a bill to reauthorize the Museum and Library Services Act, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. CLINTON (for herself and Mrs. HUTCHISON):

S. 249. A bill to amend title 38, United States Code, to provide that remarriage of the surviving spouse of a deceased veteran after age 55 shall not result in termination of dependency and indemnity compensation otherwise payable to that surviving spouse; to the Committee on Veterans' Affairs.

Mrs. CLINTON. Mr. President, today my colleague Senator KAY BAILEY HUTCHISON and I are reintroducing a bill that will help repay our Nation's debt to the Gold Star Wives of America.

This bill corrects a long-standing disparity and would finally allow the widows of veterans who remarry after the age of 55 to continue to receive Dependency and Indemnity Compensation. The Gold Star Wives of America brought this matter to our attention. We are tremendously grateful to them for working with us on this important bill. At this time in our Nation's history, when our brave men and women in uniform are putting their lives on the line in Afghanistan and elsewhere around the world, it is especially important to recognize the wives and families of those who have already served their country so proudly.

This benefit covers the surviving dependents of members of the Armed Forces who have died in active duty or of a service-connected cause. Currently, it is the only Federal annuity program that does not permit a widow who receives compensation to retain her benefits if she remarries after the age of 55. It is time for this policy to change.

By eliminating this marriage penalty, our bill will continue to provide these women the help some need to make ends meet, and will allow them to live their lives to the fullest. Discouraging marriage after the age of 55 by making marriage financially burdensome is not the way to show our appreciation for their sacrifice. Many people live on fixed incomes and rely on Dependency and Indemnity Compensation to help pay their bills.

Under our bill, these widows would not be denied their benefits. I urge my colleagues to support this important legislation. It is time for these inequities to be addressed, so that these women can continue to receive the benefits they deserve, and also be permitted to experience again the profound meaning and happiness that marriage brings.

I ask unanimous consent that the text of the bill, to amend title 38, United States Code, to provide that remarriage of the surviving spouse of a deceased veteran after age 55 shall not result in termination of dependency and indemnity compensation otherwise payable to that surviving spouse, be printed in the RECORD.

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

S. 249

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

SECTION 1. RETENTION OF DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES REMARRYING AFTER AGE 55.

(a) EXCEPTION TO TERMINATION OF BENEFITS UPON REMARRIAGE.—Section 103(d)(2)(B) of title 38, United States Code, is amended by inserting ''1311 or'' after ''under section''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on—

(1) the first day of the first month that begins after the date of the enactment of this Act; or

(2) the first day of the fiscal year that begins in the calendar year in which this Act is enacted, if later than the date specified in paragraph (1).

(c) RETROACTIVE BENEFITS PROHIBITED.—No benefit may be paid to any person by reason of the amendment made by subsection (a) for any period before the effective date specified in subsection (b).

By Mr. DURBIN:

S. 250. A bill to address the international HIV/AIDS pandemic; to the Committee on Health, Education, Labor, and Pensions.

Mr. DURBIN. Mr. President, I rise today to draw the attention of the Senate and those following this proceeding to a global emergency many of us believe the last Congress did not adequately address.

Imagine the public reaction that would ensue if every year the United States lost a population the size of the city of Chicago to HIV/AIDS-related deaths; if every year the United States lost the number of children equal to the population of this city, Washington, DC, to HIV/AIDS-related deaths. This is the reality the world faces.

Imagine how bad the situation would have to be in the United States for the public to accept an HIV-positive muppet on Sesame Street, the popular television show geared to little kids ages 2 to 4. This is the reality of children's TV in South Africa.

In 2001, 662,000 children lost either one or both parents to AIDS in South Africa.

In 2002, 3 million children, defined as 15 years of age or younger, were reported to be living with AIDS in sub-Saharan Africa; 800,000 children worldwide were newly infected with HIV last year.

Last weekend I went with several of my colleagues to Haiti. The reason for that trip had a lot to do with a well-known rock singer named Bono whose group U2 is legendary in rock-and-roll history. But he has taken on a special mission, not only to make music, but to make the world more aware of the HIV/AIDS crisis. He is a very likable fellow. He has been a great lobbyist. This Irishman comes to Capitol Hill and opens every door.

In my office, when he came to see me, I couldn't get over how many of my staffers took a great interest in HIV/AIDS just to be in the room when he sat down and talked about it. He has done such spectacular work with Democrats and Republicans, the executive branch, and the legislative branch. Then he had a tour, which was scheduled about 2 or 3 months ago, in the Midwest. The tour was really to speak to the heartland of America about this issue of HIV/AIDS. He came to my City of Chicago. I was proud to meet with him and a group of African American clergy.

Then he went out to a very conservative piece of real estate near the City of Chicago, the great Wheaton College. Wheaton College was where Billy Graham took his training before he went into the ministry. Wheaton College has a reputation of being pretty conservative, high-minded in their values, dedicated to their religion and their belief. And they invited him, this outspoken Irishman, to speak to them about HIV/AIDS. It was a great presentation.

At the very end there was some music, but most of it was very serious in that people talked about their life experiences. The thing I noticed, as the presentation was made, was that one of the doctors said: You Americans tend to want to look across the ocean for HIV/AIDS. You have it here in the United States, and don't forget it. But you also have it in your hemisphere in Haiti in a way that most people don't even appreciate.

Last weekend I traveled to Haiti with several of my colleagues, including Senator BILL NELSON of Florida. But the leader of our codel was Senator MIKE DEWINE, a Republican of Ohio, and his wife Fran. Let me just say something for a moment about MIKE DEWINE. MIKE and I had been friends since we were both elected to the House 20 years ago. He left for a period of time and ran for Lieutenant Governor of Ohio, then came back as a Senator from that State.

Most people don't know MIKE and his wife and family have a particular interest and dedication to Haiti and the poor people who live there. This trip was their eleventh trip to Haiti. Many Members of Congress are lucky to go to the same place far away once or twice in a lifetime. Think about the fact that MIKE and Fran, people on their staff, continue to return to one of the poorest places on earth over and over and over again. It isn't just to take photographs. In fact, they do very little of that. It is to bring bags of toys and soccer balls, basic items, medical and otherwise, that the poorest people in our hemisphere need, to visit programs like one called Hands Together. Hands Together is something I never heard of before I got to Haiti, but I met Father Tom Hagan, who is the leader of Hands Together in Haiti, and Doug Campbell, his executive director, and they showed us a center which they have created in

one of the poorest slums on earth. It is called Cite Soleil. My French translation would be Sun City. But it is not always sunny in this city for the tens of thousands who live in the worst poverty.

They created this little school and community center to teach children how to read and write on the condition that their parents also come in and learn. They provide basic food for these children. They invite in senior citizens who come in for the only meal of the day that is worthwhile, and they try to give them some encouragement and maybe some basic things they need to survive.

They told us a story about the senior citizens being brought to the center. There is no place for them to go in this terrible slum. When they first started bringing them in, most were brought in in wheelbarrows. They could barely walk. The life expectancy in Haiti is 51 years of age. If you are 60 or 70—I met people who are even older—it is a rarity, but you obviously have some good genetics. But they were still struggling.

At their center with Hands Together they offered these senior citizens a basic meal. I saw it. It was beans and rice with a few little peppers on the top of it, and a vitamin pill. In a matter of weeks, these same elderly people, who could barely walk and were brought in in wheelbarrows, were up and moving around, thanks to Hands Together and to Father Hagan.

There is also the center where the kids are educated, called the Becky DeWine Center, named after MIKE and Fran's late daughter. It is wonderful to see those children come in in their uniforms, 6 days a week. They want to be there, learning.

The reason I tell you this as background is that amidst all this poverty, Haiti faces an AIDS epidemic which is unparalleled in our hemisphere. When Bono visited Wheaton College, he said to the students: This is a global crisis. It is in our backyard in the Caribbean. It is all across Africa. It is moving across India and Russia and China. We have to do something about it.

It was that piece of information that led me to go to Haiti. I am glad I did. We set up a meeting at the ambassador's residence. Ambassador Brian D. Curran is our career ambassador. Previously he had been the ambassador to Mozambique. He let us meet with Bill Pape, who is known as ''Dr. Pop'' in the French pronunciation. What an impressive man. Here was a man who told us how he had decided as a public health leader in one of the poorest countries to try to eliminate the deaths of children, infants, from diarrhea, a terrible problem in the Third World. These poor children, who drink water that is contaminated, get sick with diarrhea and throwing up, become dehydrated and die.

They put together a program that has virtually eliminated that as a challenge in Haiti. I am impressed. That is a big undertaking, and a lot of success was demonstrated. Now Dr. Pape and his organization, known as GHESKIO, an organization that is one of the earliest in terms of commitment to dealing with HIV and AIDS, have received a $10 million-plus grant from the Global AIDS Fund to take on the AIDS epidemic in Haiti. Already he is able to demonstrate on the chart that just their first year or two of activity, the AIDS rate of infection is starting to come down ever so gradually. He believes he is on the right course to deal with this epidemic.

Do you know where the Global AIDS Fund money comes from? Some of it comes from us, taxpayers who contribute to the Global AIDS Fund. As we contribute and he is successful, fewer children are infected; fewer children are orphaned. There is more hope for their future.

I left that visit to Haiti inspired again, as I am every time I visit some of the poorest places in the world. You might think it is depressing to see people living in the worst squalor imaginable, to see them holding beautiful little babies as they stand right next to open sewers that pigs are rooting through, to see dogs that are so skinny they can barely walk, to see the living conditions which are so horrible. You would think that would be so depressing, but you will find in every one of these places stories of courage, not just the mothers and fathers struggling to keep the family together, but people like Father Tom Hagan and Hands Together and Doug Campbell who come into that setting and say: Let us help.

There are many others. I just mentioned Hands Together. There is World Vision, CARE, Catholic Relief Services. The list goes on. Thank goodness they are there. I am glad I had a chance to see it.

When we came back here to Washington, I came back with a renewed dedication and determination to really work on this issue of global AIDS.

Today, I am introducing the Global Coordination of HIV/AIDS Response Act. The 107th Congress failed to pass AIDS authorizing legislation. We should have. President Bush has said in his State of the Union Address that AIDS will be a top priority in terms of global health.

I am a proud Democrat. I take exception to many things this President has done. Let me be the first to stand up and cheer President George W. Bush. That was the right thing to do. That is the right thing for America to do. I will be standing by his side whenever he needs me. I hope we all join him. The United States should lead the world in fighting this epidemic.

The President said he is going to commit $15 billion over the next 5 years to his new emergency plan for AIDS relief. He said only $10 billion of this is new funds. We need to sit down with OMB and see what that actually means. The funding sources may be somewhat blurry, but the commitment was made, and that is a wonderful step forward.

I also want to say that the Secretary of State, Colin Powell, has been an exceptional leader on this issue. He has taken grief for it because it involves some issues of controversy here in the United States.

Uganda—where I visited several years ago—successfully fought the AIDS epidemic with what they call the ABC plan, a public health education plan which doesn't have a lot of money for wonder drugs, but it has a lot of determination and resources dedicated to fighting AIDS. The ABC plan is very basic in countries with limited education, limited resources: A, abstinence when it comes to sexual activities; B, to be faithful to one partner; C, if you are going to ignore the other two, use a condom. It is that simple.

The PRESIDING OFFICER. The Senator has exceeded the 10-minute limit.

Mr. DURBIN. I ask unanimous consent for an additional 10 minutes.

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

Mr. DURBIN. Secretary of State Colin Powell has been open and candid about using all of these things to deal with AIDS. When I told him Senator MIKE DEWINE and I had been successful on the Senate floor in putting in $180 billion more on the global AIDS fight, a big smile crossed his face.

Today, 42 million people worldwide are living with HIV/AIDS—5 million were newly infected last year. We have seen 3.1 million AIDS-related deaths in 2002. Each year, AIDS deaths claim more than the entire population of Chicago. Life expectancy has dropped below 40 years of age in 10 countries in sub-Saharan Africa. AIDS has already erased 15 years of progress in the worse affected countries. Despite our efforts to date, this epidemic continues its deadly spread across the globe. As the disease spreads, unraveling social structures and decimating populations, the national security implications for the United States multiply—in number as well as intensity.

Last year, the National Intelligence Council released a report supplying grave statistics for ''the next wave.'' In 5 of the world's most populous countries, the number of HIV-infected people will grow from 14 million to 23 million currently to an estimated 50 million to 75 million by 2010.

The disease infiltrates national armies, as well as the public sector, weakening the country's ability to govern and respond to regional threats. As the number of infections grows, the cost of fighting HIV/AIDS overwhelms national governments and competes for the same funds they need to maintain their economy and basic social structure.

Most governments face a lose-lose situation: Either they fight AIDS and underfund the infrastructures necessary to sustain continued immunity, or they continue to build the infrastructures while HIV/AIDS decimates

any progress, and they fall victim to it and watch their state crumble.

On every continent, AIDS is traveling along social fault lines and exploiting the weaknesses, hurting both lives and economies.

HIV/AIDS is a national security issue that is as important to our time as the war on terrorism. It is an economic issue, a health and safety issue, and it is a moral issue. Without comprehensive action, the HIV/AIDS epidemic will worsen, demanding even more attention and funding. That is why I introduce this bill to reset global AIDS as a top priority in this Congress.

The main purpose of the bill is to provide a comprehensive response to the AIDS pandemic and acknowledge the growing need for resources. In the form of specialized initiatives, my bill will focus on the growing number of AIDS orphans, the lack of health professionals in AIDS-ravaged countries, and the lack of access to affordable treatment for the majority of those afflicted with HIV/AIDS.

I have designed the Global CARE Act to achieve four major goals: Better coordination of our own agencies in fighting global AIDS; the provision of programs that address all components necessary to support a comprehensive response to HIV/AIDS, including prevention, treatment, care, and investment in broader health systems and national economies; increased accountability for the health and policy objectives we will seek to achieve with our financial and human investment; and the ability to mobilize the most effective human capacity-building tools to address the HIV/AIDS pandemic.

Last year, I introduced a version of this bill which authorized $2.5 billion in global AIDS spending for fiscal year 2003. For fiscal year 2004, I have proposed authorization levels of $3.35 billion. The United States, unfortunately, only contributed $1 billion to fighting this epidemic in 2002. With the passage of the Durbin-DeWine amendment, the Senate allocated $1.525 billion in its fiscal year 2003 appropriations bills. This is a breakthrough—a 50-percent increase by the United States in its commitment.

But these funding levels are still far short of the goal. To meet the need, our target for fiscal year 2004 should be in the $3.35 billion range. Frankly, when you look at the world this year, the global need just to fight HIV/AIDS stands at $8.2 billion. Despite these good efforts by the United States, we can do more. But other countries in the world can do more as well. Let them join the President and the Congress in our commitment to this fight. We have been shortchanging this epidemic for too long. We take tiny steps in pursuit of a challenge that is racing away from us.

Because the spread of this disease remains in its infancy, we have to look at it in more serious terms. We must do more for the 42 million people worldwide who are living with HIV/AIDS, and we have to understand that the disease is not going to wait for our political determination.

A 15-year-old boy in Botswana faces an 80-percent chance of dying from AIDS. We have to change his future. To do that, the Global CARE Act addresses this epidemic aggressively and honestly. I hope this bill will provide a basic blueprint for the United States, and I hope we can join on a bipartisan basis in passing it. I hope my colleagues who read my remarks and follow this debate will believe, as I do, that the President has given us a great opportunity on a bipartisan basis to stand together and tell the world that this caring Nation is committed to dealing honestly and effectively with the global AIDS crisis.

By Mr. CAMPBELL (for himself, Mr. LEAHY, Mr. HATCH, Mr. REID, Mr. GRAHAM of South Carolina, Mr. SCHUMER, Mr. GRASSLEY, Mr. DORGAN, Mr. KYL, Mr. EDWARDS, Mr. SESSIONS, Mr. BAUCUS, Mr. DEWINE, Mr. WARNER, Ms. CANTWELL, Mr. NICKLES, Mr. CONRAD, Mr. BURNS, Ms. LANDRIEU, Mr. CRAIG, Mr. DOMENICI, Mr. DAYTON, Mrs. FEINSTEIN, Mr. CORNYN, Mrs. LINCOLN, Mr. ALLEN, Mr. SANTORUM, Mr. MCCONNELL, Mr. BUNNING, Mr. NELSON of Nebraska, Mr. INHOFE, and Ms. STABENOW):

S. 253. A bill to amend title 18, United States Code to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns; to the Committee on the Judiciary.

Mr. CAMPBELL. Mr. President, today I am pleased to introduce the Law Enforcement Officers Safety Act of 2003. I am also especially pleased to have Senators PATRICK LEAHY and ORRIN HATCH joining me today as lead original cosponsors.

The Law Enforcement Officers Safety Act would permit qualified current and former law enforcement officers to carry concealed firearms across jurisdictions. This legislation has several important benefits. First, the American pubic will be safer as off-duty and retired law enforcement officers are allowed to carry concealed weapons as they travel across jurisdictions. If enacted into law, the basic net effect of this legislation will be thousands of additional police officers on the streets, at zero taxpayer expense. There are many examples of off-duty officers coming to the rescue of American citizens facing dire situations. Hopefully, with this bill's passage, we will hear about even more of these stories in the future.

Terrorists and violent criminals certainly will not be happy when this bill is passed. They will have additional worries, and hopefully may be deterred, because they will not be sure whether or not seemingly average citizens are actually off-duty or retired law enforcement officers who are armed, trained and ready to deal with whatever situation may arise.

This legislation will also help off-duty and retired law enforcement officers protect themselves and their families. All too often, after they are released from prison, violent criminals seek revenge against the law enforcement officers who helped lock them away. While at a minimum this legislation will even the playing field for off-duty and retired law enforcement officers, I hope that it will go further and actually give them an advantage.

This important law enforcement legislation is especially meaningful to me for a number of reasons. First of all, through six years of service as a Deputy Sheriff with Sacramento County, California, I was able to get first-hand experience with the challenges facing our nation's law enforcement officers. As a Deputy Sheriff, I have personally patrolled the streets and encountered plenty of dangerous characters, far too many of which were armed and dangerous. I also clearly learned that a law enforcement officer's job does not necessarily end when he or she is off-duty since you never know when you may come face-to-face with violent criminals.

Finally, now that I serve as a U.S. Senator, I have made passing pro-law enforcement legislation one of my top priorities.

Previous versions of this legislation have enjoyed the support of over one hundred national, state and local law enforcement organizations. The Fraternal Order of Police is a key leader among those organizations. For many years now, the FOP has supported passage of this legislation. I am encouraged that the FOP has made it clear that we will be working together once again in our efforts to get this bill passed and signed into law by President Bush. I want to take a moment to express my appreciation for Chuck Canterbury, National President of the FOP, the rest of the FOP's professional staff and the over 300,000 members of the FOP they represent, for the letter of support for the Law Enforcement Officers Safety Act of 2003.

I am pleased that Judiciary Committee Chairman ORRIN HATCH and Ranking Democratic Member PATRICK LEAHY are playing vital roles in advancing this legislation as lead original cosponsors. Over the years, I have championed a number of legislative initiatives aimed at helping our nation's law enforcement officers be better supported and protected as they go about their mission of protecting the American people. These accomplishments include a public law that continues to help state and local law enforcement officers acquire life saving bullet-proof vests and a federal grant-making program that helps our nation's schools acquire the School Resource Officers they need to reduce the threat of violence in our public schools. Senators LEAHY and HATCH have played

important roles in getting each of these legislative initiatives accomplished.

