an irrigation district, water district, or other similar governmental entity in the State of California.}\)

\(\text{(2) TREATMENT OF CALIFORNIA DISTRICTS.—}\)

An irrigation district, water district, or
H.R. 1394, to amend the National Trails System Act to designate the route in Arizona and New Mexico which the Navajo and Mescalero Apache Indian Tribes were forced to walk in 1863 and 1864, for study for potential addition to the National Trails System.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of the testimony to the Committee on Energy and Natural Resources, U.S. Senate, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact David Brooks of the committee staff at (202-224-9863).

Mr. WELLSTONE. Madam President, I ask unanimous consent that Cheryl Wasserman, who is in my office, be granted the privilege of the floor during the Senate’s consideration of the farm bill.

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

APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 2002

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 303, S. 1206.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1206) to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes.

There being no objection, the Senate proceeded to consider the bill to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes, which had been reported from the Committee on Environment and Public Works, with an amendment to strike all after the enacting clause and insert the part printed in italic.

SEC. 1. SHORT TITLE.

This Act may be cited as the “Appalachian Regional Development Act Amendments of 2001”.

SEC. 2. PURPOSES.

(a) This Act.—The purposes of this Act are—

(1) to reauthorize the Appalachian Regional Development Act of 1965 (40 U.S.C. App.); and

(2) to ensure that the people and businesses of the Appalachian region have the knowledge, skills, and access to telecommunication and technology services necessary to compete in the knowledge-based economy of the United States.

(b) APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.— Section 2 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in subsection (b), by inserting after the third sentence the following: “Consistent with the goal described in the preceding sentence, the Appalachian region should be able to take advantage of eco-industrial development, which promotes both employment and economic growth and the preservation of natural resources.”;

and

(2) in subsection (c)(2)(B)(i), by inserting “including eco-industrial development technologies” before the semicolon.

SEC. 3. FUNCTIONS OF THE COMMISSION.

Section 102(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in paragraph (5), by inserting “, and support,” after “formation of”;

(2) in paragraph (7), by striking “and” at the end;

and

(3) in subsection (d), by inserting, at the end—

“(9) encourage the use of eco-industrial development technologies and approaches; and

“(10) seek to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.”.

SEC. 4. INTERAGENCY COORDINATING COUNCIL ON APPALACHIA.

Section 104 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) by striking “The President” and inserting “(A) IN GENERAL.—The President”; and

(2) by adding at the end the following:

“(B) MEMBERSHIP.—The Council shall be composed of—

“(A) the Federal Cochairman, who shall serve as Chairperson of the Council; and

“(B) representatives of Federal agencies that carry out economic development programs in the region.”.

SEC. 5. TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 202 the following:

“SEC. 203. TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.

“(a) IN GENERAL.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise award amounts to persons or entities in the region for projects—

“(1) to increase affordable access to advanced telecommunications, entrepreneurship, and management technologies or applications in the region;

“(2) to provide education and training in the use of telecommunications, entrepreneurship, and management technologies or applications in the region;

“(3) to develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce; or

“(4) to support entrepreneurial opportunities for businesses in the information technology sector.

“(b) SOURCE OF FUNDING.—In general.—Assistance under this section may be provided—

“(1) exclusively from amounts made available to carry out this section; or

“(2) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

“(c) FEDERAL SHARE REQUIREMENTS SPECIFIED IN OTHER LAWS.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available under this section may be used to increase that Federal share, as the Commission determines to be appropriate.

“(d) COST SHARING FOR GRANTS.—Not more than 50 percent of the cost of a project to be carried out in a county for which a distressed county designation is in effect.
under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.

SEC. 7. REGIONAL SKILLSHIPS PROGRAMS.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 204 (as added by section 6) the following:

"SEC. 205. REGIONAL SKILLSHIPS PROGRAMS.

(a) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means a consortium that—

(1) is established to serve 1 or more industries in a specified geographic area; and

(2) consists of representatives of—

(A) businesses (or a nonprofit organization that represents businesses);

(B) labor organizations;

(C) State and local governments; or

(D) educational institutions.

(b) PROJECTS TO BE ASSISTED.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to eligible entities in the region for projects to improve the job skills of workers in a specified industry, including projects for—

(1) the assessment of training and job skill needs for the industry;

(2) the development of curricula and training methods, including, in appropriate cases, e-learning or technology-based training;

(3) the purchase, lease, or receipt of donations of training equipment, and the development of training programs.

(c) SOURCE OF FUNDING.—(A) The amount made available to carry out this Act—

(1) shall be equal to the amount of Federal share under any Federal program, amounts made available to carry out section 203 (as added by section 6) to be appropriated to the Commission to carry out this section.

(2) is subject to the provisions of section 204 (as added by section 6) and may be used to provide technical assistance, make grants, enter into contracts, or otherwise provide funds to eligible entities in the region for projects to improve the job skills of workers in a specified industry, including projects for—

(1) the assessment of training and job skill needs for the industry;

(2) the development of curricula and training methods, including, in appropriate cases, e-learning or technology-based training;

(3) the purchase, lease, or receipt of donations of training equipment, and the development of training programs.

(d) COST SHARING FOR GRANTS.—(A) The amount made available to carry out this Act—

(1) shall be equal to the amount of Federal share under any Federal program, amounts made available to carry out section 203 (as added by section 6) to be appropriated to the Commission to carry out this section.

(2) is subject to the provisions of section 204 (as added by section 6) and may be used to provide technical assistance, make grants, enter into contracts, or otherwise provide funds to eligible entities in the region for projects to improve the job skills of workers in a specified industry, including projects for—

(1) the assessment of training and job skill needs for the industry;

(2) the development of curricula and training methods, including, in appropriate cases, e-learning or technology-based training;

(3) the purchase, lease, or receipt of donations of training equipment, and the development of training programs.

(2) shall be provided from funds appropriated to carry out this Act.

(2) shall be provided from funds appropriated to carry out this Act.

SEC. 8. PROGRAM DEVELOPMENT CRITERIA.

(a) ELIMINATION OF GROWTH CENTER CRITERIA.—Section 222 (226) (1) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting "in an area determined by the State have a significant potential for growth in the area" after "an area".

