

ROBERTS) was added as a cosponsor of S. 3505, a bill to amend title XVIII of the Social Security Act to provide for the coverage of home infusion therapy under the Medicare Program.

S. 3507

At the request of Mr. REED, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 3507, a bill to provide for additional emergency unemployment compensation.

S. 3511

At the request of Mrs. CLINTON, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 3511, a bill to direct the Librarian of Congress and the Secretary of the Smithsonian Institution to carry out a joint project at the Library of Congress and the National Museum of African American History and Culture to collect video and audio recordings of personal histories and testimonials of individuals who participated in the Civil Rights movement, and for other purposes.

S. 3538

At the request of Mr. GRASSLEY, the names of the Senator from Tennessee (Mr. CORKER), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Nebraska (Mr. NELSON) and the Senator from Kansas (Mr. ROBERTS) were added as cosponsors of S. 3538, a bill to amend the Food, Conservation, and Energy Act of 2008 to suspend a prohibition on payments to certain farms with limited base acres for the 2008 and 2009 crop years, to extend the signup for direct payments and counter-cyclical payments for the 2008 crop year, and for other purposes.

S. 3547

At the request of Mr. NELSON of Florida, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 3547, a bill to establish in the Federal Bureau of Investigation the Nationwide Mortgage Fraud Coordinator to address mortgage fraud in the United States, and for other purposes.

S. RES. 662

At the request of Mr. REID, the name of the Senator from Illinois (Mr. OBAMA) was added as a cosponsor of S. Res. 662, a resolution raising the awareness of the need for crime prevention in communities across the country and designating the week of October 2, 2008, through October 4, 2008, as "Celebrate Safe Communities" week.

S. RES. 664

At the request of Mrs. DOLE, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. Res. 664, a resolution celebrating the centennial of Union Station in Washington, District of Columbia.

S. RES. 665

At the request of Mr. THUNE, his name was added as a cosponsor of S. Res. 665, a resolution designating October 3, 2008, as "National Alternative Fuel Vehicle Day".

At the request of Mr. BYRD, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. Res. 665, *supra*.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LIEBERMAN (for himself, Mr. BOND, Mr. VOINOVICH, and Mrs. CLINTON):

S. 3552. A bill to conserve the United States fish and aquatic communities through partnerships that foster fish habitat conservation and improve the quality of life for the people of the United States and for other purposes; to the Committee on Environment and Public Works.

Mr. LIEBERMAN. Mr. President, I rise to speak about the National Fish Habitat Conservation Act, which I am introducing today along with my colleagues Senators BOND and VOINOVICH. This legislation would establish the most comprehensive effort ever attempted to treat the causes of fish habitat decline.

Healthy waterways and robust fish populations are vital to the well-being of our society. They provide clean water and sustainable fisheries. They also provide recreational value to those who fish wild waters or canoe tranquil streams. Unfortunately, today 40 percent of our fish populations are in decline and half of our waters are impaired. Unless we act in an informed and coordinated fashion, fish habitats will continue to be lost.

Our Nation's current efforts to address threats to fish species are often highly fragmented and not comprehensive enough to reverse this downward trend. Under the National Fish Habitat Conservation Act, Federal Government agencies, state and local governments, conservation groups, fishing industry groups, and businesses will work together collectively for the first time to conserve and protect aquatic habitats.

This legislation leverages Federal, State and private funds to build regional partnerships aimed at addressing the nation's biggest fisheries problems. By directing critical new resources towards the nation's fish and aquatic communities through these partnerships, we can foster fish habitat conservation efforts and improve the quality of life for the American people. Using a bottom-up approach, the goal of this effort is to foster landscape scale, multi-state aquatic habitat improvements across the country that perpetuate not only fishery resources but the tradition of recreational fishing.

The National Fish Habitat Conservation Act authorizes \$75 million annually to be directed toward fish habitat projects that are supported by regional Fish Habitat Partnerships. Based on the hugely successful North American Wetlands Conservation Act model, this legislation establishes a multi-stakeholder National Fish Habitat Board charged with recommending projects to

the Secretary of Interior for funding. Regional Fish Habitat Partnerships are responsible for implementing approved on-the-ground projects that are designed to protect, restore and enhance fish habitats and fish populations.

The National Fish Habitat Conservation Act lays the foundation for a new paradigm of how fish habitats should be protected and preserved. This bill will bring together all of the different groups that have a stake in the health and productivity of our nation's fish habitats and I look forward to working with my colleagues to pass this important legislation.

Mr. BOND. Madam President, today, along with my colleagues Senators LIEBERMAN and VOINOVICH, I am introducing the National Fish Habitat Conservation Act. This legislation will enable us to stop the causes of fish habitat decline throughout the Nation.

Preventing the decline of fish species and their habitat will require everyone working together. Under the National Fish Habitat Conservation Act, Federal Government agencies, State and local governments, conservation groups, fishing industry groups, and businesses will all work together to preserve our aquatic habitats.

Together, they will improve waterways vital to securing a robust fish population. The well-being of our water resources is essential not only for healthy fish but also those who boat through beautiful streams and fish in wild waters for recreational entertainment. This, however, may not be an option if we do not take action now. As of today, 40 percent of the fish population is in decline and half of our waters have become weakened and polluted.

The National Fish Habitat Conservation Act will authorize \$75 million every year to fund local fish habitat projects supported by regional Fish Habitat Partnerships. This bill creates a multistakeholder National Fish Habitat Board that will recommend projects to the Secretary of the Interior for funding. This idea draws from the already successful North American Wetlands Conservation Act model, which has benefited wetlands in America, Canada, and Mexico. The Regional Fish Partnerships will also be called on to execute approved on-the-ground projects designed to ensure the improvement of the fish population and habitat.

