(1) in paragraph (1), by inserting ''or'' after the semicolon;

(2) in paragraph (2), by striking ''; or'' and inserting a period; and

(3) by striking paragraph (3).

(i) APPLICATIONS FOR BYRNE GRANTS.—Section 502 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3752) is amended in the matter preceding paragraph (1), by striking ''90 days'' and inserting ''120 days''.

(j) MATCHING GRANT PROGRAM FOR SCHOOL SECURITY.—Part AA of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797a et seq.) is amended—

(1) in section 2701(a), by striking ''The Attorney General, acting through the Office of Community Oriented Policing Services,'' and inserting ''The Director of the Office of Community Oriented Policing Services (in this section referred to as the 'Director')''; and

(2) by striking ''Attorney General'' each place such term appears and inserting ''Director''.

(k) FUNDING.—Section 1101 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162) is amended—

(1) in paragraph (8), by striking ''$800,255,000'' and inserting ''$809,372,000'';

(2) in paragraph (11), by striking ''$923,613,000'' and inserting ''$935,817,000'';

(3) in paragraph (12), by striking ''$8,000,000'' and inserting ''$10,000,000''; and

(4) in paragraph (14), by striking ''$1,270,000'' and inserting ''$1,303,000''.

(l) DRUG COURTS TECHNICAL ASSISTANCE AND TRAINING.—Section 2957(b) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797u–6(b)) is amended by striking ''Community Capacity Development Office'' each place such term appears and inserting ''Bureau of Justice Assistance''.

(m) AIMEE'S LAW.—Section 2001(e)(1) of division C of Public Law 106–386 (42 U.S.C. 13713(e)(1)) is amended by striking ''section 506 of the Omnibus Crime Control and Safe Streets Act of 1968'' and inserting ''section 505 of the Omnibus Crime Control and Safe Streets Act of 1968''.

(n) EFFECTIVE DATES.—

(1) OFFICE OF WEED AND FEED STRATEGIES.—Section 1121(c) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3712a note) is amended by striking ''90 days after the date of the enactment of this Act'' and inserting ''with respect to appropriations for fiscal year 2007 and for each fiscal year thereafter''.

(2) SUBSTANCE ABUSE TREATMENT.—

(A) IN GENERAL.—Chapter 4 of subtitle B of title XI of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162; 3110) is amended by adding at the end the following:

''SEC. 1147. EFFECTIVE DATE.

''The amendments made by sections 1144 and 1145 shall take effect on October 1, 2006.''.

(B) CONFORMING AMENDMENT.—The table of contents in section 2 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 106–162; 119 Stat. 2960) is amended by inserting after the item relating to section 1146 the following:

''Sec. 1147. Effective date.''.

(3) OFFICE OF AUDIT, ASSESSMENT, AND MANAGEMENT.—Section 1158(b) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3712d note) is amended to read as follows:

''(b) EFFECTIVE DATE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), section 109 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3712d) shall take effect on April 5, 2006.

''(2) CERTAIN PROVISIONS.—Subsections (c), (d), and (e) of section 109 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3712d) shall take effect on October 1, 2006.''.

(4) OFFICE OF APPLIED LAW ENFORCEMENT TECHNOLOGY.—

(A) IN GENERAL.—Section 1160(b) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3712f note) is amended by striking ''90 days after the date of the enactment of this Act'' and inserting ''on October 1, 2006''.

(B) AVAILABILITY OF FUNDS.—Section 1161(b) of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3712g note) is amended by striking ''90 days after the date of the enactment of this Act'' and inserting ''on October 1, 2006''.

(5) EVIDENCE-BASED APPROACHES.—Section 1168 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162; 119 Stat. 3122) is amended—

(A) by striking ''Section 1802'' and inserting the following:

''(a) IN GENERAL.—Section 1802''; and

(B) by adding at the end the following:

''(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2006.''.

(6) STATE CRIMINAL ALIEN ASSISTANCE PROGRAM.—Section 1196 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109–162; 119 Stat. 3130) is amended by adding at the end the following:

''(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 2006.''.

Mr. LEAHY. Mr. President, I am pleased that the Senate will pass a bill providing needed corrections to the Violence Against Women Act, VAWA, and the Department of Justice authorization bill we passed last year.

Among the improvements made in the amendment, the changes ensure that the VAWA public housing provisions allow a landlord to bifurcate a lease to evict an abuser while allowing a cosigning lessee as well as an authorized resident to remain as tenants. The bill also makes technical improvements in the administration of STOP grants and the Campus Grant Program. The bill improves the administration of grants to tribal governments and ensures that the 10-percent designation of VAWA grants to Indian tribes applies throughout all sections of the law.

I commend the efforts of all those who worked hard to improve this important law, and I am glad to support the improvements in this amendment that will sustain this law as a vital tool in our efforts to put an end to domestic violence.

In the last 25 years I believe that we have only been successful twice in passing authorization bills for the Department of Justice. I was pleased to be involved in both of them, working with Chairman SENSENBRENNER and the Republican leader on the Senate Judiciary Committee at the time. This bill improves the most recent authorization we considered and passed in a bipartisan manner.

MILITARY PERSONNEL FINANCIAL SERVICES PROTECTION ACT

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 518, S. 418.

The PRESIDING OFFICER. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 418) to protect members of the Armed Forces from unscrupulous practices regarding sales of insurance, financial, and investment products.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Military Personnel Financial Services Protection Act''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Congressional findings.
Sec. 3. Definitions.
Sec. 4. Prohibition on future sales of periodic payment plans.
Sec. 5. Required disclosures regarding offers or sales of securities on military installations.
Sec. 6. Method of maintaining broker and dealer registration, disciplinary, and other data.
Sec. 7. Filing depositories for investment advisers.
Sec. 8. State insurance and securities jurisdiction on military installations.
Sec. 9. Required development of military personnel protection standards regarding insurance sales.
Sec. 10. Required disclosures regarding life insurance products.
Sec. 11. Improving life insurance product standards.
Sec. 12. Required reporting of disciplinary actions.
Sec. 13. Reporting barred persons selling insurance or securities.
Sec. 14. Study and reports by Inspector General of the Department of Defense.

SEC. 2. CONGRESSIONAL FINDINGS.

Congress finds that—

(1) members of the Armed Forces perform great sacrifices in protecting our Nation in the War on Terror;

(2) the brave men and women in uniform deserve to be offered first-rate financial products in order to provide for their families and to save and invest for retirement;

(3) members of the Armed Forces are being offered high-cost securities and life insurance products by some financial services companies engaging in abusive and misleading sales practices;

(4) one securities product offered to service members, known as the ''mutual fund contractual plan'', largely disappeared from the civilian market in the 1980s, due to excessive sales charges;

(5) with respect to a mutual fund contractual plan, a 50 percent sales commission is assessed against the first year of contributions, despite an average commission on other securities products of less than 6 percent on each sale;

(6) excessive sales charges allow abusive and misleading sales practices in connection with mutual fund contractual plan;

(7) certain life insurance products being offered to members of the Armed Forces are improperly marketed as investment products, providing minimal death benefits in exchange for

excessive premiums that are front-loaded in the first few years, making them entirely inappropriate for most military personnel; and

(8) the need for regulation of the marketing and sale of securities and life insurance products on military bases necessitates Congressional action.

SEC. 3. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) LIFE INSURANCE PRODUCT.—

(A) IN GENERAL.—The term ''life insurance product'' means any product, including individual and group life insurance, funding agreements, and annuities, that provides insurance for which the probabilities of the duration of human life or the rate of mortality are an element or condition of insurance.

(B) INCLUDED INSURANCE.—The term ''life insurance product'' includes the granting of—

(i) endowment benefits;

(ii) additional benefits in the event of death by accident or accidental means;

(iii) disability income benefits;

(iv) additional disability benefits that operate to safeguard the contract from lapse or to provide a special surrender value, or special benefit in the event of total and permanent disability;

(v) benefits that provide payment or reimbursement for long-term home health care, or long-term care in a nursing home or other related facility;

(vi) burial insurance; and

(vii) optional modes of settlement or proceeds of life insurance.

(C) EXCLUSIONS.—Such term does not include workers compensation insurance, medical indemnity health insurance, or property and casualty insurance.

(2) NAIC.—The term ''NAIC'' means the National Association of Insurance Commissioners (or any successor thereto).

SEC. 4. PROHIBITION ON FUTURE SALES OF PERIODIC PAYMENT PLANS.

(a) AMENDMENT.—Section 27 of the Investment Company Act of 1940 (15 U.S.C. 80a–27) is amended by adding at the end the following new subsection:

''(j) TERMINATION OF SALES.—

''(1) TERMINATION.—Effective 30 days after the date of enactment of the Military Personnel Financial Services Protection Act, it shall be unlawful, subject to subsection (i)—

''(A) for any registered investment company to issue any periodic payment plan certificate; or

''(B) for such company, or any depositor of or underwriter for any such company, or any other person, to sell such a certificate.

''(2) NO INVALIDATION OF EXISTING CERTIFICATES.—Paragraph (1) shall not be construed to alter, invalidate, or otherwise affect any rights or obligations, including rights of redemption, under any periodic payment plan certificate issued and sold before 30 days after such date of enactment.''.

(b) TECHNICAL AMENDMENT.—Section 27(i)(2)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a–27(i)(2)(B)) is amended by striking ''section 26(e)'' each place that term appears and inserting ''section 26(f)''.

(c) REPORT ON REFUNDS, SALES PRACTICES, AND REVENUES FROM PERIODIC PAYMENT PLANS.—Not later than 6 months after the date of enactment of this Act, the Securities and Exchange Commission shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, a report describing—

(1) any measures taken by a broker or dealer registered with the Securities and Exchange Commission pursuant to section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(b)) to voluntarily refund payments made by military service members on any periodic payment plan certificate, and the amounts of such refunds;

(2) after such consultation with the Secretary of Defense, as the Commission considers appropriate, the sales practices of such brokers or dealers on military installations over the 5 years preceding the date of submission of the report and any legislative or regulatory recommendations to improve such practices; and

(3) the revenues generated by such brokers or dealers in the sales of periodic payment plan certificates over the 5 years preceding the date of submission of the report, and the products marketed by such brokers or dealers to replace the revenue generated from the sales of periodic payment plan certificates prohibited under subsection (a).

SEC. 5. REQUIRED DISCLOSURES REGARDING OFFERS OR SALES OF SECURITIES ON MILITARY INSTALLATIONS.

Section 15A(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-3(b)) is amended by inserting immediately after paragraph (13) the following:

''(14) The rules of the association include provisions governing the sales, or offers of sales, of securities on the premises of any military installation to any member of the Armed Forces or a dependant thereof, which rules require—

''(A) the broker or dealer performing brokerage services to clearly and conspicuously disclose to potential investors—

''(i) that the securities offered are not being offered or provided by the broker or dealer on behalf of the Federal Government, and that its offer is not sanctioned, recommended, or encouraged by the Federal Government; and

''(ii) the identity of the registered broker-dealer offering the securities;

''(B) such broker or dealer to perform an appropriate suitability determination, including consideration of costs and knowledge about securities, prior to making a recommendation of a security to a member of the Armed Forces or a dependant thereof; and

''(C) that no person receive any referral fee or incentive compensation in connection with a sale or offer of sale of securities, unless such person is an associated person of a registered broker or dealer and is qualified pursuant to the rules of a self-regulatory organization.''.

SEC. 6. METHOD OF MAINTAINING BROKER AND DEALER REGISTRATION, DISCIPLINARY, AND OTHER DATA.

Section 15A(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3(i)) is amended to read as follows:

''(i) OBLIGATION TO MAINTAIN REGISTRATION, DISCIPLINARY, AND OTHER DATA.—

''(1) MAINTENANCE OF SYSTEM TO RESPOND TO INQUIRIES.—A registered securities association shall—

''(A) establish and maintain a system for collecting and retaining registration information;

''(B) establish and maintain a toll-free telephone listing, and a readily accessible electronic or other process, to receive and promptly respond to inquiries regarding—

''(i) registration information on its members and their associated persons; and

''(ii) registration information on the members and their associated persons of any registered national securities exchange that uses the system described in subparagraph (A) for the registration of its members and their associated persons; and

''(C) adopt rules governing the process for making inquiries and the type, scope, and presentation of information to be provided in response to such inquiries in consultation with any registered national securities exchange providing information pursuant to subparagraph (B)(ii).

''(2) RECOVERY OF COSTS.—A registered securities association may charge persons making inquiries described in paragraph (1)(B), other than individual investors, reasonable fees for responses to such inquiries.

''(3) PROCESS FOR DISPUTED INFORMATION.—Each registered securities association shall adopt rules establishing an administrative process for disputing the accuracy of information provided in response to inquiries under this subsection in consultation with any registered national securities exchange providing information pursuant to paragraph (1)(B)(ii).

''(4) LIMITATION ON LIABILITY.—A registered securities association, or an exchange reporting information to such an association, shall not have any liability to any person for any actions taken or omitted in good faith under this subsection.

''(5) DEFINITION.—For purposes of this subsection, the term 'registration information' means the information reported in connection with the registration or licensing of brokers and dealers and their associated persons, including disciplinary actions, regulatory, judicial, and arbitration proceedings, and other information required by law, or exchange or association rule, and the source and status of such information.''.

SEC. 7. FILING DEPOSITORIES FOR INVESTMENT ADVISERS.

(a) INVESTMENT ADVISERS.—Section 204 of the Investment Advisers Act of 1940 (15 U.S.C. 80b–4) is amended—

(1) by striking ''Every investment'' and inserting the following:

''(a) IN GENERAL.—Every investment''; and

(2) by adding at the end the following:

''(b) FILING DEPOSITORIES.—The Commission may, by rule, require an investment adviser—

''(1) to file with the Commission any fee, application, report, or notice required to be filed by this title or the rules issued under this title through any entity designated by the Commission for that purpose; and

''(2) to pay the reasonable costs associated with such filing and the establishment and maintenance of the systems required by subsection (c).

''(c) ACCESS TO DISCIPLINARY AND OTHER INFORMATION.—

''(1) MAINTENANCE OF SYSTEM TO RESPOND TO INQUIRIES.—

''(A) IN GENERAL.—The Commission shall require the entity designated by the Commission under subsection (b)(1) to establish and maintain a toll-free telephone listing, or a readily accessible electronic or other process, to receive and promptly respond to inquiries regarding registration information (including disciplinary actions, regulatory, judicial, and arbitration proceedings, and other information required by law or rule to be reported) involving investment advisers and persons associated with investment advisers.

''(B) APPLICABILITY.—This subsection shall apply to any investment adviser (and the persons associated with that adviser), whether the investment adviser is registered with the Commission under section 203 or regulated solely by a State, as described in section 203A.

''(2) RECOVERY OF COSTS.—An entity designated by the Commission under subsection (b)(1) may charge persons making inquiries, other than individual investors, reasonable fees for responses to inquiries described in paragraph (1).

''(3) LIMITATION ON LIABILITY.—An entity designated by the Commission under subsection (b)(1) shall not have any liability to any person for any actions taken or omitted in good faith under this subsection.''.

(b) CONFORMING AMENDMENTS.—

(1) INVESTMENT ADVISERS ACT OF 1940.—Section 203A of the Investment Advisers Act of 1940 (15 U.S.C. 80b–3a) is amended—

(A) by striking subsection (d); and

(B) by redesignating subsection (e) as subsection (d).

(2) NATIONAL SECURITIES MARKETS IMPROVEMENT ACT OF 1996.—Section 306 of the National Securities Markets Improvement Act of 1996 (15 U.S.C. 80b–10, note) is repealed.

SEC. 8. STATE INSURANCE AND SECURITIES JURISDICTION ON MILITARY INSTALLATIONS.

(a) CLARIFICATION OF JURISDICTION.—Any provision of law, regulation, or order of a State with respect to regulating the business of insurance or securities shall apply to insurance or securities activities conducted on Federal land or facilities in the United States and abroad, including military installations, except to the extent that such law, regulation, or order—

(1) directly conflicts with any applicable Federal law, regulation, or authorized directive; or

(2) would not apply if such activity were conducted on State land.

(b) PRIMARY STATE JURISDICTION.—To the extent that multiple State laws would otherwise apply pursuant to subsection (a) to an insurance or securities activity of an individual or entity on Federal land or facilities, the State having the primary duty to regulate such activity and the laws of which shall apply to such activity in the case of a conflict shall be—

(1) the State within which the Federal land or facility is located; or

(2) if the Federal land or facility is located outside of the United States, the State in which—

(A) in the case of an individual engaged in the business of insurance, such individual has been issued a resident license;

(B) in the case of an entity engaged in the business of insurance, such entity is domiciled;

(C) in the case of an individual engaged in the offer or sale (or both) of securities, such individual is registered or required to be registered to do business or the person solicited by such individual resides; or

(D) in the case of an entity engaged in the offer or sale (or both) of securities, such entity is registered or is required to be registered to do business or the person solicited by such entity resides.

SEC. 9. REQUIRED DEVELOPMENT OF MILITARY PERSONNEL PROTECTION STANDARDS REGARDING INSURANCE SALES; ADMINISTRATIVE COORDINATION.

(a) STATE STANDARDS.—Congress intends that—

(1) the States collectively work with the Secretary of Defense to ensure implementation of appropriate standards to protect members of the Armed Forces from dishonest and predatory insurance sales practices while on a military installation of the United States (including installations located outside of the United States); and

(2) each State identify its role in promoting the standards described in paragraph (1) in a uniform manner, not later than 12 months after the date of enactment of this Act.

(b) STATE REPORT.—It is the sense of Congress that the NAIC should, after consultation with the Secretary of Defense and, not later than 12 months after the date of enactment of this Act, conduct a study to determine the extent to which the States have met the requirement of subsection (a), and report the results of such study to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(c) ADMINISTRATIVE COORDINATION; SENSE OF CONGRESS.—It is the sense of the Congress that senior representatives of the Secretary of Defense, the Securities and Exchange Commission, and the NAIC should meet not less frequently than twice a year to coordinate their activities to implement this Act and monitor the enforcement of relevant regulations relating to the sale of financial products on military installations of the United States.

SEC. 10. REQUIRED DISCLOSURES REGARDING LIFE INSURANCE PRODUCTS.

(a) REQUIREMENT.—Except as provided in subsection (e), no person may sell, or offer for sale, any life insurance product to any member of the Armed Forces or a dependant thereof on a military installation of the United States, unless a disclosure in accordance with this section is provided to such member or dependent at the time of the sale or offer.

(b) DISCLOSURE.—A disclosure in accordance with this section is a written disclosure that—

(1) states that subsidized life insurance is available to the member of the Armed Forces from the Federal Government under the Servicemembers' Group Life Insurance program (also referred to as ''SGLI''), under subchapter III of chapter 19 of title 38, United States Code;

(2) states the amount of insurance coverage available under the SGLI program, together with the costs to the member of the Armed Forces for such coverage;

(3) states that the life insurance product that is the subject of the disclosure is not offered or provided by the Federal Government, and that the Federal Government has in no way sanctioned, recommended, or encouraged the sale of the life insurance product being offered;

(4) fully discloses any terms and circumstances under which amounts accumulated in a savings fund or savings feature under the life insurance product that is the subject of the disclosure may be diverted to pay, or reduced to offset, premiums due for continuation of coverage under such product;

(5) states that no person has received any referral fee or incentive compensation in connection with the offer or sale of the life insurance product, unless such person is a licensed agent of the person engaged in the business of insurance that is issuing such product;

(6) is made in plain and readily understandable language and in a type font at least as large as the font used for the majority of the solicitation material used with respect to or relating to the life insurance product; and

(7) with respect to a sale or solicitation on Federal land or facilities located outside of the United States, lists the address and phone number at which consumer complaints are received by the State insurance commissioner for the State having the primary jurisdiction and duty to regulate the sale of such life insurance products pursuant to section 8.

(c) VOIDABILITY.—The sale of a life insurance product in violation of this section shall be voidable from its inception, at the sole option of the member of the Armed Forces, or dependent thereof, as applicable, to whom the product was sold.

(d) ENFORCEMENT.—If it is determined by a Federal or State agency, or in a final court proceeding, that any person has intentionally violated, or willfully disregarded the provisions of, this section, in addition to any other penalty under applicable Federal or State law, such person shall be prohibited from further engaging in the business of insurance with respect to employees of the Federal Government on Federal land, except—

(1) with respect to existing policies; and

(2) to the extent required by the Federal Government pursuant to previous commitments.

(e) EXCEPTIONS.—This section shall not apply to any life insurance product specifically contracted by or through the Federal Government.

SEC. 11. IMPROVING LIFE INSURANCE PRODUCT STANDARDS.

(a) IN GENERAL.—It is the sense of Congress that the NAIC should, after consultation with the Secretary of Defense, and not later than 6 months after the date of enactment of this Act, conduct a study and submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on—

(1) ways of improving the quality of and sale of life insurance products sold on military installations of the United States, which may include—

(A) limiting such sales authority to persons that are certified as meeting appropriate best practices procedures; and

(B) creating standards for products specifically designed to meet the particular needs of members of the Armed Forces, regardless of the sales location; and

(2) the extent to which life insurance products marketed to members of the Armed Forces comply with otherwise applicable provisions of State law.

(b) CONDITIONAL GAO REPORT.—If the NAIC does not submit the report as described in subsection (a), the Comptroller General of the United States shall—

(1) study any proposals that have been made to improve the quality of and sale of life insurance products sold on military installations of the United States; and

(2) not later than 6 months after the expiration of the period referred to in subsection (a), submit a report on such proposals to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

SEC. 12. REQUIRED REPORTING OF DISCIPLINARY ACTIONS.

(a) REPORTING BY INSURERS.—Beginning 1 year after the date of enactment of this Act, no insurer may enter into or renew a contractual relationship with any other person that sells or solicits the sale of any life insurance product on any military installation of the United States, unless the insurer has implemented a system to report to the State insurance commissioner of the State of domicile of the insurer and the State of residence of that other person—

(1) any disciplinary action taken by any Federal or State government entity with respect to sales or solicitations of life insurance products on a military installation that the insurer knows, or in the exercise of due diligence should have known, to have been taken; and

(2) any significant disciplinary action taken by the insurer with respect to sales or solicitations of life insurance products on a military installation of the United States.

(b) REPORTING BY STATES.—It is the sense of Congress that, not later than 1 year after the date of enactment of this Act, the States should collectively implement a system to—

(1) receive reports of disciplinary actions taken against persons that sell or solicit the sale of any life insurance product on any military installation of the United States by insurers or Federal or State government entities with respect to such sales or solicitations; and

(2) disseminate such information to all other States and to the Secretary of Defense.

(c) DEFINITION.—As used in this section, the term ''insurer'' means a person engaged in the business of insurance.

SEC. 13. REPORTING BARRED PERSONS SELLING INSURANCE OR SECURITIES.

(a) ESTABLISHMENT.—The Secretary of Defense shall maintain a list of the name, address, and other appropriate information relating to persons engaged in the business of securities or insurance that have been barred or otherwise limited in any manner that is not generally applicable to all such type of persons, from any or all military installations of the United States, or that have engaged in any transaction that is prohibited by this Act.

(b) NOTICE AND ACCESS.—The Secretary of Defense shall ensure that—

(1) the appropriate Federal and State agencies responsible for securities and insurance regulation are promptly notified upon the inclusion in or removal from the list required by subsection (a) of a person under the jurisdiction of one or more of such agencies; and

(2) the list is kept current and easily accessible—

(A) for use by such agencies; and

(B) for purposes of enforcing or considering any such bar or limitation by the appropriate Federal personnel, including commanders of military installations.

(c) REGULATIONS.—

(1) IN GENERAL.—The Secretary of Defense shall issue regulations in accordance with this subsection to provide for the establishment and maintenance of the list required by this section, including appropriate due process considerations.

(2) TIMING.—

(A) PROPOSED REGULATIONS.—Not later than the expiration of the 60-day period beginning on the date of enactment of this Act, the Secretary of Defense shall prepare and submit to the appropriate Committees of Congress a copy of the regulations required by this subsection that are proposed to be published for comment. The Secretary may not publish such regulations for comment in the Federal Register until the expiration of the 15-day period beginning on the date of such submission to the appropriate Committees of Congress.

(B) FINAL REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Secretary of Defense shall submit to the appropriate Committees of Congress a copy of the regulations under this section to be published in final form.

(C) EFFECTIVE DATE.—Final regulations under this paragraph shall become effective 30 days after the date of their submission to the appropriate Committees of Congress under subparagraph (B).

(d) DEFINITION.—For purposes of this section, the term ''appropriate Committees of Congress'' means—

(1) the Committee on Financial Services and the Committee on Armed Services of the House of Representatives; and

(2) the Committee on Banking, Housing, and Urban Affairs and the Committee on Armed Services of the Senate.

SEC. 14. STUDY AND REPORTS BY INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE.

(a) STUDY.—The Inspector General of the Department of Defense shall conduct a study on the impact of Department of Defense Instruction 1344.07 (as in effect on the date of enactment of this Act) and the reforms included in this Act on the quality and suitability of sales of securities and insurance products marketed or otherwise offered to members of the Armed Forces.

(b) REPORTS.—Not later than 12 months after the date of enactment of this Act, the Inspector General of the Department of Defense shall submit an initial report on the results of the study conducted under subsection (a) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives, and shall submit followup reports to those committees on December 31, 2008 and December 31, 2010.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the committee-reported amendment be agreed to, the bill as amended be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 418), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

ORDERS FOR THURSDAY, JULY 20, 2006

Mr. MCCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m., Thursday, July 20. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate proceed to H.R. 9, the Voting Rights Act, as under the previous order.

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

PROGRAM

Mr. MCCONNELL. Mr. President, tomorrow, the Senate will consider the Voting Rights Act under a limited time agreement. There are 8 hours of debate, but we hope to yield back some of the time and vote in the afternoon tomorrow. We will also have votes on several circuit court and district court nominees, the Adam Walsh Child Protection and Safety Act, and under an agreement reached earlier this week, we will proceed to the consideration of S. 403, the Child Custody Protection Act. So Senators should plan for a full day tomorrow with a number of votes throughout the day.

ORDER FOR ADJOURNMENT

Mr. MCCONNELL. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order, following the remarks of Senator HARKIN.

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

The Senator from Iowa is recognized.

STEM CELL RESEARCH ENHANCEMENT ACT

Mr. HARKIN. Mr. President, a few hours ago, the President used his first ever veto in his 6 years of being in office to kill H.R. 810, the Stem Cell Research Enhancement Act, a bill that is supported by over 70 percent of the American public, a bill that was supported by a bipartisan majority of the House, a bill that was supported by a bipartisan, big majority in the Senate—63 Members of the Senate, Republicans and Democrats, voted for it yesterday—and is supported by 591 different patient advocacy groups, research institutions, universities, scientific organizations, biomedical research institutions—everything from Alzheimer's to Parkinson's to cancer, spinal cord injuries, you name it. This bill has almost been universally supported. Over 80 Nobel laureates support this bill. Virtually every reputable scientist in America supports this bill.

I will mince no words about the President's action today. The veto he cast is a shameful display of cruelty, hypocrisy, and contempt for science. It is cruel because it denies hope to millions of Americans who suffer from Parkinson's and Alzheimer's, who have already received the death sentence of Lou Gehrig's disease, kids suffering from juvenile diabetes all over America, those suffering from cancer and spinal cord injuries, and many other diseases and injuries.

The best scientists in the world, as I said, including many dozens of Nobel Prize winners and every Director at the National Institutes of Health say that embryonic stem cell research offers enormous potential to cure these illnesses, to ease suffering, to make the lame walk again.

H.R. 810 would have expanded Federal funding to pursue this research. But with the stroke of his pen today, the President vetoed this bill and dashed the hopes of millions of Americans.

This veto displays hypocrisy because the President describes the research as immoral. He himself provided Federal funding for it. His press Secretary, Tony Snow, claimed yesterday that using leftover embryos, even those already slated to be discarded, is tantamount to murder. That is the word he used. Here is his own words. Mr. Snow said:

> The President believes strongly that for the purpose of research, it is inappropriate for the Federal Government to finance something that many people consider murder.

Mr. Snow went on to say that the President is one of those people who consider the practice to be murder.

This is a very bizarre statement. First, H.R. 810 would not allow Federal funding to be used to derive human embryos. That is already prohibited by existing law. And I couldn't believe my ears today when I heard the President say that H.R. 810—which passed with 63 Senate votes, and passed with the majority of the House—would overturn over 10 years of Federal prohibitions against deriving embryos.

I couldn't believe the President said that. The bill expressly does not do that. How could he say that? Either A, he did not read the bill; B, his assistants didn't read the bill; or C, he is purposely misleading the American public.

We do not overturn what is called the so-called Dickey-Wicker amendment that prohibits Federal funds from deriving stem cells. That is existing law. Federal funding can only be used to conduct research on stem cell lines, not to derive them. That derivation has to be funded privately. The President himself has already supported that.

What is even stranger and more bizarre and more hypocritical is that the President has already endorsed embryonic stem cell research. Under the policy that he announced 5 years ago, on August 9, 2001—I remember it well. I was in Iowa. I was listening to the radio, listening to his speech because this was an area of interest to me. Senator SPECTER and I had the first hearings in 1998, right after Doctors Gearhart and Thomson had derived the first human embryonic stem cells at the University of Wisconsin. That was in November of 1998. We commenced hearings after that, and when I was