(b) ASSISTANCE TO DISTRESSED COUNTIES AND AREAS.—Section 224 (228) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting "in an area determined by the State have a significant potential for growth in the area" after "an area".

SEC. 9. GRANTS FOR ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS.

Section 302(a)(1)(A) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting "(or, at the discretion of the Commission, 75 percent of such expenses in the case of a local development district that has a charter or authority that includes the economic development of a county or part of a county for which a distressed county designation is in effect under section 226)" after "such expenses".

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

Section 401 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended to read as follows:

"SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—In addition to amounts authorized by section 201 and other amounts made available for the Appalachian development highway system program, there are authorized to be appropriated to the Commission to carry out this Act—

(1) $88,000,000 for each of fiscal years 2002 through 2004;

(2) $90,000,000 for fiscal year 2005; and

(b) $92,000,000 for fiscal year 2006.

(b) TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.—Of the amounts made available under subsection (a), the following amounts may be made available to carry out section 203:

(1) $10,000,000 for fiscal year 2002;

(2) $8,000,000 for fiscal year 2003;

(3) $5,000,000 for each of fiscal years 2004 through 2006.

(c) AVAILABILITY.—Sums made available under subsection (a) shall remain available until expended.

SEC. 11. STUDIES.

(a) STUDY OF REGIONAL CHARACTERISTICS OF UPPER NEW YORK STATE.—Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the second sentence of the last undesignated paragraph by striking "June 30, 1970" and inserting "September 30, 2002".

(b) STUDY OF IMPACTS OF TERRORIST ATTACKS ON ECONOMY OF NEW YORK.—Section 404 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in subparagraph (B) by striking "$300,000 for fiscal year 2002, to study the effects of the terrorist attacks of September 11, 2001, on New York City and on other areas of New York State; and" and inserting "$300,000 for fiscal year 2002, to study the effects of the terrorist attacks of September 11, 2001, on New York City and on other areas of New York State; and"

(2) in paragraph (3) by striking $92,000,000 for fiscal year 2003 and inserting $92,000,000 for fiscal year 2006.

SEC. 12. TERMINATION.

Section 405 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "2001" and inserting "2006".
amended

of the National Housing Act (12 U.S.C. 1715l), following:

Housing Act of 1949,


(3) E XCLUSIONS.

—

In this section, the term

(1) in the section heading, by striking “GRANT-IN-AID” and inserting “GRANT”;

(2) in subsection (a), by striking “grant program” each place it appears and inserting “grant program”;

and

(3) by striking the third sentence;

by striking subsection (c) and inserting the following:


(f) Section 214 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking “in the second sentence by striking “title [Federal Home Loan Bank System] Act (12 U.S.C. 291o), the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (77 Stat. 282),” and inserting “(c) any other program under this Act or any Federal grant program authorized by this Act or any other Act that provides assistance for—

“(A) the acquisition or development of land;

“(B) the construction or equipment of facilities;

“(C) any other community or economic development or economic adjustment activity.

(2) I NCLUSIONS.—In this section, the term

(a) the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.);

(b) the Land and Water Conservation Fund Act of 1965 (42 U.S.C. 4601–4609 et seq.);

(c) the Water Resources Development Act (33 U.S.C. 2291 et seq.);

(d) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

(e) section 609 of the Public Health Service Act (42 U.S.C. 291 et seq.);

(f) title VI of the Public Health Service Act (42 U.S.C. 291 et seq.);

(g) sections 201 and 209 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141, 3149);

(h) title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.); or

(i) (1) part IV of title III of the Communications Act of 1934 (47 U.S.C. 309 et seq.);

(2) EXCLUSIONS.—In this section, the term

(A) the program for construction of the Appalachian development highway system authorized by section 201;

(B) any program relating to highway or road construction authorized by title 23, United States Code; or

(C) any other program under this Act or any other Act to the extent that a form of financial

assistance other than a grant is authorized.”; and

and

(4) by striking subsection (d); }

(g) Section 224(a)(2) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking “relative per capita income” and inserting “per capita market income”;

(h) Section 225 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.)—

(1) in subsection (a)(3), by striking “development program” and inserting “development strategies”;

and

(2) in subsection (c)(2), by striking “development program” and inserting “development strategies”.

(i) Section 303 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the section heading, by striking “INVESTMENT PROGRAMS” and inserting “STRATEGY STATEMENTS”;

(2) in the first sentence, by striking “implementing investment programs” and inserting “strategy statements”; and

(3) by striking “implementing investment program” each place it appears and inserting “strategy statement”;

(j) Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the next-to-last undesignated paragraph by striking “Committee on Public Works and Transportation” and inserting “Committee on Transportation and Infrastructure”.

AMENDMENT NO. 2840

Mr. REID. Mr. President, I understand Senator Jeffords has a substitute amendment at the desk. I, therefore, ask unanimous consent that the amendment be agreed to, the committee substitute amendment be agreed to, the bill be read the third time and passed, the motion to reconsider be laid on the table with no intervening action or debate, and that any statements relating to these matters be printed in the Record.

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

The amendment (No. 2840) was agreed to.

The amendment is printed in today’s RECORD under “Amendments Submitted.”

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill (S. 1206), as amended, was passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to Executive Session consider Executive Calendar Nos. 677 through 694; that the nominations before be confirmed, the motions to reconsider be laid on the table, that any statements thereupon be printed in the RECORD, the President be immediately notified of the Senate’s action, and the Senate return to legislative session.

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

The nominations were considered and confirmed as follows:

DEPARTMENT OF JUSTICE

Thomas P. Colantuono, of New Hampshire, to be United States Attorney for the District of New Hampshire for the term of four years.

James K. Vines, of Tennessee, to be United States Attorney for the Middle District of Tennessee for the term of four years.

James Duane Dawson, of West Virginia, to be United States Marshal for the District of West Virginia for the term of four years.

William Carey Jenkins, of Louisiana, to be United States Marshal for the District of Louisiana for the term of four years.

Ronald Richard McCubbin, Jr., of Kentucky, to be United States Marshal for the District of Kentucky for the term of four years.

David Reid Murtaugh, of Indiana, to be United States Marshal for the Northern District of Indiana for the term of four years.