By using a bottom-up approach, we will engage those who most directly impact the health of local waterways and fish populations. These partnerships are imperative to our efforts in conserving the fish species and our goal of improving the quality of life for the American people.

I am thankful to Senator LIEBERMAN for his work on this bipartisan effort and encourage all of my colleagues to join our efforts to protect fish and fish habitat.

By Mr. SMITH (for himself and Mr. LIEBERMAN):

S. 3554. A bill to provide employees of small employers with access to quality, affordable health insurance coverage; to the Committee on Finance.

Mr. SMITH. Mr. President, today I introduce the Affordable Coverage for Small Employers Act of 2008, with my colleague, Senator JOSEPH LIEBERMAN. This legislation would tackle one of the nation's most pressing domestic challenges, ensuring all Americans have access to affordable, high quality health care. While the Affordable Coverage for Small Employers Act may not be the panacea to all of our Nation's healthcare woes, I believe it is a reasonable first step along the path of reform and it represents a viable solution to cover the uninsured.

In my view, that solution begins with helping small employers gain access to affordable, high quality health insurance. Over half of the Nation's uninsured has a connection to a business that employs fewer than 100 employees. By extending access to affordable health coverage to those individuals through their employers, we can make significant progress in reducing the number of Americans who do not have health insurance.

Broadly, the Affordable Coverage for Small Employers Act incentivizes reform of the existing small group market so employers have access to affordable coverage options to meet their particular needs. It provides national direction to ensure consistency across the entire system, but relies upon the existing infrastructure forged by the States and the private market to ultimately provide new coverage options for small employers. Additionally, it provides graduated, income-sensitive subsidies through tax credits to low-income individuals to help offset the cost of their health coverage. It also provides graduated tax credits to small employers who contribute at least 50 percent toward the cost of their employees' premiums to encourage them to purchase coverage through new, regional purchasing exchanges.

One of the key principles of the proposal is regional cooperation. The existing system of state-based regulation of the small group market has resulted in a great deal of inefficiency in the marketing and selling of health coverage products. One of the key elements of reform from the Federal perspective should be encouraging regional cooperation—and consistency of regulation—across State lines. The Affordable Coverage for Small Employers Act accounts for this by apportioning States with similar existing insurance regulations into new "Health Coverage Exchange Regions." Each of these regions will be charged with developing a common set of rating guidelines so that all insurance products sold in the health coverage exchange are regulated by the same set of rules. Over time, such common regulatory policies will have the effect of stabilizing the small group market, and generating efficiencies that could lead to longterm

stabilization of premium cost increases.

A stakeholder board will govern each Health Coverage Exchange Region and must include at a minimum representatives from the insurance commissioners from all member States. That way, States will be the driving force in determining how to harmonize existing rating guidelines to improve stability in the small group market. Each Regional Board will have the flexibility to develop its own common rating guidelines, in addition to allowing other hard-to-cover groups, like sole proprietors and individuals, to participate in programs sponsored by the Health Coverage Exchange Region.

While adoption of the common rating guidelines is voluntary, the Affordable Coverage for Small Employers Act provides States with generous incentives to do so. First, small employers in a given State will be unable to purchase health coverage through its region's Health Coverage Exchange unless their State has adopted the common guidelines. Additionally, small employers and employees only will have access to the Federal subsidies once the guidelines are adopted. Change can be difficult, especially in regard to reform of current regulatory structures. The bill recognizes this fact by allowing States a strong voice in developing the common rating guidelines, as well as additional flexibility to implement such guidelines in special cases where they differ significantly from existing policy.

Another key issue the Affordable Coverage for Small Employers Act addresses is that of ensuring small employers, regardless of their location, has access to a comprehensive health benefit package. We should not expect our small employers to settle for coverage that is far less comprehensive than what a majority of Americans have access to. Congress can and should do better on this front, and the proposal does. All small employers will have access to a standard benefit package that mirrors the benefits available to Members of Congress and other Federal employees. Over time, this benefit package will be updated to ensure that covered services reflect advances in medical science and are supported by sound, evidence-based research.

While the Affordable Coverage for Small Employers Act leaves most responsibility for day-to-day operations of the Health Coverage Exchange to state-based regional boards, it recognizes the need for uniformity across the entire system by creating a National Health Coverage Policy Board comprised of key stakeholders representing the health care field. This Executive-appointed, independent body will apportion States into Health Coverage Exchange Regions and set broad policy guidelines for the overall system. While I firmly believe the reforms needed to improve access in the small group market should occur at the State level, there needs to be a na-

tional presence in the overall effort to ensure health care quality, greater regulatory consistency and maximize administrative efficiencies.

I also would like to comment on the subsidies available in the legislation. Researchers and policymakers alike are well aware that there are some working Americans who simply will be unable to afford the cost of health insurance no matter how inexpensive it might be. The rhetoric surrounding the issue of the uninsured always includes reference to making health insurance more affordable and I fully support that intent. In the work Senator LIEBERMAN and I have done on this issue, we have found that there are very few politically viable reform policies that would significantly reduce the cost of health coverage for small employers. We can implement initiatives to increase market efficiencies and provide employers with more coverage options, but those efforts still will not always make health coverage affordable for all Americans. In our proposal, allocating targeted, advanceable and refundable tax credits to those who need them is the Federal Government's primary responsibility.

To further encourage participation in the Exchange and to recognize the important role employers have in funding health benefits, the Affordable Coverage for Small Employers Act also includes advanceable, refundable tax credits for employers. Employers that contribute at least 50 percent of employees' premiums would be eligible for these tax credits to help offset the cost of their share of health coverage. I believe this approach will help employers who may be struggling to make ends meet and provide their employees the health coverage they need to stay healthy and productive.

It is essential that Congress act on this issue. We owe it to our small employers to ensure they have the same health benefit options available to them as larger employers, whose size and structure allow them to self-fund insurance coverage for their employees. The small business community is the backbone of the American economy, representing over 99 percent of all the Nation's businesses. But we often fail to recognize the essential role small businesses play in the economy. Each year, they provide approximately 75 percent of new jobs; account for over half of private sector output; and provide 40 percent of private sales. Small businesses represent the realization of the American dream. However, even with all their successes, there are many challenges that threaten their continued vitality.

In the unfurling healthcare reform debate, there is no shortage of innovative ideas. Aggressive proposals have been introduced on both sides of the aisle just this year. With over 46 million Americans uninsured and many more struggling with the cost of coverage, the time has come for Congress

to seriously reform our health care system to ensure all Americans have access to care. Should support exist to pursue a comprehensive change, there are several proposals that hold a number of good ideas that combine the best of private and public section ingenuity. Recognizing that many people like receiving their health insurance through their employer; Congress may choose to pursue a more incremental approach—focusing first on fixing the part of the system that is not working—the small group market. For a reform debate to be successful, we need to bring all key stakeholders to the negotiating table, including employers. We share common problems, and we must work to develop common solutions.

As Congress continues its discussion of health care reform; I am hopeful that the concepts included in this proposal will be given full consideration as we begin to develop solutions to the difficult, long-standing problems in the health insurance market. I look forward to working with my colleagues on both sides of the aisle to craft policies that significantly expand small employers' access to quality health insurance coverage. This is the help they deserve, and this is the help that I know we can give them if we put our ideological differences aside and begin working together to make real progress on this issue.

Mr. LIEBERMAN. Mr. President, I am pleased to cosponsor Senator SMITH's small business health care bill, the Affordable Coverage for Small Employers Act of 2008. The health of our Nation's most vulnerable citizens is too often neglected because they lack the income to access our languishing health care system. This legislation marshals our resources in response to the health care challenge. First, it recognizes that employees, and their families, should not have to forgo health insurance merely because they work for a small business. Second, it provides small business owners the assistance they need to obtain health coverage for their workers. Consequently, this bill offers small business workers and their families, the security many of us take for granted, by providing them access to medical care through a free and independently-regulated market.

The health care problem is nearly ubiquitous. Our fellow citizens who lack insurance increasingly find access to care insuperable. As they are denied care they increasingly stress the delivery system by seeking care from providers of last-resort, such as emergency rooms. Emergency room visits reached an all-time high in 2006. Americans visited the ER more than 119 million times that year, and the number of visits to our hospitals' emergency rooms grew 46 percent in the last 10 years. Researchers have examined the link between patient access and utilization of providers of last-resort. Health policy experts have definitively shown that patients who cannot promptly and con-

sistently access quality medical care subsequently choose to forgo care and eventually seek treatment in emergency rooms. Medical care received in emergency rooms and hospitals as a result of neglected ailments nearly always cost more than the care forgone. In the end, patients suffer an increased rate of adverse medical outcomes; outcomes that could have been prevented and medical expenses that could have been avoided.

More than half of the Nation's 47 million uninsured individuals are employed by, or have family members who are employed by, a business with fewer than 100 employees. Smaller businesses are substantially less likely to offer their employees health coverage than larger businesses. The smaller a business is, the less likely it offers health benefits. The lack of insurance—and thus access to care prior to safety-net providers—is particularly galling among low-income workers. Research indicates that small business owners want to offer their employees health benefits but do not, because either they cannot afford to or they know their employees lack the income to enroll. In a recent poll conducted by the Employee Benefit Research Institute, 47 percent of small businesses said they would be somewhat likely to offer health benefits if they were offered a tax credit and 30 percent said they were much more likely to offer health benefits.

A bipartisan approach is the only viable solution in dealing with a problem of this size. I am pleased to introduce this bill along with Senator SMITH. I am also pleased to see several other health care bills also brought forward with bipartisan support. In prior years, politics instead of policy limited the practical options for health care reform. As a result, the Congress did not address the problem in a significant way. We must look past the assignment of political victors and losers when we champion health care legislation. In the absence of reform, the real losers are our fellow citizens suffering from preventable diseases because they could not go to the doctor or did not receive care in time. They will not benefit from a merely political victory. However, while we have the means to provide succor but fail to act, they most certainly lose.

Any effort to reform health care needs to be deliberate. Our Government was established to prevent rash policymaking. Perhaps with the opportunity design health insurance from scratch, we would not rely on employers to provide coverage as a benefit. Nevertheless, our burden is to transform the system we have in order to make it work for every American. We need to assist employers who are nearly, but not quite, capable of offering insurance coverage and reward employers who have already made investments in the health of their employees.

The Affordable Coverage for Small Employees Act will help small busi-

nesses and their employees obtain and retain coverage. Moreover, it provides a framework for expanding coverage across the Nation. First, this bill offers tax credits to employers and employees of small businesses in order to abet their purchase of health insurance. Employers paying for a larger portion of their employee's coverage are rewarded with a larger credit. Employees who make a lower income receive more assistance. Without an incentive, it is highly likely that these individuals will not receive the comprehensive coverage they need and the security that comes with it.

Financial incentives alone are not enough though. Small businesses face larger administrative costs than large businesses, and consumers in the individual market face higher premiums than consumers in group plans. This bill will create a working and competitive marketplace through regional health boards. These boards will allow for businesses and employees to shop for medical coverage from multiple insurers, and even across State lines. These boards will establish a health-coverage "exchange" whose main objectives will be to serve as a central purchasing site for health coverage, to provide information to purchasers and consumers about participating health plans, to facilitate and streamline enrollment, and to ensure health plan compliance with minimum operating and quality standards.

Third, in order to protect consumers, an independent advisory board, the National Policy Board, in conjunction with the National Academies of Sciences' Institute of Medicine, will establish a standard benefit package in order that employees receive the coverage they need. An independent body provides the governance needed to regulate this complex marketplace while retaining insulation from the interested parties that would seek to benefit themselves at the expense of others.

There already exists evidence that this approach will work. Several States are experimenting with various forms of tax credits to expand coverage. In Oklahoma and Arizona employees and employers are being helped through tax credits to secure insurance. The initial results of these programs have been encouraging. The Federal Government has been paralyzed for too long, debating which policy prescriptions will yield success at an affordable cost. These "laboratories of democracy" are leading the way and this legislation follows in their spirit.

The road to substantial health care reform has been long but the path in front of us is lit brighter than the path behind us when we travelled it. Over the preceding years, our knowledge of what works, what is feasible, and what is improbable has grown immeasurably. With this knowledge and a kindred spirit, I am certain we can guarantee the best health care for every American.

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

S. 3555. A bill to establish a pilot program to provide for the preservation and rehabilitation of historic lighthouses; to the Committee on Energy and Natural Resources.

Mr. LEVIN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 3555

*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 "National Lighthouse Stewardship Act of 2008".

**SEC. 2. FUNDING FOR HISTORIC LIGHTHOUSE PRESERVATION.**

Title III of the National Historic Preservation Act (16 U.S.C. 470w et seq.) is amended by adding at the end the following:

**"SEC. 310. NATIONAL LIGHTHOUSE STEWARDSHIP PILOT PROGRAM.**

"(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE ENTITY.—The term 'eligible entity' means a State, unit of local government, or nonprofit organization that—

"(A) provides financial assistance and grants to local governmental units and nonprofit organizations to preserve and maintain historic lighthouse structures;

"(B) owns a lighthouse that is listed or eligible for listing on the National Register; or

"(C) has a right to maintain and rehabilitate a lighthouse described in subparagraph (B) that is owned by the Federal Government.

"(2) FUND.—The term 'Fund' means the National Lighthouse Stewardship Fund established by subsection (c)(1).

"(b) LIGHTHOUSE STEWARDSHIP PILOT PROGRAM.—

"(1) IN GENERAL.—The Secretary shall establish a 3-year pilot program under which the Secretary shall use amounts made available under subsection (c)(3) to provide grants to eligible entities to preserve and rehabilitate historic lighthouse structures.

"(2) DISTRIBUTION TO ELIGIBLE ENTITIES.—

"(A) APPLICATION.—To be eligible for a grant under this subsection, an eligible entity shall submit to the Secretary an application at such time, in such form and manner, and including such information as the Secretary may require.

"(B) APPROVAL OR DISAPPROVAL.—Based on criteria established by the Secretary, the Secretary shall approve or disapprove an application submitted under subparagraph (A).

"(C) AVAILABILITY OF GRANT FUNDS.—

"(i) IN GENERAL.—On approval of an application under subparagraph (B), the Secretary shall make the grant funds available to the eligible entity.

"(ii) USE OF EXISTING FUNDS.—To the maximum extent practicable, the Secretary shall provide funding through existing lighthouse grant programs administered by State governments.

"(c) NATIONAL LIGHTHOUSE STEWARDSHIP FUND.—

"(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund, to be known as the 'National Lighthouse Stewardship Fund', consisting of such amounts as are appropriated to the Fund under paragraph (2).

"(2) TRANSFERS TO FUND.—There are appropriated to the Fund, out of funds of the Treasury not otherwise appropriated, amounts equivalent to amounts collected as

taxes and received in the Treasury under section 60301 of title 46, United States Code, but not more than \$20,000,000 for any 1 fiscal year.

"(3) USE OF FUND.—The Secretary of the Treasury shall transfer amounts deposited in the Fund for each fiscal year to the Secretary to provide grants to eligible entities in States based on the ratio that—

"(A) the total number of lighthouses in the State; bears to

"(B) the total number of lighthouses in the Inventory of Historic Light Stations prepared by the Secretary.

"(4) AVAILABILITY.—Amounts in the Fund shall remain available until expended, without fiscal year limitation."

By Mr. WYDEN (for himself and Mr. BARRASSO):

S. 3556. A bill to improve the administration of the Minerals Management Service; to the Committee on Energy and Natural Resources.

Mr. WYDEN. Mr. President, today Senator BARRASSO and I are introducing legislation to reform the Minerals Management Service at the U.S. Department of Interior. Most Americans have probably never heard of the Minerals Management Service. At least they hadn't heard of it until the Inspector General of the Interior Department issued a report a couple of weeks ago documenting sordid details of MMS employees accepting gifts and dinners and drugs and sex from employees of the oil and gas companies they were supposed to be doing business with on behalf of American taxpayers.

The MMS is responsible for collecting over \$10 billion a year in lease and royalty payments from companies that drill for oil and gas and mine coal and minerals on our Federal public lands, both onshore and offshore. MMS is also the agency that actually issues the leases for drilling to oil and gas companies off our coasts. And when you hear the call for more oil drilling just remember that it is MMS that's responsible for issuing those leases and making sure that oil and gas companies protect the environment and pay their fair share of royalties to the American people. And that should give everyone pause.

Two years ago, I stood here on the floor and spoke for several hours to draw the Senate's attention to the mismanagement of our offshore oil and gas leasing program involving MMS and the royalty relief program. The problem then was the failure of MMS to include a key clause in almost 1,000 leases that would have required oil and gas companies to pay the U.S. Treasury higher royalties if the price of oil and gas increased.

The law MMS was supposed to be implementing was originally written back in the mid-1990's when oil prices were low—around \$15 a barrel, to encourage drilling by giving oil companies a break on paying royalties on new leases in the Gulf of Mexico. The royalties didn't kick in until the price of oil rose to a certain point where the companies would make a profit. Oil prices, as we now know, didn't stay low, but it

turns out that "royalty relief" didn't phase out the way it should have. We learned that the MMS had bungled things so badly that they forgot to include provisions in their leases requiring any royalties on those particular leases.