The key goal of the Law Enforcement Officers Safety Act I am introducing today has been one of my law enforcement legislative priorities since I first introduced similar legislation back in 1997 during the 105th Congress. Since that time, I have introduced the legislation twice more, in 1999 and 2001. Fortunately, the Judiciary Committee made good progress on conceal carry legislation late last year before the 107th Congress completed its work for the year. As we begin anew in the 108th Congress, I hope we will be able to recapture the momentum and finally get this legislation passed and enacted. Just as we worked together in past years to get things done, I look forward to working with Senators LEAHY and HATCH to do what it takes to successfully turn this worthy legislation into the law of the land. Many years of work and persistence may finally be paying off for all of us, especially our nation's law enforcement officers.

It is worth noting that the Law Enforcement Officers Safety Act of 2003 legislation being introduced here today enjoys the strong bipartisan support of thirty-one of my fellow Senators as original cosponsors. I urge the rest of my colleagues to join us in supporting the successful passage of this important Campbell-Leahy-Hatch legislation.

I ask unanimous consent that the text of the legislation I am introducing today, the Law Enforcement Officers Safety Act of 2003, and the Fraternal Order of Police's letter of support, be included in the CONGRESSIONAL RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, AS FOLLOWS:

GRAND LODGE,
FRATERNAL ORDER OF POLICE,
Washington, DC, January 24, 2003.

Hon. BEN NIGHTHORSE CAMPBELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR CAMPBELL: On behalf of the more than 300,000 members of the Fraternal Order of Police, I am writing to advise you or our strong support for legislation you intend to introduce to exempt qualified active and retired law enforcement officers from State and local prohibitions with respect to the carrying of firearms. The passage of this legislation has been designated the top legislative priority of the Fraternal Order of Police and we are proud to have a former law enforcement officer as the sponsor of this bill.

Having served six years as a Deputy Sheriff in Sacramento County, you know firsthand the challenges faced by our nation's law enforcement officers. Police officers put their lives on the line every day and are trained throughout their careers to carry and, in worst-case scenarios use, firearms to defend themselves and the public they are sworn to protect. However, the bewildering patchwork of laws in the States often results in a paradox for law enforcement officers, sometimes placing them in legal and physical jeopardy. Criminals and terrorists do not disarm themselves when they travel from jurisdiction to jurisdiction, and neither should America's police officers.

This is not about firearms—it is about officer safety. After 11 September 2001, it became an important public safety and homeland security issue as well.

The danger inherent to police work and the possibility than an officer will need to respond to an emergency situation does not end with the shift. Criminals and terrorists are never off-duty, making law enforcement officers targets in uniform and out, on duty and off, active or retired. The legislation you intend to offer will give us the ability to defend ourselves at all times by providing qualified active and retired law enforcement officers with the authority to carry their firearms in all U.S. jurisdictions, so long as they have photographic identification issued by the agency for which they are or were employed.

I applaud you for your leadership and you continuing efforts on behalf of our nation's law enforcement officers. It is our hope that we will finally be able to get a bill to the President's desk in this Congress, and we look forward to working with you on this issue. Please do not hesitate to contact me or Executive Director Jim Pasco through my Washington office if we can be of any assistance on this or any other matter.

Sincerely,

CHUCK CANTERBURY,
National President.

S. 253

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Law Enforcement Officers Safety Act of 2003''.

SEC. 2. EXEMPTION OF QUALIFIED LAW ENFORCEMENT OFFICERS FROM STATE LAWS PROHIBITING THE CARRYING OF CONCEALED FIREARMS.

(a) IN GENERAL.—Chapter 44 of title 18, United States Code, is amended by inserting after section 926A the following:

''§ 926B. Carrying of concealed firearms by qualified law enforcement officers

''(a) Notwithstanding any other provision of the law of any State or any political subdivision thereof, an individual who is a qualified law enforcement officer and who is carrying the identification required by subsection (d) may carry a concealed firearm that has been shipped or transported in interstate or foreign commerce, subject to subsection (b).

''(b) This section shall not be construed to supersede or limit the laws of any State that—

''(1) permit private persons or entities to prohibit or restrict the possession of concealed firearms on their property; or

''(2) prohibit or restrict the possession of firearms on any State or local government property, installation, building, base, or park.

''(c) As used in this section, the term 'qualified law enforcement officer' means an employee of a governmental agency who—

''(1) is authorized by law to engage in or supervise the prevention, detection, investigation, or prosecution of, or the incarceration of any person for, any violation of law, and has statutory powers of arrest;

''(2) is authorized by the agency to carry a firearm;

''(3) is not the subject of any disciplinary action by the agency;

''(4) meets standards, if any, established by the agency which require the employee to regularly qualify in the use of a firearm; and

''(5) is not prohibited by Federal law from receiving a firearm.

''(d) The identification required by this subsection is the photographic identification issued by the governmental agency for which the individual is, or was, employed as a law enforcement officer.

''(e) DEFINED TERM.—As used in this section, the term 'firearm' does not include—

''(1) any machinegun (as defined in section 5845 of title 26);

''(2) any firearm silencer (as defined in section 921); and

''(3) any destructive device (as defined in section 921).''.

(b) CLERICAL AMENDMENT.—The table of sections for such chapter is amended by inserting after the item relating to section 926A the following:

''926B. Carrying of concealed firearms by qualified law enforcement officers.''.

SEC. 3. EXEMPTION OF QUALIFIED RETIRED LAW ENFORCEMENT OFFICERS FROM STATE LAWS PROHIBITING THE CARRYING OF CONCEALED FIREARMS.

(a) IN GENERAL.—Chapter 44 of title 18, United States Code, is further amended by inserting after section 926B the following:

''§ 926C. Carrying of concealed firearms by qualified retired law enforcement officers

''(a) Notwithstanding any other provision of the law of any State or any political subdivision thereof, an individual who is a qualified retired law enforcement officer and who is carrying the identification required by subsection (d) may carry a concealed firearm that has been shipped or transported in interstate or foreign commerce, subject to subsection (b).

''(b) This section shall not be construed to supersede or limit the laws of any State that—

''(1) permit private persons or entities to prohibit or restrict the possession of concealed firearms on their property; or

''(2) prohibit or restrict the possession of firearms on any State or local government property, installation, building, base, or park.

''(c) As used in this section, the term 'qualified retired law enforcement officer' means an individual who—

''(1) retired in good standing from service with a public agency as a law enforcement officer, other than for reasons of mental instability;

''(2) before such retirement, was authorized by law to engage in or supervise the prevention, detection, investigation, or prosecution of, or the incarceration of any person for, any violation of law, and had statutory powers of arrest;

''(3)(A) before such retirement, was regularly employed as a law enforcement officer for an aggregate of 15 years or more; or

''(B) retired from service with such agency, after completing any applicable probationary period of such service, due to a service-connected disability, as determined by such agency;

''(4) has a nonforfeitable right to benefits under the retirement plan of the agency;

''(5) during the most recent 12-month period, has met, at the expense of the individual, the State's standards for training and qualification for active law enforcement officers to carry firearms; and

''(6) is not prohibited by Federal law from receiving a firearm.

''(d) The identification required by this subsection is photographic identification issued by the agency for which the individual was employed as a law enforcement officer.

''(e) DEFINED TERM.—As used in this section, the term 'firearm' does not include—

''(1) any machinegun (as defined in section 5845 of title 26);

''(2) any firearm silencer (as defined in section 921); and

''(3) a destructive device (as defined in section 921).''.

(b) CLERICAL AMENDMENT.—The table of sections for such chapter is further amended by inserting after the item relating to section 926B the following:

''926C. Carrying of concealed firearms by qualified retired law enforcement officers.''.

Mr. LEAHY. Mr. President, I am proud to join Senator CAMPBELL to introduce the ''Law Enforcement Officers Safety Act of 2003,'' which permits current and retired law enforcement officers to carry a firearm and be prepared to assist in dangerous situations. During his time in the Senate, Senator CAMPBELL has been a leader in the area of law enforcement. As a former deputy sheriff, he knows the difficulties law enforcement officers face due to the patchwork of conceal-carry laws in State and local jurisdictions. He and I have worked together on several pieces of law enforcement legislation, such as the Bulletproof Vests Partnership Grant Acts of 1998 and 2000. I look forward to working with him on our bipartisan bill.

I am pleased that 30 Senators, including Judiciary Committee Chairman HATCH and Committee Members SCHUMER, EDWARDS, FEINSTEIN, GRASSLEY, KYL, SESSIONS, DEWINE, CRAIG, GRAHAM, and CORNYN, as well as Assistant Democratic Leader REID and Assistant Republican Leader MCCONNELL—have joined Senator CAMPBELL and me as original cosponsors of this bill in an effort to make our communities safer and better to protect law enforcement officers and their families. In the last Congress, Senator HATCH and I worked together to reach consensus and have the Judiciary Committee approve this legislation by an 18–1 vote. I thank Senator HATCH for his past support and look forward to working with him again on our bipartisan bill.

We introduce this measure in the Senate at the request of the Fraternal Order of Police, which strongly supports this legislation to protect officers and their families from vindictive criminals and to permit officers to respond immediately to a crime when off duty. Last year, when I chaired the Judiciary Committee, I was honored to work closely with FOP's National President, Lt. Steve Young, whose death earlier this month was a sad loss for all of us. Steve was dedicated to this legislation because he understood the importance of having law enforcement officers across the nation armed and prepared whenever and wherever threats to our peace or to our public safety arise. I will continue my close work with the FOP and its new National President, Major Chuck Canterbury, to pass this legislation into law.

There are approximately 740,000 sworn law enforcement officers currently serving in the United States. Since the first recorded police death in 1792, there have been more than 16,400 law enforcement officers killed in the line of duty. A total of 1,694 law enforcement officers died in the line of duty over the last decade, an average of 170 deaths per year. Roughly 5 percent of officers who die are killed taking law enforcement action while in an off-duty capacity. On average, more than 62,000 law enforcement officers are assaulted each year, resulting in some 21,000 injuries.

Until 2001, violent crime in this country had declined each of the preceding 8 years. Indeed, it had declined by 40 percent since it peaked at 4 million violent crimes in 1993. Community policing and the outstanding work of so many law enforcement officers played a vital key in our crime control efforts. Unfortunately, during the past two years the downward trend in violent crime ended and violent crime turned upward. Last month, the FBI reported that crime rose slightly in the first half of 2002, including a 2.3 percent increase in murders. The preliminary numbers for 2002 follow an increase in crime in 2001 that was the first in a decade, coinciding with a struggling economy that many experts say could be a contributing factor. Crime rose in 2001 by 2.1 percent, compared with the year before.

The Law Enforcement Officers Safety Act of 2003 is designed to protect officers and their families from vindictive criminals and to allow thousands of equipped, trained and certified law enforcement officers, whether on or off duty or retired, to carry concealed firearms in most situations, thus enabling them to respond immediately to a crime. Our bipartisan bill will allow thousands of equipped, trained and certified law enforcement officers continually to serve and protect our communities, regardless of jurisdiction, and at no cost to taxpayers.

To qualify for the bill's uniform standards a law enforcement officer must be authorized to use a firearm by the law enforcement agency where he or she works, meet the standards of the agency to regularly use a firearm, not be prohibited by Federal law from receiving a firearm, and be carrying a photo identification issued by the agency.

A qualified retired law enforcement officer under the bill must have retired in good standing, have been qualified by the agency to carry or use a firearm, have been employed at least 15 years as a law enforcement officer unless forced to retire due to a service-connected disability, have a nonforfeitable right to retirement plan benefits of the law enforcement agency, annually meet State firearms training and qualifications that are the same as active law enforcement officers, not be prohibited by Federal law from receiving a firearm, and be carrying a photo identification issued by the agency.

I have heard from many representatives of the law enforcement community, including the Fraternal Order of Police, the National Association of Police Officers, the Federal Law Enforcement Officers Association, the International Brotherhood of Police Officers, and the California Correctional Peace Officers Association, CCPOA, that national legislation is necessary because of the current patchwork of state and local conceal-carry laws. I have also received letters of support for the Law Enforcement Officers Safety Act from a variety of Vermont law enforcement officials, including Chief Osburn Glidden of Williston, Officer Wade Johnson of Hinesburg, Chief Trevor Whipple of Barre, Officer Bonnie Hotchkiss of Barre, Sergeant Mike Manning and Sergeant David Yustin of the Vermont State Police, and nine Field Supervision Correctional Officers assigned to the Vermont Department of Corrections Barre Community Correctional Service Center.

As a former State prosecutor, I know that law enforcement Officers are never ''off-duty.'' They are dedicated public servants trained to uphold the law and keep the peace. When there is a threat to our public safety, law enforcement officers are sown to answer that call. The Law Enforcement Officers Safety Act will enable law enforcement officers in Vermont and across the nation to be armed and prepared when they answer that call, no matter where, when, or in what form it comes.

I urge my colleagues to support the Law Enforcement Officers Safety Act to make our communities safer and to protect law enforcement officers and their families.

Mr. HATCH. Mr. President, today I rise along with senators CAMPBELL, LEAHY, and others to introduce the ''Law Enforcement Officers Safety Act of 2003''. This bill, which permits qualified current and retired law enforcement officers to carry a concealed firearm in any jurisdiction, will help protect the American public, our Nation's officers, and their families. I would note that this bill has the overwhelming support of the Fraternal Order of Police and other law enforcement associations.

This legislation allows qualified law enforcement officers and retired officers to carry, with appropriate identification, a concealed firearm that has been shipped or transported in interstate or foreign commerce regardless of State or local laws. Importantly, this legislation does not supersede any State law that permits private persons to prohibit or restrict the possession of firearms on any State or local government properties, installations, buildings, bases or parks. Additionally, this bill clearly defines what is meant by ''qualified law enforcement officer'' and ''qualified retired, or former, law enforcement officer'' to ensure that those individuals permitted to carry concealed firearms are highly trained professionals.

Such legislation not only will provide law enforcement officers with a legal means to protect themselves and their families when they travel interstate, it will also enhance the security of the American public. By enabling qualified active duty and retired law enforcement officers to carry firearms, even if

off-duty, more trained law enforcement officers will be on the street to enforce the law and to respond to crises.

I urge my colleagues to vote in favor of the passage of this important piece of legislation to provide that extra layer of protection to current and retired law enforcement officers, their families, and the public.

By Mr. AKAKA:

S. 254. A bill to revise the boundary of the Kaloko-Honokōhau National Historical Park in the State of Hawaii, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. AKAKA. Mr. President, I rise today to introduce the Kaloko-Honokōhau National Historical Park Addition Act of 2003. This bill passed the Senate by unanimous consent in the 107th Congress, and I hope that it will receive quick approval again in the 108th Congress. The legislation provides for a small adjustment of the Park's boundaries to permit the purchase of permanent facilities for Park administrative purposes and to provide visitors with a modest interpretive center that will help them understand the cultural and historical treasures of the Park.

Kaloko-Honokōhau National Historical Park is located along the beautiful Kona coast on the island of Hawaii. It was designated as a National Historic Landmark in 1962 and was established as a National Historical Park in 1978. The Park was created to preserve, interpret, and perpetuate traditional Native Hawaiian culture. The ocean makes up over half of this 1,160-acre Park, and the boundaries include the culturally significant Kaloko and 'Aimakapa fishponds and 'Ai'opio fish trap. There are also several *heiau*, or Native Hawaiian religious sites, found in the Park.

In 2001, 54,000 people visited Kaloko-Honokōhau National Historical Park, and the number of visitors continues to increase. In 2002, 70,000 people visited the Park, an increase of 16,000 visitors. We need a facility there that offers administrative personnel the space and the resources they need to carry out their management functions, and provides visitors with the opportunity to learn about this important part of Hawaii. Rather than erecting a new building and disturbing the resources within Park boundaries, the better option is to locate the facilities nearby on an already-developed parcel. The bill provides a simple, cost-effective solution to the important problems of growing visitorship and the need to provide adequate stewardship of cultural resources. I look forward to working with my colleagues in the Senate and in Hawaii to make this possible.

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

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

S. 254

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Kaloko-Honokōhau National Historical Park Addition Act of 2003.''

SEC. 2. ADDITIONS TO KALOKO-HONOKŌHAU NATIONAL HISTORICAL PARK.

Section 505(a) of P.L. 95–625 (16 U.S.C. 396d(a)) is amended—

(1) by striking ''(a) In order'' and inserting ''(a)(1) In order'';

(2) by striking ''1978,'' and all that follows and inserting ''1978.''; and

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

''(2) The boundaries of the park are modified to include lands and interests therein comprised of Parcels 1 and 2 totaling 2.14 acres, identified as 'Tract A' on the map entitled 'Kaloko-Honokōhau National Historical Park Proposed Boundary Adjustment', numbered PWR (PISO) 466/82,043 and dated April 2002.

''(3) The maps referred to in this subsection shall be on file and available for public inspection in the appropriate offices of the National Park Service.''.

SEC. 3. AUTHORIZATIONS OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

By Mrs. FEINSTEIN (for herself, Ms. SNOWE, Ms. COLLINS, Ms. CANTWELL, Mr. CORZINE, Mr. DODD, Mr. DURBIN, Mr. JEFFORDS, Mr. LEAHY, Mrs. MURRAY, Mr. REED, Mr. SCHUMER, and Mrs. CLINTON):

S. 255. A bill to amend title 49, United States Code, to require phased increases in the fuel efficiency standards applicable to light trucks; to require fuel economy standards for automobiles up to 10,000 pounds gross vehicle weight; to increase the fuel economy of the Federal fleet of vehicles, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mrs. FEINSTEIN. Mr. President, I am pleased to join Senators SNOWE, COLLINS, CANTWELL, CORZINE, DODD, DURBIN, JEFFORDS, LEAHY, MURRAY, REED, CLINTON, and SCHUMER in introducing legislation to increase Corporate Average Fuel Efficiency, CAFE, Standards for SUVs and other light duty trucks.

This bill will close the ''SUV Loophole,'' and require that SUVs meet the same fuel efficiency standards as passenger cars by 2011.

Simply put, this legislation is the single most important step the United States can take to limit dependence on foreign oil and better protect our environment.

If implemented, closing the SUV Loophole would: Save the U.S. 1 million barrels of oil a day and reduce our dependence on foreign oil imports by 10 percent. Prevent about 240 million tons of carbon dioxide—the top greenhouse gas and biggest single cause of global warming from entering the atmosphere each year. Save SUV and light duty truck owners hundreds of dollars each year in gasoline costs.

CAFE standards were first established in 1975. At that time, light trucks made up only a small percentage of the vehicles on the road, they were used mostly for agriculture and commerce, not as passenger cars.

Today, our roads look much different, SUVs and light duty trucks comprise more than half of the new car sales in the United States.

As a result, the overall fuel economy of our Nation's fleet is the lowest it has been in two decades, because fuel economy standards for these vehicles are so much lower than they are for other passenger vehicles.

The bill we are introducing today would change that, SUVs and other light duty trucks would have to meet the same fuel economy requirements by 2011 that passenger cars meet today.

The National Highway Traffic Safety Administration, NHTSA, has proposed phasing in an increase in fuel economy standards for SUVs and light trucks under the following schedule: by 2005, SUVs and light trucks would have to average 21.0 miles per gallon; by 2006, SUVs and light trucks would have to average 21.6 miles per gallon; and by 2007, SUVs and light trucks would have to average 22.2 miles per gallon.

Last year, the National Academy of Sciences, NAS, released a report stating that adequate lead time can bring about substantive increases in fuel economy standards. Automakers can meet higher CAFE standards if existing technologies are utilized and included in new models of SUVs and light trucks.

And earlier this month, the head of the National Highway Traffic Safety Administration said he favored an increase in vehicle fuel economy standards beyond the 1.5-mile-per-gallon hike slated to go into effect by 2007. ''We can do better,'' said Jeffrey Runge in an interview with Congressional Green Sheets. ''The overriding goal here is better fuel economy to decrease our reliance on foreign oil without compromising safety or American jobs,'' he said.

With this in mind, we have developed the following phase-in schedule which would follow up on what NHTSA has proposed for the short term and remain consistent with what the NAS report said is technologically feasible over the next decade or so: by 2008, SUVs and light duty vehicles would have to average 23.5 miles per gallon; by 2009, SUVs and light duty vehicles would have to average 24.8 miles per gallon; by 2010, SUVs and light duty vehicles would have to average 26.1 miles per gallon, by 2011, SUVs and light duty vehicles would have to average 27.5 miles per gallon.

This legislation would do two other things: 1. It would mandate that by 2007 the average fuel economy of the new vehicles comprising the Federal fleet must be 3 miles per gallon higher than the baseline average fuel economy for that class. And by 2010, the average fuel economy of the new federal vehicles must be 6 miles per gallon higher than the baseline average fuel economy for that class.

2. The bill also increases the weight limit within which vehicles are bound by CAFE standards to make it harder for automotive manufacturers to build SUVs large enough to become exempted from CAFE standards. Because SUVs are becoming larger and larger, some may become so large that they will no longer qualify as even SUVs anymore.

We are introducing this legislation because we believe that the United States needs to take a leadership role in the fight against global warming.

The International Panel on Climate Change, estimates that the Earth's average temperature could rise by as much as 10 degrees in the next 100 years, the most rapid change in 10,000 years.

This would have a major effect on our way of life. It would melt the polar ice caps, decimate our coastal cities, and cause global climate change.

We are already seeing the effects of warming: In November, the Los Angeles Times published an article about the vanishing glaciers of Glacier National Park in Montana. Over a century ago, 150 of these magnificent glaciers could be seen on the high cliffs and jagged peaks of the surrounding mountains of the park. Today, there are only 35. And these 35 glaciers that remain today are disintegrating so quickly that scientists estimate the park will have no glaciers in 30 years.

This melting seen in Glacier National Park can also be seen around the world, from the snows of Mt. Kilimanjaro in Tanzania to the ice fields beneath Mt. Everest in the Himalayas. Experts also predict that glaciers in the high Andes, the Swiss Alps, and even Iceland could disappear in coming decades as well. These dwindling glaciers offer the clearest and most visible sign of climate change in America and the rest of the world.

Yet, the Administration has walked away from the negotiating table for the Kyoto Protocol. This is a big mistake. The United States is now the largest energy consumer in the world, with 4 percent of the world's population using 25 percent of the planet's energy. We should be a leader when it comes to combating global warming.

The single most effective action our nation can take to limit reliance on foreign oil and reduce global warming is to increase the fuel efficiency of our vehicles. The simplest way to do this is to simply bring the fuel efficiency standards for light trucks and sport utility vehicles, SUVs, into conformance with other passenger vehicles.

I urge my colleagues to support this legislation.

Ms. SNOWE. Mr. President, I am pleased to join with Senator FEINSTEIN today in renewing the call we made in the 107th Congress for improving vehicle fuel economy by taking logical steps to close the SUV loophole provided to the ''light truck'' category in the Federal Corporate Average Fuel Economy, or CAFE, Program.

My colleague has been a passionate advocate of this proposal, and I am proud to work with her again in introducing S. 255, our practical, attainable bill that can garner the kind of broad support necessary to address this national imperative this year. I know when we introduced our plan in 2001, some believed it was too much too soon, while others felt it didn't go far enough. But can anyone honestly say we are better off today without nothing? That we are in better shape because we failed to pass what is possible 2 years ago?

Just think about where we would be today, we would be a model year away from giving consumers greater choices in purchasing more fuel efficient SUVs. And we would also be that much closer to controlling our own energy destiny by reducing our reliance on foreign oil, all the more critical at a time when the current strike in Venezuela and the situation in Iraq make already volatile world oil markets even more precarious. As an oil analyst with the Deutsche Bank in London recently put it, ''The oil markets can stand having one thing go wrong, but not two. That's what's happening with Venezuela and Iraq.''

And it is not as though we haven't been burned by the foreign oil market before. It is not as though this is something we have never thought of. This year is the 30th anniversary of the Arab oil embargo. I recall in the 1970s when the day you were allowed to refuel your car was determined by whether the last number of your license plate was odd or even. Why hasn't any of this been enough to wean us off this habit?

Right now, we rely more on foreign oil than ever. In 2001, 55 percent of the U.S. total demand was met by oil from abroad, up from 37 percent in 1980 around the time when the original CAFE standards took effect, I might add, and by 2025 that number will jump to a projected 70 percent if we don't take action. With such a large percentage of this imported resource coming from such a volatile region of the world, what do we need to have happen before we feel a sense of urgency?

The fact is, this is an emergency, and we can make a difference. Even just increasing fuel economy standards for SUVs and light trucks by 1.5 miles per gallon by model year 2007, which the administration proposes, would reduce gasoline consumption by 2.5 billion gallons through that year. Just imagine what we could achieve with the proposal Senator FEINSTEIN and I are reintroducing, which would phase-in changes in CAFE requirements in four, attainable stages that will bring the standards for SUV's in line with passenger cars within the next 8 years.

Our legislation is backed by the findings of a 2001 National Academy of Sciences CAFE report that this body requested in 2000 on CAFE standards. The report clearly states that, ''Because of concerns about greenhouse gas emissions and the level of oil imports, it is appropriate for the Federal Government to ensure fuel economy levels beyond those expected to result from market forces alone.''

I believe that fuel economy through better vehicle mileage is probably the most significant and realistic environmental and energy independence issue we, as leaders, could tackle this year in developing our Nation's energy policy. Had the Senate boosted fuel economy standards over a decade ago as proposed by Senators Bryan and Gorton rather than defeating the measure by three votes, new vehicles would be averaging 33 miles per gallon today instead of 24.5 miles per gallon, and the U.S. would have saved more than 1 billion barrels of oil each and every day.

Instead, all our vehicles combined consume 40 percent of our oil, while coughing up 20 percent of U.S. carbon dioxide emissions, the greenhouse gas linked to global climate change. To put this in perspective, the amount of carbon dioxide emission just from U.S. vehicles alone is the equivalent of the fourth highest carbon dioxide emitting country in the world. Given these stunning numbers, how can we continue to allow SUVs to spew three times more pollution into the air than our passenger cars?

And it is not just an environmental issue, it is also a pocketbook issue, with rising prices at the pump. In fact, according to DOE's Energy Information Administration, the typical price for regular unleaded gas, now $1.47 per gallon, is a full 37 cents higher than just a year ago. Yet ironically, in the past quarter century since the last adjustments were made to CAFE standards, overall fuel economy has actually fallen to its lowest level since 1980, 24.7 miles per gallon.

Just think for a moment how much the world has changed technologically over the past 25 years. We have seen the advent of the home computer and the information age. Computers are now running our automobiles, and global positioning system devices are guiding drivers to their destinations. Are we to believe that technology couldn't have also helped those drivers burn less fuel in getting there? Are we going to say that the whole world has transformed, but America doesn't have the wherewithal to make SUVs that get better fuel economy?

Well, I don't believe it, and neither does the National Academy of Sciences that issued a report in 2001 in response to Congress' request the previous year that the NAS study the issue. They concluded that it was possible to achieve a more than 40-percent improvement particularly in light truck and SUV fuel economy over a 10–15 year period, and that technologies exist now for improving fuel economy. That was a year-and-a-half ago.

But, automakers have instead invested their new technologies in other attributes over the past 13 years. Specifically, there has been a 53-percent increase in horsepower, a 19-percent increase in weight, an 18-percent increase

for acceleration and, correspondingly, a minus eight percent decrease for fuel economy. The bottom line is that the auto industry has had the technological opportunities to do better but chose another road. They tell us this is what the consumer wants.

But maybe that is because, for the most part, consumers haven't been presented with viable alternatives. Indeed, a March 2002 poll by the Mellman Group shows that nearly three-quarters of voters nationwide favor increasing the fuel efficiency of vehicles. Another survey conducted since 9/11 by Greenberg Quinlan Rosner Research, Inc., showed that 88 percent of likely voters support increasing the fuel efficiency standards for cars and trucks.

We have seen what a positive difference changes in CAFE standards can make. The NAS panel experts found that, as a result of CAFE standards put into law by Congress in 1975, we have achieved a 75-percent increase in fuel economy for cars. Cars went from 15.8 mpg in 1975 to 27.5 mpg in 1985. And, through CAFE standards, we have seen a 50-percent increase for light trucks, from 13.7 mpg in 1975 to 20.7 mpg in 1987. In addition, NAS noted that CAFE helped maintain fuel economy levels when market forces might have forced fuel economy lower in the passenger fleet.

I don't want America's SUV manufacturers to be ''the industry that time forgot?'', and history clearly shows that the Federal Government must play a role in ensuring that consumers have a choice in vehicles with high degrees of fuel economy, an appropriate degree of safety and a minimal impact on our environment. How can we do anything less? Closing the SUV loophole will help us achieve these goals, and it is an idea whose time has long since arrived.

When I think back to the balanced budget debate in the Senate, many of us argued that continued deficits would leave the generations to come with mountains of debt, and we had an obligation to ensure that this did not happen. Today, I say to you that we have a similar obligation to take practical steps, to make practical tradeoffs to ensure that generations to come won't be left with a mountain of carbon dioxide emissions, with an even greater dependency on foreign oil, with even higher prices at the pump, and with fewer of our precious natural resources.

I urge my colleagues to take the responsible road and support the Feinstein-Snowe CAFE standards incremental increases for SUVs and the light truck category as the right direction to take.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 258. A bill to amend the definition of low-income families for purposes of the United States Housing Act of 1937; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DOMENICI. Mr. President, today I rise to bring the Senate's attention to a matter that is slowing Los Alamos County, NM, in its efforts to fully recover from the Cerro Grande Fire of May 10, 2000.

The Cerro Grande fire severely reduced available housing in Los Alamos. Indeed, a major deterrent to new hires is the lack of housing choices in the city. The housing market is even tighter because of the loss of about 400 housing units through the devastating Cerro Grande Fire. Los Alamos has a population of about 18,000 people.

While we have Federal programs to help low and moderate income Americans find good housing, in Los Alamos these programs are ineffective due to the current practice of averaging Los Alamos County and Santa Fe County incomes into one Metropolitan Statistical Area, MSA. This is harmful to Los Alamos residents, where the median income is about $82,000 because the Federal programs use the MSA median income of about $65,000 to determine participation. Eighty percent of median income is a standard measure.

Santa Fe's median income of about $40,000 thus becomes a significant factor for a Los Alamos teacher, fireman, or policeman seeking subsidized Federal assistance. Their incomes in Los Alamos are deemed to be too high to qualify for housing because 80 percent of $65,00 is used as the maximum allowed for assistance. Thus, $52,000 becomes the effective ceiling for assistance, when the actual 80 percent ceiling figure for Los Alamos incomes is about $65,000. This makes a huge difference in a high-priced and competitive market. The result is that developers are discouraged from applying for tax credits and other assistance programs because their applicants do not qualify to live in their new or remodeled housing projects.

The Los Alamos County Manager reports that not a single County employee is eligible for housing created by the Low Income Housing Tax Credits. He, like many residents and the LANL recruiting effort, remain concerned that the limited housing supply has raised rents and sales prices. Los Alamos County is also landlocked by federal government land ownership.

There is a desperate need for affordable housing at a time when, once again, our nation is calling upon LANL for helping to meet its internal and international security needs.

This situation also exists around the New York City area, where Westchester County incomes unfairly raise the metropolitan average to the detriment of the metropolitan housing market. In that case, Congress agreed to separate Westchester County to ease the housing market situation. All I am asking in my bill is to accomplish the same goal by allowing Los Alamos County to stand on its own in terms of HUD median income requirements. My bill does not simultaneously lower the Santa Fe County income to its actual median, but, rather, allows Santa Fe County to continue to use the higher median, because the Santa Fe housing market is also very unusual, and the two-county average helps make more Santa Fe residents eligible for federal assistance on many fronts.

I appreciate my colleagues attention to this matter, and I know the residents of Los Alamos County will be grateful for this assistance to allow more of them to make use of available HUD and other affordable housing assistance programs.

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

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

S. 258

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

SECTION 1. LOW-INCOME FAMILIES DEFINITION.

Section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is amended—

(1) by inserting ''and for Los Alamos County in the State of New Mexico,'' after ''State of New York,'';

(2) by inserting '', Los Alamos,'' after ''does not include Westchester'';

(3) by inserting '', Los Alamos,'' after ''portion included Westchester''; and

(4) by inserting before the period at the end the following: '', and Los Alamos County, New Mexico, in the Santa Fe metropolitan area''.

By Mr. HARKIN (for himself and Ms. STABENOW):

S. 260. A bill to amend the Internal Revenue Code of 1986 to prevent the continued use of renouncing United States citizenship as a device for avoiding United States taxes; to the Committee on Finance.

Mr. HARKIN. Mr. President, Senator STABENOW and I are introducing legislation similar to the measure we proposed in the last Congress to effectively prevent very rich individuals from reducing their taxes by renouncing the U.S. citizenship. It is a companion to a measure introduced by Congressman CHARLES RANGEL in 2002. The Joint Tax Committee estimated that it will raise $656 million over 10 years from a very few people who I call Benedict Arnolds. These people turn their back on their country which provided so well for then, in order to avoid paying their fair share of U.S. taxes.

Under current law, there are special rules that apply to these former citizens that appear to recover funds lost to the Treasury. However, they are full of holes. Under the current regime, for 10 years after a U.S. citizen renounces his or her citizenship with a principal purpose of avoiding U.S. taxes, the person is taxed at the rates that would have applied had he or she remained a citizen. In reality, the tax is nominally on a broader base of income and on more types of transactions. In addition, if the expatriate dies within 10 years of the expatriation, more types of assets are included in his or her estate. Unfortunately, the reality is that taxes are very often not paid.

The reality is that once a person has expatriated and removed U.S. assets from U.S. jurisdiction, it is extremely difficult to enforce the current rules, particularly for an entire decade after the citizenship is renounced. The measure I introduced simply provides that the very act of renouncing one's citizenship triggers the recognition of tax. So, rather than collecting tax every time an asset is sold over the next decade, my bill treats all of the assets of an expatriate as having been sold the day prior to when the person renounces their citizenship. The taxes are due up front rather than over time. In regard to estate taxes, rather than attempting to collect the tax from the estate of an expatriate not in the U.S. jurisdiction, my measure taxes the inheritance of an heir who remain in the United States in such a way as to remove any tax benefit from the renouncement of citizenship.

$656 million in revenue from these very few former citizens is a lot of revenue that must be made up by loyal Americans in the form of higher debt or taxes that Americans will face. Last year, the Senate passed the measure as a part of the Armed Services Tax Fairness Act but, unfortunately, the House opposed this provision. I am hopeful that it can become law this year. People should not be able to reduce their taxes by renouncing their citizenship.

By Mr. BINGAMAN (for himself, Mr. KERRY, Mr. DASCHLE, Mr. KENNEDY, Ms. LANDRIEU, Mr. SARBANES, Mrs. LINCOLN, Mrs. MURRAY, Mr. LEVIN, Mr. CORZINE, Mrs. CLINTON, Mr. JOHNSON, Mr. AKAKA, Mr. LEAHY, Mr. DODD, Mr. LAUTENBERG, and Mr. REED):

S. 261. A bill to amend part A of title IV of the Social Security Act to exclude child care from the determination of the 5-year limit on assistance under the temporary assistance to needy families program, and for other purposes; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mr. CORZINE, Mrs. MURRAY, Mr. WYDEN, Mr. DODD, and Mr. REED):

S. 262. A bill to amend the temporary assistance to needy families program under part A of title IV of the Social Security Act to improve the provision of education and job training under that program, and for other purposes; to the Committee on Finance.

By Mr. BINGAMAN:

S. 263. A bill to amend part A of title IV of the Social Security Act to require a comprehensive strategic plan for the State temporary assistance to needy families program and to give States the flexibility to implement innovative welfare programs that have been effective in other States; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, I rise today to introduce three welfare bills. Although these bills do not represent a comprehensive welfare reform proposal, they do address what I see as some of the most critical and pressing issues we must deal with as we move toward improving the TANF program.

Let me begin by introducing the Children First Act on behalf of myself, Mr. KERRY, Mr. DASCHLE, Mr. KENNEDY, Ms. LANDRIEU, Mr. SARBANES, Mrs. LINCOLN, Mrs. MURRAY, Mr. LEVIN, Mr. CORZINE, Mrs. CLINTON, Mr. JOHNSON, Mr. AKAKA, Mr. LEAHY, Mr. DODD, Mr. LAUTENBERG and Mr. REED).

Since 1996, federal funding for child care assistance under the Child Care and Development Block Grant, CCDBG, has significantly increased, making it possible for states to provide more low-income families with child care assistance and to expand initiatives to improve the quality of child care. This has been an extremely important endeavor. Access to high quality childcare is crucial in helping families to work and children to succeed.

Most people agree that the recent employment gains among welfare recipients can only be sustained if families have access to dependable child care. Studies show that when childcare is available and when families get help in paying for care, they are more likely to work. In fact, when I talk to people in my home State of New Mexico about welfare reform, they identify access to childcare as the most important work support we can provide.

Despite the past increases in the CCDBG, we must do more. Overall, only one out of seven children eligible for assistance through the CCDBG program receives a subsidy, leaving approximately 12.9 million eligible children without assistance. Less than 25 percent of New Mexican children under the age of six who are eligible for childcare assistance are currently receiving it. Unfortunately, the need for childcare assistance is only likely to increase in the near future. Many states are currently threatened with serious budget shortfalls that threaten the availability of funds for numerous important endeavors, including childcare assistance. In addition, the administration's recently proposed TANF plan includes provisions for increased work requirements for recipients. If passed, this would create an increased need for welfare support services, especially childcare. Without subsidized care, many of our Nation's poor families simply cannot afford to work.

We must not only seek to increase access to childcare overall, but also to ensure the improved quality of such care. Currently, many families receiving assistance cannot provide their children with a high quality childcare setting. In part, this is because the childcare reimbursement rates are so low that many of the higher quality providers do not accept state-subsidized children into their programs. Low salaries and the lack of health care and other benefits also make it difficult to attract and retain highly qualified childcare workers. These are major issues given that quality childcare provides low-income children with the early learning experiences they need to do well in school and in life. We know that children in high quality early care are more likely to experience academic success, for example, higher test scores and an increased likelihood of graduating from high school, and less likely to experience social problems such as being charged in juvenile court or being aggressive toward others.

The Children First Act will address these important issues by increasing funds for the CCDBG by $11.2 billion over 5 years. With these funds, States will be able to serve approximately 1 million more children nationally. The bill also contains an increase in the quality set-aside in CCDBG, which will provide States with funds that can be used to train care providers and create and enforce standards of care.

I urge my colleagues to support this important piece of legislation. It will help low-income families work and help prepare our children to succeed.

Next, I would like to introduce the Education Works Act on behalf of myself and Mrs. MURRAY, Mr. DODD, Mr. REED, Mr. CORZINE, and Mr. WYDEN.

Since the 1996 changes in our welfare laws, the number of individuals on welfare has dramatically decreased in most States. However, although many have successfully left welfare for work over the past several years, too many have been left behind because they don't have a high school degree, have little or no work history, or are lacking the skills that are important for success in the job market. In addition, many of those who have secured work are working for low wages, receive few or no benefits, and have limited opportunity for upward financial mobility. As we move toward reauthorization, we must do more to support State efforts to insure that all individuals leaving welfare have the capacity to obtain employment that will provide long-term financial independence. The Education Works Act will do just that.