Nehemiah Flowers, of Mississippi, to be United States Marshal for the Southern District of Mississippi for the term of four years.

Arthur Jeffrey Heddon, of Tennessee, to be United States Marshal for the Eastern District of Tennessee for the term of four years.

David Glenn Jolley, of Tennessee, to be United States Marshal for the Western District of Tennessee for the term of four years.

Michael Wade Roach, of Oklahoma, to be United States Marshal for the Western District of Oklahoma for the term of four years.

Eric Eugene Robertson, of Washington, to be United States Marshal for the Western District of Washington for the term of four years.

Brian Michael Ennis, of Nebraska, to be United States Marshal for the District of Nebraska for the term of four years.

Chester Martin Keely, of Alabama, to be United States Marshal for the Northern District of Alabama for the term of four years.

John William Loyd, of Oklahoma, to be United States Marshal for the Eastern District of Oklahoma for the term of four years.

David Donald Viles, of Maine, to be United States Marshal for the District of Maine for the term of four years.

Johnny Lewis Hughes, of Maryland, to be United States Marshal for the District of Maryland for the term of four years.

Larry Wade Wagster, of Mississippi, to be United States Marshal for the Northern District of Mississippi for the term of four years.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR NOS. 670 AND 676

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that on Monday, February 11, the Senate proceed to executive session to consider the following nominations: Calendar No. 670, Michael Melloy, to be United States District Judge; Calendar No. 676, Jay Zainey, to be United States District Judge; that there be 15 minutes for debate on both nominations, equally divided between the chairman and ranking member of the Judiciary Committee, or their designee. That at 5 p.m., the Senate vote on Calendar No. 670, and that upon the disposition of that nomination, the Senate vote immediately on Calendar
No. 676; that the motions to reconsider be laid upon the table, the President be immediately notified of the Senate’s action, any statements thereon be printed in the RECORD, and the Senate return to legislative session.

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

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that it be in order to order the yeas and nays on both these nominations with one show of seconds.

The PRESIDING OFFICER. Without objection, it is in order for the Senator to seek the yeas and nays on both nominations at this time with one show of seconds.

Mr. REID. Mr. President, I now ask for the yeas and nays on the nominations.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

ORDERS FOR MONDAY, FEBRUARY 11, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 2 p.m., Monday, February 11; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and there be a period for morning business until 3 p.m., with Senators permitted to speak for up to 10 minutes each, with the time equally divided between the two leaders or their designees; and further, that at 3 p.m. the Senate resume consideration of S. 1731, the farm bill.

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

PROGRAM

Mr. REID. Mr. President, there are amendments that are still pending. We have a finite list of amendments. I hope there will be Senators on both sides to offer amendments in relation to this bill. All the amendments offered today will be put in the normal list of amendments that have been offered, and we will try to work something out. It may be there will be some that will be accepted by Senators KARKIN and LUGAR.

There are a number of other amendments that need to be offered. I would think if we expect to complete this bill that we need to have some of these offered Monday. It will not be possible to have everybody offer their amendments Tuesday and have votes on Tuesday and still get to the energy bill on Wednesday.

So I say to both the majority and minority Senators, we need to really move forward on this. I hope that staffs and others will indicate that they should have their Senators here at 3 o’clock on Monday to start offering amendments.

The next rollcall vote will begin at 6 p.m. on Monday on two Executive Calendar nominations. Rollcall votes will also occur Tuesday, February 12, as early as 10 a.m. in relation to amendments on the farm bill or on additional Executive Calendar nominations.

ADJOURNMENT UNTIL MONDAY, FEBRUARY 11, 2002, AT 2 P.M.

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 3:15 p.m., adjourned until Monday, February 11, 2002, at 2 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 8, 2002:

DEPARTMENT OF JUSTICE

THOMAS P. COLANTUONO, OF NEW HAMPSHIRE, TO BE THE UNITED STATES ATTORNEY FOR THE DISTRICT OF NEW HAMPSHIRE FOR THE TERM OF FOUR YEARS.

JAMES K. VINDS, OF TENNESSEE, TO BE UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF TENNESSEE FOR THE TERM OF FOUR YEARS.

JAMES DUANE DAWSON, OF WEST VIRGINIA, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA FOR THE TERM OF FOUR YEARS.

WILLIAM CAREY JENKINS, OF LOUISIANA, TO BE UNITED STATES MARSHAL FOR THE MIDDLE DISTRICT OF LOUISIANA FOR THE TERM OF FOUR YEARS.

DONALD RICHARD MCCURBIN, JR., OF KENTUCKY, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF KENTUCKY FOR THE TERM OF FOUR YEARS.

DAVID REID MURTAUGH, OF INDIANA, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF INDIANA FOR THE TERM OF FOUR YEARS.

NEHEMIAH FLOWERS, OF MISSISSIPPI, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF MISSISSIPPI FOR THE TERM OF FOUR YEARS.

ARTHUR JEFFREY HEDDEN, OF TENNESSEE, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF TENNESSEE, FOR THE TERM OF FOUR YEARS.

DAVID GLENN JOLLEY, OF TENNESSEE, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF TENNESSEE, FOR THE TERM OF FOUR YEARS.

ERIC EUGENE ROBERTSON, OF WASHINGTON, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF WASHINGTON FOR THE TERM OF FOUR YEARS.

BRIAN MICHAEL ENNIS, OF KENTUCKY, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF KENTUCKY FOR THE TERM OF FOUR YEARS.

MICHAEL WADE ROACH, OF OKLAHOMA, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS.

JAMES K. VINES, OF TENNESSEE, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF TENNESSEE, FOR THE TERM OF FOUR YEARS.

JAMES JOHN KELLY, OF ALABAMA, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF ALABAMA, FOR THE TERM OF FOUR YEARS.

ARTHUR JEFFREY HEDDEN, OF TENNESSEE, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF TENNESSEE, FOR THE TERM OF FOUR YEARS.

BRIAN MICHAEL ENNIS, OF KENTUCKY, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF KENTUCKY FOR THE TERM OF FOUR YEARS.

JAMES JOHN KELLY, OF ALABAMA, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF ALABAMA, FOR THE TERM OF FOUR YEARS.

KIMBERLY R. ROYSTON, OF MONTANA, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF MONTANA FOR THE TERM OF FOUR YEARS.

JAMES RICHARD McKENNA, JR., OF WASHINGTON, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF WASHINGTON FOR THE TERM OF FOUR YEARS.

JOHN WILLIAM LOYD, OF OKLAHOMA, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS.

DAVID DONALD VILES, OF MAINE, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF MAINE FOR THE TERM OF FOUR YEARS.

JOHN LEE JONES, OF MARYLAND, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF MARYLAND FOR THE TERM OF FOUR YEARS.

RANDY MERLIN JOHNSON, OF ALASKA, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF ALASKA FOR THE TERM OF FOUR YEARS.

LARRY WADE WAGSTER, OF MISSISSIPPI, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF MISSISSIPPI FOR THE TERM OF FOUR YEARS.

UNITED STATES MARSHAL FOR THE DISTRICT OF ALASKA FOR THE TERM OF FOUR YEARS.

UNITED STATES MARSHAL FOR THE DISTRICT OF MARYLAND FOR THE TERM OF FOUR YEARS.

UNITED STATES MARSHAL FOR THE DISTRICT OF MAINE FOR THE TERM OF FOUR YEARS.

UNITED STATES MARSHAL FOR THE DISTRICT OF MARYLAND FOR THE TERM OF FOUR YEARS.

UNITED STATES MARSHAL FOR THE DISTRICT OF MARYLAND FOR THE TERM OF FOUR YEARS.
EXTENSIONS OF REMARKS

COLON CANCER SCREEN FOR LIFE ACT OF 2002

HON. BENJAMIN L. CARDIN
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Friday, February 8, 2002

Mr. CARDIN. Mr. Speaker, I rise today to introduce the Colon Cancer Screen for Life Act of 2002. Colorectal cancer is the number two cancer killer in the United States. This year, an estimated 135,400 new cases will be diagnosed and 56,700 Americans will die from the disease. My home state of Maryland ranks 7th in the nation in the number of new cases and in the number of deaths. Our nation’s capital, Washington, D.C., ranks first in the nation.

Colorectal cancer disproportionately impacts the elderly. The risk of colorectal cancer begins to increase after the age of 40 and rises sharply at the ages of 50 to 55, when the risk doubles with each succeeding decade. Despite advances in surgical techniques and adjunct therapy, there has been only a modest improvement in survival rates in most age groups. Colorectal cancer disproportionately impacts the elderly. The risk of colorectal cancer begins to increase after the age of 40 and rises sharply at the ages of 50 to 55, when the risk doubles with each succeeding decade. Despite advances in surgical techniques and adjunct therapy, there has been only a modest improvement in survival rates in most age groups.

The good news is that colorectal cancer can be prevented, and is highly treatable when discovered early. Most cases of the disease begin in non-cancerous polyps which can be detected and removed during routine screenings—preventing the development of colorectal cancer. Screening tests also save lives even when they detect polyps that have become cancerous by catching the disease in its earliest, most curable stages. The cure rate is up to 93 percent when colorectal cancer is discovered early.

Recognizing the importance of early detection in preventing colorectal cancer deaths, Congress in 1997 enacted a Medicare colorectal cancer screening benefit. Medicare currently covers either a screening colonoscopy every ten years or a flexible sigmoidoscopy every four years for average-risk individuals. Beneficiaries identified as high risk are entitled to a colonoscopy every two years.

Despite the availability of this benefit, very few seniors are actually being screened for colorectal cancer. Since its implementation in 1998, the percentage of Medicare beneficiaries receiving either a screening or diagnostic colonoscopy has increased by only one percent.

Why aren’t more seniors being screened? I believe the problem is due, in part, to rapidly declining colorectal screening reimbursement levels. By 2002, Medicare reimbursement for diagnostic colonoscopies performed in an outpatient setting will have declined 36% from initial 1998 levels. For flexible sigmoidoscopies, payment in 2002 will be 54% less. Colorectal cancer screening will not be effective if it is a “loss leader” for doctors.

While reimbursement has dropped across the board, cuts have been particularly harsh for screenings provided in hospital outpatient departments (HOPDs) and ambulatory surgery centers (ASCs). In 1997, a colonoscopy performed in one of these settings was reimbursed at approximately $301. Now in 2002, the rate has fallen to about $213.

The facility-specific cuts provide for physicians to perform screenings in their offices, where reimbursement rates have remained between 68% and 108% higher. As you know, Medicare has established its own criteria for both ASCs and HOPDs to ensure high quality of care and patient safety. While there are office facilities where endoscopy is safely performed, physicians’ offices are, for the most part, unregulated environments. The site-of-service differential could interfere with the clinical decision-making process, at the expense of patient safety.

In addition, Medicare currently pays for a consultation prior to a diagnostic colonoscopy, but not for a screening colonoscopy. Since colonoscopy involves conscious sedation, physicians generally do not perform them without a pre-procedure office visit to ascertain a patient’s medical history and to educate patients as to the required preparatory steps. In fact, several states now require physicians to consult with patients prior to procedures involving conscious sedation. Because Medicare will not pay for pre-screening consultations, many physicians must provide them for free.

And, unlike screening mammography, colorectal cancer screening tests are subject to the Medicare Part B deductible, which discourages beneficiaries from seeking screening.

My colleague, Representative PHIL ENGLISH, joins me today to introduce this important legislation. This bill is supported by the American College of Gastroenterology, the American Society for Gastrointestinal Endoscopy, and the American Gastroenterological Association. It would improve beneficiary utilization and help ensure the safety of colorectal cancer screening by doing three things.

First, it would increase reimbursement for colorectal cancer related procedures to ensure that physicians are able to cover the costs of providing these valuable services.

Second, our bill will provide Medicare coverage for a pre-screening office visit. If Medicare will pay for a consultation prior to diagnostic colonoscopy, it also should pay for a consultation before a screening colonoscopy.

Third, the bill would exempt colorectal cancer screening procedures from the customary Medicare deductible requirement. By reducing the financial requirements on the beneficiary, this law will encourage increased access to colorectal screening services.

The preventive benefits we authorized in 1997 were an important step toward fighting this deadly disease. But the colorectal cancer screening program is in danger of failing without our intervention. I strongly urge all my colleagues to support this critical legislation.

EXPRESSING SENSE OF HOUSE AS TO THE NEED TO INCLUDE REPEAL OF THE 10% SITE-OF-SERVICE DIFFERENTIAL IN THE COLON CANCER SCREEN FOR LIFE ACT OF 2002

HON. CAROLYN B. MALONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, February 8, 2002

Mrs. MALONEY of New York. Mr. Speaker, on January 29, 2002, I was unavoidably detained and missed Rollcall vote No. 5. Rollcall vote 5 was on the motion to suspend the rules and agree to a resolution honoring the contributions of Catholic Schools. Had I been present I would have voted “yea” on rollcall vote 5.

EXPRESSING SENSE OF HOUSE THAT SCHEDULED TAX RELIEF SHOULD NOT BE SUSPENDED OR REPEALED

SPEECH OF
HON. SHEILA JACKSON-LEE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 6, 2002

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to oppose this resolution on the floor this morning. H.R. 312 instructs the Congress to push for more tax cuts, thereby eliminating necessary funds to help senior citizens, families, and laid-off workers.

My colleagues that stand on the other side of this have always emphasized that this Congress must put forth every effort to work together in a bipartisan way. We have worked together to pass such legislation as airline security, and H.R. 1, the “Leave No Child Behind Act of 2001.” But, Mr. Speaker, this resolution only separates this body along party lines. It disregards the future of our country.

We all received a copy of the President’s budget on Monday. It, among other things, envisions an $80 billion deficit even while proposing an actual decline in spending for domestic programs not related to defense or homeland security. How will it be possible to adhere to President Bush’s budget? The only way is by invading Social Security and Medicare and cutting program funding in such important areas as education and agriculture.

I did not support the President’s tax cut last year because such a plan would have forced him to break his promise to not invade Social Security. Over the next 10 years, the President’s budget would invade Social Security surpluses by approximately $1.4 trillion and invade Medicare surpluses by approximately $550 billion. Again, Mr. Speaker, this resolution disregards the future of our country. The President says that our current war on terror has cost $1 billion per month and is the primary reason for the deficit. We, as a nation, have experienced tremendous pain as a result of September 11. But our pain pales to the loss experienced by families of the victims.

During this healing period, a time when they rely on our leadership to provide medical care,
security, and a promise for the future, we will be turning our backs if we act irresponsibly and continue with the tax relief.

The recent financial tragedy in Houston, and the alleged improprieties that led to the bankruptcy of energy giant Enron, demands that we care for those victims who lost their entire life savings and benefits. We need to pass legislation that extends unemployment benefits to hard-working Americans who have lost their job through no fault of their own, who are without any income or health care. This would be a better use of federal funds.

Furthermore, we must act responsibly and pass a prescription drug benefit plan for our seniors on Medicare. Many of these seniors are on fixed incomes, continuously struggling to pay their rent and put food on their table. The prices of prescription drugs are outrageous and we must work toward providing access to our seniors. Federal dollars must be used to help people who need it the most. If we are to serve our country responsibly, I urge my colleagues to oppose this resolution.

The prices of prescription drugs are outrageous and we must work toward providing access to our seniors. Federal dollars must be used to help people who need it the most. If we are to serve our country responsibly, I urge my colleagues to oppose this resolution.

IN RECOGNITION OF AFRICAN-AMERICAN NATIONAL HIV/AIDS DAY

HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, February 8, 2002

Mr. RANGEL. Mr. Speaker, I rise to shed light once again on a vicious scourge that has gripped the African-American community for years and continues to strangle the life of a great number of our people. Today, the CDC estimates that 284,000 of the 740,000 individuals infected with HIV are African-Americans. In other words, African-Americans make up almost 38 percent of all AIDS cases reported in this country.

Men, women and children are being infected at staggering rates. For example, nearly 47 percent of the 46,400 AIDS cases reported in 1999 (21,900 cases) were reported among African-Americans. Almost two-thirds (63 percent) of all women reported with AIDS were African-American and African-American children represent almost two-thirds (65 percent) of all reported pediatric AIDS cases. We have all heard the numbers and we all know they are astounding.

More disheartening is that despite the advances in medical therapy, many African-American patients continue to reject physician recommendations for therapy. Many patients rely totally upon nutritional programs, herbal formulas, and other empirical modalities of improved efficacy.

Research has shed some light on the possible reasons for the lack of program participation by African-Americans infected with HIV. Results from surveys indicate that African-Americans with AIDS may believe that combination drug therapy is too costly to afford. It is true that these therapy treatments may exceed $7,000 a year but they are effective. In addition, most commercial insurance plans like Medicare and Medicaid will cover these costs. Many States included my home State of New York have programs which will provide supplemental payments for AIDS treatment (AIDS Drug Assistance Program ADAP).

Also, most of the pharmaceutical companies which manufacture drugs used in the treatment of HIV/AIDS related illness have compassionate use programs for patients without insurance and who do not qualify for Medicaid. Patients usually can get assistance from physicians in enrolling for these programs and social service workers in public clinics and hospitals also will provide information and assistance for patients in need.

Given all these advances in drug treatment protocols and supportive strategies among front-line care workers, there is still a high number of African-Americans dying from the virus. Moreover, the number of individuals dying from the virus is often overshadowed by the daunting numbers that are getting infected with the virus everyday.

This suggests that we as Americans must do more to curb the increase of HIV/AIDS particularly in the African-American community.

We must use a more comprehensive approach in addressing the issue. We all know the statistics, the question is what do we do about it. I believe that a comprehensive approach to addressing the problem, which includes strategies developed with the assistance of community stakeholders, should be adopted.

The following plans should be included in this comprehensive program to fight the HIV/AIDS in the African-American community.

The Department of Health and Human Services, the Centers for Disease Control, and state health agencies must work with African-American grassroots organizations. Black churches, penal institutions, schools, clinics, hospitals, the media, and community and civic groups to ensure that the development of the planning process includes the voices all the stakeholders in the community.

Efforts should be directed to communities at greatest risk.

Plans should include access to voluntary HIV counseling, testing, and confidential notification of potentially exposed partners with voluntary counseling.

Plans should target HIV-infected individuals and link them with care and treatment services.

Plans should incorporate comprehensive efforts that reduce sexual risk behavior. Programs that strongly emphasize abstinence, monogamy, or consistent and correct use of latex condoms among those who are sexually active should be considered. Most important, stakeholders should examine what elements in the comprehensive approach is likely to be effective in their communities.

Plans should include comprehensive efforts that reduce drug-related behavior.

Plans should use comprehensive school based programs and programs for out-of-school youth to provide HIV/AIDS prevention and intervention.

Plans should include efforts to improve prevention programs in correctional facilities.

I believe that these plans, if used as part of a comprehensive program with the assistance of community stakeholders, will make a difference in decreasing the prevalence of HIV/AIDS in the African-American community. In sum, education, testing, treatment, and counseling are keys to an HIV/AIDS free society.

PERSONAL EXPLANATION

HON. CAROLYN B. MALONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, February 8, 2002

Mrs. MALONEY of New York. Mr. Speaker, on February 7, 2002, I was unavoidably detained and missed rollover vote number 12. Rollover vote 12 was on agreeing to the resolution to provide for consideration of H.R. 3394, the Cyber Security Research and Development Act.

Had I been present I would have voted “yea” on rollover vote 12.
Chamber Action

Routine Proceedings, pages S513–S572

Measures Introduced: Four bills and one resolution were introduced, as follows: S. 1924–1927, and S. Res. 206.

Measures Passed:

Appalachian Regional Development Act Amendments: Senate passed S. 1206, to reauthorize the Appalachian Regional Development Act of 1965, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto:

Reid (for Jeffords) Amendment No. 2840, in the nature of a substitute.

Federal Farm Bill: Senate continued consideration of S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, taking action on the following amendments proposed thereto:

Adopted:

Conrad/Crapo Amendment No. 2836 (to Amendment No. 2471), to modify the sugar allocations for beet sugar processors.

Withdrawn:

Reid Amendment No. 2838 (to Amendment No. 2471), to promote water conservation on agricultural land.

Pending:

Daschle (for Harkin) Amendment No. 2471, in the nature of a substitute.

Crapo/Craig Amendment No. 2533 (to Amendment No. 2471), to strike the water conservation program.

Craig Amendment No. 2835 (to Amendment No. 2471), to provide for a study of a proposal to prohibit certain packers from owning, feeding, or controlling livestock.

Santorum Modified Amendment No. 2542 (to Amendment No. 2471), to improve the standards for the care and treatment of certain animals.

Feinstein Amendment No. 2829 (to Amendment No. 2471), to make up for any shortfall in the amount sugar supplying countries are allowed to export to the United States each year.

Harkin (for Grassley) Amendment No. 2837 (to Amendment No. 2835), to make it unlawful for a packer to own, feed, or control livestock intended for slaughter.

Baucus Amendment No. 2839 (to Amendment No. 2471), to provide emergency agriculture assistance.

Reid Amendment No. 2842 (to the language proposed to be stricken by Crapo/Craig Amendment No. 2533), to promote water conservation on agricultural land.

A unanimous-consent agreement was reached providing for further consideration of the bill at 3 p.m., on Monday, February 11, 2002.

Nominations—Agreement: A unanimous-consent agreement was reached providing for consideration of the nominations of Michael J. Melloy, of Iowa, to be United States Circuit Judge for the Eighth Circuit, and Jay C. Zainey, to be United States District Judge for the Eastern District of Louisiana, on Monday, February 11, 2002, with votes to occur on confirmation of each nomination beginning at 6 p.m.

Nominations Confirmed: Senate confirmed the following nominations:

Thomas P. Colantuono, of New Hampshire, to be United States Attorney for the District of New Hampshire for the term of four years.

James Duane Dawson, of West Virginia, to be United States Marshal for the Southern District of West Virginia for the term of four years.

William Carey Jenkins, of Louisiana, to be United States Marshal for the Middle District of Louisiana for the term of four years.
Ronald Richard McCubbin, Jr., of Kentucky, to be United States Marshal for the Western District of Kentucky for the term of four years.

David Reid Murtaugh, of Indiana, to be United States Marshal for the Northern District of Indiana for the term of four years.

Nehemiah Flowers, of Mississippi, to be United States Marshal for the Southern District of Mississippi for the term of four years.

Arthur Jeffrey Hedden, of Tennessee, to be United States Marshal for the Eastern District of Tennessee, for the term of four years.

David Glenn Jolley, of Tennessee, to be United States Marshal for the Western District of Tennessee for the term of four years.

Michael Wade Roach, of Oklahoma, to be United States Marshal for the Western District of Oklahoma for the term of four years.

Eric Eugene Robertson, of Washington, to be United States Marshal for the Western District of Washington for the term of four years.

Brian Michael Ennis, of Nebraska, to be United States Marshal for the District of Nebraska for the term of four years.

Chester Martin Keely, of Alabama, to be United States Marshal for the Northern District of Alabama for the term of four years.

John William Loyd, of Oklahoma, to be United States Marshal for the Eastern District of Oklahoma for the term of four years.

David Donald Viles, of Maine, to be United States Marshal for the District of Maine for the term of four years.

James K. Vines, of Tennessee, to be United States Attorney for the Middle District of Tennessee for the term of four years.

Johnny Lewis Hughes, of Maryland, to be United States Marshal for the District of Maryland for the term of four years.

Randy Merlin Johnson, of Alaska, to be United States Marshal for the District of Alaska for the term of four years.

Larry Wade Wagster, of Mississippi, to be United States Marshal for the Northern District of Mississippi for the term of four years.

Executive Communications:

Additional Cosponsors:

Statements on Introduced Bills/Resolutions:

Additional Statements:

Amendments Submitted:

Notices of Hearings/Meetings:

Privilege of the Floor:

Adjournment: Senate met at 9:30 a.m., and adjourned at 3:15 p.m., until 2 p.m., on Monday, February 11, 2002. (For Senate’s program, see the remarks of the Acting Majority Leader in today’s Record on page 572).

Committee Meetings

(Committees not listed did not meet)

NOMINATIONS

Committee on Governmental Affairs: Committee concluded hearings on the nominations of Nancy Dorn, of Texas, to be Deputy Director of the Office of Management and Budget, Dan Gregory Blair, of the District of Columbia, to be Deputy Director of the Office of Personnel Management, and John L. Howard, of Illinois, to be Chairman of the Special Panel on Appeals, after the nominees testified and answered questions in their own behalf. Mr. Blair was introduced by Senator Carnahan.

House of Representatives

Chamber Action

Measures Introduced: 4 public bills, H.R. 3710–3713; and 2 resolutions, H. Con. Res. 323 and H. Res. 346, were introduced.

Reports Filed: No reports were filed today.

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative Simpson to act as Speaker pro tempore for today.

Civil Rights Commission: The Chair announced the Speaker's reappointment of Dr. Abigail N. Thernstrom, of Lexington, Massachusetts to the Commission on Civil Rights for a six-year term beginning on February 12, 2002.

Senate Messages: Messages received from the Senate today appear on page H229.

Quorum Calls—Votes: No quorum calls or recorded votes developed during the proceedings of the House today.
Adjournment: The House met at 10 a.m. and adjourned at 10:04 a.m.

Committee Meetings
No committee meetings were held.

CONGRESSIONAL PROGRAM AHEAD
Week of February 11 through February 16, 2002

Senate Chamber
On Monday, at 3 p.m., Senate will resume consideration of S. 1731, Federal Farm Bill. Also, Senate will consider the nominations of Michael J. Melloy, of Iowa, to be United States Circuit Judge for the Eighth Circuit, and Jay C. Zainey, to be United States District Judge for the Eastern District of Louisiana, with votes to occur on confirmation of each nomination beginning at 6 p.m.

On Tuesday, Senate will continue consideration of S. 1731, Federal Farm Bill.

During the balance of the week, Senate may consider any other cleared legislative and executive business.

Senate Committees
(Committee meetings are open unless otherwise indicated)

Committee on Agriculture, Nutrition, and Forestry: February 13, to hold hearings on the nominations of Thomas C. Dorr, of Iowa, to be Under Secretary of Agriculture for Rural Development, and Nancy Southard Bryson, of the District of Columbia, to be General Counsel of the Department of Agriculture; and the nominations of Grace Trujillo Daniel, of California, and Fred L. Dailey, of Ohio, both to be Members of the Board of Directors of the Federal Agricultural Mortgage Corporation, both of the Farm Credit Administration, 9:30 a.m., SH–216.

Committee on Appropriations: February 11, Subcommittee on Treasury and General Government, to hold hearings to examine restrictions of travel to Cuba, 10 a.m., SD–192.

Committee on Armed Services: February 12, to hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense and the Future Years Defense Program, 9:30 a.m., SH–216.

February 13, Subcommittee on Personnel, to hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on active and reserve military and civilian personnel programs, 9:30 a.m., SR–232A.

February 14, Full Committee, to hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on the results of the Nuclear Post Review; to be followed by closed hearings (in Room SH–219), 9:30 a.m., SH–216.

Committee on Banking, Housing, and Urban Affairs: February 12, to hold oversight hearings to examine account-
Committee on Finance: February 13, to hold hearings to examine sectoral trade disputes, focusing on lumber and steel, 10 a.m., SD–215.

Committee on Foreign Relations: February 12, to hold hearings to examine the theft of American intellectual property at home and abroad, 2:30 p.m., SD–419.

February 13, Full Committee, to hold hearings to examine future efforts in the U.S. bilateral and multilateral response, focusing on halting the spread of HIV/AIDS, 10:15 a.m., SD–419.

Committee on Governmental Affairs: February 12, Subcommittee on International Security, Proliferation and Federal Services, to hold hearings to examine multilateral non-proliferation regimes, weapons of mass destruction technologies, and the War on Terrorism, 9:30 a.m., SD–342.

Committee on Health, Education, Labor, and Pensions: February 12, to hold hearings to examine early education issues, 10 a.m., SD–430.

February 12, Full Committee, to hold hearings to examine the effects of the painkiller Oxycontin, focusing on risks and benefits, 2:30 p.m., SD–430.

February 13, Full Committee, to hold hearings to examine the limits of existing laws, focusing on protection against genetic discrimination, 2 p.m., SD–430.

February 14, Full Committee, to hold hearings to examine needs of the working poor, 10 a.m., SD–430.

Committee on Indian Affairs: February 13, to hold oversight hearings on the implementation of the Native American Housing Assistance and Self-Determination Act, 2 p.m., SR–485.

Select Committee on Intelligence: February 13, closed business meeting to consider pending intelligence matters, 2:30 p.m., SH–219.

Committee on the Judiciary: February 12, Subcommittee on Immigration, to hold hearings to examine issues surrounding the U.S Refugee Program, 3 p.m., SD–226.

February 13, Full Committee, to hold hearings to examine the application of federal antitrust laws to Major League Baseball, 10 a.m., SD–226.

February 13, Subcommittee on Administrative Oversight and the Courts, to hold a briefing to examine the threat of a cyber terror attack, 2 p.m., SD–226.

February 14, Subcommittee on Technology, Terrorism, and Government Information, to hold hearings to examine privacy, identity theft, and protection of personal information in the 21st century, 2:30 p.m., SD–226.

Committee on Veterans’ Affairs: February 14, to hold hearings to examine the President’s proposed budget request for fiscal year 2003 for veterans’ programs, 10 a.m., SR–418.

House Chamber
To be announced.

House Committees

Committee on Agriculture, February 13, Subcommittee on General Farm Commodities and Risk Management, hearing to review the implementation of the Agricultural Risk Protection Act, 10 a.m., 1300 Longworth.

Committee on Appropriations, February 13, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, on the Secretary of Agriculture, 9:30 a.m., 2362A Rayburn.

February 13, Subcommittee on Foreign Operations, Export Financing and Related Programs, on the Secretary of State, 1 p.m., 2359 Rayburn.

February 13, Subcommittee on Labor, Health and Human Services and Education, on the Secretary of Labor, 9:45 a.m., 2358 Rayburn.

February 13, Subcommittee on Transportation, on Federal Motor Carrier Safety Administration, 10 a.m., and on Office of Inspector General, 1 p.m., 2358 Rayburn.

February 14, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, on Office of Inspector General, 9:30 a.m., 2362A Rayburn.

February 14, Subcommittee on Defense, on Fiscal Year 2002 Department of Defense Budget Overview, 10 a.m., 2359 Rayburn.

February 14, Subcommittee on Labor, Health and Human Services and Education, on Department of Labor-Worker Protection Agencies Panel, 9:45 a.m., 2358 Rayburn.

February 14, Subcommittee on Military Construction, on European Command, 9 a.m., H–140 Capitol.

February 14, Subcommittee on Transportation, on Office of the Secretary, 10 a.m., 2358 Rayburn.

Committee on Armed Services, February 13, to continue hearings on the fiscal year 2003 National Defense Authorization budget request, 10 a.m., 2118 Rayburn.

Committee on the Budget, February 12, hearing on the Department of Defense Budget Priorities Fiscal Year 2003, 2 p.m., 210 Cannon.

February 14, on Members Day, 10 a.m., 210 Cannon.

Committee on Education and the Workforce, February 13, Subcommittee on Employer-Employee Relations, hearing on “Enron and Beyond: Enhancing Worker Retirement Security,” 2 p.m., 2175 Rayburn.

February 13, Subcommittee on Select Education and the Subcommittee on 21st Century Competitiveness, joint hearing on “Responding to the Needs of Historically Black Colleges and Universities in the 21st Century,” 10 a.m., 2175 Rayburn.


February 14, Subcommittee on Health, hearing entitled “Medicare Payment Policy: Ensuring Stability and
Access Through Physician Payments,” 9:30 a.m., 2322 Rayburn.

Committee on Financial Services, February 12, Subcommittee on Oversight and Investigations, hearing entitled “PATRIOT Act Oversight: Investigating Patterns of Terrorist Financing,” 2 p.m., 2220 Rayburn.

February 13, Subcommittee on Housing and Community Opportunity, hearing on the proposed budget of the Department of Housing and Urban Development for fiscal year 2003, 1 p.m., 2220 Rayburn.

February 14, Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises, to continue hearings on the Enron matter, 10 a.m., 345 Cannon.

Committee on Government Reform, February 12, Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs, hearing on “Accountability for Presidential Gifts,” 10:30 a.m., 2154 Rayburn.


Committee on International Relations, February 13, Subcommittee on International Operations and Human Rights, hearing on Religious Persecution in China and Vietnam, 1 p.m., 2172 Rayburn.

February 14, Subcommittee on East Asia and the Pacific, hearing on U.S. Interests in East Asia and the Pacific: Problems and Prospects in the Year of the Horse, 10 a.m., 2200 Rayburn.


February 13, Subcommittee on Immigration and Claims, oversight hearing on “The Implications of Transnational Terrorism and the Argentine Economic Collapse for the Visa Waiver Program,” 2 p.m., 2237 Rayburn.

February 14, Subcommittee on Courts, the Internet, and Intellectual Property, oversight hearing on the “Federal Trademark Dilution Act, 10 a.m., 2141 Rayburn.

Committee on Resources, February 12, Subcommittee on Forests and Forest Health, oversight hearing on Eco-terrorism and Lawlessness on the National Forests, 3 p.m., 1324 Longworth.

February 13, Subcommittee on Fisheries Conservation, Wildlife and Oceans, oversight hearing on Individual Fishing Quotas (IFQs), 1 p.m., 1334 Longworth.


February 14, Subcommittee on National Parks, Recreation and Public Lands, hearing on the following bills: H.R. 1712, to authorize the Secretary of the Interior to make minor adjustments to the boundary of the National Park of American Samoa to include certain portions of the islands of Ofu and Olosega within the park; and H.R. 2937, to provide for the conveyance of certain public land in Clark County, Nevada, for use as a shooting range, 2 p.m., 1334 Longworth.


Committee on Science, February 13, hearing on the R&D Budget for Fiscal Year 2003: An Evaluation, 10 a.m., 2318 Rayburn.

Committee on Small Business, February 13, hearing on the Administration’s Proposed Budget for the SBA for Fiscal Year 2003, 2 p.m., 2360 Rayburn.

Committee on Transportation and Infrastructure, February 13, Subcommittee on Coast Guard and Maritime Transportation, hearing on Port Security: Credentials for Port Security, 2 p.m., 2167 Rayburn.

February 13, Subcommittee on Highways and Transit, hearing on the Reauthorization of the Office of Pipeline Safety, 10 a.m., 2167 Rayburn.

February 14, Subcommittee on Railroads, hearing on the Amtrak Reform Council’s Restructuring Plan, 2 p.m., 2167 Rayburn.

February 14, Subcommittee on Water Resources and Environment, hearing on Agency Budgets and Priorities for Fiscal Year 2003, 10 a.m., 2167 Rayburn.

Committee on Veterans’ Affairs, February 13, hearing on the Department of Veterans Affairs Fiscal Year 2003 budget, 10 a.m., 334 Cannon.

Committee on Ways and Means, February 13, hearing on Health Care Tax Credits to Decrease the Number of Uninsured, 10 a.m., 1100 Longworth.

February 14, Subcommittee on Social Security and the Subcommittee on Human Resources, joint hearing on the challenges facing the new Commissioner of Social Security, 10 a.m., 1100 Longworth.
Next Meeting of the SENATE
2 p.m., Monday, February 11

Senate Chamber

Program for Monday: After the transaction of any morning business (not to extend beyond 3 p.m.), Senate will resume consideration of S. 1731, Federal Farm Bill, and consider the nominations of Michael J. Melloy, of Iowa, to be United States Circuit Judge for the Eighth Circuit, and Jay C. Zainey, to be United States District Judge for the Eastern District of Louisiana, with votes to occur on confirmation of each nomination beginning at 6 p.m.

Next Meeting of the HOUSE OF REPRESENTATIVES
12:30 p.m., Tuesday, February 12

House Chamber

Program for Tuesday: To be announced.

Extensions of Remarks, as inserted in this issue

HOUSE

Cardin, Benjamin L., Md., E123
Jackson-Lee, Sheila, Tex., E123
Jones, Stephanie Tubbs, Ohio, E124
Maloney, Carolyn B., N.Y., E123, E124
Rangel, Charles B., N.Y., E124

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