

Next, States that extend CHIP coverage to children above 300 percent FPL must submit to the Secretary a State plan amendment describing how they will address crowd-out for this population, incorporating the best practices recommended by the Secretary.

After October 1, 2010, Federal matching payments are not permitted to States that cover children whose family incomes exceed 300 percent of poverty if the State does not meet a target for the percentage of children at or below 200 percent of poverty enrolled in CHIP.

Simply put, cover your low-income kids or you get no money to cover higher income kids.

Now I know some people are obsessed with the State of New York and their and their efforts to cover kids up to 400 percent of poverty.

It seems to come up in the talking points of every person who speaks out against our bill. This bill does not allow any State to go to 400 percent of poverty.

In fact, the bill makes it very difficult for any State to go above 300 percent of poverty; it will make it very difficult for New Jersey, the only State currently covering kids above 300 percent, to continue to do so if they don't do a better job of covering low-income kids.

If you are concerned about the State of New York, don't waste your time looking at this bill. You will not find answers to New York's fate here.

The answer is where it has always been—in the office of HHS Secretary Mike Leavitt. Only he has the authority to allow any State to cover children up to 400 percent of poverty. This bill does nothing to change that authority. It is up to the Secretary.

I heartily encourage those of you who haven't to read the bill. It is all there in black and white.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. BOND. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair for 2 minutes so that we may bring in a distinguished visitor.

There being no objection, the Senate, at 6:12 p.m., recessed subject to the call of the Chair, until 6:14 p.m. and reassembled when called to order by the Presiding Officer (Mr. WHITEHOUSE).

CHILDREN'S HEALTH INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007—Continued

Mr. GRASSLEY. Mr. President, I think we are ready for closing comments by me as ranking member and Senator BAUCUS as chairman of the committee. Then we will be done with the debate on SCHIP.

Mr. President, first, I thank my colleagues for supporting the vote to move to the consideration of the chil-

dren's health insurance reauthorization bill so we could avoid a lot of turmoil over getting here where we are to get the business done because I think everybody knows how this is going to turn out.

I appreciate the leadership of Senator REID because he was an honest broker in helping the House to understand what needed to be done in the Senate, and he held a lot of meetings on this subject.

I thank my good friend, the chairman of the committee, the Senator from Montana, Mr. BAUCUS, for his leadership in forging this compromise in a bipartisan way.

I also have to recognize people who sat in on a lot of these meetings and worked hard and are part of this compromise: Senator HATCH and Senator ROCKEFELLER. In particular, Senator HATCH has been a stalwart through this process because he was the leader in creating the Children's Health Insurance Program when it was first inaugurated 10 years ago. The continued leadership he showed was very good and necessary.

I realize some in the majority want to do more than we do in this compromise. I know it wasn't easy for those on the other side of the aisle to convince some of their colleagues that this was the right course. But we have a bipartisan bill in the Senate, and now we have a bill with strong bipartisan support in the House of Representatives. We picked up a massive number of Republicans who did not vote for it the first time in the House of Representatives.

Currently, the SCHIP program covers kids at incomes far beyond what was considered low income in the original statute. It covers parents and, in some States, it even covers childless adults. With this reauthorization, this program will return to its original concept: helping the lowest income kids and not helping adults as the program evolved beyond the perceptions that were there 10 years ago when this bill was written.

Childless adults who are presently on the program will be phased out completely because this is a children's program, it is not an adults program. States will not be able to get enhanced Federal funds if they decide to cover parents. States will only be able to cover higher income kids if they demonstrate that they took care of the purpose of this legislation, which is to take care of the lowest income kids first.

Every financial incentive in this bill discourages States from spending a penny to cover anyone other than low-income children. And all the financial incentives are entirely focused on the lowest income children. All the rhetoric to the contrary notwithstanding, this bill does not expand the program to middle-income families. It refocuses the program on the lowest income children.

Some of the speeches I have heard on the Senate floor, I wonder what good

does it do to make these points over and over because it is just that some of my colleagues on the Republican side of the aisle don't read this bill, don't care what we say. This bill does what they think it does, even if it doesn't do it, and they say that on the Senate floor. Those who say otherwise than what I just said have not read the bill. This bipartisan compromise provides coverage for more than 3 million children who are without coverage today.

In closing, I encourage my Republican colleagues to think long and hard about what I said as this debate began and throughout this debate. If this bill is vetoed—and this is what I would like to have the opponents concentrate on—if this bill is vetoed, if at the end of the day all we do is simply extend the program that has been in effect for 10 years, what will we have accomplished? Will adults be gone from this program who were not supposed to be included in it in the first place? No. Will States have a disincentive to cover parents? No. Will States be encouraged to cover low-income kids before higher income kids? No. Will the funding formula be fixed so States are not constantly challenged by funding shortfalls? No. And finally, will we have done anything to cover kids who don't have any coverage today? The answer is, again, no.

I quoted the President making a promise at the Republican Convention in New York. I did that yesterday. I want to state again what the President said. You can't say it too many times. I hope at some time the President remembers what he said:

We will lead an aggressive effort to enroll millions of poor children who are eligible but not signed up for the government's health insurance programs.

An extension of law, which is what is going to happen if the President vetoes this bill, will not carry out what the President said at the Republican Convention in New York in 2004.

Faced with that, your answer today on this bill, Mr. President of the United States, should be yes. This bill gets the job done that you said in New York City you wanted to do.

I hope the President's answer will be yes because if he doesn't veto this bill, then we will do those things he said he wanted to do. It will help more than 3 million low-income, uninsured children. About half of the new money is just to keep the program running. The rest of the new money goes to cover more low-income children.

It provides better options for families to afford employer coverage.

It takes even more steps to address crowdouts, so we don't move people from private insurance to government-funded insurance.

It phases adults out of the program because this is a children's program, it is not an adults program.

It discourages States from covering higher income kids.

It rewards States that cover more of the lowest income kids.

It puts the lowest income children first in line for coverage.