We know that the welfare programs that have been most successful in helping parents work and earn more over the long run are those that have focused on employment but also make substantial use of education and training, together with job search and other employment services. Yes, less than 1 percent of Federal TANF funds were spent on education and training in 2000, largely because current law limits the extent to which education activities count toward Federal work participation requirements, effectively restricting how long individuals can participate in training and also capping how many people can receive these services.

The Education Works Act would change this by: clarifying that states have the flexibility to allow participation in postsecondary, vocational English as a Second Language, and basic adult education programs by

TANF recipients as part of TANF work requirements; giving States the flexibility to determine how long each recipient may participate in education and training activities while receiving benefits; giving states the flexibility to provide non-cash assistance in the form of childcare and transportation supports to individuals who are participating in a full-time education program, without counting these services against the 5-year time limit on TANF benefits; eliminating the 30 percent cap on the number of TANF recipients that can participate in education and training programs in fulfillment of their work requirements.

Via TANF waivers, many States have already been operating programs that do many of the things we're talking about here. In other cases, however, state efforts to provide education and training to welfare recipients have been hampered by an inability to use TANF funds to support these efforts. For example, in my home State, we already have an ''Education Works'' program but only 400 participants are enrolled statewide, due to funding limitations.

States should be held accountable for decreasing welfare caseloads but also for insuring that those entering the workforce have the skills they need to become and remain economically self-sufficient. We need to give all states the flexibility to implement the types of programs that they believe will best achieve these goals. The Education Works Act is an important step in this direction and I urge my colleagues to support it.

Finally, I would like to introduce the Self-Sufficiency and Accountability Act. This Act has several broad goals: to increase state reporting and accountability for welfare dollars that are received, to encourage states to develop concrete strategies to help families move from welfare to self-sufficiency, and to allow states not currently receiving TANF waivers to do so.

First, State plan requirements under current welfare law are simply not comprehensive enough. Under current law, States can submit plans that contain little information about the services that will be provided, long-range or strategic planning, goals or benchmarks, or how they will insure equitable treatment of all welfare clients. In addition, there are currently few provisions for informing the public about the details contained in state plans. Thus, States have little or no accountability to legislators or to the public for the billions of welfare dollars they receive each year.

The Self-Sufficiency and Accountability Act seeks to remedy these deficits. Some of the key provisions include the following: comprehensive state plans would be required to describe the programs and services that will be offered, eligibility requirements, the purposes and goals for all programs and how these goals will be assessed; the new State plans would increase compliance with nondiscrimination, employment, and civil rights laws by requiring among other things, better training of caseworkers, better communication with welfare clients about their rights and obligations, an appeals process, reporting requirements for complaints, and penalties for states that fail to comply with these requirements; the Act would improve public awareness of and access to State plans in their entirety and provides opportunity for public comment when a state plan is pending or being amended.

As I mentioned earlier, large numbers of individuals have moved from the welfare rolls to work since 1996. During the current welfare reauthorization, we must look beyond simply putting people to work and focus on strategies that will help these individuals achieve lasting economic self-sufficiency. Unfortunately, the current content and structure of state plans are wholly inadequate to address these crucial self-sufficiency concerns. The self-Sufficiency and Accountability Act will address these shortcomings by encouraging States to develop concrete strategies designed to move families toward self-sufficiency. The bill requires States to identify and address individual and environmental barriers to self-sufficiency, describe program strategies implemented to promote self-sufficiency, and to assess the progress of former welfare families in this regard.

The final purpose of this bill is to address the issue of increased State flexibility to implement programs that have been proven effective. After the last reauthorization, many states obtained and some continue to use TANF waivers to develop innovative welfare programs that are suited to the specific needs of their TANF caseloads and labor market conditions in their states. This Act would allow states that currently have waivers to continue to operate under those waivers. In addition, the Act stipulates that any state may submit a waiver application on terms similar or identical to states that are successfully implementing innovative programs. In this way, all States would be provided with the flexibility to employ proven strategies in an effort to address the unique needs of their welfare clients.

Taken together, the three bills I have introduced today would go a long way toward helping people transition from welfare and providing these individuals with the skills and supports they need to achieve a lifetime of productive and financially sustaining work.

I urge my colleagues to support these three bills and I ask unanimous consent that the text of the bills be printed in the RECORD.

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

S. 261

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Children First Act of 2003''.

SEC. 2. EXCLUSION OF CHILD CARE FROM DETERMINATION OF 5-YEAR LIMIT.

Section 408(a)(7) of the Social Security Act (42 U.S.C. 608(a)(7)) is amended by adding at the end the following:

''(H) LIMITATION ON MEANING OF 'ASSISTANCE' FOR FAMILIES RECEIVING CHILD CARE.—For purposes of subparagraph (A), any funds provided under this part that are used to provide child care for a family during a month under the State program funded under this part shall not be considered assistance under the program.''.

SEC. 3. INCREASE IN FUNDING FOR CHILD CARE.

(a) INCREASE IN FUNDING.—Section 418(a)(3) of the Social Security Act (42 U.S.C. 618(a)(3)) is amended—

(1) by striking ''and'' at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting a semicolon; and

(3) by adding at the end the following:

''(G) $3,967,000,000 for fiscal year 2003;

''(H) $4,467,000,000 for fiscal year 2004;

''(I) $4,967,000,000 for fiscal year 2005;

''(J) $5,467,000,000 for fiscal year 2006; and

''(K) $5,967,000,000 for fiscal year 2007.''.

(b) INCREASE IN SET ASIDE FOR CHILD CARE QUALITY.—Section 658G of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858e) is amended by striking ''4 percent'' and inserting ''10 percent''.

SEC. 4. CLARIFICATION OF AUTHORITY OF STATES TO USE TANF FUNDS CARRIED OVER FROM PRIOR YEARS TO PROVIDE TANF BENEFITS AND SERVICES.

Section 404(e) of the Social Security Act (42 U.S.C. 604(e)) is amended—

(1) in the subsection heading, by striking ''ASSISTANCE'' and inserting ''BENEFITS OR SERVICES''; and

(2) after the heading, by striking ''assistance'' and inserting ''any benefit or service that may be provided''.

SEC. 5. APPLICATION OF CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990 REPORTING RULES TO TANF FUNDS EXPENDED FOR CHILD CARE.

(a) IN GENERAL.—Section 411(a) of the Social Security Act (42 U.S.C. 611(a)) is amended—

(1) by redesignating paragraph (7) as paragraph (8); and

(2) by inserting after paragraph (6), the following:

''(7) APPLICATION OF CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990 REPORTING RULES TO FUNDS EXPENDED FOR CHILD CARE.—Any funds provided under this part that are expended for child care, whether or not transferred to the Child Care and Development Block Grant Act of 1990, shall be subject to the individual and case data reporting requirements imposed under that Act and need not be included in the report required by paragraph (1) for a fiscal quarter.''.

(b) CONFORMING AMENDMENT.—Section 411(a)(1)(A)(ix) of such Act (42 U.S.C. 611(a)(1)(A)(ix)) is amended by striking ''food stamps, or subsidized child care, and if the latter 2,'' and inserting ''or food stamps, and if the latter,''.

SEC. 6. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this Act shall take effect as if enacted on October 1, 2002, and shall apply to payments under part A of title IV of the Social Security Act for calendar quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

(b) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—In the case of a State plan

under section 402(a) of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this Act, the State plan shall not be regarded as failing to comply with the requirements of such section 402(a) solely on the basis of the failure of the plan to meet such additional requirements before the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

Mr. KERRY. Mr. President, today my colleague Senator BINGAMAN and I are reintroducing our bill to increase mandatory funding for the Child Care and Development Block Grant, CCDBG. Our legislation, the Children First Act would increase the mandatory funding stream of CCDBG by $11.2 billion over the next five years.

Congress understands that working families need help paying for child care. Indeed, funding for CCDBG has grown significantly over the past several years. Yet despite these increases, funding still only reaches one in seven eligible children nationwide, leaving approximately 12.9 million eligible children without any assistance. Roughly 500,000 children are on waiting lists for help around the country and 21,000 children are on the waiting list for child care assistance in Massachusetts.

The need for child care assistance in Massachusetts is tremendous. Currently, 60 percent of Massachusetts children under age six have mothers in the workforce, and 16.4 percent of Massachusetts children under age five live in poverty. Child care costs at an urban center for a four-year-old averages $8,121 per year and the costs for an infant averages $12,978. That's 223 percent more than the cost of public college tuition in Massachusetts! It's just shocking to me, Mr. President, that we expect families to bear the burden of such costly child care services, they simply cannot afford to do it and are forced either not to work or to leave their children in substandard, and many times even dangerous care. CCDBG is a critically important program to helping poor families afford child care, but we haven't done nearly enough to fill the existing child care gap. Even combining CCDBG and state child care funding in Massachusetts only reaches 13 percent of eligible children.

Senator BINGAMAN and I led the effort to increase child care funding during the welfare reform debate last year and we will do so again this year. But today there is an even more dire need for child care funding than there was one year ago. State governments face a fiscal crisis of historical proportions and as a result have been forced to make severe cuts in social services. In fact child care subsidies for working parents have been scaled back in a number of states. Unfortunately it's likely that the federal government may compound those state cuts. The FY 2003 Omnibus Appropriations bill passed last week by the Senate would cut CCDBG discretionary funds by approximately $60.9 million below FY 2002 levels. As a result, 38,000 fewer children would have access to child care assistance at a time when only one in seven eligible children receive services.

Increased availability and the quality of child care helps achieve two important goals: First, it enables low-income parents on welfare and parents trying to stay off welfare to work and support their families. And second, it provides the early learning experiences that our children need to do well in school. Studies show that when child care is available, and when families get help paying for care, they are more likely to work. Children in high quality early care score higher on reading and math tests, are more likely to complete high school and go onto college, and are less likely to repeat a grade or get charged in juvenile court.

Increased child care funding is an investment that we cannot afford NOT to make. I look forward to teaming up with Senator BINGAMAN in the Finance Committee during welfare reauthorization to increase CCDBG funding. I urge all of my colleagues to join us in the fight to provide all working families with safe, high-quality child care.

S. 262

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Education Works Act of 2003''.

SEC. 2. COUNTING EDUCATION AND TRAINING AS WORK.

Section 407(d)(8) of the Social Security Act (42 U.S.C. 607(d)(8)) is amended to read as follows:

''(8) participation in vocational educational training, postsecondary education, an English-as-a-second-language program, or an adult basic education program;''.

SEC. 3. ELIMINATION OF LIMIT ON NUMBER OF TANF RECIPIENTS ENROLLED IN VOCATIONAL EDUCATION OR HIGH SCHOOL WHO MAY BE COUNTED TOWARDS THE WORK PARTICIPATION REQUIREMENT.

Section 407(c)(2) of the Social Security Act (42 U.S.C. 607(c)(2)) is amended by striking subparagraph (D).

SEC. 4. NONAPPLICATION OF TIME LIMIT TO INDIVIDUALS WHO DO NOT RECEIVE CASH ASSISTANCE AND ARE ENGAGED IN EDUCATION OR EMPLOYMENT.

Section 408(a)(7) of the Social Security Act (42 U.S.C. 608(a)(7)) is amended by adding at the end the following:

''(H) LIMITATION ON MEANING OF 'ASSISTANCE' FOR CERTAIN INDIVIDUALS.—For purposes of this paragraph, child care or transportation benefits provided during a month under the State program funded under this part to an individual who is participating in a full-time educational program or who is employed shall not be considered assistance under the State program.''.

SEC. 5. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, the amendments made by this Act shall take effect as if enacted on October 1, 2002, and shall apply to payments made under part A of title IV of the Social Security Act for calendar quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

(b) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—In the case of a State plan under section 402(a) of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this Act, the State plan shall not be regarded as failing to comply with the requirements of such section 402(a) solely on the basis of the failure of the plan to meet such additional requirements before the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

S. 263

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Self Sufficiency and Accountability Act of 2003''.

SEC. 2. COMPREHENSIVE STRATEGIC TANF PLAN.

(a) IN GENERAL.—Section 402 of the Social Security Act (42 U.S.C. 602) is amended to read as follows:

''SEC. 402. ELIGIBLE STATES; STATE PLAN.

''(a) IN GENERAL.—As used in this part, the term 'eligible State' means, with respect to a fiscal year, a State that, during the 27-month period ending with the close of the 1st quarter of the fiscal year, has submitted to the Secretary, and revised when necessary in accordance with subsection (b), a written plan that the Secretary has found includes the following:

''(1) OUTLINE OF FAMILY ASSISTANCE PROGRAM.—

''(A) PROGRAMMATIC INFORMATION.—Information relating to the State program, including the following:

''(i) With respect to each program that will be funded under this part, or with qualified State expenditures claimed by the State to meet the requirements of section 409(a)(7), over the 2-year period for which the plan is being submitted—

''(I) the name of the program;

''(II) the goals of the program;

''(III) a description of the benefits and services provided in the program;

''(IV) a description of principal eligibility rules and populations served under the program, including the circumstances under which the State provides benefits or services to individuals who are not citizens of the United States;

''(V) a description of how the State will ensure fair and equitable treatment among program applicants and recipients and how the State will provide opportunities for applicants and recipients who have been adversely affected to be heard in a State administrative or appeal process, including a description of the steps that the State has taken (or will take) to ensure—

''(aa) compliance with nondiscrimination, civil rights, and employment laws throughout the process of providing services under this part, including at the time of application for benefits, during the applicant assessment process, when determining availability

of an eligibility for benefits and services, during the actual delivery of services or benefits, and when deciding to terminate benefits in full or in part; and

''(bb) that program applicants and recipients are aware of their rights and the process for enforcing their rights; and

''(VI) a description of how the program meets 1 or more of the purposes described in section 401 or, in the case of a program funded with qualified State expenditures, how the program meets the criteria in section 409(a)(7)(B).

''(ii) With respect to each program that will be funded under this part, or with qualified State expenditures claimed by the State to meet the requirements of section 409(a)(7), over the 2-year period for which the plan is being submitted and that provides assistance—

''(I) a description of the applicable financial and nonfinancial eligibility rules including, income eligibility thresholds, the treatment of earnings, asset eligibility rules, and excluded forms of income;

''(II) a description of applicable work-related requirements, including which adults are required to participate in such activities, the activities in which they can participate, the criteria for determining the activity an adult is assigned to, and the procedures used to screen and assess participants for barriers to employment including physical or mental impairments, substance abuse, learning disabilities, domestic violence, inadequate or unstable housing and very low basic skills;

''(III) a description of applicable time limit policies, including the length of the time limit, exemption and extension policies, and procedures and policies for providing services to families reaching time limits and who have lost assistance due to time limits; and

''(IV) a description of applicable sanction policies and procedures, including the program requirements for which a sanction can be applied for failure to comply, the amount and duration of sanctions, the State-defined criteria that constitute good cause for failing to meet each program requirement for which a sanction may be imposed, how the State will comply with the requirement in section 407(e)(2), and the procedures in place to identify families who are unable to comply with program requirements due to various barriers (such as physical or mental impairments, domestic violence, unavailable or inaccessible child care, illiteracy, lack of English proficiency) and procedures for providing services to those families rather than imposing a sanction on them.

''(iii) A description of—

''(I) the primary problems that families receiving assistance, and families who have recently stopped receiving assistance, under the State program funded under this part, or under a program funded with qualified State expenditures as defined in section 407(a)(7), experience in securing and retaining adequate, affordable housing and the estimated extent of each such problem, including the price of such housing in various parts of the State that include a large proportion of recipients of assistance under the State program, and the steps that have been and will be taken by the State and other public or private entities that administer housing programs to address these problems; and

''(II) the methods the State has adopted to identify barriers to work posed by the living arrangement, housing cost, and housing location of individuals eligible for participation in the State program funded under this part and the services and benefits that have been or will be provided by the State and other public or private entities to help families overcome such barriers.

''(iv) A description of the steps the State will take to restrict the use and disclosure of information about individuals and families applying for or receiving assistance under a program funded under this part, or with qualified State expenditures as defined in section 409(a)(7).

''(v) A description of how the State will ensure the availability of a stable and professional workforce in the administration of the State program under this part with the resources, skills, and expertise necessary to successfully carry out the program, including a description of the plan of the State to provide program staff with training on the following:

''(I) Program information and services.

''(II) The rights of recipients of assistant under all laws applicable to the activities of the program, including nondiscrimination and employment laws.

''(III) Cultural diversity and sensitivity.

''(IV) Referral of recipients of assistance to all appropriate programs and services for which such recipients are eligible.

''(V) Screening of recipients of assistance for serious barriers to employment and referral to qualified specialists.

''(vi) A description of the steps that the State has taken to inform applicants for and recipients of assistance under the State program under this part of their rights and obligations under such program. Such description shall include—

''(I) an explanation of the manner in which the State will ensure that such information is communicated effectively to all such individuals, including how the State will provide appropriate translation or interpretation services where necessary; and

''(II) an assurance that the communication of such information will take place throughout the service delivery and processing.

''(B) INFORMATION ABOUT PROGRAMS DESIGNED OR IMPLEMENTED AT SUB-STATE LEVELS.—With respect to any program described in clauses (i) or (ii) of subparagraph (A) in which the State permits counties or other substate entities to design their own rules with respect to any of the information required under such clauses, the State plan shall be designed to reflect the policies of each such county or substate entity.

''(C) STATE GOALS AND BENCHMARKS.—For each purpose contained in section 401(a), the State plan shall provide the following information:

''(i) A description of specific goals the State will attempt to achieve over the succeeding 5-year period to further that purpose.

''(ii) A description of how the State intends to meet the goals described in clause (i) over such 5-year period and a description of the steps the State will take during such period to work toward achieving such goals.

''(iii) A description of performance measures that will be used to measure progress made by the State toward achieving each such goal, including the methodology for computing such measures. Each performance and outcome measure described in the State plan under this subparagraph shall be reported by the State annually in a form prescribed by the Secretary.

''(iv) An identification of those key factors external to the program and beyond the control of the State that could significantly affect the attainment of the goals.

''(v) A description of any additional evaluation methods the State will use to measure progress made by the State toward achieving such goals.

''(2) MINIMUM PARTICIPATION RATES.—A description of how the minimum participation rates specified in section 407 will be satisfied.

''(3) ESTIMATE OF EXPENDITURES.—An estimate of the total amount of State or local expenditures under all programs described in clauses (i) or (ii) of paragraph (1)(A) for the fiscal year in which the plan is submitted.

''(4) SPECIAL PROVISIONS.—

''(A) CERTIFICATION REGARDING ASSESSMENT OF REGIONAL ECONOMIES AND INFORMING LOCALITIES OF SECTORAL LABOR SHORTAGES AND IDENTIFICATION OF SELF-SUFFICIENCY STANDARD.—

''(i) IN GENERAL.—A certification by the chief executive officer of the State that, during the fiscal year, the State will—

''(I) assess its regional economies and provide information to political subdivisions of the State about the industrial sectors that are experiencing a labor shortage and that provide higher entry-level wage opportunities for unemployed and underemployed job seekers identified in accordance with section 411(c); and

''(II) identify the self-sufficiency standards for families after the families cease to receive assistance under the State program funded under this part in accordance with clause (ii).

''(ii) REQUIREMENTS FOR IDENTIFICATION OF SELF-SUFFICIENCY STANDARDS.—

''(I) IN GENERAL.—The State shall provide to the Secretary a document adopted or developed by the State, that—

''(aa) describes the income needs of families (in this part referred to as 'State self-sufficiency standards') based on family size, the number and ages of children in the family, and sub-State geographical considerations; and

''(bb) if the State has a sizeable Native American population, includes information specific to the needs of that population.

''(II) CRITERIA.—The State self-sufficiency standards shall separately specify the monthly costs of housing, food, child care, transportation, health care, other basic needs, and taxes (including tax benefits), and shall be determined using national, State and local data on the cost of purchasing goods and services in the marketplace.

''(III) CATEGORIES OF FAMILIES.—The State self-sufficiency standards shall categorize families—

''(aa) by whether there are 1 or 2 adults in the family;

''(bb) by whether there are 0, 1, 2, 3, or more than 3 children in the family; and

''(cc) by the age of each child in the family, according to whether a child is an infant, of pre-school age, of school age, or a teenager.

''(IV) REGULATIONS.—The Secretary shall prescribe the protocols, criteria, cost categories, definitions, and means of making inflation adjustments to be used in developing self-sufficiency standards pursuant to this clause, which shall be based on commonly accepted definitions of adequacy, such as those used for establishing fair market rents, and that reflect, to the extent possible, consensus and use among those calculating family budgets and self-sufficiency standards.

''(V) DATA.—The self-sufficiency standards developed pursuant to this clause shall be—

''(aa) recalculated on adoption if the data on which the standards are based is more than 3 years old;

''(bb) recalculated every 5 years after adoption; and

''(cc) updated for inflation each year after adoption in which the standards are not be recalculated pursuant to item (bb).

''(VI) TECHNICAL ASSISTANCE IN DEVELOPING STANDARDS.—The Secretary may provide financial or technical assistance to an eligible State to enable the State to develop or improve the State self-sufficiency standards and produce State reports required by section 411(d). The Secretary shall carry out this paragraph by making a grant to, or entering into a contract with an organization or institution with substantial experience in calculating and implementing on the State

level family budgets and self-sufficiency standards. An organization or institution desiring to provide technical assistance described in this subclause shall submit to the Secretary an application at such time, in such manner, and accompanied by such information as the Secretary may require.

''(B) CERTIFICATION THAT THE STATE WILL OPERATE A CHILD SUPPORT ENFORCEMENT PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a child support enforcement program under the State plan approved under part D.

''(C) CERTIFICATION THAT THE STATE WILL OPERATE A FOSTER CARE AND ADOPTION ASSISTANCE PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a foster care and adoption assistance program under the State plan approved under part E, and that the State will take such actions as are necessary to ensure that children receiving assistance under such part are eligible for medical assistance under the State plan under title XIX.

''(D) CERTIFICATION OF THE ADMINISTRATION OF THE PROGRAM.—A certification by the chief executive officer of the State specifying which State agency or agencies will administer and supervise the family assistance program referred to in paragraph (1) for the fiscal year, which shall include assurances that local governments and private sector organizations—

''(i) have been consulted regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations; and

''(ii) have had at least 45 days to submit comments on the plan and the design of such services.

''(E) CERTIFICATION THAT THE STATE WILL PROVIDE INDIANS WITH EQUITABLE ACCESS TO ASSISTANCE.—A certification by the chief executive officer of the State that, during the fiscal year, the State will provide each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a tribal family assistance plan approved under section 412, with equitable access to assistance under the State program.

''(F) CERTIFICATION OF STANDARDS AND PROCEDURES TO ENSURE AGAINST PROGRAM FRAUD AND ABUSE.—A certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.

''(G) OPTIONAL CERTIFICATION OF STANDARDS AND PROCEDURES TO ENSURE THAT THE STATE WILL SCREEN FOR AND IDENTIFY DOMESTIC VIOLENCE.—

''(i) IN GENERAL.—At the option of the State, a certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to—

''(I) screen and identify individuals receiving assistance under this part with a history of domestic violence while maintaining the confidentiality of such individuals;

''(II) refer such individuals to counseling and supportive services; and

''(III) waive, pursuant to a determination of good cause, other program requirements such as time limits (for so long as necessary) for individuals receiving assistance, residency requirements, child support cooperation requirements, and family cap provisions, in cases where compliance with such requirements would make it more difficult for individuals receiving assistance under this part to escape domestic violence or unfairly penalize such individuals who are or have been victimized by such violence, or individuals who are at risk of further domestic violence.

''(ii) DOMESTIC VIOLENCE DEFINED.—For purposes of this subparagraph, the term 'domestic violence' has the same meaning as the term 'battered or subjected to extreme cruelty', as defined in section 408(a)(7)(C)(iii).

''(b) PROCEDURES FOR SUBMITTING AND AMENDING STATE PLANS.—

''(1) STANDARD STATE PLAN FORMAT.—The Secretary shall, after notice and public comment, develop a proposed Standard State Plan Form to be used by States under subsection (a). Such form shall be finalized by the Secretary for use by the State not later than February 1, 2003.

''(2) REQUIREMENT FOR COMPLETED PLAN USING STANDARD STATE PLAN FORMAT BY FISCAL YEAR 2004.—Notwithstanding any other provision of law, each State shall submit a complete State plan, using the Standard State Plan Form developed under paragraph (1), not later than October 1, 2003.

''(3) PUBLIC NOTICE AND COMMENT.—Prior to submitting a State plan to the Secretary under this section, the State shall—

''(A) make the proposed State plan available to the public through an appropriate State maintained Internet web site and through other means as the State determines appropriate;

''(B) allow for a reasonable public comment period of not less than 45 days; and

''(C) make comments received concerning such plan or, at the discretion of the State, a summary of the comments received available to the public through such web site and through other means as the State determines appropriate.

''(4) PUBLIC AVAILABILITY OF STATE PLAN.—A State shall ensure that the State plan, that is in effect for any fiscal year, is available to the public through an appropriate State maintained Internet web site and through other means as the State determines appropriate.

''(5) AMENDING THE STATE PLAN.—A State shall file an amendment to the State plan with the Secretary if the State determines that there has been a material change in any information required to be included in the State plan or any other information the State has included in the plan, including substantial changes in the use of funding. Prior to submitting an amendment to the State plan to the Secretary, the State shall—

''(A) make the proposed amendment available to the public as provided for in paragraph (3)(A);

''(B) allow for a reasonable public comment period of not less than 45 days; and

''(C) make the comments available as provided for in paragraph (3)(C).''.

(b) CONFORMING AMENDMENT.—Section 408(a)(5)(B)(i) of the Social Security Act (42 U.S.C. 608(a)(5)(B)(i)) is amended by striking ''referred to in section 402(a)(4)''.

SEC. 3. MONITORING OF FEDERAL AND STATE EFFORTS; ASSESSMENT OF REGIONAL ECONOMIES.

(a) GENERAL REPORTING REQUIREMENT.—Section 411(a) of the Social Security Act (42 U.S.C. 611(a)) is amended—

(1) by redesignating paragraph (7) as paragraph (9); and

(2) by inserting after paragraph (6), the following:

''(7) SELF-SUFFICIENCY STANDARD.—The report required by paragraph (1) for a fiscal quarter shall include a description of the self-sufficiency standard identified for families in accordance with section 402(a)(4)(A)(ii).

''(8) INFORMATION REGARDING CIVIL RIGHTS.—As part of the information collected and reported under paragraph (1), the State shall include information on the number of complaints filed by applicants for or recipients of assistance under the State program under this part that allege civil rights or employment law violations and the status of such complaints, including the number of complaints pending at the time the report is prepared. Such information shall be delineated by alleged violation, the number of resolutions during the reporting period in favor of and against the complainants, and the average length of time to process complaints.''.

(b) ANNUAL REPORTS TO CONGRESS.—Section 411(b) of the Social Security Act (42 U.S.C. 611(b)) is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) in paragraph (4), by striking the period and inserting ; and''; and

(3) by adding at the end the following:

''(5) the status of civil rights complaints filed under this part with the Office of Civil Rights of the Department of Health and Human Services by applicants for or recipients of assistance under a State program, including the number of complaints pending at the time the report is prepared delineated by alleged violation, the number of resolutions during the reporting period in favor of and against the complainants, and the average length of time to process complaints.''.

(c) ANNUAL ASSESSMENT OF REGIONAL ECONOMIES; ANNUAL REPORT ON PROGRAMS AND SERVICES LEADING TO SELF-SUFFICIENCY.—Section 411 of the Social Security Act (42 U.S.C. 611) is amended by adding at the end the following:

''(c) ASSESSMENT OF REGIONAL ECONOMIES TO IDENTIFY HIGHER ENTRY LEVEL WAGE OPPORTUNITIES IN INDUSTRIES EXPERIENCING LABOR SHORTAGES.—

''(1) IN GENERAL.—An eligible State annually shall conduct an assessment of its regional economies to identify higher entry level wage opportunities in industries experiencing labor market shortages.

''(2) MATTERS TO BE ASSESSED.—

''(A) LABOR MARKET.—The assessment shall—

''(i) identify industries or occupations that have or expect to grow, that have or expect a loss of skilled workers, or that have a need for workers;

''(ii) identify the entry-level education and skills requirements for the industries or occupations that have or expect a need for workers; and

''(iii) analyze the entry-level wages and benefits in identified industries or occupations.

''(B) JOB SEEKERS.—The assessment shall create a profile in each regional economy in the State, of the characteristics of the unemployed and underemployed residents of such regional economy, including educational attainment, barriers to employment, geographic concentrations, self-sufficiency needs, and availability and utilization of need support services.

''(C) EDUCATION AND TRAINING INFRASTRUCTURE.—The assessment shall create a profile, in each regional economy in the State of the education, training, and support services in place in such regional economy to prepare workers for the industries or occupations identified pursuant to subparagraph (A).

''(D) ALIGNING INDUSTRIES AND JOB SEEKERS.—The assessment shall compare the characteristics of the industries or occupations identified pursuant to subparagraph (A) to the profile of the job seekers in the State and the profile of the education and training infrastructure in the State.

''(3) SHARING OF INFORMATION WITH LOCALITIES.—The State shall share with all counties, municipalities, local workforce investment boards established under section 117 of the Workforce Investment Act of 1998 (29 U.S.C. 2832), and other appropriate political subdivisions of the State, information obtained pursuant to this subsection regarding higher entry-wage job opportunities in industries experiencing labor shortages, and information regarding opportunities for collaboration with institutions of higher education, community-based organizations, and economic development and welfare agencies.

''(4) REPORTS OF ASSESSMENT OF REGIONAL ECONOMIES.—Each eligible state shall submit to the Secretary annually a report that contains the annual assessment conducted pursuant to this subsection.

''(d) ANNUAL REPORT ON PROGRAMS AND SERVICES LEADING TO SELF-SUFFICIENCY.—A State to which a grant is made under section 403(a) for a fiscal year shall submit to the Secretary a report that describes, with respect to the preceding fiscal year—

''(1) a description of the ways in which the State program funded under this part, and support services provided by the State to recipients of assistance under that program, moved families toward self-sufficiency, and that highlights the programs and services that appeared to have a particularly positive effect on families achieving self-sufficiency;

''(2) the total family income for families that left the State program funded under this part (including earnings, unemployment compensation, and child support); and

''(3) the benefits received by families that have left the State program funded under this part (including benefits under the food stamp program under the Food Stamp Act of 1977, the medicaid program under title XIX, the State children's health insurance program under title XXI, earned income tax credits, and housing assistance).''.

(d) RESEARCH, EVALUATIONS, AND NATIONAL STUDIES.—Section 413(h) of the Social Security Act (42 U.S.C. 613(h)) is amended by adding at the end the following:

''(4) TECHNICAL ASSISTANCE IN ASSESSING REGIONAL ECONOMIES.—

''(A) IN GENERAL.—The Secretary may provide technical assistance to an eligible State to enable the State to conduct the assessments required by section 411(c).

''(B) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For the cost of providing technical assistance under subparagraph (A), there are authorized to be appropriated to the Secretary not more than $1,500,000 for each fiscal year in which amounts are appropriated to carry out the State programs funded under this part.''.

SEC. 4. PENALTY FOR FAILURE TO COMPLY WITH FAIR TREATMENT REQUIREMENTS.

Section 409(a)(7) of the Social Security Act (42 U.S.C. 609(a)(7)) is amended by adding at the end the following:

''(C) INCREASE IN APPLICABLE PERCENTAGE FOR FAILURE TO COMPLY WITH FAIR TREATMENT REQUIREMENTS.—The applicable percent under subparagraph (B)(ii) with respect to a State shall be increased by 5 percentage points for any year in which the Secretary determines that the State has failed to comply with the State plan requirements of clause (i)(V) or (vi) of section 402(a)(1)(A).''.

SEC. 5. WAIVERS.

(a) CONTINUATION OF PREWELFARE REFORM WAIVERS.—Section 415 of the Social Security Act (42 U.S.C. 615) is amended by adding at the end the following new subsection:

''(e) CONTINUATION OF WAIVERS APPROVED OR SUBMITTED BEFORE DATE OF ENACTMENT OF WELFARE REFORM.—Notwithstanding subsection (a), with respect to any State that is operating under a waiver described in that subsection which would otherwise expire on a date that occurs during the period that begins on October 1, 2002, and ends on September 30, 2007, the State may elect to continue to operate under that waiver, on the same terms and conditions as applied to the waiver on the day before such date, through September 30, 2007.''.

(b) APPROVAL OF WAIVERS TO DUPLICATE INNOVATIVE PROGRAMS.—Section 415 of the Social Security Act (42 U.S.C. 615), as amended by subsection (a), is further amended by adding at the end the following:

''(f) REQUIREMENT TO APPROVE WAIVERS TO DUPLICATE INNOVATIVE PROGRAMS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, if a State submits an application for a waiver of 1 or more requirements of this part that contains terms that are similar or identical to the terms of a waiver eligible to be continued under subsection (e), and the application satisfies the requirements of paragraph (2), the Secretary—

''(A) shall approve the application for a period of at least 2 years, but not more than 4 years, unless the Secretary determines that approval would be inconsistent with the purposes of this part set forth in section 401;

''(B) at the end of the waiver period, shall review documentation of the effectiveness of the waiver provided by the State; and

''(C) if such documentation adequately demonstrates that the program as implemented under the waiver has been effective, may renew the waiver for such period as the Secretary determines appropriate, but not later than September 30, 2007.

''(2) APPLICATION REQUIREMENTS.—An application for a waiver described in paragraph (1) shall—

''(A) describe relevant State caseload characteristics and labor market conditions;

''(B) specify how the waiver is likely to result in improved employment outcomes, improved child well-being, or both;

''(C) describe the State's proposed approach for evaluation of the program under the waiver; and

''(D) include an agreement to conduct an independent evaluation of the waiver and to submit the results of the evaluation to the Secretary.''.

(c) CONFORMING AMENDMENT.—Section 415(b)(1) of the Social Security Act (42 U.S.C. 615(b)(1)) is amended by inserting '', extended under subsection (e), or approved under subsection (f)'' after ''(a)''.

SEC. 6. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this Act shall take effect as if enacted on October 1, 2002.

(b) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—In the case of a State plan under section 402 of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this Act, the State plan shall not be regarded as failing to comply with the requirements of such section 402 solely on the basis of the failure of the plan to meet such additional requirements before the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

By Ms. CANTWELL (for herself and Mrs. MURRAY):

S. 264. A bill to amend title XXI of the Social Security Act to extend the availability of allotments to States for fiscal years 1998 through 2000, and for other purposes; to the Committee on Finance.

Ms. CANTWELL. Mr. President, I rise today to introduce the Children's Health Protection and Eligibility Act. I am delighted to be joined on this bill by my good friend, Senator PATTY MURRAY. Senator MURRAY has been a champion for children's health issues throughout her career in the Senate. This important legislation addresses the allocation of budgeted but unspent SCHIP funds that are currently out of reach of States and, under current law, are scheduled to be returned to the Federal treasury. This legislation also helps those States with the highest unemployment rates use more of their SCHIP dollars to provide health insurance coverage for low-income children.

Washington State is in the middle of an economic crisis resulting from a downturn in both our aviation and high-tech sectors. With the jobless rate at seven percent, we have one of the highest unemployment rates in the country. 214,300 Washingtonians are unable to find work. And just over the last month, our State has lost 2,946 jobs, and over 50 percent of those are in the high-paying manufacturing sector.

In 2000, before the recession began, there were 780,000 uninsured people in Washington State, including 155,000 children. That number has surely grown as the economy has worsened and our population has risen. In fact, in October, the Census Bureau reported that the number of uninsured increased for the first time in two years. Sadly, there are 41.2 million people nationwide without health insurance, 8.5 million of whom are children.

The increasing number of uninsured isn't the only problem facing the health care system. Last September, the Kaiser Family Foundation reported the largest increase in health insurance premium costs since 1990, while the Center for Studying Health System Change found that health care spending has returned to double-digit growth for the first time since that year.

The lack of health insurance has very real consequences. We know that the uninsured are four times as likely as the insured to delay or forego needed care, and uninsured children are six times as likely as insured children to go without needed medical care. Health insurance matters for kids, and coverage today defrays costs tomorrow.

Five years ago, Congress created a new $40 billion State grant program to provide health insurance to low-income, uninsured children who live in families that earn too much to qualify for Medicaid but not enough to afford private insurance. In most States, the State Children's Health Insurance Program, SCHIP has been extremely successful. Nearly one million children gained coverage each year through

SCHIP and, by December 2001, 3.5 million children were enrolled in the program.

Unfortunately, however, not all States have been able to participate in this success, and perversely, the States that have been left out are those that had taken bold initiatives by expanding their Medicaid programs to cover low-income children at higher levels of poverty. Sadly, the recession and high unemployment means that the health insurance coverage we do have for children, pregnant women, and low-income individuals is in jeopardy due to State budget crises.

Washington State has been a leader in providing health insurance to our constituents. We have long provided optional coverage to Medicaid populations and began covering children up to 200 percent of poverty in 1994, three years before Congress passed SCHIP.

When SCHIP was enacted in 1997, most States were prohibited from using the new funding for already covered populations. This flaw made it difficult for Washington to access the money and essentially penalized the few States that had led the nation on expanding coverage for kids. This means that my State only receives the enhanced SCHIP matching dollars for covering kids between 200 and 250 percent of the Federal poverty level. Washington has been able to use less than four percent of the funding the Federal Government gave us for SCHIP.

Today, Washington has the highest unemployment in the country, an enormous budget deficit, and may need to cut as many as 150,000 kids from the Medicaid roles. Because it is penalized by SCHIP rules and cannot use funds like other states, Washington State is sending $95 million back to the federal treasury or to other States. This defies common sense, and I do not believe that innovative States should be penalized for having expanded coverage to children before the enactment of SCHIP.

This is why we are introducing the Children's Health Protection and Eligibility Act. This bill will give States the ability to use SCHIP funds more efficiently to prevent the loss of health care coverage for children. This bill targets expiring funds to States that otherwise may have to cut health care coverage for kids. States that have made a commitment to insuring children could use expiring SCHIP funds and a portion of current SCHIP funds on a short-term basis to maintain access to health care coverage for all low-income children in the State. The bill also ensures that all States that have demonstrated a commitment to providing health care coverage to children can access SCHIP funds in the same manner to support children's health care coverage.

First, as my colleagues know, 1998 and 1999 state allotments ''expired'' at the end of fiscal year 2002 and are scheduled to be returned to the Federal treasury. Our bill allows States to keep their remaining 1998 and 1999 funds, and use these funds for the purposes of this legislation.

Second, unused SCHIP dollars from the fiscal year 2000 allotment are due to be redistributed at the end of fiscal year 2002 among those States that have spent all of their SCHIP funds. Our bill would allow the retention and redistribution of these funds as was done two years ago through the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act P.L. 106–554. However, under our bill, States that had an unemployment rate higher than six percent for two consecutive months in 2002 would be eligible to keep all of their unspent 2000 SCHIP allotment.

Third, at State option, for certain Medicaid expenditures, qualifying States would receive the difference between their Medicaid Federal matching assistance percentage, or FMAP, and their enhanced SCHIP matching rate. This temporary measure would be paid out of a State's current SCHIP allotment to ensure children's health care coverage does not erode as States face enormous budget deficits. States would be able to use any remaining funds from fiscal years 1998, 1999, and 2000 SCHIP allotments, plus ten percent of fiscal 2001, 2002, and 2003 allotments.

Finally, our bill allows States that have expanded coverage to the highest eligibility levels allowed under SCHIP, and meet certain requirements, to receive the enhanced SCHIP match rate for any kids that had previously been covered above the mandatory level.

Children are the leaders of tomorrow; they are the very future of our great Nation. We owe them nothing less than the sum of our energies, our talents, and our efforts in providing them a foundation on which to build happy, healthy and productive lives. During this tough economic time, it is more important than ever to maintain existing health care coverage for children in order to hold down health care costs and to keep children healthy. I urge my colleagues to join us in support of this bill.

Mrs. MURRAY. Mr. President, I rise today to join with Senator CANTWELL in introducing the Children's Health Protection and Eligibility Act. This important legislation will ensure that low income children in Washington State are not denied access to health insurance coverage. The legislation provides a fair and equitable distribution of unobligated State balances in the CHIP program. It ensures that States like Washington that have led the Nation in caring for their children are not denied access to vital CHIP dollars. It rewards Washington state for putting children first.

Washington State is facing the greatest fiscal crisis since World War II. Between June 2001 and November 2002, Washington State lost more than 74,000 non-farm jobs. This economic recession has hit families in Washington state hard.

In 2002, before the recession began, there were 155,000 uninsured children in Washington State. Current estimates place this number even higher. With additional layoffs and more families losing COBRA coverage, the number of uninsured children will only continue to grow. Washington State must have access to its CHIP dollars to prevent more children from losing their health care safety net.

Because Washington State was so far ahead of the rest of the Nation in 1997, when CHIP was enacted, our state has been unable to use its full allocation. A majority of children who would be eligible for participation in CHIP were already covered in 1997 under the Medicaid program. As a result, Washington State has been unable to count these children as ''CHIP'' The federal share of CHIP is currently 67 percent as opposed to Medicaid, which provides only a 50 percent match for Washington state. If the State was able to provide coverage for some of these low income children under CHIP, it would reduce pressure on our state's Medicaid program. Without this relief, Washington State will face additional Medicaid reductions. Many of the children that currently have coverage will lose this coverage and join the ranks of the uninsured.

Allowing the number of children without insurance to grow is both inhumane for our children and irresponsible for our society. Uninsured children are six times as likely as insured children to go without needed medication. Uninsured children are more likely to be treated in the emergency room than insured children. These children are showing up more and more in the emergency room to get basic primary care. The cost of providing this care only increases as their families are forced to delay care. We all pay when children go without health insurance coverage.

This is not just a question of saving money. Providing comprehensive, prevention-based health insurance to children is a sound investment. Delaying this care only adds to the overall cost of health care, education and our criminal justice system. This legislation that we are introducing puts our kids at the front of the line.

I urge my colleagues to join with us in support of this legislation. Let's send the right message to our States: If you do the right thing, you will no longer be denied your fair allocation. Instead, you will be rewarded for putting children first.

By Mrs. BOXER (for herself, Mr. SCHUMER, and Mrs. CLINTON):

S. 265. A bill to amend the Internal Revenue Code of 1986 to include sports utility vehicles in the limitation on the depreciation of certain luxury automobiles; to the Committee on Finance.

Mrs. BOXER. Mr. President, today, I am introducing the ''The SUV Business Tax Loophole Closure Act'' along with

Senator SCHUMER and Senator CLINTON to close a loophole in tax law that some are inappropriately using to deduct a majority of the cost of the largest SUVs on the market.

To encourage small business growth, Congress has created a number of mechanisms for small business owners and the self-employed to be able to deduct a variety of capital expenses immediately. In order to keep people from abusing these deductions to buy passenger cars for personal use and call it a business expense, Congress capped the deduction for car purchases at $7,660 in the first year, and $4,900 in the second year after the purchase.

But to help farmers and small business owners that need pick-up trucks or vans for business purposes, Congress excluded from the car cap those vehicles that weigh more than 6,000 pounds. Vehicles larger than 6,000 pounds are eligible for the full capital expense—$25,000. This tax policy was created before the advent of SUVs, many of which weigh more than 6,000 pounds.

As a result, people who do not need a large vehicle for business purposes are buying the largest Hummer SUVs, Mercedes SUVs, BMW SUVs and other super-sized SUVs and deducting a significant portion of the cost from their taxes immediately. If they were to buy anything smaller than the largest of SUVs, then they would not get the larger tax deduction because the lower weight puts the SUV under the luxury car cap. This distorts the market, pushing up demand for the largest of all SUVs at a huge cost to the taxpayer.

To fix this problem, my legislation places the purchases of SUVs weighing more than 6,000 pounds under the same tax deduction cap placed on the purchase of cars. That would end the market distorting incentive that encourages small business people such as accountants, lawyers, and consultants to buy a Hummer when they do not need a Hummer for business purposes.

Let me give you an example. Karl Wizinsky, a health care consultant in Michigan, bought a $47,000 Ford Excursion earlier this year and was able to write off $32,000 of the purchase price as a business expense. He was not even thinking about buying a new car until he heard about the deduction. In the December 18, 2002 Detroit News article, he said ''We really did it, bought the SUV, because it is a pretty hefty deduction.'' Now, a health care consultant may need to carry medical samples around town but he certainly does not need a 6,000 pound, extra-large SUV to do it and we should not be subsidizing that purchase. The group ''Taxpayers for Common Sense'' estimates that the SUV tax loophole costs government between $840 million and $987 million for every 100,000 SUVs over 6,000 pounds sold to business.

I propose to fix the problem by including extra-large SUVs under the same deduction cap we have in place for cars. In order to ensure that farmers and small business owners can still get the tax credit to purchase trucks for hauling or vans for transporting products, I have carved out SUVs very carefully. The bill specifically allows the larger deduction for any vehicle which: No. 1. does not have the primary load carrying device or container attached; No. 2. has a seating capacity of more than 12 people; No. 3. is designed for more than 9 persons in seating rearward of the driver's seat; No. 4. is equipped with an open cargo area, for example a pick-up truck or box bed, of 72 inches in interior length or more; or No. 5. has an integral enclosure, fully enclosing the driver compartment and load carrying device and having no body section protruding more than 30 inches ahead of the leading edge of the windshield. This will allow the larger deduction to continue to be taken for the purchase of vehicles that small businesses and farmers truly need, including pick-up trucks and cargo vans.

I know that Congress never intended for the SUV tax loophole to exist, and I look forward to working with my colleagues to close it.

By Mr. MCCAIN:

S. 267. A bill to amend the Internal Revenue Code of 1986 to provide for a deferral of tax on gain from the sale of telecommunications businesses in specific circumstances or a tax credit and other incentives to promote diversity of ownership in telecommunications businesses; to the Committee on Finance.

Mr. MCCAIN. Mr. President, today I am introducing the Telecommunications Ownership Diversity Act of 2003. This legislation is designed to ensure that more Americans have an opportunity to provide their distinct voices in today's telecommunications marketplace. In addition to providing competition by certain small businesses, this bill would encourage ownership by individuals who are currently underrepresented in the ownership of telecommunications companies, including minorities and women, by making carefully crafted changes in the tax code.

The bill would institute market-based, voluntary measures designed to achieve this goal. It would provide sellers of telecommunications assets a tax deferral when those assets are bought for cash by certain small businesses. It would also provide investors an incentive to consider certain small businesses by providing a reduction in the tax on gains from investment in these companies.

Today, transactions in the telecommunications industry are routinely valued in the billions of dollars. Even radio, which has traditionally been a comparatively easier telecom segment to enter, has been priced out of the range of most would-be entrants. Given the significant cost of participating in this industry, the limited club of media and other telecommunications owners may not always include certain small businesses.

This morning, I chaired a hearing in the Committee on Commerce, Science, and Transportation on media ownership. We heard of the difficulties small minority-owned businesses experience when trying to raise the capital necessary to enter this business. Minorities are woefully underrepresented in the ownership of commercial broadcast facilities. As of December 2000, minorities owned an estimated 3.8 percent of these facilities in the United States, despite representing an estimated 29 percent of the total United States population. The bill does not mandate ownership levels by any specific group. But it does ensure that certain small businesses are on equal footing with large companies. We should ensure that the American media landscape includes opportunities for these voices to be heard.

Too often today, new entrants and small businesses lose out on opportunities to purchase telecom assets because they don't offer sellers the same tax treatment as their larger competitors. A small purchaser's cash offer triggers tax liability, while a larger purchaser's stock offer may be accepted effectively tax-free. When an entity chooses to sell a telecom business, our tax laws should not make one bidder more attractive than another.

The goal of viewpoint diversity has been at the center of recent debate over media ownership rules. While it is important to discuss the relative merits of ownership restrictions, we must also consider market-based, voluntary methods of facilitating entry and diversity of ownership. And that's what this legislation would do.

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

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

S. 267

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Telecommunications Ownership Diversification Act of 2003''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) Current trends in the telecommunications industry show that there is increasing convergence among various media, including broadcasting, cable television, and Internet-based businesses, that provide news, information, and entertainment.

(2) This convergence will continue, and therefore, diversifying the ownership of telecommunications facilities remains a preeminent public interest concern that should be reflected in both telecommunications and tax policy.

(3) A market-based, voluntary system of investment incentives is an effective, lawful, and economically sound means of facilitating entry and diversification of ownership in the telecommunications industry.

(4) Opportunities for new entrants to participate and grow in the telecommunications industry have substantially decreased since the end of the Federal Communications

Commission's tax certificate policy in 1995, particularly in light of the availability of tax-free like-kind exchanges, despite the most robust period of transfers of radio and television stations in history. During this time, businesses owned or controlled by socially disadvantaged individuals, including, but not limited to, members of minority groups and women, have continued to be underrepresented as owners of telecommunications facilities.

(5) Businesses owned or controlled by socially disadvantaged individuals are, and historically have been, economically disadvantaged in the telecommunications industry. For these businesses, access to and cost of capital are and have been substantial obstacles to new entry and growth. Consequently, diversification of ownership in the telecommunications industry has been limited.

(6) Telecommunications facilities owned by new entrants may not be attractive to investors because their start-up costs are often high, their revenue streams are uncertain, and their profit margins are unknown.

(7) It is consistent with the public interest and with the pro-competition policies of the Telecommunications Act of 1996 to provide incentives that will facilitate investments in, and acquisition of, telecommunications facilities by economically and socially disadvantaged businesses, thereby diversifying the ownership of telecommunications facilities.

(8) Increased participation by economically and socially disadvantaged businesses in the ownership of telecommunications facilities will enhance competition in the telecommunications industry. Permitting sellers of telecommunications facilities to defer taxation of gains from transactions involving economically and socially disadvantaged businesses, or certain small businesses supported by investments from the Telecommunications Development Fund that provides capital for such businesses, will further the development of a competitive and diverse United States telecommunications industry without governmental intrusion in private investment decisions.

(9) The public interest would not be served by attempts to diversify the ownership of telecommunications businesses through any approach that would involve the use of mandated set-asides or quotas.

(10) Today, the telecommunications industry is struggling to survive one of its most troubling times. Therefore, facilitating voluntary, pro-competitive transactions that will promote ownership of telecommunications facilities by economically and socially disadvantaged businesses and certain small businesses will aid in providing the investment and capital that is crucial to this sector.

(b) PURPOSE.—The purpose of this Act is to facilitate voluntary, pro-competitive transactions that will promote ownership of telecommunications facilities by economically and socially disadvantaged businesses and certain small businesses.

SEC. 3. NONRECOGNITION OF GAIN ON CERTAIN QUALIFIED SALES OF TELECOMMUNICATIONS BUSINESSES.

(a) IN GENERAL.—Subchapter O of chapter 1 of the Internal Revenue Code of 1986 (relating to gain or loss on disposition of property) is amended by inserting after part IV the following new part:

"PART V—CERTAIN SALES OF TELECOMMUNICATIONS BUSINESSES

"Sec. 1071. Nonrecognition of gain on certain sales of telecommunications businesses.

"SEC. 1071. NONRECOGNITION OF GAIN ON CERTAIN SALES OF TELECOMMUNICATIONS BUSINESSES.

"(a) IN GENERAL.—For purposes of this subtitle, if a taxpayer elects the application of this section to a qualified telecommunications sale, such sale shall be treated as an involuntary conversion of property within the meaning of section 1033.

"(b) LIMITATION ON AMOUNT OF GAIN ON WHICH TAX MAY BE DEFERRED.—

"(1) IN GENERAL.—The amount of gain on any qualified telecommunications sale which is not recognized by reason of this section—

"(A) shall not exceed $250,000,000 per sale, and

"(B) shall not exceed ⅓ of such dollar amount per taxable year.

"(2) CARRYFORWARDS OF UNUSED AMOUNTS.—If the amount of gain on any qualified telecommunications sale which is not recognized by reason of this section exceeds the limitation imposed by paragraph (1)(B) for the taxable year, such excess shall be carried to the succeeding taxable year and added to the amount allowable under this section for such taxable year.

"(c) QUALIFIED TELECOMMUNICATIONS SALE.—For purposes of this section, the term 'qualified telecommunications sale' means any sale to an eligible purchaser of—

"(1) the assets of a telecommunications business, or

"(2) stock in a corporation if, immediately after such sale—

"(A) the eligible purchaser controls (within the meaning of section 368(c)) such corporation, and

"(B) substantially all of the assets of such corporation are assets of 1 or more telecommunications businesses, or

"(3) an interest in a partnership if, immediately after such sale—

"(A) the eligible purchaser owns a partnership interest possessing—

"(i) at least 80 percent of the total combined voting power of all classes of partnership interests entitled to vote,

"(ii) control over the management of the partnership,

"(iii) at least 80 percent of the capital interests of the partnership, and

"(iv) a distributive share of at least 80 percent of each item of the partnership's income, gain, loss, deduction or credit, and

"(B) substantially all of the assets of such partnership are assets of 1 or more telecommunications businesses.

"(d) SPECIAL RULES.—

"(1) IN GENERAL.—In applying section 1033 for purposes of subsection (a), stock of a corporation or an interest in a partnership operating a telecommunications business, whether or not representing control of such corporation or partnership, shall be treated as property similar or related in service or use to the property sold in the qualified telecommunications sale.

"(2) ELECTION TO REDUCE BASIS RATHER THAN RECOGNIZE REMAINDER OF GAIN.—If—

"(A) a taxpayer elects the treatment under subsection (a) with respect to any qualified telecommunications sale, and

"(B) an amount of gain would (but for this paragraph) be recognized on such sale under section 1033(a)(2)(A) in excess of the amount required to be recognized by reason of subsection (b),

then the amount of gain described in this subparagraph shall not be recognized to the extent that the taxpayer elects to reduce the basis of depreciable property (within the meaning of section 1017(b)(3)) held by the taxpayer immediately after the sale or acquired in the same taxable year. The manner and amount of such reduction shall be determined under regulations prescribed by the Secretary.

"(3) BASIS.—For basis of property acquired on a sale or exchange treated as an involuntary conversion under subsection (a), see section 1033(b).

"(e) RECAPTURE OF TAX BENEFIT IF TELECOMMUNICATIONS BUSINESS RESOLD WITHIN 3 YEARS, ETC.—

"(1) IN GENERAL.—If, within 3 years after the date of any qualified telecommunications sale, there is a recapture event with respect to the property involved in such sale, then the purchaser's tax imposed by this chapter for the taxable year in which such event occurs shall be increased by an amount equal to the product of—

"(A) the highest marginal rate of income tax imposed on corporations under section 11, and

"(B) the lesser of—

"(i) the consideration furnished by the purchaser in such sale, or

"(ii) the dollar amount specified in subsection (b)(1)(A).

"(2) EXCEPTION FOR REINVESTED AMOUNTS.—Paragraph (1) shall not apply to any recapture event which is a sale if—

"(A) the sale is a qualified telecommunications sale, or

"(B) during the 60-day period beginning on the date of such sale, the taxpayer is the purchaser in another qualified telecommunications sale in which the consideration furnished by the taxpayer is not less than the amount realized on the recapture event sale.

"(3) RECAPTURE EVENT.—For purposes of this subsection, the term 'recapture event' means, with respect to any qualified telecommunications sale—

"(A) any sale or other disposition of the assets, stock, or partnership interest referred to in subsection (c) which were acquired by the taxpayer in such sale, and

"(B) in the case of a qualified telecommunications sale described in paragraph (2) or (3) of subsection (c)—

"(i) any sale or other disposition of a telecommunications business by the corporation or partnership referred to in such subsection, or

"(ii) any other transaction which results in the eligible purchaser ceasing to be an eligible purchaser, or ceasing to have control (as defined in subsection (c)(2)(A)) of such corporation or ownership of an interest in such partnership sufficient to satisfy the requirements of subsection (c)(3)(A).

"(f) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ELIGIBLE PURCHASER.—The term 'eligible purchaser' means—

"(A) any economically and socially disadvantaged business, or

"(B) any corporation or partnership if immediately following the purchase—

"(i) substantially all the assets of such corporation or partnership are assets of 1 or more telecommunications businesses, and

"(ii) the Telecommunications Development Fund established under section 714 of the Communications Act of 1934 (47 U.S.C. 614) or any wholly-owned affiliate of such Fund owns at least 5 percent of—

"(I) the stock in such corporation,

"(II) the partnership interest in such partnership, or

"(III) the indebtedness convertible into such stock or partnership interest.

"(2) ECONOMICALLY AND SOCIALLY DISADVANTAGED BUSINESS.—The term 'economically and socially disadvantaged business' means a person which is designated by the Secretary as an economically and socially disadvantaged business based on a determination that such person—

"(A) meets the control requirements of paragraph (6),

''(B) will be a telecommunications business after the purchase for which the eligibility determination is sought, and

''(C) before the purchase for which the eligibility determination is sought does not have—

''(i) attributable ownership interest in television broadcast stations having an aggregate national audience reach of more than 5 percent as defined by the Federal Communications Commission under section 73.3555(e)(2)(i) of title 47 of the Code of Federal Regulations as in effect on January 1, 2001,

''(ii) attributable ownership interest in—

''(I) more than 50 radio stations nationally, and

''(II) radio stations with a combined market share exceeding 10 percent of radio advertising revenues in the relevant market as defined by the Federal Communications Commission, or

''(iii) attributable ownership interest in any other telecommunications business having more than 5 percent of national subscribers of their respective service.

''(3) RELEVANT MARKET.—The term 'relevant market' means the local radio market served by the radio station or stations being purchased.

''(4) TELECOMMUNICATIONS BUSINESS.—The term 'telecommunications business' means a business which, as its primary purpose, engages in electronic communications and is regulated by the Federal Communications Commission pursuant to the Communications Act of 1934, including a cable system (as defined in section 602(7) of such Act (47 U.S.C. 522(7))), a radio station (as defined in section 3(35) of such Act (47 U.S.C. 153(35))), a broadcasting station providing television service (as defined in section 3(49) of such Act (47 U.S.C. 153(49))), a provider of direct broadcast satellite service (as defined in section 335(b)(5)(A) of such Act (47 U.S.C. 335(b)(5)(A))), a provider of video programming (as defined in section 602(20) of such Act (47 U.S.C. 522(20))), a provider of commercial mobile services (as defined in section 332(d)(1) of such Act (47 U.S.C. 332(d)(1))), a telecommunications carrier (as defined in section 3(44) of such Act (47 U.S.C. 153(44))), a provider of fixed satellite service, a reseller of the communications service or commercial mobile service, or a provider of multichannel multipoint distribution service.

''(5) PURCHASE.—A taxpayer shall be considered to have purchased a property if, but for subsection (d)(2) and the application of section 1033(b), the basis of the property would be its cost within the meaning of section 1012.

''(6) CONTROL.—

''(A) INDIVIDUALS.—For purposes of paragraph (2)(A), an individual who meets the requirements of paragraph (7) also meets the requirements of this paragraph.

''(B) ENTITIES.—For purposes of paragraph (2)(A), an entity meets the requirement of this paragraph if the requirements of subparagraphs (C), (D), or (E) are satisfied.

''(C) 30-PERCENT TEST.—The requirements of this subparagraph are satisfied if—

''(i) with respect to any entity which is a corporation, individuals who meet the requirements of paragraph (7) collectively own at least 30 percent in value of the outstanding stock of the corporation, and more than 50 percent of the total combined voting power of all classes of stock entitled to vote of the corporation, and

''(ii) with respect to any entity which is a partnership, individuals who meet the requirements of paragraph (7) collectively own at least 30 percent of the capital interests in the partnership, a distributive share of at least 30 percent of each item of the partnership's income, gain, loss, deduction, or credit, more than 50 percent of the total combined voting power of all partnership interests entitled to vote, and control over the management of the partnership.

''(D) 15-PERCENT TEST.—The requirements of this subparagraph are satisfied if—

''(i) with respect to any entity which is a corporation—

''(I) individuals who meet the requirements of paragraph (7) collectively own at least 15 percent in value of the outstanding stock of the corporation, and more than 50 percent of the total combined voting power of all classes of stock entitled to vote of the corporation, and

''(II) no other person owns more than 25 percent in value of the outstanding stock of the corporation, and

''(ii) with respect to any entity which is a partnership—

''(I) individuals who meet the requirements of paragraph (7) collectively own at least 15 percent of the capital interests in the partnership, a distributive share of at least 15 percent of each item of the partnership's income, gain, loss, deduction, or credit, more than 50 percent of the total combined voting power of all classes of partnership interests entitled to vote, and control over the management of the partnership, and

''(II) no other person owns more than 25 percent of the capital interests and profits interests in the partnership or a distributive share of more than 25 percent of any item of the partnership's income, gain, loss, deduction, or credit.

''(E) PUBLICLY-TRADED CORPORATION TEST.—The requirements of this subparagraph are satisfied if, with respect to a corporation the securities of which are traded on an established securities market, individuals who meet the requirements of paragraph (7) collectively own more than 50 percent of the total combined voting power of all classes of stock entitled to vote of the corporation.

''(F) RESTRICTIONS ON AGREEMENTS CONCERNING VOTING OF STOCK OR PARTNERSHIP INTERESTS.—For purposes of satisfying the requirements of subparagraph (C), (D), or (E), the stock or partnership interest relied upon to establish compliance shall not be subject to any agreement, arrangement, or understanding which provides for, or relates to, the voting of the stock or partnership interest in any manner by, or at the direction of, any person other than an eligible individual who meets the requirements of paragraph (7), or the right of any person other than 1 of those individuals to acquire the voting power through purchase of shares, partnership interests, or otherwise.

''(G) CONSTRUCTIVE OWNERSHIP.—In applying subparagraphs (C), (D), (E), and (F), the constructive ownership rules of section 318 shall apply, but only if the interests for which constructive ownership is claimed are not owned, directly or indirectly, by individuals who do not meet the requirements of paragraph (7).

''(7) INDIVIDUALS.—An individual meets the requirements of this paragraph if such individual is—

''(A) a United States citizen, and

''(B) a member of an economically or socially disadvantaged class determined by the Secretary to be underrepresented in the ownership of the relevant telecommunications business.''.

(b) CONFORMING AMENDMENTS.—

(1) Sections 1245(b)(5) and 1250(d)(5) of the Internal Revenue Code of 1986 are each amended—

(A) by inserting ''section 1071 (relating to certain sales of telecommunications businesses) or'' before section 1081'', and

(B) by inserting ''AND 1071'' before ''1081'' in the heading thereof.

(2) The table of parts for subchapter O of chapter 1 of such Code is amended by inserting after the item relating to part IV the following new item:

''Part V. Certain sales of telecommunications businesses.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to elections made with respect to any sale on or after the date of the enactment of this Act.

SEC. 4. TELECOMMUNICATIONS BUSINESS CREDIT.

(a) IN GENERAL.—Subpart E of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to rules for computing investment credit) is amended by inserting after section 48 the following new section:

''SEC. 48A. TELECOMMUNICATIONS BUSINESS CREDIT.

''For purposes of section 46, there is allowed as a credit against the tax imposed by this chapter for any taxable year an amount equal to 10 percent of the taxable income of any taxpayer which at all times during such taxable year—

''(1) is a local exchange carrier (as defined in section 3(26) of the Communications Act of 1934 (47 U.S.C. 153(26))),

''(2) is not a Bell operating company (as defined in section 3(4) of such Act (47 U.S.C. 153(4))), and

''(3) is headquartered in an area designated as an empowerment zone by the Secretary of Housing and Urban Development.''.

(b) TRANSITIONAL RULE.—Section 39(d) of the Internal Revenue Code of 1986 (relating to transitional rules) is amended by adding at the end the following new paragraph:

''(11) NO CARRYBACK OF SECTION 48A CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the telecommunications business credit determined under section 48A may be carried back to a taxable year ending on or before the date of the enactment of section 48A.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 46 of the Internal Revenue Code of 1986 (relating to amount of credit) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by adding at the end the following new paragraph:

''(4) the telecommunications business credit.''.

(2) The table of sections for subpart E of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 48 the following new item:

''48A. Telecommunications business credit.''.

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

SEC. 5. EXCLUSION OF 50 PERCENT OF GAIN.

(a) IN GENERAL.—Section 1202 of the Internal Revenue Code of 1986 (relating to partial exclusion for gain from certain small business stock) is amended—

(1) by adding at the end of subsection (a) the following new paragraph:

''(3) CERTAIN TELECOMMUNICATIONS INVESTMENTS BY CORPORATIONS AND INVESTMENT COMPANIES.—Gross income shall not include 50 percent of any gain from the sale or exchange of stock in an eligible purchaser (as defined in section 1071(f)(1)), engaged in a telecommunications business (as defined in section 1071(f)(4)) held for more than 5 years.'',

(2) by striking subparagraphs (A) and (B) of subsection (b)(1) and inserting the following new subparagraphs:

''(A) in the case of gain from the sale or exchange of qualified small business stock held for more than 5 years—

''(i) $10,000,000 reduced by the aggregate amount of eligible gain taken into account by the taxpayer under subsection (a) for prior taxable years attributable to dispositions of stock issued by such corporation, or

''(ii) 10 times the aggregate adjusted bases of qualified small business stock issued by such corporation and disposed of by the taxpayer during the taxable year, and

''(B) in the case of gain from the sale or exchange of stock in an eligible purchaser engaged in a telecommunications business for more than 5 years—

''(i) $20,000,000 reduced by the aggregate amount of eligible gain taken into account by the taxpayer under subsection (a) for prior taxable years attributable to dispositions of stock issued by an eligible purchaser engaged in a telecommunications business, or

''(ii) 15 times the aggregate adjusted bases of stock of an eligible purchaser engaged in a telecommunications business issued by such eligible purchaser and disposed of by the taxpayer during the taxable year.'',

(3) by striking ''subparagraph (B)'' in the last sentence of subsection (b)(1) and inserting ''subparagraphs (A)(ii) and (B)(ii)'',

(4) by striking ''years.'' in subsection (b)(2) and inserting ''years or any gain from the sale or exchange of stock in an eligible purchaser engaged in a telecommunications business held for more than 5 years.'', and

(5) by striking the period at the end of subsection (b)(3)(A) and inserting '', and paragraph (1)(B) shall be applied by substituting '$10,000,000' for '$20,000,000'.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales on or after the date of the enactment of this Act.

SEC. 6. TECHNICAL AND CONFORMING AMENDMENTS; REGULATIONS.

(a) TECHNICAL AND CONFORMING AMENDMENTS.—The Secretary of the Treasury shall, not later than 150 days after the date of the enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, a draft of any technical and conforming amendments of the Internal Revenue Code of 1986 which are necessary to reflect throughout such Code the amendments made by this Act.

(b) REGULATIONS.—The Secretary of the Treasury, in consultation with the Federal Communications Commission, shall promulgate regulations to implement the amendments made by this Act not later than 90 days after the date of the enactment of this Act. The regulations shall provide for the determination by the Secretary of the Treasury as to whether an applicant is an ''eligible purchaser'' as defined in section 1071(f) of the Internal Revenue Code of 1986 (as added by section 3(a)). The regulations shall further provide that such determinations of eligibility shall be made not later than 45 calendar days after an application is filed with the Secretary of the Treasury. The regulations implementing section 1071(f)(7) of such Code (as added by section 3) shall be updated on an ongoing basis not less frequently than every 5 years.

SEC. 7. BIENNIAL PROGRAM AUDITS BY GAO.

Not later than January 1, 2005, and not later than 2 years thereafter, the Comptroller General of the United States shall audit the administration of the sections of the Internal Revenue Code of 1986 added or amended by this Act, and issue a report on the results of that audit. The Comptroller General shall include in the report, notwithstanding any provision of section 6103 of the Internal Revenue Code of 1986 to the contrary—

(1) a list of eligible purchasers (as defined in section 1071(f)(1) of such Code) and any other taxpayer receiving a benefit from the operation of section 48A or 1202 of such Code as such section was added or amended by this Act, and

(2) an assessment of the effect the amendments made by this Act have on increasing new entry and growth in the telecommunications industry by economically and socially disadvantaged businesses, and the effect of this Act on enhancing the competitiveness of the telecommunications industry.

By Mr. VOINOVICH (for himself and Mr. DEWINE):

S. 268. A bill to authorize the Pyramid of Remembrance Foundation to establish a memorial in the District of Columbia and its environs to honor members of the Armed Forces of the United States who have lost their lives during peacekeeping operations, humanitarian efforts, training, terrorist attacks, or covert operations; to the Committee on Energy and Natural Resources.

Mr. VOINOVICH. Mr. President, it will be ten years ago this October that Americans watched in horror as a U.S. humanitarian effort went terribly askew. As frightening pictures from U.S. troops in Somalia came back to the Untied States, a group of students at Riverside High School in Painesville, OH watched in shock as a U.S. soldier was dragged through the streets of Mogadishu. These students, concerned with the lack of a memorial in our Nation's Capital to honor members of our armed forces who lost their lives during peacekeeping missions such as the one in Somalia, felt compelled to take action.

The motivation and vision of these young people propelled them to spearhead a campaign to establish a Pyramid of Remembrance in Washington, DC, which would honor U.S. service men and women who have lost their lives during peacekeeping operations, humanitarian efforts, training, terrorist attacks, or covert operations. The student not only proposed the memorial, they created a private nonprofit foundation to raise the money to construct it. Along with the support of their community, who provided legal counsel for the students and private donations to help fund the project, their hard work and dedication has facilitated a Pyramid of Remembrance which would be built at little or no cost to the taxpayer.

In April 2001, the National Capital Memorial Commission, charged with overseeing monument construction in Washington, DC, held hearings about the proposed Pyramid of Remembrance. The Commission recommended that the memorial be constructed on Defense Department land, possibly at Fort McNair. The commissioners also noted that such a memorial would indeed fill a void in our Nation's military monuments.

On May 6, 1999, I spoke on the Senate floor in honor of two brave American soldiers, Chief Warrant Officer Kevin L. Reichert and Chief Warrant Officer David A. Gibbs, who lost their lives when their Apache helicopter crashed into the Albanian mountains during a routine training exercise on May 5, 1999, as U.S. troops joined with our NATO allies in a military campaign against Slobodan Milosevic. As I remarked at the time, the United States owes Kevin, David and so many other service members a debt of gratitude that we will never be able to repay, for they have paid the ultimate sacrifice. As the Bible says in John, chapter 15:13, ''Greater love has no man than this, that a man lay down his life for his friends.''

We must also remember and honor the lives of brave men and women who have lost their lives while defending our freedom during the global campaign against terrorism. Tragically, ten service members, including three men from the State of Ohio, lost their lives on February 21, 2002, when a CH–47 Chinook helicopter crashed in the Philippines. They are Army Captain Bartt Owens of Franklin, OH; Army Chief Warrant Officer Jody Egnor of Middletown, OH; and Air Force Master Sgt. William McDaniel of Fort Jefferson, OH. As our Nation continues to engage in the war against terror, we must not forget the sacrifice that these men have made for their country and the freedom of all Americans.

The patriotism, dedication, and vision of the students at Riverside High School are commendable. I support and applaud the work they have done to make the Pyramid of Remembrance a reality and I believe it is our duty to honor American men and women in uniform who have lost their lives while serving their country, whether in peacetime or during war.

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

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

S. 268

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

SECTION 1. ARMED FORCES MEMORIAL.

(a) DEFINITIONS.—In this section:

(1) MAP.—The term ''map'' means the map referred to in section 8902(a)(3) of title 40, United States Code.

(2) MEMORIAL.—The term ''memorial'' means the memorial authorized to be established under subsection (b)(1).

(b) AUTHORITY TO ESTABLISH MEMORIAL.—

(1) IN GENERAL.—The Pyramid of Remembrance Foundation may establish a memorial on Federal land in the area depicted on the map as ''Area II'' to honor members of the Armed Forces of the United States who have lost their lives during peacekeeping operations, humanitarian efforts, training, terrorist attacks, or covert operations.

(2) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the establishment of the memorial shall be in accordance with chapter 89 of title 40, United States Code.

(B) EXCEPTION.—Subsections (b) and (c) of section 8903 of title 40, United States Code, shall not apply to the establishment of the memorial.

(c) FUNDS FOR MEMORIAL.—

(1) USE OF FEDERAL FUNDS PROHIBITED.—Except as provided by chapter 89 of title 40, United States Code, no Federal funds may be used to pay any expense incurred from the establishment of the memorial.

(2) DEPOSIT OF EXCESS FUNDS.—The Pyramid of Remembrance Foundation shall transmit to the Secretary of the Treasury for deposit in the account provided for in section 8906(b)(1) of title 40, United States Code—

(A) any funds that remain after payment of all expenses incurred from the establishment of the memorial (including payment of the amount for maintenance and preservation required under section 8906(b) of title 40, United States Code); or

(B) any funds that remain on expiration of the authority for the memorial under section 8903(e) of title 40, United States Code.

By Mr. JEFFORDS (for himself, Mr. ENSIGN, Mr. WYDEN, Mr. LEVIN, and Mr. SMITH):

S. 269. A bill to amend the Lacey Act Amendments of 1981 to further the conservation of certain wildlife species; to the Committee on Environment and Public Works.

Mr. JEFFORDS. Mr. President, I rise today to introduce the Captive Wildlife Safety Act, a firm commitment to protect public safety and the welfare of wild cats that are increasingly being kept as pets. I am joined by Senator ENSIGN of Nevada, Senator WYDEN of Oregon and Senator LEVIN of Michigan as original co-sponsors of this legislation.

This bill amends the Lacy Act Amendment of 1981 to bar the interstate and foreign commerce of carnivorous wild cats, including lions, tigers, leopards, cheetahs, and cougars. The legislation would not ban all private ownership of these prohibited species, but would outlaw the commerce of these animals for use as pets.

Current figures estimate that there are more than 5,000 tigers in captivity in the United States. In fact, there are more tigers in captivity in the United States than there are in native habitats throughout the range in Asia. While some tigers are kept in zoos, most of these animals are kept as pets, living in cages behind someone's house, in a State that does not restrict private ownership of dangerous animals.

Tigers are not the only animals sought as exotic pets. Today there are more than 1,000 web sites that specialize in the trade of lions, cougars, and leopards to promote them as domestic pets.

Untrained owners are not capable of meeting the needs of these animals. Local veterinarians, animal shelters, and local governments are ill equipped to meet the challenge of providing for their proper care. If they are to be kept in captivity, these animals must be cared for by trained professionals who can meet their behavioral, nutrition, and physical needs.

People who live near these animals are also in real danger. These cats are large and powerful animals, capable of injuring or killing innocent people. There are countless stories of many unfortunate and unnecessary incidents where dangerous exotic cats have endangered public safety. Last year in Lexington, TX, a three-year-old boy was killed by his stepfather's pet tiger. In Loxahatchee, FL, a 58 year-old woman was bitten on the head by a 750 pound Siberian-Bengal Tiger being kept as a pet, and in Quitman, AR, four 600 to 800 pound tigers escaped from a ''private safari''. Parents living nearby sat in their front yards with high-powered rifles, guarding their children at play, frightened that the wild tigers might attack them.

This is a balanced approach that preserves the rights of those already regulated by the Department of Agriculture under the Animal Welfare Act such as circuses, zoos, and research facilities. This Act specifically targets unregulated and untrained individuals who are maintaining these wild cats as exotic pets.

The Captive Wildlife Safety Act represents an emerging consensus on the need for comprehensive federal legislation to regulate what animals can be kept as pets. The United States Department of Agriculture states, ''Large wild and exotic cats such as lions, tigers, cougars, and leopards are dangerous animals . . . Because of these animals' potential to kill or severely injure both people and other animals, an untrained person should not keep them as pets. Doing so poses serious risks to family, friends, neighbors, and the general public. Even an animal that can be friendly and lovable can be very dangerous.''

The American Veterinary Medical Association also ''strongly opposes the keeping of wild carnivore species of animals as pets and believes that all commercial traffic of these animals for such purpose should be prohibited.''

This bill preserves those local regulations already in existence. Full bans are already in place in 12 States and partial bans have been enacted in 7 States. I sincerely hope that grass roots organizations continue to encourage State and local governments to ban the private ownership of exotic cats.

The Captive Wildlife Safety Act is supported by the Association of Zoos and Aquariums, the Humane Society of the United States, the Funds for Animals, and the International Fund for Animal Welfare.

No one should be endangered by those who cannot properly keep these animals. Exotic cats in captivity should be able to live humanely and healthfully.

I ask my colleagues to support this legislation and look forward to working with our partners in the House to enact the Captive Wildlife Safety Act.

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

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

S. 269

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Captive Wildlife Safety Act''.

SEC. 2. DEFINITION OF PROHIBITED WILDLIFE SPECIES.

Section 2 of the Lacey Act Amendments of 1981 (16 U.S.C. 3371) is amended—

(1) by redesignating subsections (g) through (j) as subsections (h) through (k), respectively; and

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

''(k) PROHIBITED WILDLIFE SPECIES.—The term 'prohibited wildlife species' means any live lion, tiger, leopard, cheetah, jaguar, or cougar.''.

SEC. 3. PROHIBITED ACTS.

(a) IN GENERAL.—Section 3 of the Lacey Act Amendments of 1981 (16 U.S.C. 3372) is amended—

(1) in subsection (a)—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking '', or'' at the end and inserting a semicolon;

(ii) in subparagraph (B), by inserting ''or'' after the semicolon at the end; and

(iii) by adding at the end the following:

''(C) any prohibited wildlife species (subject to subsection (e));'';

(B) in paragraph (3)(B), by inserting ''or'' after the semicolon at the end; and

(C) in paragraph (4), by striking ''paragraphs (1) through (4)'' and inserting ''paragraphs (1) through (3)''; and

(2) by adding at the end the following:

''(e) NONAPPLICABILITY OF PROHIBITED WILDLIFE SPECIES OFFENSE.—

''(1) IN GENERAL.—Subsection (a)(2)(C) does not apply to—

''(A) any zoo, circus, research facility licensed or registered and inspected by a Federal agency, or aquarium;

''(B) any person accredited by the Association of Sanctuaries or the American Sanctuary Association;

''(C) any State college, university, or agency, State-licensed wildlife rehabilitator, or State-licensed veterinarian;

''(D) any incorporated humane society, animal shelter, or society for the prevention of cruelty to animals;

''(E) any federally-licensed and inspected breeder or dealer that is conducting any breeding or dealing activity with a person referred to in this paragraph; or

''(F) any person having custody of a wild animal solely for the purpose of transporting the animal to a person referred to in this paragraph.

''(2) REGULATIONS.—Not later than 180 days after the date of enactment of this subsection, the Secretary, in consultation with the heads of other relevant Federal agencies, shall promulgate regulations describing the persons or entities to which paragraph (1) applies.

''(3) STATE AUTHORITY.—Nothing in this subsection preempts or supersedes the authority of a State to regulate wildlife species within that State.''.

(b) APPLICATION.—Section 3(a)(2)(C) of the Lacey Act Amendments of 1981 (as added by subsection (a)(1)(A)(iii)) shall apply beginning on the effective date of regulations promulgated under section 3(e)(2) of that Act (as added by subsection (a)(2)).

Mr. ENSIGN. Mr. President, today, I am pleased to be joined by my distinguished colleagues in introducing legislation that addresses the welfare of exotic animals throughout the country. Specifically, this bill prohibits the interstate shipment of exotic animals; namely lions, cheetahs, tigers, jaguars, and leopards. Only zoos, circuses, sanctuaries, universities, licensed breeders and other Federal and State licensed facilities are exempted from this prohibition.

During my days as a practicing veterinarian, I saw firsthand exotic animals mistreated by owners who were ill-prepared to care for them. All too often, large cats are put in cages that are too small to accommodate their growing needs. Owners often buy a young tiger or cat, paying more attention to their cuddly exterior rather

than the overwhelming responsibility that comes along with raising an animal that will grow into a large, wild, predator.

In my home State of Nevada, there is a burgeoning population of exotic animals being kept as pets. I have been contacted by animal control centers throughout the State that are called to aid in situations where a wild tiger or lion has escaped and run amok. In these situations, not only are the owners and the animal control professionals in danger, so too are children and other neighbors who may be in the wrong place at the wrong time. These animals' instinct is to attack, and they will do so, if given the opportunity. That is why only highly trained individuals who have the know-how and the resources should be able to own exotic animals.

In fact, I am informed that officials in Nye County in my home State, are working to pass a county ordinance that would ban the ownership of exotic animals because of the threat these animals pose to public safety. We have the support and backing of the Humane Society of the United States, the American Veterinary Medical Association, and the American Zoo and Aquarium Association.

This legislation protects the public, but also ensures that the animals receive the best care possible from certified and trained owners. I look forward to having the overwhelming support of my colleagues in the Senate.

By Mr. KENNEDY (for himself, Mr. SMITH, Mr. DASCHLE, Mr. REED, Mr. DURBIN, Mr. SARBANES, Mrs. CLINTON, Ms. CANTWELL, and Mr. ROCKEFELLER):

S. 270. A bill to provide for additional weeks of temporary extended unemployment compensation, to provide for a program of temporary enhanced unemployment benefits, and for other purposes; to the Committee on Finance.

Mr. KENNEDY. Mr. President, Congress took an important step forward for working families earlier this month by providing unemployment benefits for nearly 3 million jobless Americans. These benefits are a lifeline for the millions of workers who have lost their jobs through no fault of their own, but as we all know, there is much more work to be done on this basic issue. One million workers have run out of their State and Federal benefits and remain without jobs. Clearly, these workers deserve our help too.

In fact, there is an additional category of workers who have not even received a dime of unemployment benefits. They paid into the unemployment insurance fund, and they lost their jobs due to the failing economy, but they have been left behind by the outdated eligibility rules in our unemployment laws.

Today, I am introducing the Economic Security Act of 2003 to cover the 1 million who have exhausted their benefits, as well as the nearly 1 million low-wage and part-time workers currently not eligible for unemployment benefits, and to increase benefit levels to help keep families out of poverty during periods of unemployment.

Nationally, only about half of unemployed workers received unemployment benefits last year. This number has dropped precipitously since 1975 when 75 percent of unemployed workers received benefits. This increasingly serious problem is a result of laws implemented in the 1980s to restrict eligibility for the unemployment insurance program. Because of these restrictions, many of the unemployed workers who do not receive benefits today are excluded because they are part-time or low-wage workers.

In all but 12 States, low-wage workers are ineligible for benefits because their most recent earnings are not counted. As a result, many former welfare recipients—success stories who have recently entered the workforce, have now lost their jobs because of the economic down-turn, but they are being denied the unemployment benefits they deserve. Many minimum wage workers, who work hard and play by the rules and have not seen a raise in 6 years, are also left behind. Those low-income workers are now left without a safety net.

In addition, the majority of States do not provide benefits to part-time workers, despite the fact that part-time workers are an essential part of the labor force. They now comprise nearly 20 percent of the workforce. Part-time workers also represent a large share of the unemployed, one in five unemployed workers today were working part-time before they lost their jobs. Women now represent 70 percent of the part-time workforce, compared with 44 percent of full-time workers, and 17.5 percent of part-time workers earn less than $15,000 a year. Despite their significant labor force role, part-time working adults are half as likely as full-time workers to receive unemployment insurance benefits. Nationally, only 12 percent of unemployed part-time workers receive unemployment benefits.

Under the Economic Security Act, the Federal Government will reimburse States for 1 year for the cost of providing unemployment benefits to two categories of workers: 1. Those who would be eligible for regular unemployment compensation if their last completed quarter of earnings is included in their wage record, and 2. those seeking part-time employment.

The bill will also provide Federal funds to states to increase the level of unemployment benefits. Sadly, these benefits today are often not sufficient to meet basic needs such as paying the rent or putting food on the table. In 2000, the average unemployment benefit replaced only 33 percent of workers' lost income, a steep drop from the 46 percent of wages replaced by benefits during the recessions of the 1970's and 1980's. During an economic crisis, unemployed workers have few opportunities to rejoin a declining workforce. They depend on unemployment benefits to live.

Raising benefits will enable these workers to support their families and invest more in the economy. They immediately spend their unemployment insurance benefits in their communities, and that spending will provide a needed, immediate stimulus to the economy. In fact, every dollar spent on unemployment benefits boosts the economy by $2.15.

The Economic Security Act of 2003 will provide Federal reimbursements for states which increase their weekly unemployment checks by the greater of 15 percent or $25 for 1 year. Under this provision, the average recipient will have an extra $135 a month. Unemployed households will use this amount to help pay the rent, buy groceries, keep the family car running, or hire a babysitter during job interview. This boost in unemployment benefits will stimulate the economy and help these laid-off workers support their families while they look for a new job.

State unemployment insurance administrators often fall short of the funds they need to administer benefits efficiently and promptly, and to see that all who are eligible receive their benefits. The Act provides $500 million to State Unemployment offices to offset the administrative expenses associated with implementing the new coverage and benefit changes, and to provide better employment services to workers receiving unemployment compensation.

Congress cannot continue to ignore the plight of millions of Americans hurt by economic forces beyond their control. As we work together to get the economy moving again, we must also work together to see that no one is left behind. We have a responsibility to give help and hope to these deserving Americans by strengthening unemployment insurance to cover all unemployed workers, and I urge my colleagues to give high priority to this needed reform.

By Mr. SMITH (for himself, Mr. CORZINE, Mr. SCHUMER, and Ms. SNOWE):

S. 271. A bill to amend the Internal Revenue Code of 1986 to allow an additional advance refunding of bonds originally issued to finance governmental facilities used for essential governmental functions; to the Committee on Finance.

Mr. SMITH. Mr. President, I rise today to introduce, with my friend and colleague, Senator CORZINE, the ''Municipal Debt Refinancing Act of 2003.'' We are pleased to be joined by Senator SCHUMER and Senator SNOWE in this bipartisan effort. This important legislation will allow States and localities access to low cost capital during this current period of fiscal crisis, allowing cities to take advantage of low interest

rates by permitting an additional advance refunding of most tax-exempt governmental bonds. This bill provides Oregon cities like Portland, Eugene or Salem, all of which issue municipal bonds, with an increased ability to ease some of the budgetary constraints they currently face.

When interest rates fall, homeowners often seek to refinance their mortgages to reduce interest costs. Similarly, State and local governments take advantage of low interest rates by refinancing outstanding high-cost debt. However, unlike homeowners who can usually refinance at any time, municipalities can only redeem existing debt on specific dates, known as call dates. If an issuer would benefit from a refunding transaction but the existing bonds are not currently eligible to be called, the issuer can still refinance by executing an ''advance refunding.'' In this case, the State or local government issues advance refunding bonds and the proceeds of the new bonds are held in reserve to pay the interest and principal on the old bonds until they become callable.

The Federal tax code prohibits tax-exempt bond issuers from advance refunding most bonds more than once. Therefore, if a bond has been advance refunded once and interest rates fall to the point where a State or local government would benefit from an additional advance refunding, the issuer is precluded from taking advantage of the lower rates.

Under current law, bonds originally issued after 1985 may only be advance refunded once. Bonds issued before 1986 may be advance refunded twice. Second, most private activity bonds may not be advance refunded. In the past, Congress has considered amending Section 149 of the Code to allow an additional advance refunding of bonds originally issued to finance governmental facilities used for ''essential government functions''.

''Essential government functions,'' as currently defined in tax regulations, include facilities ''owned by a governmental person and that are available for use by the general public.'' In practice, such an approach would likely encompass most bonds issued to finance facilities owned by State or local governments. One way to limit the revenue cost of this proposal would be to impose a sunset on the expanded advance refunding authority. This would also encourage municipal bond issuers to take advantage of the additional advance refunding more immediately, maximizing the proposal's potential economic simulative effect.

State and local access to capital at the lowest possible cost is critical at this time and vital to Oregon's long-term economic growth. Further, tax-exempt bonds fund a wide variety of capital infrastructure projects such as schools, roads and highways, bridges, water and sewer systems, airports, and parks, among many others. As Oregon faces a fiscal crisis on such a large scale, this advance refunding is an innovative way the federal government can help cities and towns provide vital infrastructure and services for Oregonians. I ask all my colleagues to join Senator CORZINE and me in sponsoring this important legislation that will help municipalities across this Nation.

I ask unanimous consent to have this legislation printed in the RECORD.

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

S. 271

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Municipal Debt Refinancing Act''.

SEC. 2. ADDITIONAL ADVANCE REFUNDINGS OF CERTAIN GOVERNMENTAL BONDS.

(a) IN GENERAL.—Section 149(d)(3)(A)(i) of the Internal Revenue Code of 1986 (relating to advance refundings of other bonds) is amended—

(1) by striking ''or'' at the end of subclause (I),

(2) by adding ''or'' at the end of subclause (II), and

(3) by inserting after subclause (II) the following:

''(III) the 2nd advance refunding of the original bond if the original bond was issued after 1985 or the 3rd advance refunding of the original bond if the original bond was issued before 1986, if, in either case, the refunding bond is issued before the date which is 2 years after the date of the enactment of this subclause and the original bond was issued as part of an issue 90 percent or more of the net proceeds of which were used to finance governmental facilities used for 1 or more essential governmental functions (within the meaning of section 141(c)(2)),''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to refunding bonds issued on or after the date of the enactment of this Act.

By Mr. SANTORUM (for himself, Mr. LIEBERMAN, Mr. GRASSLEY, Mr. BAYH, Mr. HATCH, Ms. LANDRIEU, Mr. SMITH, Mr. NELSON of Florida, Mr. TALENT, Mr. LUGAR, Mr. FRIST, and Mr. MILLER):

S. 272. A bill to provide incentives for charitable contributions by individuals and businesses, to improve the public disclosure of activities of exempt organizations, and to enhance the ability of low income Americans to gain financial security by building assets, and for other purposes; to the Committee on Finance.

Mr. SANTORUM. Mr. President, I want to express support on behalf of The Charity Aid, Recovery and Empowerment, CARE, Act of 2003, which I am introducing today with Senator LIEBERMAN, Finance Committee Chairman GRASSLEY, Senator BAYH, Majority Leader FRIST and other bipartisan cosponsors with the support of President Bush. The CARE Act was introduced in the last Congress and was considered by the Senate Finance Committee but was never debated on the floor of the Senate because of repeated objections to unanimous consent requests to bring up the bill. The time has come to move this important resources package forward to help those in need and to assist those charitable organizations walking alongside them to restore families and communities.

The CARE Act reflects America's renewed spirit of unity, community and responsibility in the wake of the September 11 terrorist attacks and the new challenges that have faced us since then. It is an important legislative package to encourage giving, saving, and fairness which builds on the President's Faith-Based and Community Initiative. This bipartisan consensus bill seeks to harness the potential of charitable organizations in order to better serve the most needy members of our society in partnership with government efforts. A coalition of more than 1,600 national and grassroots charitable organizations helping those in need endorsed nearly similar legislation last year. The bill offers incentives to individuals and corporations to increase charitable giving, rewards low-income citizens who choose to save, and insists on fairness for faith-based organizations by leveling the playing field so that non-governmental organizations involved in charitable activities may compete for government funds to provide social service delivery.

Throughout our country many social entrepreneurs and community healers are making a difference in the lives of those who are struggling and in the neighborhoods and communities seeking to revive themselves in the face of poverty, crime, failing schools, and unemployment. Many of these heroic individuals and organizations are also motivated by faith. For example, more than 75 percent of the food banks across our Nation have a religious affiliation.

The CARE Act attempts to help with the current challenges that charitable organizations are facing and expand the base of private and governmental resources well into the future to better help those in need such as the hungry, the homeless, the addicted, the sick, at-risk children, and the elderly through a variety of tools and resources. The tremendous outpouring of generosity by Americans after September 11 is to be celebrated. Yet the reality is that many needs remain unmet throughout the country as some charitable giving has been redirected and other human needs have increased. Unfortunately, as a result of the tragic events of September 11, a struggling stock market, and the recent recession, numerous charitable organizations have suffered financial losses, in some cases, up to 20 percent or more. The bill seeks to expand the capacity of the voluntary and charitable sectors in this country which is one of the greatest strengths and traditions of our country.

The CARE Act seeks to address these needs through a number of expanded tax incentives. The bill restores a charitable tax deduction for the 84 million

Americans who do not itemize for a maximum deduction of up to $250 for individual taxpayers and $500 for couples for charitable giving beyond a base level of $250 for individuals and $500 couples. To encourage larger donations, IRA holders will also be allowed to make charitable contributions without tax penalties. Corporations and farmers will be offered tax deductions for their donations of food to charity, amounting to $1 billion dollars over 10 years in order to provide more food to the needy rather than letting it go to waste. A deduction is also provided for contributions of books to schools.

The CARE Act also attempts to narrow the gap between the rich and the poor. Through Individual Development Accounts, IDAs, low-income Americans are encouraged to save and build assets and provided training in financial education. These special savings accounts offer matching contributions from the sponsoring bank or community organization reimbursed through a Federal tax credit, on the condition that the proceeds go to buying a home, starting a business or paying for post-secondary education. Low-income Americans are now being given the possibility of sharing in the American dream. The provision would provide for a phased-in 300,000 savings accounts for a national demonstration.

The CARE Act helps small faith and community-based organizations. Through the Compassion Capital Fund, it provides these community healers with additional resources for technical assistance such as enabling incorporation, grant writing and accounting skills. It also allows social service agencies with experience in administering government contracts to play an intermediate role between government agencies and smaller charities. These provisions will help smaller faith-based charities to survive and to grow into viable charitable organizations. The legislation also expands resources through significant increases in the Social Services Block Grant, SSBG, funds of more than $1.2 billion.

Despite the positive advantages of the CARE Act, some are wary of the impact of its provisions. Some critics on the left argue that the provisions violate the Constitution by fusing church and state because preferential treatment is given to religious groups. This is false. Instead, the CARE Act gives religious charitable organizations the opportunity to compete with secular organizations for Federal funding by strengthening the principle of nondiscrimination against faith-based organizations through the codification of basic and commonsense equal treatment protections. The proposed legislation creates a more level playing field for faith-based charities by ensuring that they cannot be discriminated against in applying for government funds because of their religious nature by ensuring the right to maintain religious icons, religious names, religious governance criteria, and religious references in founding documents. The provision also makes clear that the mere fact that a faith-based provider has not previously received government funding does not disqualify them from consideration.

On the other hand, some critics on the right argue that the CARE Act will undermine the religious nature of faith-based organizations by restricting their abilities to promote religious values and by controlling the hiring process. But the moral integrity of faith-based organizations is protected by the Act. Though the question of hiring is not addressed in the bill, current laws will continue to apply, the equal treatment for non-governmental organizations provision in the bill assures that organizations which seek federal funds are not required to remove religious symbols, change their names, or change their governing structures to qualify. Hence, faith-based organizations can still adhere to the values and beliefs that motivate, make them unique, and reflect the diversity of America as they serve those in need. The initiative does not require faith-based organizations to participate with government funds in their efforts to serve those in need, it merely gives them the option if they feel that doing so is consistent with their mission and prevents the government for excluding qualified social services providers merely because they are faith-based in character.

The CARE Act is supported by both Democrats and Republicans. The time has come to get this legislation on the President's desk as he has repeatedly called for. The Senate Majority Leader, TOM DASCHLE, wrote shortly after the bill's introduction last year that ''the CARE Act is not a Republican or Democratic plan. it is a bipartisan proposal that strikes the right balance between harnessing the best forces of faith in our public life without infringing on the First Amendment . . . I look forward to working with President Bush and my congressional colleagues to get this proposal signed into law.''

The time has come for the Senate to pass this important legislation. The Senate Finance Committee will take an important step next week when the legislation is considered in committee. The CARE Act advances our common interest in turning the immense spirit of volunteerism and civic duty in our country toward building strong communities. The Act's ultimate goal is to help those most in need in our society, the poor, the hopeless and the destitute. I thank my colleagues for their support and the many generous Americans working to transform lives and improve communities for the difference that they make each day.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 35—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. SHELBY submitted the following resolution; from the Committee on Banking, Housing, and Urban Affairs; which was referred to the Committee on Rules and Administration:

S. RES. 35

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 2003 through September 30, 2003; October 1, 2003, though September 30, 2004; and October 1, 2004, through February 28, 2005, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department of agency concerned and the Committee on Rules and Administration, to use on a reimbursable or nonreimbursable basis the services of personnel of any such department or agency.

SEC. 2. (a) The expenses of the committee for the period March 1, 2003, through September 30, 2003, under this resolution shall not exceed $2,979,871 of which amount (1) not to exceed $11,667 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $496 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period of October 1, 2003, through September 30, 2004, expenses of the committee under this resolution shall not exceed $5,244,760 of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $850 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(c) For the period of October 1, 2004, through February 28, 2005, expenses of the committee under this resolution shall not exceed $2,235,697 of which amount (1) not to exceed $8,333 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $354 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 2005.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee,