The PRESIDING OFFICER (Mr. BENNETT). The Senator from New Hampshire.

Mr. SMITH of New Hampshire. I thank the Chair.

(The remarks of Mr. SMITH of New Hampshire pertaining to the introduction of S. 2962 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. SMITH of New Hampshire. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I ask unanimous consent to speak as in morning business.

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

PIPELINE SAFETY EFFORTS

Mrs. Murray. Mr. President, I've come to the floor this evening to share with my colleagues recent developments on the pipeline safety legislation. I am frustrated that to date we've been unable to come to agreement on a package of amendments that would ensure this critical legislation passes this year. I praise the efforts of the chairman of the Commerce Committee, Senator MCCAIN, and the committee's ranking member, Senator HOLLINGS, for their steadfast resolution in dealing with this issue.

As most of my colleagues know, I've been working for more than a year to improve pipeline safety standards. Millions of miles of pipelines run through our communities, next to our schools and under our homes. As the deadly pipeline explosion in Bellingham, WA, on June 10, 1999, that killed 3 young boys, showed us, pipelines are not as safe as they could be.

Since the Bellingham explosion, I have been working with officials at all levels of government, industry representatives, environmentalists, state and federal regulators, and concerned citizens to identify ways to improve pipeline safety in our nation.

It has been an eye-opening experience. I've uncovered a history of loose regulation with insufficient safety standards, inadequately trained pipeline operators, and a public that is uninformed of the threat that exists.

To date, I have focused on the problems associated with liquid gas pipelines. The pipe that ruptured and resulted in the tragic deaths of the three young people in my state was a liquid pipeline. What most people don't know is that natural gas pipelines are far more deadly and injure many more people.

From 1986 to 1999, liquid pipeline accidents, according to the U.S. Department of Transportation, resulted in 35 deaths and 235 injuries. In contrast, natural gas distribution and transmission pipelines in that same time period have resulted in 296 deaths and injured 1,357 people. The property damage that has resulted from these incidence totals nearly $1 billion.

Some examples of recent deadly natural gas pipelines include:

A 1998 natural gas explosion in St. Cloud, Minnesota that destroyed six buildings, killed four people and injured 14 others:

A 1997 Citizens Gas natural gas pipeline in Indianapolis that ruptured and ignited, destroying 6 homes and damaging 65 others properties. One person was tragically killed. Luckily this event occurred mid-day while many people were at work and school, otherwise it is likely that more fatalities would have occurred in that family neighborhood; and

A 1994 natural gas explosion in Allentown, Pennsylvania that killed one person and injured 66 others.

These are just three of many. Pipelines are dangerous, especially natural gas lines. We need to reform the system and put teeth in the regulation to ensure that these accidents are reduced dramatically.

The Office of Pipeline Safety oversees more than 157,000 miles of pipelines which transport hazardous liquids and more than 2.2 million miles of natural gas lines throughout the country. While these pipelines perform a vital service by bringing us the fuel we need to heat our homes and power our cars, they can also pose safety hazards.

That is why I introduced S. 2004, the Pipeline Safety Act of 2000, on January 27, 2000. In April, the administration and Senator MCCAIN, along with myself and Senator GORTON, also introduced alternative pipeline safety bills. All of these bills focus on expanding local input in pipeline safety matters and strengthening community ''right to know'' provisions, improving pipeline integrity and inspection practices, and increasing our research and development efforts.

On June 15, 2000, the Senate Commerce Committee discussed and deliberated the McCain-Murray-Gorton bill. As I stated before, this bill incorporates most of my priorities and is a positive step toward improving pipeline safety. The committee reported by bill without dissent.

Events since that time have proven less hopeful. Naturally, there were concerns with the bill as reported out of committee—and again—I appreciate the indulgence of the chair and ranking member as we have sought to negotiate through these difficult issues. Working with Senator GORTON and the Commerce Committee, we have come very close to compromise. Many issues have been resolved; there are only a few minor ones left.

I fear, however, that we may be coming to an impasse in our negotiations. I want my colleagues and the industry to know, I will not let the interests of the few strip the many of their right to safe communities.

Mr. President, the reforms we have called for are common sense measures. They will make our communities safer and allow everyone to enjoy the benefits of a modern pipeline infrastructure.

The reasons for delay are indefensible. I encourage my colleagues to consider what the stalling on this important issue could mean to communities in their State. It means, tragically, more unnecessary damage to life and property.

I knew this process would be difficult, but I am concerned at the point where we find ourselves today. If we can't accomplish this soon, I want my colleagues to know, I promise I will be creative in my approach to achieving meaningful pipeline safety legislation this year and find other ways to enact these extremely important reforms.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MISSOURI RIVER DAMS

Mr. DASCHLE. Mr. President, this week my friend and colleague, Senator BOND, came to the floor to explain why he is seeking to stop much needed changes in the operation of the dams on the Missouri River which is so important to the culture and economy not only in my State but so many others.

For the past 10 years, the Army Corps of Engineers has been working to update the decades-old management policies for the Missouri River. That effort, conducted by scientists and professional river managers, is approaching fruition. This year the Fish and Wildlife Service has told the Corps that changes need to take place to restore this magnificent river to biological health and so that we may prevent the extinction of three endangered species. By doing so, we will not only bring environmental benefits to the river but also enhance the recreational use of the river, both upstream and, I might emphasize, downstream. Bringing about these needed management changes will mean the environment, public relations, and health of the river will all be winners.

But now my colleague from Missouri has inserted a rider, an anti-environmental measure, in the energy and water bill that would stop the Corps from changing the management of the river. I understand why my colleague from Missouri has done this. He is trying to protect the interests of the State. However, in the process, he would sacrifice a much larger upstream fish, wildlife, and recreation industry. I simply cannot let that go uncontested. Hence, we have been embroiled for now several days in a disagreement that I had hoped could be resolved.

Six major dams have been constructed on the Missouri River which have forever changed its flow and character.

Since the last earthen dam was built in the early 1960's, we have witnessed the decline of fish and wildlife along the river.

This has resulted largely from the management policies that were developed in 1960 for operating the dams, and which favor the tiny $7 million downstream barge industry. These policies are established in what is known as the Missouri River Master Water Control Manual, often called the ''Master Manual.''

It has been four decades since the Master Manual was significantly updated.

Therein lies the problem. The existing Master Manual, which is grounded in principles relevant to conditions in the 1960's, favors the barge industry, which prefers constant, level flows throughout the spring, summer, and fall.

But times and conditions have changed over 40 years. That is why the Master Manual is being revised.

Over the years, outdated management policies have caused fish species to decline, as the natural high spring flows that signal fish species to spawn have disappeared. They have led to the endangerment of bird species that rely on exposed sandbars to nest in the summertime. The corps often submerges those critical sandbars in its effort to provide sufficient flows for the barges.

That is why both the Missouri River Natural Resources Committee and the U.S. Fish and Wildlife Service agree that the Master Manual must be revised to manage the flow of the river in a much more natural way. High spring flows, known as the ''spring rise'' need to be restored.

At the same time, the summer flows must be reduced to allow the endangered terns and plovers to nest. This is known as the ''split season.''

In combination with the spring rise, the split season and the spring rise will help to restore the health of the river and recover these endangered species.

In addition to the serious environmental problems and cause by the current Master Manual, current management policies also harm public recreation. In times of drought, Missouri River reservoirs of the Dakotas and Montana drop as low that boat ramps are left high and dry, and a $90 million per year recreation industry is sacrified for a $67 million per year barge industry.

The split season and spring rise will ensure that more water remains in the reservoirs in the summer, providing greater recreational opportunities for the public.

This Master Manual revision process has been underway since 1990, following a 1989 lawsuit the corps of the State of South Dakota. Again that has been a science-driver process, not a political one.

No one who has followed this issue will be surprised by the recommendation of the Fish and Wildlife service, or can argue this is issue has not been studied evaluated thoroughly. Once the consultation between the corps and the Fish and Wildlife Service is completed this year, the Corps will produce a revised draft environmental impact statement (EIS) and provide the public with 6 months to comment on it.

At the end of that stage, the corps will provide a final EIS. That document will be reviewed by Corps staff in Washington, DC, a record of decision will be issued, and the Master Manual will be revised.

That is the process set out of Federal law.

The question before the Senate on the Energy and Water Appropriations bill is whether we are going to cut off that Master manual revision process with this rider because some don't like the answers the process is revealing. If we do so, we will allow the river to continue its slow decline that inevitably will lead to the extinction of these and perhaps other species.

Some have stated that this rider has been included in past appropriations bills, and therefore we should continue to include it in the FY2001 Energy and Water Appropriations bill.

But members should know that this rider was irrelevant in past years, because the corps was not close to revising the Master Manual and because the corps had not engaged in consultation with the Fish and Wildlife Service to determine what management changes are necessary to protect endangered species.

Since no changes to the Master Manual were planned in past years, the effect of the rider was at most symbolic, reflecting the opposition of some along the river to changing the status quo.

This year, for the first time, the debate over this rider has meaning.

This year, the corps finally has reached the point in the process where it is consulting with the Fish and Wildlife Service and is learning officially that it must implement a spring rise and split season to avoid driving these endangered species to extinction.

This year, the corps finally has a schedule to complete the process of revising the manual in the foreseeable future.

Having learned without question that certain management changes need to take place to restore the health of the river, Congress must decide whether to override the requirements of the Endangered Species Act and condemn the fish and wildlife of the river to a slow death, or to face the truth and give the river new life.

The answer is clear. The Corps of Engineers and the Fish and Wildlife Service should be allowed to continue to work together under the very Federal laws and processes that Congress has enacted, so that the corps can revise this outdated Master Manual and improve the management and health of the Missouri River.

This is a job for the technical experts of those agencies to complete, in compliance with established procedures, and including an opportunity for substantial public comment and input. Congress should not substitute its political judgment for this process and thereby condemn this once-magnificent river to a slow death.

It is my hope that my colleagues will allow the established process to move forward, let the public have its say, and take the steps that we know are necessary to recover this once-impressive and biologically-fertile river. This anti environmental rider must be removed.

Mr. President, I have now been given assurances by the White House that the President will veto this bill if this rider is included. Given that assurance and given the importance of protecting the integrity of the established process for improving the management of the Missouri River, I have agreed to allow this legislation to move forward, which is why we had the vote this afternoon. I will continue to work with my friend, the Senator from Missouri, and I will continue to appreciate the assurances I have been given by the White House that they will veto this legislation were it to come to their desk with the President's knowledge that this legislation includes the rider. I will certainly work to assure that we can sustain the veto when it comes back. That is essential. It is important to not only South Dakota and North Dakota, the upper regions of the Missouri River, but it is important to our country.

Mr. President, I ask unanimous consent that a letter dated July 26, 2000, from the Governor of South Dakota, William Janklow, be printed in the RECORD.

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

STATE OF SOUTH DAKOTA,
Pierre, SD, July 26, 2000.

Hon. PETER DOMENICI,
Hon. HARRY REID,
U.S. Senate, Subcommittee on Energy and Water Development, Senate Committee on Appropriations, Washington, DC.

DEAR SENATORS DOMENICI AND REID: It has come to my attention that Missouri's Senators Bond and Ashcroft are attempting to block needed changes in the operation of the Missouri River. Senator Bond has attached a provision to H.R. 4733, the FY2001 Energy and Water Development Appropriations Act. The intended effect of the provision is to prohibit any funds being made available to be used to revise the Missouri River Master Control Manual, if the revision is for the purpose of providing for an increase in the springtime water release programs during the spring heavy rainfall and snow melt period in states that have rivers draining into the Missouri River below the Gavins Point Dam.

This provision is an attempt to override the work of the eight states that are members of the Missouri River Basin Association (MRBA). After a long and arduous process, the MRBA arrived at a consensus plan which seven of the eight basin states could support. However, Missouri was the lone state that did not sign on to the MRBA plan. They choose to mount a political battle to protect their status quo related to water flows.

Missouri and every other state must understand that no state is an island.

Interestingly, while the Missouri River reservoirs brought many benefits to the downstream states, navigation never developed to its original expectations. And, while no one even mentioned recreation as one of the benefits back in 1944, it exploded as an industry on the upper basin mainstem reservoirs. In fact, the Corps of Engineers' 1998 Revised Preliminary Draft Environmental Impact Statement for the Missouri River Master Water Control Manual credits recreation with $84.6 million in annual benefits while navigation creates a mere $6.9 million in annual benefits.

As you can see, we are at a crossroads today. The Corps continues to operate the reservoirs with an outdated Master Control Manual. Some of the original purposes of the Pick-Sloan Plan, like hydropower and flood control, are still valid today. However, the manual does not adequately address the conflict between navigation and recreation. Navigation takes water to support a barge channel and during times of dry years and water shortages the upper basin recreation industry suffers terribly. To keep a full navigation channel below Sioux City, Iowa, our reservoirs are drained and our boat docks left high and dry. An $84.6 million industry that offers recreational benefits to hundreds of thousands of people is held hostage by the $6.9 million barge industry.

Getting to this point in the Master Manual revision has been a long and arduous trail. Basin stakeholders have held countless meetings, thousands of hours have gone into evaluating the different options, and, in a spirit of compromise, we have agreed to allow the process to work. Too much effort has been spent to derail it now. To allow Senator Bond's provision would sound a death knell to a difficult consensus process, disregard sound biological and hydrological science, and place the whole Master Manual review process back into a political free-for-all pitting the upper-basin-states against the lower basin states. I urge you to remove Senator Bond's provision in your committee.

Sincerely,

WILLIAM J. JANKLOW.

SENATE DEMOCRATS BBA REFINEMENT AND ACCESS TO CARE PROPOSAL

Mr. DASCHLE. Mr. President, the Balanced Budget Act of 1997 made some positive changes and contributed to our current $2.2 trillion on-budget surplus.

Some of the BBA policies, however, cut providers and services far more consequentially than was ever anticipated, and that has created extraordinary problems for health care providers all over the country.

I have been hearing from providers in South Dakota about the burdens that BBA created now for almost 3 years.

Just this week, community leaders in Sturgis, SD, have been meeting to decide the fate of an important clinic we have there. The administrators in Sturgis say the cuts we made in 1997 mean that they have been losing money every year. We may actually see the clinic close as a result. That clinic is not alone. There are clinics, there are hospitals, there are providers throughout my State and throughout the country who are facing the same fiscal demise if something is not done. And their demise spells problems for the people who depend on them for care.

Last year, we made the first step. Thanks to a united Democratic effort, we put forth a bill largely endorsed by our colleagues on both sides of the aisle and passed the first installment of relief from the BBA. It was an effort to try to stave off further closings and financial harm to critical community health care facilities. We didn't go far enough. Communities are still struggling in spite of our best effort last year.

Senate Democrats believe that we cannot ignore the crisis this year either. We need to act to ensure that beneficiary access to quality health care remains, regardless of circumstances, regardless of geography, regardless of whether we are talking about a rural area or an inner city.

I want to thank Senator PATRICK MOYNIHAN, our ranking member, Senator Max BAUCUS, and so many other members of the Senate Democratic Caucus and the Finance Committee for their leadership in developing the response to this crisis that we will be introducing shortly upon our return.

The Senate Democrats, under their leadership, are now proposing a package of payment adjustments and other improvements to beneficiary access that total $80 billion over 10 years.

This $80 billion will be used to help stabilize hospitals, home health agencies, hospices, nursing homes, clinics, Medicare+Choice plans, and other providers.

Our plan pays special attention to rural providers, which serve a larger proportion of Medicare beneficiaries and are more adversely impacted by reductions in the Medicare payment.

It includes targeted relief for teaching hospitals that train our health providers and conduct cutting-edge research.

And it includes improvements to Medicaid that could mean significantly improved access to health care for a number of uninsured people.

The proposal also includes improvements that directly help beneficiaries.

Senate Democrats continue to believe that passage of an affordable, voluntary, meaningful Medicare prescription drug benefit is of highest priority.

We will continue to press for passage of a prescription drug benefit in September as we fight for the important provisions in this proposal.

I ask unanimous consent that our proposal outline be printed in the RECORD, which goes through in some detail each of the areas that we hope to address, why we hope to address them, and the reasons we are addressing them in the bill that we will be introducing immediately upon our return from the August recess.

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

SENATE DEMOCRATS' BBA REFINEMENT AND ACCESS TO CARE PROPOSAL, JULY 27, 2000

The Balanced Budget Act (BBA) of 1997 made some important changes in Medicare payment policy, improved health care coverage, and contributed to our current period of budget surpluses through significant cost savings in Medicare. CBO originally estimated Medicare spending cuts at $112 billion over 5 years. Some of the policies enacted in the BBA, however, cut payments to providers more significantly than expected—in some cases more than double the expected amount—and threaten the survival of institutions and services vital to seniors and their communities throughout the country. Senate Democrats believe that, in light of the projected $2.2 trillion on-budget surplus over the next 10 years and the problems facing vital health care services, the Congress should enact a significant package of BBA adjustments and beneficiary protections. Senate Democrats therefore propose a package of payment adjustments and access to care provisions amounting to $80 billion over 10 years.

Hospitals. A significant portion of the BBA spending reductions have impacted hospitals. According to MedPAC, ''Hospitals' financial status deteriorated significantly in 1998 and 1999,'' the years following enactment of BBA. The Senate Democrats' BBA refinement proposal addresses the most pressing problems facing hospitals by:

Adjusting inpatient payments to keep up with increases in hospital costs, an improvement that will help hospitals.

Preventing further reductions in payment rates for vital teaching hospitals—which are on the cutting edge of medical research and provide essential care to a large proportion of indigent patients. Support for medical training and research at independent children's hospitals is also included in the Democratic proposal.

Targeting additional relief to rural hospitals (Critical Access Hospitals, Medicare Dependent Hospitals, and Sole Community Hospitals) and making it easier for them to qualify for disproportionate share payments under Medicare.

Providing additional support for hospitals with a disproportionate share of indigent patients.

Home Health. The BBA his home health agencies particularly hard. Home health spending dropped 45 percent between 1997 and 1999, while the number of home health agencies declined by more than 2000 over that period. MedPAC has cautioned against implementing next year the scheduled 15% reduction in payments. The Senate Democrats' BBA refinement proposal:

Prevents further reductions in home health payments, takes into consideration the highest cost cases, and addresses the special needs of rural home health agencies.

Improves payments for medical equipment.

Rural. Rural providers serve a larger proportion of Medicare beneficiaries and are more adversely affected by reductions in Medicare payments. The proposal addresses the unique situation faced in rural areas through a number of measures, including establishing a capital loan fund to improve infrastructure of small rural facilities, providing assistance to develop technology related to new prospective payment systems, creating bonus payments for providers who serve independent hospitals, and ensuring rural facilities can continue to offer quality lab services to beneficiaries.

Hospice. Payments to hospices have not kept up with the cost of providing care because of the cost of prescription drugs, the therapies now used in end-of-life care, as well as decreasing lengths of stay. Hospice base rates have not been increased since 1989. The Senate Democrats' BBA Refinement proposal provides additional funding for hospice services to account for their increasing costs.