At the time, the Government Accountability Office estimated that this single dereliction of duty—which covered leases issued between 1995 and 2000—would cost American taxpayers as much as \$11.5 billion . . . and that was based on oil prices of between \$50 and \$70 dollars—half of what oil prices have been this year. GAO recently updated that amount to as much as \$14.7 billion. We held hearings on this problem in the Energy Committee but the bottom line is that nothing has been done to fix this problem.

We have also learned from Inspector General and from agency whistleblowers that MMS has essentially stopped conducting audits of the billions of dollars of royalty payments it collects, and it has allowed oil and gas companies to improperly change the amount they owe by allowing them to self-report adjustments to their royalties affecting millions of dollars in payments.

Most recently, the Inspector General for the Department of Interior, Earl Devaney, has issued a report that details his office's criminal investigation into the Royalty-in-Kind program at the Minerals Management Service. Under the Royalty-in-Kind program, oil and gas companies are allowed to pay their royalties to the Federal Government not in dollars, but by physically delivering barrels of oil or cubic feet of gas to MMS. MMS, in turn, is responsible for selling that oil and gas and turning the proceeds over to the Treasury. The Inspector General found that instead of putting the American people first, employees of the RIK program put themselves first. Mr. Devaney's investigation, in his words, found "a culture of ethical failure."

I am not going to go through all of the sordid details of what the IG found, but I do ask unanimous consent to include his four page summary following my remarks.

The bottom line is that this is an agency that is broken and needs to be fixed. The legislation that Sen. BARRASSO and I are introducing will start to fix it.

The legislation has five major components

It requires that the head of the MMS be appointed by the President and must be confirmed by the Senate. MMS is the only major bureau within the Interior Department that does not require its director to be confirmed by the Senate.

It requires MMS to implement a comprehensive audit program, including on-site financial audits of royalty payments.

It gives the Secretary of the Interior 60 days to implement all of the Inspector General's recommendations from

both the May business practices report and the more recent September ethics report. If that deadline is not met, the Royalty-in-Kind (RIK) Program would be suspended.

It requires the Secretary to annually "re-certify" that the RIK program meets all Federal ethics and procurement laws and regulations. If that re-certification is not completed, the RIK program would be suspended.

It directs the Inspector General to annually review the MMS program, including the RIK certification process.

I am pleased that Sen. BARRASSO, the ranking Republican member of the Subcommittee on Public Lands and Forests, which I chair, has agreed to be an original cosponsor of this bill. While it does not specifically address every single problem at MMS, it will begin to establish some basic accountability in an agency that has demonstrated that it has none.

Mr. President, I ask unanimous consent that the text of the bill and a letter of support be printed in the RECORD.

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

S. 3556

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

#### SECTION 1. MINERALS MANAGEMENT SERVICE.

(a) DEFINITIONS.—In this section:

(1) DEPARTMENT.—The term "Department" means the Department of the Interior.

(2) DIRECTOR.—The term "Director" means the Director of the Service.

(3) ROYALTY-IN-KIND PROGRAM.—The term "royalty-in-kind program" means the program established under—

(A) section 342 of the Energy Policy Act of 2005 (42 U.S.C. 15902);

(B) section 36 of the Mineral Leasing Act (30 U.S.C. 192);

(C) section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353); or

(D) any other similar provision of law.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(5) SERVICE.—The term "Service" means the Minerals Management Service.

(b) ESTABLISHMENT.—The Secretary shall—

- (1) establish and maintain within the Department the Minerals Management Service; and
- (2) assign to the Service such functions as the Secretary considers appropriate.

(c) DIRECTOR.—The Service shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

(d) AUDITS.—

(1) ROYALTY AUDITS.—The Director shall ensure that the Service implements a comprehensive program of financial audits of royalty payments and adjustments, including physical on-site audits, on the basis of risk and statistical samples.

(2) STANDARDS.—Not later than 90 days after the date of enactment of this Act, the Director shall promulgate regulations that—

(A) require that all employees of the Service that conduct audits and compliance reviews meet professional auditor qualifications that are consistent with the latest revision of the Government Auditing Standards published by the Government Accountability Office; and

(B) ensure that all audits conducted by the Service are performed in accordance with the standards.

(3) INSPECTOR GENERAL.—The Inspector General of the Department shall—

(A) conduct, annually and as necessary, audits of activities of the Service, including leasing and royalty activities; and

(B) report the results of the audits of activities of the Service (including leasing and royalty activities) and the certifications required under subsection (e) to—

(i) the Committee on Energy and Natural Resources of the Senate;

(ii) the Committee on Natural Resources of the House of Representatives; and

(iii) the Secretary.

(e) ROYALTIES-IN-KIND PROGRAM.—

(1) INITIAL CERTIFICATION.—Subject to paragraph (3), not later than 60 days after the date of enactment of this Act, the Secretary shall submit to Congress a certification that all of the recommendations made by the Office of the Inspector General of the Department as the result of investigations that culminated in a memorandum dated September 9, 2008, and a report dated May 2008 (C-EV-MMS-001-2008), with respect to the royalty-in-kind program have been implemented.

(2) ANNUAL CERTIFICATIONS.—Subject to paragraph (3), not later than 1 year after the date of enactment of this Act and each year thereafter, the Secretary shall submit to Congress a certification that the royalty-in-kind program is in full compliance with Federal law (including regulations) governing procurement and ethics.

(3) SUSPENSION.—Notwithstanding any other provision of law, if the Secretary fails to make a certification required under paragraph (1) or (2), the authority of the Secretary to carry out each royalty-in-kind program is suspended during the period—

(A) beginning on the day after the deadline for the certification under that paragraph; and

(B) ending on the date the Secretary makes the certification required under that paragraph.

#### UNITED STATES DEPARTMENT OF THE INTERIOR MEMORANDUM

To: Secretary Kempthorne

From: Earl E. Devaney, Inspector General

Subject: OIG Investigations of MMS Employees

This memorandum conveys the final results of three separate Office of Inspector General (OIG) investigations into allegations against more than a dozen current and former Minerals Management Service (MMS) employees. In the case of one former employee, Jimmy Mayberry, he has already pled guilty to a criminal charge. The cases against former employees, Greg Smith and Lucy Querques Dennet, were referred to the Public Integrity Section of the Department of Justice (DOJ). However, that office declined to prosecute. The remaining current employees await your discretion in imposing corrective administrative action. Others have escaped potential administrative action by departing from federal service, with the usual celebratory send-offs that allegedly highlighted the impeccable service these individuals had given to the Federal Government. Our reports belie this notion.

Collectively, our recent work in MMS has taken well over two years, involved countless OIG human resources and an expenditure of nearly \$5.3 million of OIG funds. Two hundred thirty-three witnesses and subjects were interviewed, many of them multiple times, and roughly 470,000 pages of documents and e-mails were obtained and reviewed as part of these investigations.

I know you have shared my frustration with the length of time these investigations have taken, primarily due to the criminal nature of some of these allegations, pro-

tracted discussions with DOJ and the ultimate refusal of one major oil company—Chevron—to cooperate with our investigation. Since you have already taken assertive steps to replace key leadership and staff in the affected components of MMS, I am confident that you will now act quickly to take the appropriate administrative action to bring this disturbing chapter of MMS history to a close.

#### A CULTURE OF ETHICAL FAILURE

The single-most serious problem our investigations revealed is a pervasive culture of exclusivity, exempt from the rules that govern all other employees of the Federal Government.

In the matter involving Ms. Dennet, Mr. Mayberry and Milton Dial, the results of this investigation paint a disturbing picture of three Senior Executives who were good friends, and who remained calculatedly ignorant of the rules governing post-employment restrictions, conflicts of interest and Federal Acquisition Regulations to ensure that two lucrative MMS contracts would be awarded to the company created by Mr. Mayberry—Federal Business Solutions—and later joined by Mr. Dial. Ms. Dennet manipulated the contracting process from the start. She worked directly with the contracting officer, personally participated on the evaluation team for both contracts, asked for an increase to the first contract amount, and had Mayberry prepare the justification for the contract increase. Ms. Dennet also appears to have shared with Mr. Mayberry the Key Qualification criteria upon which bidders would be judged, two weeks before bid proposals on the first contract were due.

In the other two cases, the results of our investigation reveal a program tasked with implementing a "business model" program. As such, Royalty in Kind (RIK) marketers donned a private sector approach to essentially everything they did. This included effectively opting themselves out of the Ethics in Government Act, both in practice, and, at one point, even explored doing so by policy or regulation.

Not only did those in RIK consider themselves special, they were treated as special by their management. For reasons that are not at all clear, the reporting hierarchy of RIK bypassed the one supervisor whose integrity remained intact throughout, Debra Gibbs-Tschudy, the Deputy Associate Director in Denver, where RIK is located. Rather, RIK was reporting directly to Associate Director Dennet, who was located some 1500 miles away in Washington, DC, and to whom the unbridled, unethical conduct of RIK employees was apparently invisible (although the Associate Director had been made aware of the plan by RIK to explore more formal exemption from the ethics rules.)

More specifically, we discovered that between 2002 and 2006, nearly 1/3 of the entire RIK staff socialized with, and received a wide array of gifts and gratuities from, oil and gas companies with whom RIK was conducting official business. While the dollar amount of gifts and gratuities was not enormous, these employees accepted gifts with prodigious frequency. In particular, two RIK marketers received combined gifts and gratuities on at least 135 occasions from four major oil and gas companies with whom they were doing business—a textbook example of improperly receiving gifts from prohibited sources. When confronted by our investigators, none of the employees involved displayed remorse.

We also discovered a culture of substance abuse and promiscuity in the RIK program—both within the program, including a supervisor, Greg Smith, who engaged in illegal drug use and had sexual relations with subordinates, and in consort with industry. Internally, several staff admitted to illegal

drug use as well as illicit sexual encounters. Alcohol abuse appears to have been a problem when RIK staff socialized with industry. For example, two RIK staff accepted lodging from industry after industry events because they were too intoxicated to drive home or to their hotel. These same RIK marketers also engaged in brief sexual relationships with industry contacts. Sexual relationships with prohibited sources cannot, by definition, be arms-length.

Finally, we discovered that two of the RIK employees who accepted gifts also held inappropriate outside employment and failed to properly report the income they received from this work on their financial disclosure forms. Smith, in particular, deliberately secreted the true nature of his outside employment—he pitched oil and gas companies that did business with RIK to hire the outside consulting firm—to prevent revealing what would otherwise, at a minimum, be a clear conflict of interest.

#### CONCLUSION

As you know, I have gone on record to say that I believe that 99.9 percent of DOI employees are hard-working, ethical and well-intentioned. Unfortunately, from the cases highlighted here, the conduct of a few has cast a shadow on an entire bureau.

In summary, our investigation revealed a relatively small group of individuals wholly lacking in acceptance of or adherence to government ethical standards; management that through passive neglect, at best, or purposeful ignorance, at worst, was blind to easily discernible misconduct; and a program that had aggressive goals and admirable ideals, but was launched without the necessary internal controls in place to ensure conformity with one of its most important principles: “Maintain the highest ethical and professional standards.” This must be corrected.

#### RECOMMENDATIONS

In conclusion, we offer the following Recommendations.

1. Take appropriate administrative corrective action.

Some very serious misconduct is identified in these reports. While the OIG generally does not take a position concerning what administrative corrective action might be appropriate in any given matter, in this instance there may be significant enough misconduct to warrant removal for some individuals. Given the unwillingness of some to acknowledge their conduct as improper, the subjects of our reports should be carefully considered for a life-time ban from working in the RIK program.

2. Develop an enhanced ethics program designed specifically for the RIK program.

Given the RIK culture, an enhanced ethics program must be designed for RIK, including, but not limited to, (1) an explicit prohibition against acceptance of any gifts or gratuities from industry, regardless of value; (2) a robust training program to include written certification by employees that they know and understand the ethics requirements by which they are bound; and (3) an augmented MMS Ethics Office.

3. Develop a clear, strict Code of Conduct for the RIK program.

A fundamental Code of Conduct with clear obligations, prohibitions, and consequences appears to be necessary to repair the culture of misconduct in the RIK program. This code should include a clear prohibition against outside employment with the oil and gas industry or consultants to that industry. Given the considerable financial responsibilities involved, MMS should also consider implementing a Random Drug Testing program specifically for RIK.

4. Consider changing the reporting structure of RIK.

The management reporting structure of the RIK program must be seriously reconsidered. Given the challenges that will be faced in rebuilding this program, it seems imperative that RIK have management oversight in immediate proximity, not some 1,500 miles away in Washington, DC.

If you have any questions, please do not hesitate to contact me at (202) 208-5745.

By Mr. SCHUMER (for himself,  
Mr. SESSIONS, and Mr. LEAHY):

S. 3569. A bill to make improvements in the operation and administration of the Federal courts, and for other purposes; to the Committee on the Judiciary.

Mr. LEAHY. Mr. President, I am pleased to join Senators SCHUMER and SESSIONS in introducing a bipartisan bill that would greatly improve the administration and efficiency of our Federal court system. The Judicial Administration and Technical Amendments Act of 2008 is an attempt to assist the Federal judiciary by replacing antiquated processes and bureaucratic hurdles with the necessary tools for the 21st century.

I previously introduced a court improvement bill in the 108 Congress. I hope the bill we introduce today will pass the full Senate with unanimous support and not be held up by a Republican objection like the similar measure I introduced 4 years ago. I have also supported past legislative proposals from the Judicial Conference to improve the administration of justice in our Federal courts.

In recent years, the job of the Federal judge has changed considerably. Today, Federal judges at both the trial and appellate level are hearing more cases with fewer available judicial resources. We have a responsibility to pass legislation that helps them keep up with changing times and circumstances.

Our independent judiciary is the envy of the world, and we must take care to protect it. Just as it is the judiciary's duty to deliver justice in a neutral and unbiased manner, it is the duty of the legislative branch to provide the requisite tools for the women and men who honorably serve on our judiciary to ably fulfill their critical responsibilities.

The legislation we introduce today contains technical and substantive proposals carried over from previous Congresses. The legislation also contains additional proposals that the Federal judiciary believes will improve its operations and allow it to continue to serve as a bulwark protecting our individual rights and liberties.

First, the provisions in the bill facilitate and update judicial operations. For example, the bill would authorize realignments in the place of holding court in specified district courts. It also would remove a “public drawing” requirement for the selection of names for jury wheels, which is now a function performed more efficiently by computers. These provisions would add convenience to the men and women—

who as lawyers, litigants, and jurors—appear before our Federal courts.

Second, the bill contains provisions that would improve judicial resource management and strengthen the constitutional protection of Americans' right to serve on juries. The bill would make a juror eligible to receive a \$10 supplemental fee after 10 days of trial service instead of 30 days. Juries serve to vindicate the rights of all Americans, including the poor, the powerless, and the marginalized. I am glad this bill takes steps to ensure that economic hardship will not be an obstacle to an individual performing his or her duty to serve on a jury.

No American should be threatened or intimidated from exercising their right to serve on a jury. This legislation would strengthen the penalties for employers who retaliate against employees serving on jury duty. It would do so by increasing the maximum civil penalty for an employer who retaliates against an employee serving on jury duty from \$1,000 to \$5,000 and add the potential penalty of community service. The bill also provides district courts with the discretion to bring into court those individuals who fail to respond to jury summons, instead of having their appearance mandated by statute. This improvement would empower Federal judges to decide what action is appropriate for those who fail to respond to a jury summons.

Third, in the area of criminal justice, provisions in the bill would also clarify existing law to better fulfill Congress's original intent or to make technical corrections. The bill makes technical corrections to a Federal probation and supervised release statute. By correcting these technical errors, we restore the original intent of Congress, including that intermittent confinement applies to supervised release as well as probation. As a former prosecutor, I am well aware that confinement, even intermittent confinement, is not always the appropriate response. I am glad that this provision includes the proper safeguards and limitations to ensure that intermittent confinement will not be abused.

The legislation would also explicitly authorize the Director of Administrative Office to provide goods and services to pretrial defendants and clarifies similar authority recently made available for post-conviction offenders through the Second Chance Act of 2007. Under current law, there is no explicit statutory authority to provide for services on behalf of offenders who do not suffer from substance abuse problems or psychiatric disorders. This provision would fill in that gap by providing services to pretrial defendants to ensure their appearance at trial.

Finally, the bill would ensure sufficient representation by Federal judges among the members of the Sentencing Commission. In 2003, House Republicans saddled the bipartisan and non-controversial AMBER Alert bill with numerous unrelated and ill-conceived

provisions, collectively known as the "Feeney Amendment," that effectively overturned the basic structure of the carefully crafted sentencing guideline system. The bill we introduce today contains a provision, similar to the JUDGES Act that I cosponsored in 2003, that would reverse the provisions in the Feeney Amendment that limited the number of Federal judges who can serve on the Sentencing Commission. Our Federal judges are experts on sentencing policy, indeed they preside over criminal sentencing proceedings daily; I am glad this restoration has been included.

This important legislation has the support of the Administrative Office of the Courts, on behalf of the Judicial Conference, and senators on both sides of the aisle. Our judiciary needs these improvements to increase its efficiency and administrative operations. I urge my Senate colleagues to quickly pass this noncontroversial legislation.

By Mr. MENENDEZ:

S. 3570. A bill to establish a National Public Health Coordinating Council to assess the impact of Federal health-related socio-economic and environmental policies across Federal agencies to improve the public's health; to the Committee on Health, Education, Labor, and Pensions.

Mr. MENENDEZ. Mr. President, I rise to speak on behalf of the public's health, and I am introducing two pieces of legislation that will help us assure that healthy people live, work and learn in healthy buildings and healthy communities, S. 3570 and S. 3571.

Public health is a shared responsibility of both public and private entities—Federal, State, and local governments, as well as independent organizations and even individuals in their local communities. We all have a role to play, and we must all do more if we are to truly improve the public's health. That is why today I am introducing the Public Health Coordinating Council Act. This bill will establish a National Public Health Coordinating Council, to be chaired by the Assistant Secretary of Health and the Surgeon General. This Council will be a forum to improve interagency communication, coordination and strategic collaboration across Federal agencies. We should have confidence that policies and programs from one office support, rather than undermine, the policies and programs in another office. Unfortunately, I'm not sure that's the case within today's structure.

For example, if the Department of Health and Human Services is working to reduce obesity, the 2nd leading cause of preventable death in the Nation, how well do the policies of the Transportation, Interior or Agriculture departments support these same goals? Are they working on programs to encourage public safety, or physical activity and healthy eating, as they should be?

I look forward to passing this legislation and increasing the Federal Government's effectiveness in protecting the public's health.

Secondly, another significant issue facing our Nation is escalating health care costs from chronic diseases—health conditions that can be reduced if we use our land responsibly and design and manage our local environments wisely.

Our physical environment is not being designed to protect or promote health. The built environment—the places where we live, work, shop, and play—has an enormous impact on health, and can encourage active living and sound nutritional choices. How we plan and build our streets, homes, businesses and schools can either improve or compromise our health, and I am concerned that more often than not, we miss opportunities to get it right.

Uninformed public policy decisions can contribute to health inequities, chronic disease, increased sprawl and traffic, decreased air and water quality, loss of green space and inappropriate siting of facilities and other unwanted health consequences.

However, with good planning, we can intentionally and predictably improve health outcomes, improve individual safety, protect the environment, and lower public costs. For example, when car use was reduced during the 1966 Atlanta Olympic Games, asthma admissions to emergency rooms and hospitals also decreased.

Obese and physically inactive workers have higher health care costs, lower productivity, increased absenteeism and higher workers' compensation claims. In one state, physical inactivity was estimated to cost \$128 per person per year.

So imagine, if 10 percent of Americans began a regular walking program, we could save \$5.6 billion in heart disease costs. If you combine concerns over growing health care costs with concerns over growing waistlines and chronic diseases, it becomes clear very quickly that designing our environment to encourage walking and physical activity is a good investment.

We can improve health outcomes by how we design our environments. People living in the most sprawling counties are likely to weigh on average six pounds more than people in the most compact counties, and are more likely to be obese and have high blood pressure.

We can improve public safety outcomes by how we design our environments. The 10 most sprawling cities had traffic death rates 50 percent higher than the 10 least sprawling.

We can protect our environments by how we design them. Improved land use, design and engineering practices, and conservation and recycling substantially reduce contamination of major public water supplies, and preserve habitats and biodiversity of species.

We can improve social connectedness by how we design our environments.

Building healthy neighborhoods and communities increases social cohesiveness, improves mental health, reduces crime, and allows more seniors to "age in place". Designing our communities with short commuting distances increases time for extracurricular activities for our children, recreation/rejuvenation time after work for adults, and time for family members to spend together or involved in their communities.

My bill, the Health Impact Assessment Act, will encourage community environments that improve, or at least do not harm the public's health. Health Impact Assessments, HIAs, are a relatively new strategy here in this country, although they have been successfully used for years in Europe and elsewhere to protect the public's health.

Public health is generally not examined in the Environmental Impact Statement process in this country. Some innovative researchers and planners are trying HIAs here, including in Los Angeles and Atlanta. One recent example was an HIA for proposed oil and gas development in Alaska's North Slope region. Interestingly, they learned that the local community was concerned about loss of hunting grounds, increased contamination of their food supply and water quality, and an increased trafficking of alcohol and drugs. Their findings included measures to mitigate these health concerns, such as creating a health advisory board and increasing public safety officers, setting up a public health monitoring system and strategies to control spills and contaminants.

My bill requests that the GAO identify what works best for assessing planning, the impact of land use and building design, and social policy on community health. It also creates a national clearinghouse and demonstration program to improve the built environment and promote health. Additionally, it strengthens CDC's capacity to promote HIA processes by developing guidance for assessing the potential health effects of social policy, land use and design, housing, and transportation policy and plans.

I want to thank the National Association of County & City Health Officials, Partnership for Prevention, American College of Preventive Medicine, American Public Health Association, and Trust for America's Health for their help and support of this legislation.

#### SUBMITTED RESOLUTIONS

SENATE RESOLUTION 679—COMMEMORATING THE 219TH ANNIVERSARY OF THE UNITED STATES MARSHALS SERVICE

Mr. MARTINEZ (for himself and Mr. NELSON or Florida) submitted the following resolution; which was referred to the Committee on the Judiciary: