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House of Representatives

The House was not in session today. Its next meeting will be held on Wednesday, September 6, 2006, at 2 p.m.

Senate

THURSDAY, AUGUST 3, 2006

ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006—MOTION TO PROCEED

Mr. FRIST. Mr. President, we have had a lot of discussion in terms of what the plans would be. We will be proceeding where we can finish the bills, not the Department of Defense appropriations bill tonight, but in all likelihood the other bills. I will propound the unanimous consent request, and then we will lay out the evening.

Mr. President, I ask unanimous consent that notwithstanding rule XXII, the cloture vote with respect to H.R. 5970, the Family Prosperity Act, occur following 15 minutes for Senator GRASSLEY, 15 minutes for the Democratic manager, and 15 minutes for each leader; provided further that if cloture is not invoked, the Senate then proceed immediately to the consideration of H.R. 4, the pensions bill, and that there be 20 minutes for debate equally divided between the two leaders, with no amendments in order to the bill; further, that following the use or yielding back of debate, the bill be read the third time and the Senate proceed to a vote on passage, with no intervening action or debate; further, that it not be in order to consider any conference report on H.R. 2830 during this Congress.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, reserving the right to object, I move that we amend H.R. 4388—it is the extenders, so that everybody knows what I am talking about—with the text of the extenders amendment I offered earlier to the defense bill. In effect, what I am saying is, we are going to try to have a decision made on the protection act. Following the disposition of that, we would go to the pension bill, and my request is that following that we would pass the extenders.

The PRESIDING OFFICER. Is there objection?

Mr. FRIST. Reserving the right to object, Mr. President, I have made it clear since the outset that our intention was to address the Family Prosperity Act, which are the three bills, which people have been referring to as the ''trifecta,'' unamended and without any attempt to either separate that and add it to the pensions bill. We will proceed as planned, consistent with the unanimous consent request that I outlined.

I do object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Reserving the right to object, Mr. President. I understand the leader. He told me that earlier today. I told him I would do this. I hope that when we come back, following the completion of the Defense appropriations bill, this will be one of the first things we work on. This is an extremely important piece of legislation. I am disappointed that we were not able to complete this at the conference that was completed a week or so ago. I have no objection to the majority leader's request.

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

Who yields time?

Mr. FRIST. Mr. President, I will yield to Senator GRASSLEY when he comes. I think that I will go ahead and yield myself time on this bill. We have essentially 30 minutes on either side, of which 15 or 20 minutes of our time will be used by Senator GRASSLEY.

We will be voting shortly on what we are calling the Family Prosperity Act. Heretofore, it has been called the trifecta bill because it addresses three different issues that are critically important to the American people.

Each of these three bills that have been grouped together to become the Family Prosperity Act are important to hard-working Americans, millions of them. One of the three bills is the permanent tax relief bill. Let me say at the outset that this is a compromise bill that has been put together. We attempted earlier to do something that I strongly believe in, which is totally repealing this unfair and wrongful ''death'' tax. We were unable to do that on the floor of the Senate, and after a lot of discussion between Republicans and Democrats, with the leadership, with Senator KYL on our side and many Democrats, a bill that is a compromise was put together and is very similar to the bill that is in the Family Prosperity Act.

Why is it important? Because this death tax punishes everyday Americans by forcing them to give up their businesses, give up their farms, which their loved ones—dads, moms, and grandparents—have worked hard to pass on to them. It has a direct impact on farming, ranching, construction. All of these bills are labor and capital intensive, but the cost of passing these enterprises on to future generations in one piece is often prohibitive and impossible to do.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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About 90 percent of family businesses don't survive that third generation. Even those who do manage to pass on their family businesses are adversely affected. Instead of spending money to innovate and grow the business, people have to pay money either to the Federal Government, to accountants and business people to, in some way, try to lessen the burden they would some day have to pay.

There are a lot of issues that we have addressed in this body. It is time that we act on this one. Again, it is a compromise that we pulled together.

The second aspect of the Family Prosperity Act are some very important tax extenders. There is a list of those that I am sure others will talk about, and one that is of particular interest to me is the sales tax deductibility. In my State of Tennessee, from 1986 to 2004, hard-working Tennesseans were placed at a disadvantage simply because Tennessee was one of seven States that chose to raise revenue primarily through a sales tax instead of an income tax. Thankfully, in 2004, this body, working with President Bush, restored fairness to that Federal tax policy, but that provision expired last year, and more than 64,000 Tennessee families will suffer if that tax relief is not extended. That is just one provision. There are many others.

The research and development tax credit, we know, is absolutely critical to our small businesses, mid-size businesses, and larger businesses in order to grow and to do that research and innovation that prepares them for the future and that creates jobs for the future.

The final piece of the Family Prosperity Act increases the minimum wage. Specifically, it increases it by 40 percent; thus, if we were to pass this bill tonight, the Family Prosperity Act, in the very near term, because it already passed the House, minimum wage workers—several million people—will have a 40 percent increase that will begin in the very near future. Young workers entering the job market for the first time would have a minimum wage hike that would be welcome.

I see that my colleague, Senator GRASSLEY, is here. At this point, I will be happy to yield to him. He has a statement of 15 to 20 minutes. I yield to him what time is required for his statement.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, it is my understanding that I have 15 minutes, and if I need 5 minutes off of the leader's time, I could have it. Would you please inform me when my 15 minutes are up, and if I need a little bit more time, without asking unanimous consent at that time, to take it off of leader time. Does the Chair understand what I am talking about?

The PRESIDING OFFICER. Yes, I understand the Senator. The Chair will make sure the Senator knows when 15 minutes have been used.

Mr. GRASSLEY. I am going to support the trifecta bill. I want to speak about the bill and around the bill and about the environment that has taken place over the last week.

On a preliminary note, I would like to talk a little bit about the nickname of this bill. Its authors in the House and Senate came up with that nickname. They call it the ''trifecta'' bill.

Many folks know I'm a bit of a frugal person. You'd definitely hear it from my staff. Some might say I am cheap. I would say frugal. Frugal folks tend to be drudges and a bit predictable, but, at the end of the day, frugality tends to mean that you have your house to go home to and a little bit of savings in the bank.

You don't see a lot of frugal folks that take big speculative gambles.

So, when I saw this term ''Trifecta,'' not being much of a gambler, I didn't know what it meant. I asked my staff about it. They explained that it was a horse or dog racing term. It refers to a compound bet. That is, the bettor places a bet on three horses. The bettor indicates which horses will win, place, and show.

I asked my staff about the typical odds on a trifecta in a horse race. They picked the 2006 Kentucky Derby. According to the record, Barbaro was favored to win by 6 to 1 odds, Bluegrass Cat was 30 to 1 odds to win, and Steppenwolfer was 30 to 1 odds to win.

The $2 Trifecta paid $11,418 which is a pay-out of $5,709 per every dollar. Big pay-off. Long odds. So does our trifecta have those kind of odds? The answer is no, but it does require 60 Senators to payoff.

Being a frugal person and a cautious legislator, you can see how I might have problems with trifecta legislative strategy.

I guess I would look at this exercise as that kind of longshot. With Senate votes as horses, let's take a look. At the last race, on a motion to proceed to the House death tax repeal bill, 57 horses came in. So, the bet was to find 3 horses among the horses that ran the other direction and turn them around. As a farmer with some experience with horses, let me say, once they're out of the barn and running around, it's hard to turn them around. Senators can be similar, especially when a vote is highly political.

It looks to me like we may not turn around many of the horses today. I hope I am wrong. If I am right, the bottom line is that we bet on the wrong horses. Maybe we should've taken a bet that was more likely to pay-off.

Now, I want to turn to the substance of the bill before us. What's this trifecta bill all about? There are really three key pieces. The first piece is permanent death tax relief. The second piece deals with expiring tax provisions and some other items, known as the ''trailer bill.''

The last piece is a Federal minimum wage increase.

I am not going to describe the minimum wage piece. It is not in my committee, the Finance Committee's, jurisdiction. It was an add-on by the House. I really have no history with it and feel no reason to explain it, support it, criticize it, or defend it. I will leave that to others.

From a personal standpoint, I have supported minimum wage increases in the past. I'll continue to support them as long as the increase doesn't raise teen unemployment and doesn't hurt small business.

I am going to focus on the first two pieces of the trifecta. That is, the death tax relief and the trailer bill. Those matters are squarely within the Finance Committee's jurisdiction. I have some history with those issues. I care a great deal about the policy in both of those areas. As chairman, I feel a lot of responsibility for the tax policy in these areas.

Let's take a look at death tax relief first. I support repeal. I take it from the vote we had on the motion to proceed to the death tax repeal bill that a majority of the Senate also supports repeal or some sort of significant relief.

I want to make it clear to the people listening, who may not understand how the Senate works, why we need 60 votes. A vast majority of this Senate supports repeal of the death tax, but it won't happen because of the 60-vote requirement.

In this case, I did some checking around on the votes after the cloture motion failed. It became apparent to me, after conversations with members, staff, and interested parties that the bar for getting the 60 votes was pretty high. At first, the impression was kind of fuzzy, but it became clear as the weeks moved on. Several barriers existed for the Republican leadership and Senator KYL. One, the fact that we were then so close to an election had politicized the issue. The Democratic leadership were becoming invested in blocking a Republican accomplishment. They made it clear to Democratic Senators who might otherwise be willing to work towards good policy that those Senators would face the wrath of the Democratic Caucus.

Moreover, the Democratic leadership exploited the policy positions that Senator KYL and others considered priorities. Even though Republicans moved, the movement never seemed to be enough. Also, Democrats were focusing on points that they knew the Republican negotiators could not be flexible. It was a troublesome negotiation. Unfortunately, members and staff often heard what they wanted to hear. This pattern only got worse as time went on.

While these negotiations were going on, there was a parallel track developing. The Senate Republican leadership came up with a different plan. The plan was to add the death tax compromise to the pension conference. I counseled against it because I thought the mix of conferees would not be agreeable to it and it would be an awkward position to a broadly bipartisan

bill. Nevertheless, I agreed to consider this maneuver if the proponents could show me a path to 60 votes.

The proponents went against my counsel and did not deliver on the one thing I asked them to do: show me the votes. That plan didn't work because, as I predicted, a majority of the conferees were not supportive of it, and I was one of the conferees who would have supported it.

After 4 months of tough negotiations, none of the senior conferees, all of whom were invested in the pension policy, were keen to the idea either. And here, I am talking about both House and Senate conferees, Republicans and Democrats. The mission was launched and quickly aborted.

Along came plan B. Plan B was the result of my ''wily'' counterpart—you know, the guy who, according to House colleagues and staff, supposedly ''snookers'' the Senate year in and year out in conferences. My House counterpart, who, like the rest of the conferees, was never on board with the pension plan, raised this plan B with me. Plan B was the idea of combining some new death tax compromise with the trailer bill.

I counseled against this plan. It was clear that pursuing this plan would cause problems with completing the pension conference. Chairman ENZI backed me in this view. Once again, I asked the proponents to show me the path to 60 votes. Once again, they didn't show the path, and then, as you know, they went ahead over my objection.

So we are where we are right now at almost 9 o'clock on Thursday. The process was lousy and offensive, but the substance is good. I will support the bill's death tax relief proposal. I wish this death tax policy would become law. If that does not happen, then we have to think about the next step. We have to keep our eye on the ball. We should be aiming for good death tax policy and for the 60 votes on how to get there.

We have all learned a few things in this painful process.

One, death tax is a unique kind of issue. It is not like other tax issues. It is a moral issue to folks on both sides of the aisle. To be politically palatable, the death tax proposal needs to be either in isolation or proportionate if combined with other tax proposals. Small so-called sweeteners don't get us over the goal line. Holding up popular must-do current law tax provisions also doesn't get us there. Just look at the vote counts in the House on the various bills. Those vote counts show what I am talking about.

So right now, we are stuck. The Democratic leadership is holding back Members from voting their consciences and their State interests. That resistance is there now, and it is very strong. It won't last past the political season. The Democratic caucus will be accountable. If the trifecta bill fails, we will be back, but we won't get anywhere until we are out of the political season. That is the ugly political fact I have to convey to Senators KYL, LINCOLN, and others who have worked in a bipartisan way to get this done.

I took a look in the Tax Code and the recent history of the death tax relief. In the past 20 years, comprehensive death tax relief occurred two times: in 1997, in a bipartisan tax relief bill, and in 2001 on another bipartisan tax relief bill. Both were produced by Finance Committee members with a bipartisan working group and the involvement of the chairman. My judgment is that if the trifecta bill fails, this is the way we are going to have to go again.

Now I turn to the other part of the trifecta, the so-called trailer bill. In this Congress, I have fought long and hard for extension of tax provisions that expired at the end of last year, now 8 months into the expired year. The extension provisions were included in the tax reconciliation bill which passed the Senate in the spring.

Let's consider how we got here on extenders and the trailer package.

Extenders were part of a package deal that I argued for in the Budget Committee. When the Budget Committee met in February and March of last year, I asked for $90 billion. The $90 billion was meant to cover expiring provisions, including capital gains and dividend rates and the hold harmless for the alternative minimum tax. Chairman GREGG agreed to a reconciliation instruction of $70 billion. In committee and on the floor, I defended the reconciliation instruction as part of this plan. Including extenders was a key part of the strategy. It came up a lot in debate. It was a factor in holding the instruction on the floor and in conference.

When the reconciliation bill was marked up in the Finance Committee, the extenders were part of the same package deal. The inclusion of 2 years of extenders on the floor helped us hold the Finance Committee bill together.

When we went to conference, the House brought a year of extenders, no AMT hold harmless, and 2 years of capital gains and dividends. Although we could not get 2 years of capital gains and dividends through this Senate the first time, I knew it was important to the Republican leadership, especially Senator KYL, and I would even put myself in that category. We could not fit all the pieces together because, in part, the House would not take our anti-tax shelter measures and loophole closers. Something had to drop. That something was what we call the extenders.

Now, because the extenders were part of the plan and we were also into the expired year, I insisted on assurances from Chairman THOMAS of the House Ways and Means Committee and also from the bicameral leadership. At that time, I released a statement stating that we would be putting the extenders in the pension conference report. This statement was based on assurances that I had from leaders in both the House and the Senate.

I asked for those assurances to do the right thing from a policy perspective and also a political perspective. From the policy perspective, the taxpayers should be able to rely on the tax legislative process. This should be especially true with respect to the current law expiring provisions that enjoy overwhelming bipartisan support. From a political perspective, I asked for those assurances to defend Republican Senators who would be attacked when the reconciliation conference agreement was announced. Indeed, those attacks did come, and I referred to the assurances in defending the Senators who were under attack.

In addition, several Republican Senators asked me to make sure there was a glidepath to those extenders. For instance, Senator HUTCHISON raised the State sales tax deductibility extender in a Senate Republican leadership meeting. Republican high-tech coalition members asked for similar assurances.

My interest has always been to accomplish what is possible, not taking chances with widely applicable tax relief measures on which millions of taxpayers are relying. For example, over 12 million Americans benefit from the State sales tax. We have charts up. I am not going to take time to refer to them much, so I hope the audience will look and study them. Over 12 million Americans benefit from the State sales tax deduction. Over 3 million teachers benefit from tax deductions for education expenses. Teachers have prepared for the upcoming school year, and they don't know whether supplies they buy out of their own pocket will be deductible. Over 3.5 million families benefit from the college tuition deduction.

The PRESIDING OFFICER. The Senator should be advised his 15 minutes has expired.

Mr. GRASSLEY. I thank the Chair. I will use a little bit of time off the leader's time.

A week ago, I said some colleagues want to engage in a riverboat gamble involving these popular tax relief provisions by including it with the death tax. They call Chairman THOMAS's bill the trifecta bill. I will treat the proponents with more respect than they have treated this chairman and the institution of the Finance Committee. I will support this bill.

The burden is on the proponents of this gambit to produce. But to do that, they are going to have to deal with the realities of the votes in the Senate. People want and should expect that Congress will provide certainty in estate planning. My colleagues have placed all the chips on the table. It is on them to make sure it is a winning hand. If the trifecta bill fails, they need to answer to those millions of Americans who relied on our promise and good will as legislators.

I also have a message for the Democratic leadership. While I am frustrated with my leadership, let me say

that it should also be clear that the Democratic leadership has been more eager to produce press releases than results. The Democratic leadership has been actively and aggressively undermining efforts to reach a deal. This has only served to deny relief from the death tax for America's small business and family farmers. This obstruction has also forced these farmers and small business owners to have to live with continued uncertainty of the current death tax structure. That is not right. The people's business should be done.

The time has come for the Democratic leadership to stop playing politics with family farmers and small business folks and let responsible Democrats work on a fair compromise. It is wrong that the Democratic leadership is preventing Senators from voting their consciences in this manner. Senators should be allowed to put the interests of their constituents first instead of the priorities of the Democratic leadership.

When you cut through all the finger-pointing and the press releases, both sides are to blame that we can't get these extenders done. Both death tax and expiring provisions should be processed in a bipartisan, constructive way. We should be realistic and seek to accomplish the possible. Let's do the people's business.

Mr. President, I will support the bill before us, but should it fail, I will use my best efforts to do what needs to be done. I will stick by my word to the American people and ask those who give their word to keep it with me. Either result would be right for the people. To do neither and not act on extenders would be the wrong thing for the people. That is why we are here to serve the people. We are here to govern.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I ask to be recognized for 10 minutes on the minority time.

Mr. REID. Mr. President, I will be happy to yield 10 minutes to the distinguished minority whip.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Illinois is recognized for 10 minutes.

Mr. DURBIN. Mr. President, this legislation is known as the trifecta. What a perfect name. What a perfect name for this legislation. Do you know what a trifecta is? It is when you go to the racetrack and you pick the horses that win, place, and show in the proper order—first, second, and third. The reason that is the right name for this bill is that a trifecta is a high-stakes gamble. That is exactly what this bill is. It is a high-stakes gamble with America's future. A trifecta is also a bet where there are many more losers than there are winners. And that is exactly what this bill is. There will be many more losers in America, if this bill is enacted, than winners.

How about the winners when it comes to the estate tax? How many Americans are affected by the estate tax? If one listened to the other side of the aisle, one would think that every person who gets up in the morning and goes to work is going to pay the estate tax to the Federal Government. Guess what. When you take a look at the chart, look for that thin red line on this big blue circle. It represents 2 estates out of every 1,000 in America. Mr. President, .2 percent of the estates in America are wealthy enough to pay anything into the estate tax. So the obvious question is, If this estate tax, which they want to repeal, means so much to so few, how did we end up making this the flagship issue for the Republicans in this Congress, the most important single issue to them to the exclusion of every other issue, the issue that returns to us on the floor with such frequency? How did they reach this point?

The New York Times wrote an article on June 7, 2006, that explained it. Do my colleagues want to know how these issues become big-time issues in Washington? They wrote that over the last decade, 18 of the wealthiest families in the country have spent more than $200 million lobbying in the Halls of Congress to repeal the estate tax. It turns out that these 18 families will be huge winners if this repeal is passed. How many families will benefit if the estate tax is repealed? Each year in America, a Nation of 300 million people: 8,200 families. You have to search long and hard to find them. These are families who are so well off, who have done so well in this great Nation, who have benefited from this democracy and the blessings of liberty, who have enjoyed a comfortable life because of their prosperity, who now have taken millions of dollars to hire the most effective lobbyists in Washington, DC to push through this outrageous special interest legislation.

Trifecta: Many more losers than winners, but the winners are those 8,200 families. That is what this is all about.

Of course, they came up with a new name tonight. It is not just the trifecta. You have to hand it to whoever sits in the bowels of the Capitol and dreams up the names for the outrageous bills they bring to the floor. Senator REID has reminded us so many times that they had the nerve to call a bill the ''Deficit Reduction Act'' which increased the deficit. They had the nerve to call a bill the ''Healthy Forest Act'' which cut down trees. They had the nerve to name a bill the ''Clean Skies Act'' which resulted in more air pollution. And they had the nerve to call a bill part of the ''ownership society'' which privatized Social Security.

Now comes ''family prosperity.'' Oh, you just want to pull up a chair by the fireplace, relax, look at the ceiling and think: Thank God prosperity has arrived. And what does this bill do? This bill piles on the national debt. This bill adds to the outrageous debt which we have seen accumulated under this President.

Take a look at this, my friends who call yourselves fiscally conservative. When this President was elected in 2001, our entire national debt was $5.8 trillion. In 6 years of the Bush-Cheney ownership society, family prosperity, we are now up to $8.5 trillion from $5.8 trillion. This President managed in such a short period of time to increase the national debt on America by 60 percent. And look: Follow his policies out to the year 2011, 10 years after President Bush was elected, follow them out and notice that the national debt in America virtually doubles. Boy, if that isn't family prosperity, I don't know where you would turn.

Where do we look to this bill? What does it do to add to family prosperity in America? Well, American families, look at this prosperity. This bill adds $753 billion to the national debt. Oh, I tell you, you just want to curl up by the fire and thank the Republicans for coming up with this bill to make us feel so prosperous. They are prosperous in terms of creating debt for America.

I asked Senator FRIST on the floor just a day or two ago a very basic question: Is there any limit to the amount of debt you would create for future generations in order to give tax breaks to the wealthiest people in America? He couldn't answer the question.

I think the answer is obvious. Senator FRIST has said repeatedly he wishes we could repeal the entire estate tax, which would drive us even further and further into debt. American family prosperity. We are safe in the bosom of the Grand Old Party when all they can dream up are new ways to create debt by giving tax breaks to the wealthiest people in America.

But there is a spoonful of sugar with this bitter medicine. They are going to finally increase the minimum wage. It didn't take them long to come around to this position—only 9 years. It has been 9 years since we enacted a minimum wage of $5.15 an hour; 9 years while they resisted us for every single attempt we have made to increase the minimum wage for some of the lowest-paid, hardest-working people in America; 9 years of saying no to every single proposal to give single moms raising children enough money so they can put their kids safely in day care, so they can buy their medicine and food and have a decent home to live in; 9 years of saying no.

And what led to this death-bed conversion by the Republicans at this moment in time? Could it be the threat of the Democrats that there will be no congressional pay raise until the minimum wage is increased? That kind of gets your attention around the halls of Congress. Apparently it caught the attention of the Republicans.

Could it be the looming election where the Bush-Cheney economic policies are viewed so negatively across America, where people realize that average working families are falling farther and farther behind, that now the Republicans want to increase the minimum wage?

Well, it could be all of those things. But even in their effort to get well 100 days before the election, they blew it. They blew it. Because in seven States they wrote the minimum wage change in a way which will force a pay cut on thousands of hard-working people. The waiters and waitresses who depend on tips in seven States will get a pay cut with this so-called minimum wage increase.

It is an outrage, Mr. President. It is an outrage that we have reached this point in America where the party that used to pride itself on fiscal conservatism can add $753 billion to our national debt without flinching. They don't care to cut any spending or increase any other taxes; they are going to heap this debt on future generations. Boy, if that isn't a recipe for family prosperity, I can't imagine what would be. And then they turn around after 9 years of saying no every chance they have had to an increase in the minimum wage. Now they can go along with it. They can give 6.6 million Americans an increase in their basic minimum wage—as long as we promise that the fattest of cats in America will get a great big bowl of tax cuts, tax cuts on the estate tax. That is what it has come down to.

They have thrown other things in this bill like tax extenders, but we all know what they are about. These tax extenders are kicked around like a football every congressional session. You wait and decide which bill you put them on to try to entice people to vote for the bill because everyone agrees with them. Everyone understands that they are necessary for our economy. People of all political stripes support them.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DURBIN. I ask unanimous consent for 30 additional seconds.

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

Mr. DURBIN. I would just like to say in closing, the American people know better. This is a high-stakes gamble with America's future. This trifecta is going to have many more American losers than winners. This is the worst special interest bill I have seen in my time in Congress.

This will not bring prosperity to America's families. This will bring deeper debt to our Nation at a time when we don't need it. This is the first President in the history of the United States to call for cutting taxes in the midst of a war, asking sacrifice from soldiers and their families and turning around to the wealthiest in America and saying: We are going to give you a tax cut. That is an outrage.

I hope my colleagues will join me in opposing this trifecta. Don't buy a ticket on this race, because it is a loser.

Mr. REID. Mr. President, I yield 5 minutes to the distinguished Senator from North Dakota, the ranking member of the Budget Committee.

Mr. CONRAD. Mr. President, I thank the leader for this time.

We have heard a lot of talk that there is a death tax in this country. All of us in this Chamber know there is no death tax. There is a tax that applies to estates that wealthy individuals have in this country, but only three-tenths of 1 percent of estates pay any tax in America.

This shows the current level of exemptions. In 2006 a couple has to have $4 million before they pay a penny of estate tax. In 2009, that will rise to $7 million for a couple. Some of us believe we ought to increase the exemption before 2009 to this $7 million level, but that is not the proposal before us.

The proposal before us is to virtually eliminate the estate tax or certainly the revenue that flows from it. In fact, as my colleague from Illinois just indicated, the proposal before us will cost us three-quarters of the money that complete elimination of the estate tax would cost: $750 billion in the first 10 years that it is fully effective. This at a time that we are borrowing money as a nation in an unprecedented way.

Last year we borrowed 65 percent of all the money that was borrowed by countries in the world. Let me repeat that. Last year, our country, which has now become the biggest debtor nation in the world, borrowed 65 percent of all of the money that was borrowed by all the countries in the world—65 percent. A very weak second was Spain at 6.8 percent, and the United Kingdom at less than 4 percent.

The point is very clear. This is absolutely unaffordable at a time that we are running up massive debt.

Our friends on the other side say: Well, we have a good idea. Let's eliminate some more revenue and let's eliminate it on those who are the wealthiest three-tenths of 1 percent of the American population.

If anybody wonders about the budgetary impacts or whether this is fiscally responsible, here are the budget points of order that this legislation before us now violates. It violates the pay-go rule. It exceeds the pay-go scorecard by more than $12 billion.

On revenue, it exceeds the 2006 through 2010 revenue floor by more than $6 billion. It exceeds the outlay allocation for 2006 and 2006 through 2010 for the Finance Committee by $1.5 billion. It contains unfunded mandates on State and local governments that are all subject to a point of order.

It reduces the Social Security surpluses, also subject to a point of order.

Let me just say to my colleagues, if this measure would pass tonight and cloture would be invoked, I intend to raise every single one of these budget points of order, and we will see who is serious about being fiscally responsible and who is not.

I have shown this chart to my colleagues many times. It took 42 Presidents—all the Presidents pictured here—224 years to run up $1 trillion of debt held abroad. This President has more than doubled that amount in just 5 years.

What are our colleagues saying? Our colleagues are saying: Let's go borrow some more money from abroad. Where are we going to get this money? The country we borrow the most from is Japan, so a lot of this money would be borrowed from Japan. The next country that we owe the most money to is China, so we would have to borrow more money from the Chinese to give this tax reduction to just a handful of Americans.

Right now, there will only be 13,000 taxable estates in the entire country in 2006. By 2009, that will be down to 7,000. When our friends call this family prosperity, they are right. They are talking about family prosperity for 7,000 families in America, and they want to shift the burden on to all of the other American families. That is what this is about.

If you are listening to this debate, if you have assets——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CONRAD. Mr. President, I ask unanimous consent for 30 more seconds.

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

Mr. CONRAD. If you have assets of more than $7 million, it is true, you will face a tax. If you have assets and you are a family, if you have more than $7 million, you will face a tax. Now, that is the only instance in which you will.

My friends, the proposal before us is to reduce—for 7,000 families in America who are in that category in any one year—reduce their obligation and shift it to all of the rest of us. That is not fair. That is not right.

The PRESIDING OFFICER (Mr. ENSIGN). The Democratic leader is recognized.

Mr. REID. Mr. President, I would say through the chairman to my distinguished friend, that is a net estate; it is not 7 million worth of property.

First of all, I would like to extend my compliments to CHARLES GRASSLEY, the senior Senator from Iowa, a gentleman farmer who we are so fortunate to have in the Senate. He, in his gentlemanly way, indicated in his speech tonight how terribly upset he was for what happened a week ago. We had this all worked out. The conference was completed. The extenders would have been done. The pension bill would have been passed.

Senator BAUCUS, who has been a partner with Senator GRASSLEY for a long time, is not here tonight. As we speak, he is in Dover, DE, meeting his brother and his nephew, Philip. Philip is in a casket, having arrived from Iraq where he was killed.

MAX BAUCUS would like to be here, but we are going to have printed in the RECORD what MAX BAUCUS said:

Political games congressional leaders played with this bill are not the way to get the job done. I hope that cooler heads can

prevail and we can work together for sensible reform in the future.

My distinguished friend, the majority leader, has placed a name on this legislation called the Family Prosperity Act. I suggest that it should be called the Prosperous Family Act. This legislation would only help the prosperous—only the prosperous. This should be called the Prosperous Family Act.

Sunday's Washington Post had a quote from my friend—and I know a friend of the distinguished Presiding Officer—Tennessee Congressman ZACH WAMP. In this column he is quoted about why Democrats don't support the bill we are about to vote on. Congressman WAMP said: I know why Democrats are mad. We've outfoxed them.

Again:

I know why you're mad. You have seen us really outfox you.

It is not us, the Democrats, they tried to outfox; it is the American people. There is just one problem with this Republican legislation, this Republican shell game, this trick—the American people will not fall for it. As my colleague, Senator DURBIN, said: This is a bet, and a bad one. The American people simply are too smart to be outfoxed. Americans are too smart to be tricked into cutting the wages of 136,000 Nevadans, and more than a million, by far, people in Oregon, Washington, Montana, California, Nevada. Those States, under this so-called Family Prosperity Act, would give less to those families who are struggling, struggling every day. In Nevada there are 136,000 of them. They work for minimum wage. If they work 40 hours a week, 52 weeks a year, they make $10,700, plus some tips in those seven States. But not under this bill. In seven States, the poorest of the poor would get a pay cut. They would get a pay cut so that 8,100 multimillionaires can enjoy almost $800 billion in tax breaks.

Americans are too smart to be tricked into forgoing middle-class tax revenue so America can borrow hundreds of billions of dollars to give tax breaks to the wealthy few. Americans are too smart to accept any more debt and deception from this do-nothing Congress.

Here we are at 9:20, finishing this work session. The Defense bill isn't complete. The pension bill isn't complete. I hope it will be within an hour and a half or so. Middle-class tax relief isn't complete, the so-called extenders. Minimum wage has not been made possible for almost 10 years. Why? Because the majority doesn't believe in it. They don't believe in having a decent standard of living for the poor. Let the free market decide.

But, remember, the people drawing minimum wage are not kids at McDonald's flipping hamburgers. Sixty percent of the people drawing minimum wage are women, and for the vast majority of those women, that is the only money they get for them and their families. Not only do they have a tax cut for those seven States for the poorest of the poor, it is phased in over 3 years.

So the leader has said: OK, you accept this; take this or leave it. If you don't accept this, we are not going to do the extenders and we are not going to do pensions.

We have worked that out. Thank goodness we have been able to do the pensions. And we are certainly not going to do the minimum wage. We knew that. We know they don't like a minimum wage.

But it is a threat, and it is a perfect metaphor for this do-nothing Congress. For the last 19 months, congressional Republicans have done nothing for the people. The little they have done on behalf of special interests and the well connected has made America less safe and the life of the middle class much more difficult.

Look at the record. This Congress will be remembered more for interfering in the Terry Schiavo case than it will for trying to solve America's health care crisis. On every major issue, the Republican Senate has been missing in action.

Look at Iraq. Look at Iraq. Tens of billions of dollars to repair the equipment and machinery our fighting forces use; these gallant men and women—about 2,600 of them having been killed and more than 20,000 wounded, a third of them grievously, and hundreds of billions of dollars more in red ink. What we have said is please change course. But on party-line votes: No.

In fact, the situation is being made worse by rubberstamping President Bush's failed policies and allowing him to stay the course, even as the evidence suggests we desperately need to change course.

It is the same on the economy. We live in a very stressful economic situation. Over the last 6 years, the rich have gotten richer, the poor have gotten poorer, and the middle class is being squeezed. Even the administration admits their policies have failed for working Americans. Listen to what the Secretary of Treasury had to say the day before yesterday, Hank Paulson.

Amid this country's strong economic expansion, many Americans simply aren't feeling the benefits. . . . Many aren't seeing significant increases in their take-home pay. Their increases in wages are being eaten up by high energy prices and rising health care costs, among others.

The Secretary of Treasury said it. Has the Republican Congress done anything to turn this situation around? No. In fact they are seeking to make matters worse with the Prosperous Family Act—the Prosperous Family Act.

This bill, as I said, will cut the wages of millions of people, most of them in the West. This bill will add to the bankruptcy coming about of our country, as expressed by the ranking member of the Budget Committee, Senator CONRAD. It will add almost $1 trillion to the debt—$1 trillion.

Oh, well, not really. It is $200 billion less than that.

We are told by the other side that with this trifecta—which we have nicknamed the ''defecta''—8,100 of the wealthy and well-off hit the jackpot while millions of working families get $800 billion in debt. It is another example of this do-nothing Congress putting their political interests ahead of America's interests.

We keep hearing from the other side how the Senate needs to repeal the estate tax to preserve and protect small businesses and family farms. That is a myth. Very few small businesses or family farms pay any estate tax.

The State of California is a State of 35 million people. The State of California is the breadbasket of this country. They grow so many things in the Imperial Valley and other places throughout California.

Senator DIANNE FEINSTEIN asked the Farm Bureau, which supports repeal of the estate tax: Tell us how many farms were lost by families because of the estate tax.

None. None. Over a 10-year period of time—none.

It is the same with small businesses. In fact, the Small Business Council of America has said that the repeal of the estate tax will actually harm most small business owners because of how it will change the tax benefits they currently receive.

I am all for fixing the estate tax. I have said so. But there is no reason for this fiscal irresponsibility, And it is a virtual repeal.

I talked this morning for a little while about two of the richest men in the world. The richest man in the world, Warren Buffett, he is totally opposed to repealing the estate tax, as well as the Gates family. Pierre Omidyar lives in Las Vegas, NV—Henderson, actually—a rich man, worth over $10 billion. He is a young man. He is the man who invented eBay. The first time I had dinner with him he said: Whatever you do, don't mess around with the estate tax. I owe my country the prosperity that I have.

In fact, I had a conversation yesterday with the head of the Business Roundtable. He said that all he cares about in the trifecta, the Prosperous Family Act—or the ''defecta''—is that we do something to extend the R&D tax credit. That is so important to him, he said. Guess where the R&D tax credit is. It is being held hostage with this, along with some of the other add-ons.

The American people deserve more. It is unimaginable that the Republicans would deny millions of small businesses the research and development tax credit. It is unimaginable the Republicans would deny 15 million workers a $2.10 raise. It is unimaginable they would deny millions of middle-class families tax relief with our extenders. If 8,100 of their wealthy

friends don't get billions of dollars of tax breaks first—nothing.

Soon the Senate will say its last words regarding the estate tax for this session of Congress, I hope. When this vote is completed, I hope we move on to the people's business—I will use leader time right now—and the majority leader will consider his threat to never bring back middle-class tax relief and the minimum wage back to the floor this session. If he is serious about that threat, it just can't happen, and we will fight this. When the Senate returns in November, Democrats will not go home until the middle-class tax relief package, the extenders, is passed. My friend can make all the threats he wants, but the Senate will not adjourn until hard-working Americans get the help they need. They have to have it. They have waited 19 months. By then it will be longer.

America needs new direction. I began with a quote by Congressman ZACH WAMP. Here is another thing Republicans have been saying about their ''defecta'' bill. They have been calling it a win-win.

My friend, the majority whip, Senator MCCONNELL, said: ''There's no risk. It's all reward.''

No risk? Tell that to the millions of workers who have been making $5.15 for the last 10 years on the verge of waiting another year at least.

Win-win? Tell that to the millions of middle-class families and small businesses that will be denied tax relief because Republicans have put their political interests first.

All reward? Republicans have not outfoxed anyone. The American people can see through these political games. I am hopeful that the cloture motion will fail, and I am confident the Republican's cynical approach to dealing with the needs of our country will be rejected.

Mr. President, I ask unanimous consent that Senator MURRAY be allowed to speak for 2 minutes. Is that OK with the majority leader? I have time left. I know we want to move on.

Mr. FRIST. Yes.

The PRESIDING OFFICER. The Senator from Washington is recognized for 2 minutes.

Mrs. MURRAY. Mr. President, a question has been raised about whether the minimum wage provision affecting States that allow tips to be exempt would be impacted by the legislation that is before us. I ask unanimous consent to have printed in the RECORD a letter from Gary Weeks, who is the director of the Washington State Department of Labor and Industries, that says definitively:

> Under our preliminary analysis, this proposal, in effect, appears to nullify an employer's obligation to pay the minimum wage rate in RCW 49.46.020 with regard to tipped employees. This means that Washington workers who receive tips—typically service industry workers—would see a decrease in income.

I ask unanimous consent to have that printed in the RECORD.

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

STATE OF WASHINGTON,
DEPARTMENT OF LABOR AND INDUSTRIES,
Olympia, WA, August 3, 2006.

Hon. PATTY MURRAY,
United States Senator,
Russell Senate Office Building, Washington, DC.

Hon. MARIA CANTWELL,
United States Senator,
Hart Senate Office Building, Washington, DC.

DEAR SENATORS MURRAY AND CANTWELL: Your office asked me to respond to an inquiry as to how the proposed HR 5970 would affect workers in the state of Washington.

As you know, Washington State does not recognize tips as part of the minimum wage. Tipped employees are entitled to the full minimum wage, currently $7.63 an hour. Additionally, Initiative 688, passed overwhelmingly by voters in 1998, tied the minimum wage to the Consumer Price Index, to be recalculated and adjusted each year.

The proposed bill, Section 402 of HR 5970, which amends the Fair Labor Standards Act to add a paragraph that states:

(2) Notwithstanding any other provision of this Act, any State or political subdivision of a State which on or after the date of enactment of the Estate Tax and Extension of Tax Relief Act of 2006 excludes all of a tipped employee's tips from being considered as wages in determining if such tipped employee has been paid the applicable minimum wage rate, may not establish or enforce the minimum wage rate provisions of such law, ordinance, regulation, or order in such State or political subdivision thereof with respect to tipped employees unless such law, ordinance, regulation, or order is revised or amended to permit such employee to be paid a wage by the employee's employer in an amount not less than an amount equal to—

(A) the cash wage paid such employee which is required under such law, ordinance, regulation, or order on the date of enactment of the Estate Tax and Extension of Tax Relief Act of 2006; and

(B) an additional amount on account of tips received by such employee which amount is equal to the difference between the cash wage described in subparagraph (A) and the minimum wage rate in effect under such law, ordinance, regulation, or order, or the minimum wage rate in effect under section 6(a), whichever is higher.

Under our preliminary analysis, this proposal, in effect, appears to nullify an employer's obligation to pay the minimum wage rate in RCW 49.46.020 with regard to tipped employees. This means that Washington workers who receive tips—typically service industry workers—would see a decrease in income. However, the proposal does give states the right to amend their laws to specifically reinstate their current minimum wage rate laws. Until and unless the Washington State Legislature amends the minimum wage act to reinstate the current wage rate provision for tipped employees, it would diminish workers' rights in Washington State.

I trust that this is useful information. Please let me know if I can be of further assistance.

Sincerely,

GARY K. WEEKS,
Director.

Mrs. MURRAY. Mr. President, their preliminary analysis shows that this provision would take away the wages and reduce it dramatically for waiters and waitresses, bartenders, barbers, baggage porters, cooks, dishwashers, hairdressers, maids, manicurists, massage therapists, parking lot attendants, personal care and services workers, service station attendants, taxi drivers, and chauffeurs.

It appears, indeed, that the provision in this bill will dramatically reduce the income of thousands of workers in my State and other States.

I again reiterate that is why we are opposed to this bill.

I yield the floor.

Mr. BYRD. Mr. President, important provisions in H.R. 5970 provide a long-term solution for the Abandoned Mine Land, AML, program as well as resolve the uncertainty of the health care needs for retired miners and their families. Right now, there are 52,320 retired miners and their families nationwide who depend on these critical funds to provide for their health care needs. At least 17,195, or about one-third of these people, are in West Virginia. I have also worked for many years to keep the AML program going for West Virginia and other coal-producing States. This important program cleans up old mine hazards and improves the environment in the coalfields. I have always been there to shore up the funding for our coal miners' health care funds, and I have always been there for the AML program. The bill before us today is an opportunity to solve these issues permanently, and I embrace it.

H.R. 5970 would also address the Federal estate tax, something that the small business owners and farmers of my State have made clear is a priority for them, and in need of reform. In the past, I have supported legislation to increase the estate tax exemption, and to lower the top tax rate, as an alternative to permanent repeal. This bill is consistent with those past efforts that I have supported.

Senators have raised concerns about the cost of this bill, and its effect on the Federal budget. The fiscal course of deficits and debt chosen by the administration is abominable, and I have advocated tirelessly that the Congress abandon it. But of the budget-busting measures endorsed by the Congress, this one does not rate top billing. The revenue loss from the estate tax portion of this bill would not begin for 3 years, and the effect on the Federal budget would not be felt until the next decade. Meanwhile, the health care needs of my State's retired coal miners and their families are immediate and urgent. I will not vote against those miners who need this assistance now, based upon budget projections that may not mean much until the next decade.

This bill would also guarantee a $2.10 increase in the Federal minimum wage within the next 3 years. Should a new Congress revisit the issue, I hope that that schedule could be accelerated.

This bill would raise wages for workers who need it the most. It would provide health care to retired coal miners

and resolve our Nation's mine reclamation needs. It would codify a compromise measure that is less than repeal and consistent with previous efforts to try to reform the estate tax to help small businesses and farmers.

This is a good bill for West Virginia, and it should receive an up-or-down vote on this floor.

Mr. KENNEDY. Mr. President, we have seen many outrages from this Republican Congress but none that demonstrates such utter contempt for the American people as holding the minimum wage hostage to give tax giveaways to the wealthiest Americans. The Republican leadership is playing a cynical game of politics with the lives of millions of hardworking American families.

It may be a political game for Republicans, but it is hard reality for low-wage workers who worry every day if they can pay the bills. The bill is just a bad bargain for minimum wage workers. The minimum wage increase they receive does not have the same benefits as the Democratic proposal—1.8 million fewer workers would benefit because the increase is phased in too slowly.

And what's worse, this Republican bill takes money right out of the pockets of more than 1 million tipped workers in seven States. It's a pay cut for maids, waitresses, bellhops, and other Americans who rely on tips to make a living. The Republican bill would boost the bottom line for America's restaurants, while taking money away from hardworking Americans who depend on tips to support themselves and their families.

Under current Federal law, restaurant owners can pay their waiters and waitresses as little as only $2.13 an hour, and the rest of their compensation is supposed to come from tips. The same is true for hotel maids, parking attendants, bartenders—all workers who rely on tips to make a living. Federal labor and employment law sets a minimum floor, but States are free to guarantee higher wages for tipped workers. In fact, the Fair Labor Standards Act encourages States to enact laws that are more protective for workers than the Federal law.

Seven States—Alaska, California, Minnesota, Montana, Nevada, Oregon and Washington—do not allow a ''tip penalty.'' They guarantee that tipped workers get the full State minimum wage plus any tips they receive.

But the Republican bill would take power away from the States by nullifying these State laws providing stronger wage protections for tipped employees than the Federal standard. In fact, the bill would change the minimum wage for tipped workers in these seven States, requiring them to be paid only the Federal minimum wage—not the higher State minimum wage—until the State enacts a law with a tip penalty.

Under this bill, tipped workers would see drastic reductions in their take-home pay. A waitress at a family restaurant in Washington State, for example, will see her hourly wages drop by $5.50 an hour. That's almost $11,500 per year. A hotel maid in Oregon will see her hourly wages drop by $5.37 an hour. That's almost $11,200 a year.

Now the Republicans have spent a lot of time on the floor today trying to explain why this giveaway for the restaurant industry won't actually hurt American workers. My Republican colleagues—particularly the junior Senator from Oregon earlier this afternoon—accused Democrats of misrepresenting what this bill does. And they supported their claims with a letter authored by the chief lobbyist for the American Restaurant Industry. But the Republicans' claims that the bill is harmless just don't hold water—particularly when you look at this document from the American Restaurant Industry's own website claiming credit for the tip provision and bragging about how much money it will save employers. The Republicans know exactly what this provision does—it takes money out of workers' pockets. It's a scandalous special interest giveaway to the restaurant industry, and it's outrageous.

When we examine other, less partisan analyses, it's clear that the bill would do devastating harm to workers. The Congressional Budget Office says the bill ''would preempt the minimum wage laws of States that exclude tips from being considered as wages in determining if certain employees have been paid the minimum wage.'' The Congressional Research Service says the bill would force the affected States to choose ''between the federal tip credit requirements or the adoption of a law that allows for some form of a tip credit under State law.'' Even the Bureau of Labor and Industries in Senator SMITH's home State of Oregon says that this bill will ''trample States' rights and reduce the wages of thousands of Oregonians already struggling to make ends meet.''

I will ask to have all three of these documents printed in the RECORD.

But we don't even have to rely on these respected authorities to know what this bill does. Let's look at the language itself. The bill says, on page 182, that any State that has a minimum wage law requiring that tipped workers be paid the full minimum wage plus any tips they receive ''may not establish or enforce the minimum wage rate provisions of such law, ordinance, regulation, or order in such State or political subdivision thereof with respect to tipped employees.'' It couldn't be more clear. The bill is nullifying State laws. Once these State laws are rendered ineffective, the affected workers will be covered only by the Federal law and will lose thousands from their paychecks, until and unless their State enacts a new law that is more to the restaurant industry's liking.

This is despicable—it is truly Robin Hood in reverse, robbing from some of the most vulnerable workers on a bill that gives tax cuts to the rich. Instead of denying more than a million tipped workers the protections of the minimum wage, we should raise the wage and expand the protection. The people who work in our restaurants, carry our bags, and clean our hotel rooms work hard for a living, and they deserve better.

Everyone in America knows that after 10 long years without one, minimum wage workers deserve a raise. But this Republican bill is a cynical ploy to strongarm outrageous tax breaks for the wealthy through Congress on the backs of America's hard-working, low-wage workers. Republicans are using minimum wage families as a human shield to smuggle through tax giveaways. It's wrong. It's unfair. It has no place in America. And we're not going to let it happen.

Mr. President, I ask unanimous consent to print the documents to which I referred in the RECORD.

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

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, August 2, 2006.

MEMORANDUM

To: HON. BARBARA BOXER, Attention: Alexander Hoehn-Saric.

From: Jon O. Shimabukuro, Legislative Attorney, American Law Division.

Subject: Section 402 of H.R. 5970, the Estate Tax and Extension of Tax Relief Act of 2006.

This memorandum provides a brief interpretation of section 402 of H.R. 5970, the Estate Tax and Extension of Tax Relief Act of 2006. Section 402 would amend section 3(m) of the Fair Labor Standards Act (''FLSA'') to address the treatment of certain tipped employees. A tipped employee is ''any employee engaged in an occupation in which he customarily and regularly receives more than $30 a month in tips.''

Under the FLSA, an employer of a tipped employee is only required to pay $2.13 per hour in direct wages if that amount, when coed with the tips received by the employee, equals at least the federal minimum wage. If the employee's tips combined with the employer's direct wages of at least $2.13 per hour do not equal the federal minimum hourly wage, the employer must make up the difference.

Section 402 of H.R. 5970 would amend the FLSA'' to add the following paragraph to section 3(m) of the Act:

(2) Notwithstanding any other provision of this Act, any State or political subdivision of a State which on or after the date of enactment of the Estate Tax and Extension of Tax Relief Act of 2006 excludes all of a tipped employee's tips from being considered as wages in determining if such tipped employee has been paid the applicable minimum wage rate, may not establish or enforce the minimum wage rate provisions of such law, ordinance, regulation, or order in such State or political subdivision thereof with respect to tipped employees unless such law, ordinance, regulation, or order is revised or amended to permit such employee to be paid a wage by the employee's employer in an amount not less than an amount equal to—

(A) the cash wage paid such employee which is required under such law, ordinance, regulation, or order on the date of enactment of the Estate Tax and Extension of Tax Relief Act of 2006; and

(B) an additional amount on account of tips received by such employee which amount is equal to the difference between the cash wage described in subparagraph (A) and the minimum wage rate in effect under such law, ordinance, regulation, or order, or the minimum wage rate in effect under section 6(a), whichever is higher.

Seven states do not recognize a tip credit for employers of tipped employees. In these states, the prescribed minimum wage is the same for both tipped and non-tipped employees. Stated differently, in these states, none of a tipped employees tips may be considered for purposes of determining if such employee has been paid the applicable minimum wage rate. Under the proposed language, such states would seem to be prohibited from enforcing the minimum wage rate provisions of their laws with respect to a tipped employee unless such laws are ''revised or amended to permit such employee to be paid a wage by the employee's employer in an amount not less than'' what is prescribed in the proposed subparagraphs (A) and (B).

Under general principles of statutory construction, the meaning of a statute must, in the first instance, be sought in the language in which the act is framed. If the language is plain, a reviewing court will enforce it according to its terms. In this case, the proposed language would seem to refer clearly to those states that exclude ''all of a tipped employee's tips from being considered as wages in determining if such tipped employee has been paid the applicable minimum wage rate.'' California, as one of seven states that does not recognize a tip credit, would probably be affected by the enactment of the proposed language. As an affected state, California would appear to be unable to enforce its minimum wage rate laws with respect to tipped employees until it ''revised or amended'' such laws to permit tipped employees to be paid a wage that conforms to subparagraphs (A) and (B) of the proposed language. Thus, if enacted, California would appear to have to choose between the federal tip credit requirements or adopt a law that allows for some form of a tip credit under state law.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 1, 2006.

Hon. JUDD GREGG,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you requested, the Congressional Budget Office, CBO, and the Joint Committee on Taxation, JCT, have estimated the direct spending and revenue effects of H.R. 5970, the Estate Tax and Extension of Tax Relief Act of 2006.

The legislation would increase the estate and gift tax exemption amounts and reduce the rates, as well as extend and modify various other tax relief provisions. It also would make several changes to the Surface Mining Control and Reclamation Act, and it would increase the minimum wage. JCT and CBO estimate that the legislation would decrease revenues by $15.4 billion in 2007, by $48.1 billion over the next five years, and by $302.4 billion through 2016. CBO and JCT estimate that, under the bill, direct spending would increase by $83 million in 2006, by $3.8 billion over the 2007–2011 period, and by $7.3 billion over the 2007–2016 period.

For some budget enforcement procedures, the relevant budget periods are 2006–2010 and 2006–2015. Therefore, we are providing those summarized totals as well. CBO and JCT estimate that enacting this legislation would decrease revenues by $32.524 billion over the 2006–2010 period and by $240.664 billion over the 2006–2015 period. The act would increase direct spending for those periods by $3.008 billion and $6.866 billion, respectively.

The estimated budgetary impact of the act is shown in the attached table.

CBO has reviewed the non-tax provisions of the legislation—subtitle A of title III and all of title IV—for mandates and has determined that title III contains a private-sector mandate and title IV contains both intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act, UMRA. CBO estimates those mandates would impose costs that exceed the annual thresholds established in that act ($64 million for intergovernmental mandates and $128 million for private-sector mandates, in 2006 adjusted annually for inflation.)

JCT did not review the tax provisions of H.R. 5970 for mandates.

Pursuant to section 407 of H. Con. Res. 95 (the Concurrent Resolution on the Budget, Fiscal Year 2006), CBO estimates that enacting H.R. 5970 would not cause an increase in direct spending greater than $5 billion in any of the 10-year periods between 2016 and 2055. (Direct spending would exceed $5 billion over the 2007–2016 period, primarily because of amendments to the Surface Mining Control and Reclamation Act, but these effects would be significantly lower for subsequent 10-year periods.)

REVENUES

H.R. 5970 would make several changes to tax law, resulting in decreases in federal revenues. JCT and CBO estimate that the legislation would decrease revenues by $15.4 billion in 2007, by $48.1 billion over the next five years, and by $302.4 billion through 2016.

Title I would modify rules related to the estate and gift taxes. Currently, the effective exemption amount for the estate tax is larger than that for the gift tax. In 2009, under current law, the estate exemption will be $3.5 million, while the gift tax exemption will be $1 million. Under H.R. 5970, the estate and gift exemption amounts would be equal to each other, as they were prior to enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001. Further, the exemption would be increased to $5 million in 2015. The estate and gift tax rates would be reduced after 2009, and any unused exemption amounts would be allowed to be used by a surviving spouse. JCT estimates that this title would reduce revenues by $14.9 billion over the 2007–2011 period and by $267.6 billion over the 2007–2016 period.

Title II would extend and modify various tax relief provisions in current law. JCT and CBO estimate that this title would reduce revenues by $15.5 billion in 2007, by $35.3 billion over the 2007–2011 period, and by $38.2 billion over the 2007–2016 period.

Provisions in title II include:

Modification (January 1, 2007, through December 31, 2007) and extension (January 1, 2006, through December 31, 2007) of a research credit of 20 percent of the amount by which a taxpayer's qualified research expenses exceed the base amount for that taxable year. JCT estimates that this provision would reduce revenues by $7.5 billion in 2007, by $16.3 billion over the 2007–2011 period, and by $16.5 billion over the 2007–2016 period.

Extension for two years of 15-year straight-line cost recovery for qualified restaurant property and leasehold improvement property through December 31, 2007. JCT estimates that this provision would decrease revenues by $418 million in 2007, by $2.9 billion over the 2007–2011 period, and by $5.7 billion over the 2007–2016 period.

Extension for two years of taxpayers' option to deduct state and local sales taxes instead of state and local income taxes through December 31, 2007. JCT estimates that this would reduce revenues by $3.0 billion in 2007 and by $5.5 billion over the 2007–2009 period.

Extension for two years of the deduction for qualified tuition and other higher education expenses ($2,000 to $4,000, depending on gross income) through December 31, 2007. This provision would decrease revenues by an estimated $1.6 billion in 2007 and $1.7 billion in 2008.

Title III would make changes to the Surface Mining Control and Reclamation Act and the Internal Revenue Code of 1986. CBO estimates that those provisions would increase net revenues by $560 million over the 2007–2011 period and by $1.0 billion over the next 10 years.

These estimates for title III are the net result of two sets of provisions. CBO estimates that reauthorizing certain fees charged to companies that produce coal would increase revenues by $600 million over the 2007–2011 period and by $1.3 billion over the next 10 years (net of effects on income and payroll tax receipts). We also estimate that provisions that affect the financing of retiree benefits for certain retired coal miners would reduce federal revenues, on net, primarily by reducing premiums paid by certain coal companies in the future. Such changes would result in a net revenue loss of $40 million over the 2007–2011 period and $300 million over the next 10 years.

DIRECT SPENDING EFFECTS

H.R. 5970 includes several provisions that would increase direct spending. CBO and JCT estimate that the bill would increase outlays by $83 million in 2006, by $3.8 billion over the 2007–2011 period, and by $7.3 billion over the 2007–2016 period.

The bulk of the new direct spending stems from the Surface Mining Control and Reclamation Act Amendments of 2006 (title III). Title III would make several changes to the Surface Mining Control and Reclamation Act and the Internal Revenue Code of 1986. CBO estimates that enacting this title would increase direct spending by $2.1 billion over the 2007–2011 period and by $4.9 billion over the next 10 years. (Such spending would drop off, though not completely, after 2016.)

Most of the increased spending under title III—$3.8 billion over the next 10 years—would be payments by the Department of the Interior to states, primarily to support efforts to reclaim land that has been mined for coal and for other public purposes. (Roughly $2 billion of that amount would come from the general fund of the Treasury; additional amounts would come primarily from revenues collected as a result of the legislation.) An additional $1.1 billion would be spent under the legislation for health benefits of certain retired coal miners and their dependents and survivors who are eligible to receive retiree health benefits through the United Mine Workers of America Benefit Funds.

H.R. 5970 also would affect outlays by:

Instituting a refundable tax credit against the individual alternative minimum tax, which JCT estimates would increase outlays by $1.0 billion over the 2007–2011 period and $1.2 billion over the 2007–2016 period.

Authorizing, in effect, New York City or the state of New York to spend certain federal tax withholding amounts, which CBO estimates would increase spending by $1.0 billion over the 2007–2016 period.

Extending for two years, through the end of 2007, the payment to the treasuries of Puerto Rico and the Virgin Islands of certain amount of excise taxes on imported distilled spirits. CBO estimates this provision would increase outlays by $83 million in 2006 and $95 million over the 2007–2008 period, assuming that H.R. 5970 is enacted in August 2006.

Adding to the existing list of taxable vaccines two additional vaccines, which CBO estimates would result in increases in spending of $60 million over the 2007–2016 period because some of the proceeds of the excise tax

are paid as compensation to injured individuals and some of the vaccines are purchased by Medicaid.

Extending for one year the option for individuals to include combat pay in earned income for purposes of the earned income credit, which JCT estimates would increase refundable outlays by $10 million in 2008.

INTERGOVERNMENTAL AND PRIVATE-SECTOR MANDATES

JCT did not review the tax provisions of H.R. 5970 for mandates.

CBO has reviewed the non-tax provisions of the bill—subtitle A of title III and all of title IV—for mandates and has determined that title III contains a private-sector mandate and title IV contains both intergovernmental and private-sector mandates as defined in UMRA. CBO estimates those mandates would impose costs that exceed the annual thresholds established in that act ($64 million for intergovernmental mandates and $128 million for private sector mandates, in 2006 adjusted annually for inflation.)

Specifically, section 312 of title III would create a mandate by requiring certain firms that currently pay for health benefits for retired coal miners (and their dependents and survivors) through collectively bargained agreements to make additional payments for those benefits in specified years. At the same time, other provisions would generate significant reductions in financial obligations existing under current law with regard to payments for retiree health benefits.

In addition, section 401 of title IV would amend the Fair Labor Standards Act to increase the federal minimum wage in three steps from $5.15 per hour to $7.25 per hour. The provision would impose mandates, as defined in UMRA, on state and local governments, Indian tribes, and private-sector employers because it would require them to pay higher wages than they are required to pay under current law. CBO estimates that the costs to state, local, and tribal governments and to the private sector would exceed the thresholds established in UMRA.

Finally, section 402 of title IV would preempt the minimum wage laws of states that exclude tips from being considered as wages in determining if certain employees have been paid the applicable minimum wage rate. That preemption would be considered an intergovernmental mandate as defined in UMRA; CBO estimates, however, that this mandate would not impose significant additional costs on states.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact for this estimate is Emily Schlect.

Sincerely,

DONALD B. MARRON,
Acting Director.

ESTIMATED CHANGES IN DIRECT SPENDING AND REVENUES UNDER H.R. 5970, THE ESTATE TAX AND EXTENSION OF TAX RELIEF ACT OF 2006

(By fiscal year, in millions of dollars)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007–2011	2007–2016
CHANGES IN REVENUES													
Title I: Estate and Gift Tax Effective Exclusion Amount	0	0	0	0	−803	−14,096	−39,186	−44,073	−50,598	−57,157	−61,684	−14,899	−267,596
Title II: Extension and Expansion of Certain Tax Relief Provisions	0	−15,442	−10,211	−3,956	−2,572	−1,582	−838	−435	−382	−282	−142	−33,766	−35,847
Title III: Surface Mining E Control and Reclamation Act Amendments	0	30	160	150	120	100	110	90	90	90	90	560	1,030
Total Changes in Revenues	0	−15,412	−10,051	−3,806	−3,255	−15,578	−39,914	−44,418	−50,890	−57,349	−61,736	−48,105	−302,413
On-budget	0	−15,410	−10,041	−3,805	−3,255	−15,578	−39,914	−44,418	−50,890	−57,349	−61,736	−48,092	−302,400
Off-budget	0	−2	−10	−1	0	0	0	0	0	0	0	−13	−13
CHANGES IN DIRECT SPENDING													
Surface Mining Control and Reclamation Act Amendments:													
Budget Authority	0	40	460	480	580	590	650	660	630	430	430	2,150	4,950
Outlays	0	40	450	480	570	590	640	660	630	420	430	2,130	4,910
Refundable AMT Credits:													
Budget Authority	0	0	349	283	224	174	128	86	0	0	0	1,030	1,244
Outlays	0	0	349	283	224	174	128	86	0	0	0	1,030	1,244
Spending Authorized for New York:													
Budget Authority	0	40	160	0	200	100	100	100	100	100	100	500	1,000
Outlays	0	40	160	0	200	100	100	100	100	100	100	500	1,000
Cover-over of Tax on Distilled Spirits:													
Budget Authority	83	77	18	0	0	0	0	0	0	0	0	95	95
Outlays	83	77	18	0	0	0	0	0	0	0	0	95	95
Meningococcal Vaccine:													
Budget Authority	0	2	3	3	3	3	3	3	3	4	4	16	33
Outlays	0	2	3	3	3	3	3	3	3	4	4	16	33
HPV Vaccine:													
Budget Authority	0	1	4	4	3	3	3	3	3	2	2	14	27
Outlays	0	1	4	4	3	3	3	3	3	2	2	14	27
Extend Option to Include Combat Pay in Earned Income:													
Budget Authority	0	0	10	0	0	0	0	0	0	0	0	10	10
Outlays	0	0	10	0	0	0	0	0	0	0	0	10	10
Total Changes in Direct Spending:													
Budget Authority	83	160	1,005	770	1,010	870	884	852	736	536	536	3,815	7,359
Outlays	83	160	995	770	1,000	870	874	852	736	526	536	3,795	7,319
NET INCREASE IN BUDGET DEFICIT													
Net Change in Deficit	83	15,572	11,046	4,576	4,255	16,448	40,788	45,270	51,626	57,875	62,272	51,900	309,732

Notes: Components may not add to totals because of rounding. AMT = Alternative Minimum Tax. HPV = Human papillomavirus.
Sources: Congressional Budget Office and Joint Committee on Taxation.

BUREAU OF LABOR AND INDUSTRIES,
Salem, OR, August 6, 2006.

Hon. GORDON SMITH,
Russell Building,
Washington, DC.

DEAR SENATOR SMITH: I am writing to urge you in the strongest possible terms to cast a ''No'' vote on H.R. 5970. As Oregon's Labor Commissioner, I am infuriated by this move by the House of Representatives to trample states' rights and reduce the wages of thousands of Oregonians already struggling to make ends meet.

I am speaking, of course, of the provision in the bill imposing a ''tip credit'' upon an estimated 65,000 minimum-wage workers in Oregon. It is estimated that each of these workers—waiters, waitresses, bartenders etc.—stand to lose on average $11,000 annually should this bill pass and become law.

As you know, I am a long-time champion of Oregon's minimum wage and was one of the petitioners in the successful ballot effort to link our state minimum wage to rises in inflation. Each year, it is one of my proudest duties as state labor commissioner to not only regulate the payment of minimum wages to workers, but to set the new wage rate. However, while I agree with the original efforts of lawmakers to raise the federal minimum wage above the current, embarrassing level of $5.15 per hour, the political hijacking of that effort has now resulted in a bill that will hurt, rather than help, average, hard-working Oregonians.

I would also appeal to your longstanding advocacy of states' rights on a variety of issues. Why would you and your colleagues waver from that stance when it comes to Oregon's minimum wage?

For all these reasons, I strongly urge you to vote against the ill-conceived and potentially damaging piece of legislation. All working Oregonians will thank you for protecting their right to provide for themselves and their families. I thank you for your consideration.

Sincerely,

DAN GARDNER,
Commissioner.

Mr. LAUTENBERG. Mr. President, we have very few hours before we depart for the August break. Let's say we have 6 hours—360 minutes—before we leave to campaign or vacation or meet with constituents back home.

How are we going to use 360 minutes?

The Republican leadership's idea is to use that precious time to pass the so-called ''trifecta'' bill. It's a bill that was sent to us from the House, and I think it symbolizes all that is wrong with the Republican Congress.

For one, it is a cynical ruse. This bill holds the minimum wage hostage in exchange for a dramatic reduction in the

inheritance tax—which only the richest families in America pay.

The minimum wage has been stuck at $5.15 for almost a decade. That's $10,712 a year.

And even though the Republican leadership has blocked a clean vote on the minimum wage for years, this ''trifecta'' bill marries the minimum wage increase with this huge cut in the inheritance tax. This inheritance tax only affects the richest one-half of 1 percent of families in the country.

So, in other words, the Republican position is: we will only help everyday working people in America if you give multi-millionaires and billionaires a bribe.

Mr. President, that is not the way to govern this country.

This bill is also offensive because it is so out of touch with the priorities of the American people.

Why aren't we taking steps to actually bring down gas prices? Gas is over $3 a gallon. It costs $60 to fill a tank for many people. That's what most Americans are concerned about right now.

Are we going to use these last 360 minutes to deal with that issue?

Meanwhile healthcare is in crisis. We have 43 million people without health insurance.

And then there is a storm brewing over the new Medicare drug law. Indications of this storm are appearing in newspapers from Honolulu to Ho-Ho-Kus. This storm is called the Medicare prescription drug coverage gap.

Some call this coverage gap the ''Doughnut Hole,'' but that is too kind a name. It's a much more serious crisis, and can have deadly consequences.

Here is what is happening across America because of the coverage gap: millions of seniors on the new Medicare Prescription Drug Plan are going to the pharmacy counter and experiencing ''sticker shock.'' Why? Because their drugs suddenly cost four times as much as last month.

Their drugs are costing four times as much because the Republican Medicare law allows drug plans to include a massive gap in coverage. In a nutshell, once you pay $750 out of pocket from the deductible and co-pays, your coverage just stops. And to make matters worse, your coverage goes away but you still have to pay the monthly premium.

A lot of unhappy seniors are starting to experience this problem, and it will only get worse through the end of August and into September.

So what are we doing about it?

An inheritance tax break for multi-millionaires is what the Republican leadership is concerned about while millions of seniors are facing a financial gap in their prescription drug coverage.

I would like to share some stories with my colleagues from recent news articles about how this coverage gap is affecting people across the country.

The Bergen Record in New Jersey told the story of Melba Heck, who is in the coverage gap. When she started the Medicare Part D plan, she was paying $50 a month. Now, all of the sudden, the bill is $400.

Ms. Heck, a retired nurse, told the newspaper that ''For the first time in ten years, I've had to cut back on my church pledge.''

Marcella Crown of Des Plaines, IL, reached the coverage gap back in April. Her husband said ''Blue Cross is saying that even though she will get no benefit, she must still pay the premiums. That's outrageous. We have never had insurance policies that gave us no benefit yet required us to pay premiums.''

In Maryland, retired teacher Elise Cain walked into her Silver Spring pharmacy and said she nearly ''passed out'' at the cash register. Her drug monthly cost jumped from $20 to $175.

These are just some examples of the pain that millions of senior citizens will have to endure. Unfortunately, this is only the beginning of this crisis.

We need to deal with this Medicare coverage gap crisis now. If we wait until September, we do so at our own peril.

Mr. President, this Congress is out of touch, and the Republican priority is to heap more wealth on a few of the richest people in America while tens of millions of their hardworking neighbors' children will struggle to get along with less as a result.

Let's not let it happen.

Mr. REED. Mr. President, I am deeply concerned about the cynical efforts to tie a much needed boost in the minimum wage to a massive tax cut for the heirs of the wealthiest Americans.

The economic disparities between minimum wage workers and wealthy people whose large estates are subject to the estate tax are so vast that pairing these two measures together defies logic. I am also hard pressed to find a link between either of these issues and the extension of several expiring tax provisions that have been tacked on as well.

No matter how my colleagues in the majority try to dress it up, this is really just another vote on the estate tax. It was less than two months ago that full repeal of the estate tax failed to pass in the Senate. Instead of addressing the pressing problems ordinary Americans face on a range of economic issues, the leadership is back again trying to pass near-elimination of the estate tax.

The estate tax is an important component of our progressive federal tax system, it is the Federal Government's only tax on wealth, and by 2009 less than one-half of one percent of all estates will be subject to the tax. Far from being a ''death tax,'' the tax falls on heirs who seldom had any real role in earning the wealth built up by the estate holder. The decedent's estate pays a portion of the total assets to the Federal Government and the remainder is then passed on to heirs. Capital gains that have built up in the estate tax free are passed on to the heirs on a ''stepped up'' basis, and the heirs are not liable for any income tax on these gains. No tax is levied if the estate passes to a spouse or is donated to charity. The overwhelming majority of estates pay no federal estate tax.

As a matter of fact, the non-partisan Tax Policy Center estimates that only about 8,200 estates would owe any estate tax in 2011 if the 2009 exemption level of $3.5 million were made permanent. Those are the people who would benefit from further cuts in the estate tax and their estimated average tax savings is about $1.3 million—a far cry from the $2.10 hourly wage increase that the Majority has put on the table for minimum wage workers.

A minimum wage hike is long overdue. The Federal minimum wage, which today stands at $5.15 per hour, hasn't been raised since 1997. Since then, inflation has not only wiped out that pay increase but brought the real value of the minimum wage to its lowest level in half a century. Over the past 9 years, the minimum wage has lost one-fifth of its purchasing power.

The majority's plan would increase the minimum wage from $5.15 to $7.25 per hour by the middle of 2009. The Economic Policy Institute estimates that 5.9 million workers would benefit directly from the increase and that the average benefit would be $1,200 per year. Another 7.1 million workers earning somewhat more than $7.25 per hour could benefit indirectly as a ''spillover benefit'' of the minimum wage increase. However, 1.8 million fewer workers would benefit under the Republican proposal because it phases in the increase over a 3-year period rather than the 2-year phase-in under Senator KENNEDY's proposal.

Senator KENNEDY's minimum wage legislation, which I have cosponsored, also does not contain any poison pills, such as the near-elimination of the estate tax or the egregious roll back of State pay protections for minimum wage workers. Currently, there are seven States that have chosen not to include a tip penalty in their minimum wage laws. Thus, tipped employees in these States earn the full State minimum wage. Under the Republican bill, however, one million tipped employees in these seven States will see a drastic cut in their base pay.

Raising the minimum wage is vital because workers have been left out of the economic growth we have seen so far in this recovery. Strong productivity growth has translated into higher profits for businesses, not more take home pay for workers. The stagnation of earnings in the face of soaring prices for gasoline, home heating, food, health care and college tuition is squeezing workers' paychecks. Just this week, the administration admitted as much. At a speech at Columbia Business School, Treasury Secretary Paulson stated that ''amid this country's strong economic expansion, many Americans simply aren't feeling the benefits. Many aren't seeing significant

increases in their take home pay. Their increases in wages are being eaten up by high energy prices and rising health costs.''

No one who works full time should have to live in poverty, but the current minimum wage isn't enough to bring even a single parent with one child over the poverty line—even if the parent works 40 hours a week, 52 weeks a year. Five million more Americans have fallen into poverty since President Bush took office—37 million Americans are now living in poverty, including 13 million children.

The minimum wage is an important policy tool to lift low-income families out of poverty. Almost two-thirds of those who would benefit are adult workers, and more than a third of these adults are sole breadwinners for their families. This is not pocket change for teenagers, as opponents of the wage floor have argued.

The devastation of Hurricanes Katrina and Rita last September put the national spotlight on the problem of poverty in America. As Senator GRASSLEY, chairman of the Finance Committee, put it last year, ''It's a little unseemly to be talking about eliminating the estate tax at a time when people are suffering.''

While the minimum wage has steadily lost purchasing power over the past 9 years, Federal Reserve data show that over roughly the same period the inflation-adjusted average net worth of the 10 percent families with the greatest wealth increased by almost 40 percent. The wealth of those most likely to have estate tax liability has increased substantially, but the taxes owed on an estate of any given size are lower now than they were in 1997 because of increases in the exclusion and reductions in the tax rate.

The differences in economic circumstances between those at the very top of the income or wealth distribution and those at the bottom are vast and widening. Again, during his address in New York, Treasury Secretary Paulson stressed that ''addressing issues of wage growth and uneven income distribution is a longer-term challenge that we can address.'' And yet, again the rhetoric of this administration does not match its actions. The consideration of this bill before us today is proof that the majority and the administration are not serious about addressing disparities.

Looking at earnings, minimum wage workers make about $206 for a 40-hour week at the current rate of $5.15 per hour. That would put them in the bottom 10 percent of the distribution of usual weekly earnings of full-time workers and these workers have suffered the largest declines over the past 5 years. Those at the upper-income levels are seeing earnings gains but for those at the bottom- and middle-income levels, there is a loss in real earnings since the President took office whereas in the 1990s, when you saw the proverbial picket fence—there were positive gains at every percentile.

Turning to household wealth, an overwhelming majority of households have very little in the way of accumulated wealth and assets and would not be subject to the estate tax. Households in the bottom fifth of the wealth distribution have a median wealth of just $2,000. In contrast, households in the top 10 percent have a median wealth of $1.4 million, which is less than the current estate tax exclusion of $2 million for an individual or $4 million for a married couple. Because half of the households in that wealthiest group have less than the median net worth of the group, most will not owe any estate tax.

The inequity of this proposal is compelling enough, but the budgetary consequences of nearly eliminating the estate tax make it completely unpalatable.

The Center on Budget and Policy Priorities estimates that this estate tax proposal would cost about $600 billion over the 2012–2021 period, or about $750 billion when the associated debt service costs are included. That is about three-quarters of the cost of full repeal, but probably understates the true cost because the latest proposal is not fully effective until 2015.

We are financing near-repeal of the estate tax with debt, because the costs will be paid for with borrowed money. Future generations of taxpayers—minimum wage workers and others who will make significantly less than the heirs of deceased multimillionaires and billionaires—will have to repay those funds. The drain on the budget would occur at the very time that the baby boom generation enters retirement and rising Social Security and Medicare costs would strain our budget. Secretary Paulson rightfully identified ''reforming entitlement programs, advancing energy security and maintaining and strengthening trade and investment policies that benefit American workers'' as ''longer-term challenges that will face our economy in the years to come.'' However, as we all know these are challenges that we can only meet if we have the resources to do so. Making permanent fiscally irresponsible tax cuts only endanger our abilities to truly address what should be our national priorities.

Raising the minimum wage will increase the likelihood that minimum-wage workers will be paying taxes and drawing on fewer government services. In contrast, virtually eliminating the estate tax will reduce Federal revenues, increase the budget deficit, and put pressure on other government programs that contribute to the economic well-being of lower-income workers, including minimum wage workers.

Today, we are at war and yet there is no sense of the shared sacrifice that has united this country in past conflicts. Ironically, the estate tax was first adopted in the nineteenth century to pay for government shortfalls due to wartime spending. Our military families are making tremendous sacrifices, and too many of them have made the ultimate sacrifice in service to our country. With $320 billion appropriated or pending for Iraq operations to date and more than 2,500 service men and women killed, the human and financial tolls are both more staggering than imagined.

With mounting war costs, the impending retirement of the baby-boom generation and deficits as far as the eye can see, due to the President's irresponsible tax cuts, it is unconscionable to think that we are going to vote again on gutting one of the most progressive taxes on the books.

Putting a minimum wage hike that is so necessary for working families to make ends meet together with an estate tax bill that benefits a few wealthy heirs reveals a warped set of priorities. The same can be said for holding hostage a package of tax extenders that all support. Our focus should be on strengthening the safety net for American families—whether it's raising the minimum wage or preserving Social Security, pensions, and health insurance coverage.

I have been a consistent supporter of the minimum wage, but this is a cruel juxtaposition of policies which I can not support.

Mr. AKAKA. Mr. President, it pains me to have to choose between the urgent needs of important groups in my constituency, which is why my decision to oppose cloture on the so-called trifecta bill, combining an estate tax compromise, minimum wage increase, and tax extenders, is a difficult one for me. However, it is one that I find to be necessary.

There are some good measures in this bill, particularly in the tax extenders package. I applaud my colleague in the House, Representative NEIL ABERCROMBIE, for his hard work to reinstate a tax deduction for spousal travel that is included in this package. It would have a positive effect on tourism-based economies, such as Hawaii's economy. I also appreciate the extension of the research an development credit and higher education above-the-line deduction, among other provisions. However, on balance, as with so many other large legislative vehicles that we consider on this floor, it is not enough to convince me to support the overall package.

I am disheartened that the majority in Congress uses the plight of our low-income and disadvantaged to better the cause for the wealthiest among us. For years, I, along with my Democratic colleagues, have offered amendments and introduced freestanding bills to increase the national minimum wage rate for our working men and women. If those in majority leadership are serious about increasing the wage rate, then they should pass freestanding bills that are currently pending action in both the Senate and the House of Representatives. This is truly an outrage that the majority has stooped so

low to do this, and to take such a cynical view of the support that a minimum wage increase truly has in our country.

The package before us further disappoints me because its tip provisions will actually hurt many of those who could use a boost in wages. Restaurant staff, valets, parking attendants, bartenders, maids, and others who support themselves or their families on tip wages will have current protections taken away by this bill. States that want to guarantee a higher floor for tip wages would see their power to do so nullified. These hardworking Americans deserve to have the wage protections that their States want to grant them.

On the estate tax, I have heard most passionately from auto dealers in Hawaii of the tragedies that could occur if the estate tax is not eliminated or scaled back. Hawaii, as with other States, has lost numerous family-owned businesses due to a number of factors. Our auto dealers, farmers, ranchers, and other family-owned entities fear that they will not have the resources to keep their businesses in the event of the deaths of current owners, if the estate tax is not repealed or rolled back.

All of these concerns are heartfelt. I must assure those who have written that I have heard them and have taken their experiences and views into consideration while deciding what position to take on this matter. I have wanted to help them. However, the vote on cloture on H.R. 5970 can also be a missed opportunity to serve countless others in our home States and many who have not yet been born. I am talking about opposing cloture on a bill that would mortgage future generations by adding more than $300 billion to already alarming Federal deficits.

According to the Joint Committee on Taxation, provisions to increase the estate tax exemption and link estate tax rates to the capital gains tax rate would cost nearly $268 billion over 10 years. Add that to extensions and expansions of several expiring tax relief provisions, some of which we must pass, and the bill's cost is $306 billion over 10 years. The minimum wage increase would have a negligible revenue effect.

My colleague from North Dakota, Senator CONRAD, has instructed this body time and time again on the dire fiscal picture that we are facing on the federal level. Our Budget Committee ranking member noted yesterday that our Federal debt increased $551 billion last year and is projected to increase another $600 billion this year. These figures are shocking to me, and they will doubtlessly translate into hard decisions on programs that we already have a hard time funding yet are so essential to each of our communities.

In fact, the Center on Budget and Policy Priorities notes that, should pending budget process reforms be put into place, the combined effect with the implementation of estate tax provisions would be to force drastic cuts in various entitlement programs that serve seniors, low-income families, veterans, students, and the disabled. Some of the programs that CBPP notes would surely be on the chopping block to make up for estate tax revenue losses include Medicare for seniors, SCHIP for children, Federal civilian retirement, the earned-income tax credit for lower income families, the child tax credit, military retirement, unemployment insurance, Supplemental Security Income for the elderly and the poor, veterans disability compensation and pensions, Food Stamps, school lunch and child nutrition, and farm programs.

It is because of drastic impacts like this that I have heard from hundreds of other constituents who want me to vote to save these necessary programs and others in education, health care, and social services that would bear the brunt of further reductions in discretionary funding. I simply cannot put the needs of many above the needs of a few, even if they are a well-deserving few, which is why I cannot support cloture on this package before us.

Once again, the choice to oppose cloture on this measure has been a tough one for me. It is far better than estate tax repeal in its projected fiscal outcome, and I thank its authors for their willingness to compromise to a certain point. However, the bill does not go far enough for me.

I deeply appreciate hearing the arguments put forth on both sides of this debate and the work put in on this matter, but I cannot support this cloture motion.

Mr. JOHNSON. Mr. President, the Senate is considering today an increase in the minimum wage, a package of tax extenders, and the repeal of the estate tax. I am highly disturbed and disappointed by the course that the Senate has chosen to hold badly needed tax cut extenders and the minimum wage increase hostage to the estate tax bill. And I find it ironic that the Republican leadership has been referring to this as a ''trifecta''—betting terminology. It certainly is a gamble. It is a gamble with the livelihoods and pocketbooks of the American taxpayer and American worker, and that is surely not what I was elected to do.

Tying an increase in the minimum wage and important tax extenders to the estate tax in order to further a political agenda which has otherwise failed on this issue is outrageous and manipulative, and I will not support it. And to add insult to injury, the majority leader has refused to allow his Senate colleagues, who would like to substantively address these issues, to offer any amendments. This ''my way or the highway approach'' is quintessential partisan politics.

I would like to be very clear on my position here. I strongly support an increase in the Federal minimum wage. I supported Senator KENNEDY's amendment to the DOD authorization bill that would have increased the minimum wage to $7.25 over a 2-year and 2-month period, and I am a cosponsor of his Fair Minimum Wage Act. I am also a cosponsor of Senator CLINTON's Standing with Minimum Wage Earners Act, S. 2725, which would raise the Federal minimum wage to $7.25 per hour and link future increases in the minimum wage to congressional raises. I have always supported updating the Federal minimum wage in the past and would like to have the opportunity for an up-or-down vote on the Senate floor.

The Republican leadership in both the Senate and the House of Representatives has thus far managed to block an increase in the minimum wage. Ironically and sadly, that leadership continues to prioritize tax breaks for America's most fabulously wealthy over an increase in wages for hardworking families. It just makes no sense. A minimum wage employee working 40 hours per week, 52 weeks a year, would earn only $10,700, a figure far below the poverty level for even a two-person family. Inflation has eroded the buying power of the minimum wage since it was last increased in 1997. The current minimum wage is woefully inadequate to provide enough income for workers to afford decent housing, set aside sufficient funds for a comfortable retirement, or meet any emergency needs. Increasing the minimum wage is about both economics and values. I tire of hearing people talk about ''family values'' while at the same time doing little to increase wages or provide affordable health care and housing.

I also strongly support the package of tax extenders that were left behind during tax reconciliation. I was disappointed that the final tax reconciliation measure, H.R. 4297, failed to include provisions that would allow South Dakotans to deduct their State and local sales taxes. South Dakota collects more than 50 percent of its revenue from sales tax assessments. It is unfair to expect South Dakotans to pay an additional Federal tax liability simply because of the form of taxes my home State collects, and I strongly favor making the sales tax deduction a permanent part of the Tax Code. I was also disappointed that this measure did not include provisions to allow families paying college tuition to deduct that tuition from their Federal taxes or teachers to deduct the cost of classroom supplies. These tax cuts are important to many Americans, and I support them unequivocally, but I will not allow the Republican leadership to tell me that I can only give these tax breaks to middle-class Americans by also voting for an estate tax repeal that will leave our grandchildren hundreds of billions of dollars of debt.

Additionally, I will support tax cuts that target working Americans, so long as they are enacted in a fiscally responsible manner with appropriate revenue offsets. The estate tax noose that has been tied around this legislative

package is not in keeping with this philosophy.

While I feel strongly that Congress must act to give some estate tax permanency and certainty to estate planning, I do not support full repeal or any measure that would only benefit a tiny number of fabulously wealthy estates while at the same time being so costly that it would require massive borrowing from foreign nations and from the Social Security trust fund in order to write the checks.

Since the Federal Government is already running several hundred billions of dollars annually in the red as it is, any further tax cuts and giveaways for America's multimillionaires will require that we borrow the money to give to them. Increasingly, the borrowing will be from foreign nations and from Social Security revenues. That also means that additional tax cuts for the middle-income taxpayers will be almost impossible and that the middle class and their children will have to pay higher taxes for decades to pay off the debt service on the multimillionaire tax cut. That debt service already costs the taxpayers $1 billion per day.

The estate tax legislation that has come before us thus far has been unrealistic and costly. I would be supportive of legislation exempting family farms, ranches, and small businesses from the estate tax. In fact, in 2001, I voted to do just that. Unfortunately, then, the Republican party decided to enact legislation that called for, among other things, a phaseout of the Federal estate tax that provides complete repeal in 2010 but reverts to an exemption of only $650,000 in 2011. Because of this mistake we have had to have this discussion every election year since.

Easing taxes on farms, ranches, and small businesses is one thing, but the total repeal being pushed as a political statement during this runup to the election season is irresponsible. I believe the Federal Government ought to be doing more for middle-class and working families, rather than focusing its attention on the Paris Hilton and Donald Trump crowd.

Mr. DODD. Mr. President, I rise today to express my serious concerns with a bill before this body, H.R. 5970, that unnecessarily links a long-overdue increase in the minimum wage and a broadly-supported package of tax extenders to an unaffordable and irresponsible cut in the tax on multimillion-dollar estates.

This so-called ''trifecta'' bill sends a clear message to the American people about the priorities of the leadership on the other side of the aisle—priorities that are badly out of step with the needs of ordinary Americans.

Many of us in this body support fiscally responsible reform of the estate tax. But compared to most reasonable proposals, the one in this bill would cost nearly twice as much, while adding very little additional value.

Over the last several years, the number of Americans affected by the estate tax has fallen dramatically as the exemption level has been raised. In 2000, with an exemption of $675,000, there were 50,000 taxable estates. That number has fallen to only 13,000 today, with the exemption level now standing at $2 million for an individual and $4 million for a couple. In 2009, the exemption will rise to $3.5 million—or $7 million for a couple—and only 7,000 estates will be subject to the tax. These 7,000 taxable estates represent the largest three-tenths of 1 percent of estates in America, all of which exceed $3.5 million in size. By 2009, only this small fraction will owe even a cent under the estate tax.

Compared to current or 2009 rates, this ''trifecta'' bill would provide a tax cut for only the largest 8,200 estates in the country. And the average size of the tax benefit received by each of these estates would be $1.4 million. Out of a nation of 300 million people, only the wealthiest 8,200 would gain from this bill's estate tax proposal, but it would cost the American people $753 billion over the first decade alone once it has been fully phased in.

The leadership on the other side of the aisle knows that this body would rightly reject such a gratuitously irresponsible proposal if it were offered as a stand-alone bill. So the majority leader in this body and his counterparts in the House of Representatives have decided, in what amounts to political blackmail, to attach this estate tax measure to a moving vehicle, the package of tax extenders that includes provisions like the research and development tax credit that supports innovation by America's businesses, the tax deduction for college tuition that helps students and their families pay for the skyrocketing cost of higher education, and the tax deduction for teacher classroom expenses, among many other important items.

In effect, the supporters of this ''trifecta'' bill have decided to hold hostage these important tax provisions, which benefit families and businesses across the income spectrum, to an estate tax measure that, on its own, would otherwise be rejected. And in a misguided attempt to ''sweeten the deal'' or provide political cover, they have added a provision to raise the minimum wage that, itself, is flawed due to the wage cut it would force upon many employees who earn their pay through tips.

Many of us in this body have been fighting for years to increase the minimum wage, only to have our efforts blocked repeatedly. America's lowest-wage workers have waited far too long for a raise—it has been 10 years, almost to the day, since this body last voted to raise the minimum wage to $5.15 per hour.

In the time since then, the minimum wage's real buying power has fallen to its lowest level in 51 years. For a full-time worker, a wage of $5.15 per hour translates to a yearly income of $10,700—an amount that is nearly $6,000 below the poverty line for a family of three. These are working adults, with full-time jobs, who are living in poverty.

At those wages, these working Americans can barely afford housing and food. They certainly can't afford adequate health care, child care, or education needed to lift them out of a low-wage job. With gasoline prices and other energy costs rising, one wonders how people make ends meet.

Unfortunately, too many are falling behind.

And too often, the victims are children, whose only fault was to be born into the wrong family. More than a third of the 37 million Americans currently living in poverty are children. Through no fault of their own, these voiceless Americans live day-to-day without adequate food and shelter, forced to choose between food and rent or medicine or utilities.

In my State of Connecticut, we have a population of about 3.4 million people and the perception is that we are a rich State. But we are not exempt, in Connecticut, from the scourges of poverty and hunger. In fact, more than 280,000 people in my State, many of them children, are food insecure—meaning they don't have access at all times to the food necessary to lead a healthy life. Two of the largest food banks in Connecticut provide food for more than 350,000 different people each year. Working people make up 25 percent of those using those emergency feeding programs. People are working hard and they can't even feed their families—how is this acceptable?

Raising the minimum wage from $5.15 per hour to $7.25 per hour would directly boost the earnings of 6.6 million working Americans. It would also indirectly benefit an estimated 8.3 million additional workers who currently earn close to $7.25 per hour and would likely see their wages rise in response to a minimum wage increase.

Some of my colleagues have argued that raising the minimum wage would harm employers or reduce overall levels of employment, but study after study has shown these claims to be unfounded. A recent Gallup poll found that 86 percent of small business owners do not think the minimum wage negatively affects their business. And a substantial body of research by well-known economists finds no significant harm to overall levels of employment based on changes to the minimum wage. So while a minimum wage increase would dramatically improve the lives of millions of Americans, the potential costs would be small.

America's lowest-earning working men and women desperately need a raise—even a small one. But this bill, by tying an increase in the minimum wage to a costly ''virtual repeal'' of the estate tax, has the potential to cancel out the good that would be done. By adding $753 billion to the national debt—which already stands at $8.4 trillion—this estate tax proposal would

force deep cuts in services for all Americans, regardless of income. But those who earn the least would likely be hurt the most.

No one who supports raising the minimum wage or approving the bipartisan package of tax extenders should be fooled into thinking that this bill represents a serious attempt to help American workers, businesses, or taxpayers.

The estate tax proposal that has been attached to these important measures is unaffordable and unnecessary. It would drive us deeper into debt with foreign creditors, force damaging funding cuts during already tight budgetary times—not to mention during a time of war—and increase the burden on our children and grandchildren of paying for our excess.

For these reasons, Mr. President, I cannot support this irresponsible legislation, and I urge my colleagues to join me in voting against this bill.

Mr. OBAMA. Mr. President, I rise to speak about the latest effort to reduce the estate tax for a small fraction of the wealthiest Americans at a cost to all Americans of more than $750 billion. This time our friends in the House of Representatives realized that the Senate would reject such a reckless policy. So rather than scaling back Paris Hilton's tax cut to a reasonable level or suggesting a fair way to pay for their tax cuts, they have done something else. They have decided to hold an increase in the minimum wage hostage to a fiscally destructive cut in the estate tax.

This is cynical politics at its worst. This is government by gimmick. Combining the estate tax with a minimum wage increase and temporary tax cut extenders is not an example of finding common ground or moving to a reasonable compromise; this is an example of political coercion. And the American people are wise to it.

This is simply an attempt to dare members of my party to vote against an increase in the minimum wage which has been one of our long-time priorities.

But why should we have to agree to nearly $800 billion of additional Federal debt—debt that our children and grandchildren will have to pay back in higher taxes down the road—in order to get a long-overdue wage increase for those struggling to make ends meet that would have no negative effect on the Federal budget?

Why should we have to agree to an average tax break of $1.4 million for several thousand wealthy estates in order to add about $1,200 on average to the incomes of several million working families?

Why should we have to agree to a permanent reduction in the estate tax for billionaires when all the tax benefits for students, small businesses, teachers, and neighborhoods will expire under this bill in a year or two?

This bill is not the outcome of a robust policy debate or bipartisan compromise in the public interest. It's not the result of honest tradeoffs. No. This bill is a cynical ploy to say ''gotcha'' to the Democrats. At best it's politically clever, but in no way is it smart.

Increasing the minimum wage would make a significant difference in the lives of this country's most vulnerable workers. The Federal minimum wage has not been adjusted since 1997 and the proposed increase really just keeps workers from falling further behind in their struggle to keep up with inflation. It is shameful that the President and Congress have not acted sooner to raise the minimum wage.

My colleagues on the other side of the aisle know that. So they have tied the minimum wage vote to the estate tax. They have tied the fate of several million working families and their ability to buy food and gas and school supplies to the ability of wealthy heirs to inherit even larger estates tax free.

I am confident that the American people will see through this. By 2009, the estate tax will already be repealed for more than 99 percent of all Americans. For the few estates that are wealthy enough to have to pay the estate tax, they can make unlimited charitable deductions, they can pass along at least $7 million to their heirs tax free, they can take more than a dozen years to pay-off the taxes owed, and the effective tax rate will be fair and reasonable. We could extend that status forever, and members of both parties could claim victory and move on to addressing America's real priorities.

Instead we are here once more, debating tax cuts and adding to America's debt.

Now let's be honest. This is not about saving small businesses and family farms. We can reform the estate tax to protect the few farms that are affected. We can set it at a level where no small business is ever affected. We can even repeal the estate tax altogether for the 99.5 percent of families with less than $7 million in taxable assets that means families with assets almost 100 times greater than the average American household's net worth. That would be compromise. That would be sensible.

Democrats have offered to reform the estate tax in these ways time and time again. But over and over, our offers have been refused, which can only mean that the party in power is really interested in an unprecedented giveaway to the wealthiest of the wealthy.

And don't think for a minute that there is any plan to pay for this. Every proposal to enforce pay-as-you-go rules for fiscal responsibility has been rebuffed. This tax cut will have to be paid for in the years ahead by higher taxes on working families and reduced public services in all of our communities. This tax cut will have to be paid for by higher interest rates on homes and student loans. And this tax cut will have to be paid for by greater dependence on foreign countries.

It's amazing to me how little the Congress has actually accomplished this year and how much time we have wasted on the estate tax. You would think the richest among us were the most oppressed. And even now we are being blocked from dealing with bipartisan pension legislation, not to mention dealing with the costs of healthcare, our real homeland security challenges, or the threat of global warming.

So if the Republicans want to bring up the estate tax yet again to use it as an election issue later, I say go for it. Because there may be no better illustration of how we differ in priorities than this irresponsible vote.

I yield the floor.

Mr. KERRY. Mr. President, a lot has changed in the last 10 years. Gasoline prices have risen, up 70 percent since President Bush took office in 2001. Child care costs have risen and now a typical family can expect to pay almost $10,000 per year for one child, which is more than the cost of public college tuition. Health care costs are soaring, and health insurance premiums are skyrocketing. In short, the cost of everyday life has greatly increased. We in Congress have certainly taken notice: we have given ourselves a pay raise eight times since 1997, totaling $30,000, and we've given the President pay raises totaling $200,000. Yet in that time we have failed to give working Americans a raise by increasing the minimum wage.

Now, facing tough reelection races and a disillusioned public, my Republican colleagues are finally willing to do something about it, but only on their terms. Despite the fact that the rich are getting richer and the poor are getting poorer, my colleagues' ''solution'' to help American families is to attach the long-overdue minimum wage increase to an otherwise un-passable estate tax reform bill that will benefit just a few wealthy families. This is nothing more than political blackmail. If Congress were genuine about its care for the lives of hard-working Americans—if we truly believed that any honest American working a full time job should not have to live in poverty—we would never condition a minimum raise increase on a windfall for the wealthy.

Since President Bush took office, the number of Americans living in poverty has increased by 5.4 million, bringing the total to 37 million Americans who live in poverty today, 13 million of whom are children. What's even more disturbing is that over 70 percent of children in poverty live in a home where at least one parent works. So today in America we have a situation in which millions of children are living in poverty despite the fact that they live in homes with a working adult. Among full-time, year-round workers, poverty has increased by 50 percent since the late 1970s.

This may be surprising, but if you take a minute to understand the situation the picture becomes clear. Consider a single mother of two working a

minimum wage job 40 hours a week for 52 weeks a year. Without taking any time off for illness or vacation, she earns just $10,700 a year, nearly $6,000 below the Federal poverty line for a family of three. The current minimum wage equals only 31 percent of the average wage for the private sector, nonsupervisory workers, the lowest percentage on record since World War II. In the past 9 years, the purchasing power of the minimum wage has deteriorated by 20 percent, and today the value of the minimum wage is as its lowest level since 1955.

What these figures make absolutely clear is that it's long past time to raise the minimum wage. Just 5 weeks ago, the Senate failed to give relief to hard-working Americans by increasing the minimum wage. What has changed? As far as I can tell, two things have changed. First, Republicans in tight races realized their failure to address the needs of working Americans would hurt their chances for reelection. Second, those in favor of repealing the estate tax realized that the likelihood of doing so was slim to none. So they agreed to increase the minimum wage to $7.25 over a 3-year period that will benefit millions of working families, but they would only do so at a cost of $268 billion in estate tax relief for a few wealthy families.

I think we can all agree that the estate tax law needs to be revisited. The current policy does not make sense, but neither does relief that benefits a few. The estate tax relief before us has a long-term negative impact on our deficit. The 10-year costs from 2012–2021 are $753 billion when interest is included. That is $753 billion that will be added to the deficit or result in vital programs having their funding slashed. And there is no discussion now about how to pay for this bill.

An increase in the minimum wage should not be saddled with an unrelated, unnecessary, and unfair tax provision. We should pass a clean minimum wage bill and then work on a bipartisan estate tax bill that is fiscally responsible and protects most small businesses from the estate tax.

The legislation before us provides an average tax cut of $1.4 million to 8,200 estates. A minimum wage increase would provide an average benefit of $1,200 to 6.6 million hard-working Americans. The package before us clearly reflects misguided priorities. I cannot think of one reason why minimum wage legislation should include estate tax relief.

When President Theodore Roosevelt advocated an estate tax nearly a century ago, he argued that, the ''man of great wealth owes a peculiar obligation to the state, because he derives special advantage from the mere existence of government.'' He further advocated that ''[w]e are bound in honor to refuse to listen to those men who make us desist from the effort to do away with the inequality, which means injustice; the inequality of right, opportunity, of privilege. We are bound in honor to strive to bring ever nearer the day when, as far as is humanly possible, we shall be able to realize the ideal that each man shall have an equal opportunity to show the stuff that is in him by the way in which he renders service.''

We need to return to a society that values hard work. We cannot let ourselves become a society divided by income inequity. Defeating this bill is a step in the right direction toward fairness and the restoration of sane, responsible fiscal policy.

In addition to the minimum wage, the bill before us includes so-called expiring tax provisions that Congress should pass. There is no reason we cannot work together to extend expiring provisions such as the research and development credit and a tax deduction for the cost of a college education, which expired at the end of 2005. It is embarrassing that the Senate is leaving for our August recess without extending these provisions, especially since the capital gains and dividends rates that did not expire until 2008 have been extended to 2010. The extension of these provisions should not be threatened. The price of helping families with college education should not be estate tax relief for the wealthiest estates.

Mr. President, I support raising the minimum wage. I support tax credits for research development and college education. But I cannot support them when they are tied to fiscally irresponsible so-called reforms. I cannot support a bill that continues to put the interests of the wealthy above the interests of hard-working Americans. If my colleagues are serious about increasing the minimum wage, I challenge them to do so in a clean bill. I challenge them to put the best interests of working Americans front and center. I challenge them to stand up to this political blackmail and oppose the Estate Tax and Extension of Tax Relief Act. The American people deserve better than this.

Mr. LEVIN. Mr. President, this so-called trifecta bill is a bet by the Republican leadership that the American people will not notice their strategy to gut the estate tax in order to give the wealthiest one-half of 1 percent of our families a huge tax break. I hope they will lose that bet.

The Republicans have tried to sweeten their fiscally reckless proposal by extending popular tax cuts that have strong support and by adding an increase in the minimum wage that many of them do not even want and have opposed repeatedly for years. Republican leaders know that their estate tax proposal would not pass on its own, so they have added other provisions that many want in hopes of drawing enough votes to pass their true goal—more tax cuts for the superrich. Failing that, the Republican leaders seem willing to settle for having as a talking point that they tried to increase the minimum wage, even though they have opposed it year after year.

The American people will not be fooled. They know that many have fought tooth and nail to increase the minimum wage, and that we will keep fighting. But we won't be blackmailed into supporting irresponsible tax cuts by a political gambit.

This estate tax proposal is unfair and unaffordable. Only a tiny fraction of all estates pay any estate tax. In 2004, only 1 percent of estates in Michigan and 1.2 percent nationwide paid any estate tax. And as the amount exempted from the tax continues to rise to $3.5 million per person in 2009, the percentage gets even smaller. And despite claims to the contrary, even without this misguided bill, those families actually subject to the estate tax will still be able to pass on great wealth to their children.

Once phased in, this so-called ''compromise'' proposal would cost at least 75 percent as much as repealing the estate tax entirely. In the first ten-year period in which the proposal would be in full effect, it would cost nearly $600 billion. The cost would be $750 billion when interest payments on the additional debt are taken into account.

We simply cannot afford such a massive tax cut that would push us even further into the deficit ditch. Today, each American citizen's share of the debt is almost $29,000. As we continue to run up record yearly deficits, the country's total debt will be more than $11 trillion by 2011, which is $37,000 per person. It is not just reckless fiscal and economic policy to saddle future generations with this kind of crushing debt burden; passing this kind of burden to our children and grandchildren goes against what should be our basic values.

In the words of Republican President Teddy Roosevelt, who proposed the estate tax: ''[I]nherited economic power is as inconsistent with the ideals of this generation as inherited political power was inconsistent with the ideals of the generation which established our government.''

If we have any hope of getting our Federal budget deficit under control, eliminating the estate tax for the extremely wealthy is exactly the wrong thing to do. We need to look out for all of our citizens, not just the very wealthiest among us. This giveaway to a tiny fraction of estates will ultimately have to be paid for by steep cuts in government services or tax increases that will likely impact far more Americans.

To achieve the goal of more tax cuts for the very few, this bill holds hostage two critical issues. First, it includes a desperately needed, though flawed, increase in the minimum wage. And, second, it has a package of popular tax benefits that includes allowing families to deduct up to $4,000 in tuition payments and tax credits for research and development.

Minimum wage workers have not seen a Federal raise for 10 years. During that same time period, Congress

raised its own pay eight times. An employee working full-time on minimum wage earns only $10,712 per year, which is below the Federal poverty level. It is shameful this Congress find it acceptable that Americans work hard every day, all year long, at legal jobs and still languish in poverty.

I have cosponsored a bill that gives the working men and women of this country the pay raise that they deserve, legislation that would raise the minimum wage to $7.25 an hour in several increments. If the majority cared about rewarding the hard work of a large number of Americans as much as they cared about protecting the enormous wealth of a few others, there would be a clean vote just on raising the minimum wage.

Even though the so-called trifecta bill would raise the minimum wage for many workers, it would also result in a pay cut for many Americans. It includes a ''tip credit'' provision that really should be called a tip penalty. The bill allows workers in industries in which tips are commonplace—such as waiters, waitresses, hotel maids, parking attendants and bartenders—to receive as little as $2.13 before the tips.

Although this tip penalty has been Federal law for years, States have been free to guarantee higher wages to workers in these industries. This bill would supersede those state laws to permit the lower wages. This will decrease wages in at least seven States, and it will set a dangerous precedent by allowing the Federal Government to interfere with the States to cut the wages of the lowest-paid workers.

This bill also holds captive several important expiring tax provisions that have broad support and would easily pass on their own. The provisions include the work opportunity tax credit, which encourages employers to hire members of targeted groups such as high risk youth, families receiving food stamps, SSI recipients, and qualified veterans. Another provision, the welfare-to-work tax credit, enables employers to claim a credit on the first $10,000 of wages paid to certain long-term family assistance recipients.

Another provision is the deduction for the expenses of elementary and secondary school teachers of up to $125 for books and other supplies. And there is a deduction of up to $4,000 for qualified tuition and related expenses. There is also a provision that would help shippers on the Great Lakes.

Finally, the expiring provisions include a critical tax credit for research and development done here in the U.S. This is an important way for the Government to help our Nation's economic competitiveness, especially in the manufacturing sector, which represents nearly two-thirds of our total private R&D. While the R&D credit's cost of $16 billion for two years is a significant investment by the Government, each dollar of the credit leads to a significant increase in business R&D spending, thus spurring economic growth. Congress should enact this important program on a permanent basis, instead of revisiting it every year or two, given all the uncertainty that is created by doing so.

It will be shameful if these provisions—which are good for the economy, important for our people, and supported by this Congress—are not renewed because of the political gamesmanship on this bill.

Mr. President, we hopefully will not fall for this political trick. The American people deserve better from their Government.

If the Republican leaders want to pass a minimum wage increase, give us a clean bill that does that and we'll pass it today. If they want to extend the popular and reasonable tax provisions that are expiring, let's work together to do that. But the pending bill would require us to swallow two poison pills and one aspirin. Hopefully, that combination will be resoundingly rejected by the Senate.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

• Mr. BAUCUS. Mr. President, I favor repeal of the estate tax. The estate tax often forces ranchers and farmers in my home State of Montana to have to struggle just to pass their land on to their children. But the political games that Congressional leaders played with this bill are not the way to get the job done. I hope that cooler heads can prevail and that we can work together for sensible reform in the future.•

Mr. BIDEN. Mr. President, our country is at war. We face fundamental challenges to our security at home and abroad. The President himself has compared our situation to the Cold War, to World War II. Those were existential struggles, for which we made great sacrifices and which fundamentally realigned our priorities.

Thousands of American families have paid the ultimate sacrifice, tens of thousands of our sons and daughters have been wounded. Tens of thousands more have been put in the line of fire, some of them for multiple tours of duty.

The war in Iraq alone has lasted longer than World War II, and its cost, at $315 billion, continues to grow.

Here at home, we face challenges to the American dream—the faith that hard work would be rewarded with a decent job, a better future for our children, and secure retirement.

The income of the average American family has not risen in the past 6 years. Global competition from a billion and a half new workers will change the world our children inherit. American families have virtually no money left over to save, and private retirement savings are woefully inadequate to meet the wave of retirees now upon us.

To meet these challenges, we will have to make massive investments in education and in research to boost the productivity and earnings of American workers. We need to find alternative fuels to reduce our dependence on oil that undermines our foreign policy and holds our economy hostage.

Over 46 million Americans are without health insurance. Only 5 percent of the containers that pass through our ports are inspected for weapons. Our passenger rail system lacks the basic lighting, fences, dog patrols, and cameras that could prevent attacks by terrorists we know have that system in their sights. This is just a short list of the profound challenges we face as a Nation. We can all think of others.

While our needs multiply, we lack the resources to meet them. Handed a 10-year surplus of $5.6 trillion, this administration has dragged us down, through the most dramatic reversal in our Nation's history, into an additional $3 trillion in debt.

They have doubled our debt to foreign governments. We now owe more than $2 trillion to Japan, China, and others. We are losing control of our financial future.

We are borrowing from our own national retirement savings, the Social Security system. This year alone, we will borrow $177 billion from Social Security.

Every day we go deeper into debt to foreign governments. Every day we spend more of our national retirement savings. And every day our basic needs, from homeland security to our retirement savings to our children's future—those needs are ignored.

That is the setting, that is the background, those are the circumstances in which we are now asked to cut taxes on just 7,000 of the wealthiest heirs in our country—at a cost of over $750 billion in the first decade it is in effect.

All of that will be borrowed. It is a transfer of $750 billion to the wealthiest two-tenths of 1 percent of Americans, borrowed from China, from Japan, from our own Social Security system. Somebody will have to pay that back.

Our children and our grandchildren will pay that back. It is a transfer from those with no voice of their own in our system, a transfer to those whose wealth speaks the loudest.

Under current law, the estate tax will affect fewer than 7,000 estates in the whole country by 2009. That year, a couple will be able to exempt a $7 million estate from taxes—a $7 million estate will pay no estate taxes. None.

The Congressional Budget Office has estimated that only 65 family farms in the whole country will be subject to estate tax at that point, under current law. Sixty-five farms, period.

Seven thousand of the wealthiest families will be the only ones paying any estate tax, and only 65 of those estates will be family farms, barely more than 1 farm per State across Our Nation.

And yet we are here today, actually considering reducing those numbers further, and driving our debt deeper, to save the most fortunate among us from that small remainder of an estate tax.

I believe that with the changes in current law we have accomplished some appropriate reform. I believe that family businesses and family farms should not be broken up to pay taxes. With the booming economy of the 1990s, many more Americans joined the ranks of those who could face estate taxes. Raising the exemption level and lowering the rate made sense.

Under current law, in my State of Delaware, fewer than 50 families will face any estate tax in 2009. Those are reforms that protect all but a few from the estate tax. It protects family businesses and family farms.

But I opposed complete repeal of the estate tax, and I oppose this legislation that will cost us $750B, three quarters of the cost of full repeal.

I oppose it, not because those who would benefit aren't good Americans. I am sure they are. Because they are good Americans, I think most would agree that given the world we live in today, facing a global threat to our security, with gaps in our homeland security, with clear domestic needs unmet, with our Federal finances already in the red—in the face of those facts, full repeal is a luxury that we cannot afford.

We could provide our middle class with some tax relief, by extending protection from the marriage penalty for $46 billion. We could extend the child tax credit for $183 billion. We could extend the college tuition deduction for $19 billion. Instead, the top priority of the leadership in this Congress is a handout to the most fortunate, paid for by three-quarters of a trillion dollars in debt heaped on our kids.

To add insult to this injury, the first pay raise for minimum wage workers in 10 years is now hostage to this estate tax cut. Under current law, you can be paid a wage that keeps you below the poverty line even if you are working full time.

Over the past 24 years, the most fortunate Americans, in the top 1 percent, saw their incomes more than double—from an average of $306,000 to over $700,000. During that same period, the incomes of average Americans grew just 15 percent.

But the poorest fifth of our citizens saw their already inadequate incomes grow just $600—over 24 years.

We are moving apart, not coming together, as a nation.

The minimum wage has not increased since 1996—and all of that increase has been wiped out by the cost of living. The minimum wage today, at $5.15 an hour, is even worth less in today's dollars than the $4.25 rate it replaced.

Today, the minimum wage is worth only a third of the average hourly wage of American workers, the lowest level in more than half a century. The bottom rung of the ladder of opportunity is broken. It is time to fix it.

That means a pay raise for over 7 million workers, in three stages, over the next 3 years, to $7.25 an hour. That will lift the floor under everybody's wages.

But now we are told that to get those folks on minimum wage a raise, we have to go three-quarters of a trillion dollars into debt to China, Japan, and other countries so that the sons and daughters of the 7,000 most fortunate families among us will be spared the estate tax.

Everyone else's sons and daughters will get that bill. Our country, already the world's biggest debtor nation, already borrowing 65 percent of all the money borrowed by countries around the world, already spending the retirement savings that should be going into Social Security, our country will be weaker financially because of it.

The American people are tired of seeing this kind of ''gotcha'' politics while our country is at war, while we face serious challenges to our economic competitiveness, our health, our children's future. Instead of a long overdue adjustment in the minimum wage, we get political theater.

And finally, instead of extending important tax credits to promote research and development, to clean up brownfields—even to give our fighting forces tax credits for combat pay—we are given this take-it-or-leave-it deal that makes estate tax cuts the top priority.

Those are not the priorities of the American people, and this Senate should reject them.

We can pass a minimum wage increase to reward work at the bottom of our economic ladder. We can extend the tax breaks that meet real needs and that serve genuine public policy needs. We can do that, and we can leave in place substantial reforms to the estate tax that have already taken place.

First, we must say no to this transparent gimmick. Then we can do what we should have done in the first place.

Mr. FRIST. Mr. President, has time been used on our side?

The PRESIDING OFFICER. There is 7 minutes remaining.

Mr. FRIST. Mr. President, I yield 3 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 3 minutes.

Mr. SANTORUM. Mr. President, thank you. I thank the leader for yielding.

This body is criticized a lot because we stand here and yell at each other and don't get a lot done. We block and we blame, we obstruct, we don't do the people's business.

The bill that we are about to vote on, 20 years ago, 30 years ago, would have been hailed by all as a compromise out of the great compromises that we have seen in the Senate over the centuries, truly a compromise.

The No. 1 highest priority of the Senate Democrats, included in this bill—their highest priority. We have voted on minimum wage more in this Chamber than probably any other issue. The No. 1 priority in this bill, their highest priority with respect to taxes, the R&D tax credit, the extenders provision, and a variety of different provisions, tax provisions, that were key provisions for many Senate Democrats, included in this bill.

In addition to that, we have the abandoned mine lands bill that Senator ROCKEFELLER and I have worked on for months and months. This is the only opportunity for the abandoned mine lands issue to be voted on in the Senate. There may be attempts to throw this in and attach it to other bills and all sorts of pounding the chest of how we are not letting it happen.

This is a compromise. This is giving things that I can tell you many on this side of the aisle don't want to give—whether it is minimum wage, whether it is AMT, whether it is many of the provisions in this bill, there are a lot of folks on this side of the aisle who do not like any of this, and, in fact, have never voted for any of these things.

In exchange for that, what most of the Members on this side of the aisle would like to see done is to do something about the onerous death tax which is scheduled to expire in 2010, and then revive itself from the dead the next year—horrible tax policy.

But that is where we are. We are trying to fix this. We are trying to get the priorities of both sides together in a bill to move this country forward in a way that both sides can walk away and say: We didn't get everything we wanted, but we made progress; I got something that was really important to me.

Both sides can say that. Both sides can say: I didn't get everything I wanted or I have to vote for something I don't like in this bill; This isn't exactly the way I would do it. This problem is bigger than all the other good things.

You know what? One thing I have always learned in my time in government is you can always find a reason to vote no. You can always find a reason to vote no. It takes a bigger step to compromise, to meet someone halfway down that middle aisle, to compromise and get something that is important for both sides. This bill does that.

Mr. FRIST. Mr. President, I yield 2 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I was listening to the debate, and I heard the Democratic leader call this a ''do-nothing Congress.'' He said that several times. I have heard it before. Yet here we have a bill that will go directly to the President. This is a bill that brings together pieces of legislation that have been worked on for years in this body, a chance to score a huge victory for all sides, that gives a minimum wage increase of over $2 that we have been trying to do, along with tax cuts for small businesses so that it is a balance for years in this Congress. We have been trying to permanently ease the burden of the death tax ever since I got to this Senate.

It is the small businesses; it is not Bill Gates, it is not Warren Buffett who is worried about the death tax. It is the farmer who is going to have to sell his farm when he dies or his children who will because his children can't pay the taxes because the farm is more valuable than they can earn and produce to pay the taxes. It is the small business that has been built by a family. It is the restaurant owner that is going to have to sell the business that we are fixing tonight.

This is a bill that would take away the ability to call this a ''do-nothing Congress.''

Why is it that almost every Republican is going to vote for it and almost every Democrat is going to vote against it?

I think this is an excuse to make this a ''do-nothing Congress'' and we are turning our backs on the middle class and the poor people of this country who depend on the minimum wage and death tax relief.

Mr. FRIST. Mr. President, I yield 1 minute to the distinguished Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 1 minute.

Mr. KYL. Mr. President, the Senator from Washington had printed in the RECORD a letter from an official in the State of Washington. In response and in refutation of the point of that letter, I will read from a letter from the Assistant Secretary of Employment Standards for the U.S. Department of Labor, Victoria Lipnick.

Mr. President, this letter is dated August 2. It says, among other things:

> Were this passed into law, the Wage and Hour Division of the Department of Labor would read section 402 as protecting the current minimum wages of the tipped employees in the seven states that now exclude tipped employees' tips from being considered as wages. To do otherwise would be inconsistent with what we understand to be the intent of the Congress and Fair Labor Standards Act which the WHD enforces.

The bottom line of this legislation, as has been said, is it will increase the standards of living and decrease the cost of dying.

I urge my colleagues to support moving forward with it.

Mr. DOMENICI. Mr. President, I rise today in support of the Estate Tax and Extension of Tax Relief Act of 2006 (H.R. 5970) more commonly known as the Family Prosperity Act.

I believe that the Family Prosperity Act is a good compromise because it raises the inheritance tax exemption to $10 million per couple, increases the minimum wage by $2.10, and extends some personal and business tax cuts. I support this legislation because it represents a fair and reasonable compromise on all three of these important issues.

For some time now, the Senate has debated the death tax, which is the most confiscatory tax of all. It has been a battle to repeal or modify this tax. In my opinion this tax is in need of modification; however, a full repeal of the death tax has been unsuccessful. Congress must act before the current repeal sunsets and the death tax is reinstated in 2011. Inaction on our part will lead to taxation of estates over $1 million at a rate 55 percent. Therefore, we are now attempting to seek agreement on this compromise measure that will benefit Americans. After careful consideration I have concluded that this bill represents a fair and reasonable compromise. Furthermore, passage of this bill will bring relief that is long overdue.

H.R. 5970 is a permanent reduction of the death tax that will exempt $5 million per individual and $10 million per couple. Estates under $25 million would have a maximum tax equal to the capital gain rate of 15 percent. Estates over $25 million would be taxed at 30 percent. The exemptions and $25 million threshold are indexed for inflation and will be fully phased in by January 1, 2015.

This tax relief is substantial to States, like my home State of New Mexico that are filled with small business owners, family farms, and ranches. The assets accumulated by these hard-working people should not be taxed a second time nor at a rate that is too high. I believe that by enacting this relief from the death tax, we will be fostering economic growth, business investment, and entrepreneurship. Moreover, this bill will decrease the number of estates that are liquidated in order to pay taxes and will ultimately decrease the number of estates that are required to file a tax return.

Some have argued that this legislation is not a compromise and that it will preserve wealthy estates. I firmly believe that this argument is unfounded. This bill will continue to tax estates that hold considerable wealth while at the same time exempting small and medium sized estates that are overly burdened, and often times extinguished, by this tax.

I would now like to turn our attention to the minimum wage provisions contained in the Family Prosperity Act. It has been almost 10 years since Congress last voted to raise the minimum wage. In the meantime, our cost-of-living has increased annually and working families have struggled to meet their most basic needs.

The pending legislation before the Senate will increase the minimum wage by $2.10 an hour—phased in over 3 years. I have said many times before that I would support an increase in the minimum wage if it was crafted properly. I believe that this bill is crafted properly because it raises the minimum wage while extending some personal and business tax cuts and reduces the overreaching death tax.

The current Federal minimum wage just isn't sufficient. Now is the time to raise the minimum wage. It's time to give low-wage workers a raise.

There was an editorial published recently in my hometown newspaper, the Albuquerque Journal. The editorial was entitled ''Raise the Minimum Wage: Reduce the Death Tax.'' The editorial hit on some very important points. The focus was that we have tried to address these issues before—and we have failed. It stressed that we need compromise in order to get things done in this Congress.

Mr. President, I will ask that a copy of this Albuquerque Journal editorial be printed in the RECORD.

This bill is a good compromise. We have before us a chance to work together to accomplish something for the American people. We should embrace this opportunity and work together.

The Family Protection Act contains extensions of several important tax cuts that are currently set to expire. The research and development credit is of significant importance. H.R. 5970 will extend the research and development credit through 2007.

Advanced technologies drive a significant part of our Nation's economic strength. Our economy and our standard of living depend on a constant influx of new technologies, processes, and products from our industries. Former Federal Reserve Chairman Greenspan frequently reinforced the critical dependence between advanced technology and our economic strength.

Many countries provide labor at lower costs than the United States. Thus, as any new product matures, competitors using overseas labor frequently find ways to undercut our production costs. We maintain our economic strength only by constantly improving our products through innovation. Maintaining and improving our national ability to innovate is critically important to the Nation.

With this extension, we will significantly strengthen incentives for private companies to undertake research that leads to new processes, new services, and new products. The result will be stronger companies that are better positioned for global competition. Those stronger companies will hire more people at higher salaries with real benefits to our national economy and workforce.

Another important tax credit that should be extended is the deduction for higher education expenses. Higher education expenses are on the minds of many families. Saving to invest in education is important to the future of all young adults and to our society as a whole. We must ensure our Nation's future by helping educate America's young adults. That is why it is important to offer tax breaks for qualified higher education tuition and expenses. The Family Protection Act allows taxpayers to deduct $4,000 in qualified higher education tuition and expenses through 2007.

The last credit that I would like to comment on is the welfare-to-work credit. This bill extends the welfare-to-work credit through 2007. Business plays an important role in transitioning people receiving welfare

into the workforce, and providing incentives for employers to hire welfare recipients strengthens our economy. This is an important provision in the bill and provides one more reason for me to support passage of this compromise.

I support this three-part compromise package because it represents a fair and reasonable compromise on all of these important issues.

Mr. President, I ask unanimous consent that the article to which I referred be printed in the RECORD.

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

[From the Albuquerque Journal Editorial, Aug. 1, 2006]

RAISE MINIMUM WAGE; REDUCE DEATH TAX

Santa Fe did it in 2003. Albuquerque did it in April. Sandia Pueblo did it in May. In fact, 17 states and the District of Columbia have done it.

Maybe before Senators go on vacation this week, they can get the United States to do it, too: Raise the minimum wage.

The federal minimum wage has been $5.15 an hour for almost a decade. In June the Senate killed the ninth attempt in as many years to increase what those on the lowest tier of the pay scale make. In the interim, municipalities have had to step in, creating a patchwork pay scale that follows geography instead of skill set. If a minimum wage makes sense, it's better done from Washington.

On Friday night the House passed a bill that would increase the minimum wage by $2.10 phased in over 3 years, extend some business tax cuts, create others, secure pensions and raise the inheritance-tax exemption to $5 million.

Representative Tom Udall, D–N.M., says he would have preferred a vote solely on the minimum wage—which apparently means he would have preferred a 10th defeat in as many years to a compromise.

The Republican majority can accept the minimum wage increase if the bill also includes something for one of their constituencies—in this case, excluding more wealth from the estate tax, which many Democrats oppose. Under current law, taxes would revert to 55 percent on estates worth more than $1 million after 2011. That's not soaking the aristocracy, but forcing heirs to liquidate a family-built business or a farm to pay the taxman. Not to mention these family assets have already been taxed.

Critics say Republicans want political cover come the November elections—after all, they didn't come out against their 2 percent raise last month.

But to the single mother making $10,700 a year busing tables, the only important cover is covering her family's bills, and $15,000 a year goes a lot further toward that end.

Senators have their 10th chance this week to get the United States in line with Santa Fe, Albuquerque, Sandia Pueblo, 17 states and the District of Columbia. They should take it.

Mr. ENZI. Mr. President, I rise today in strong support of H.R. 5970, the Estate Tax and Extension of Tax Relief Act of 2006. Specifically, I strongly support inclusion of the Surface Mining Control and Reclamation Act Amendments of 2006 in this piece of legislation. This legislation is very important to my home State and to coal-producing States throughout our Nation.

I have been working to fix the Abandoned Mine Land Trust Fund since I was first elected to the Senate in 1996. We have legislation before the Senate to make that happen, and I applaud my colleagues from Pennsylvania and West Virginia for their hard work on this proposal. Senators SANTORUM, ROCKEFELLER, SPECTER, and BYRD have helped produce a solid piece of legislation, and I strongly support moving this forward.

For years, reauthorizing the Abandoned Mine Land—AML—Trust Fund has been an issue that pitted the East versus the West. Consensus was never reached on the issue, and the AML Trust Fund continued to be a broken system. Members from the East argued that we needed to send more money to do reclamation, while members from the West argued that we needed to take care of the Federal Government's promise to the States. That promise was made in 1977 with passage of the Surface Mining Control and Reclamation Act, SMCRA.

When SMCRA was passed in 1977, a tax was levied on each ton of coal produced. The purpose of that tax was to reclaim coal mines that had been abandoned before laws existed that required reclamation. Half of that tax was promised to the State where the coal was mined. That money is known as the State share. The other half went to the Federal Government to administer the reclamation program and to send additional funding to the States with the most abandoned coal mines.

It was a simple enough concept. Half of the money was to be sent to the State share, and the other half administers the AML program and goes to States with the largest reclamation needs. Unfortunately, like many things in Washington, while the concept was good, the implementation has been disastrous and the program has not worked as it was intended. For years, States have been shortchanged and reclamation work has not been done. Today, the Federal Government owes States more than $1.2 billion. At the same time, more than $3 billion in reclamation remains unfinished.

When I was named the chairman of the conference committee whose job it was to find a compromise between the House and Senate on pension legislation, I was approached by Senator SANTORUM who had a proposal. He brought with him a coalition made up of coal companies, the United Mine Workers of America, UMWA, environmental groups and other businesses. Together, they expressed an interest in including an AML Trust Fund reauthorization in the pension conference report.

Where I come from, when something does not work, we work to fix it, and so the idea of fixing the AML program on the pension conference was intriguing. For years, I have worked with the other members of the Wyoming delegation to reauthorize this program, and as chairman of the conference committee, I was in a unique position to make a difference.

After listening to the proposal, I laid out a set of principles that were necessary to gain my support for such a move.

First, I wanted to see the return of the money owed to the States, including the $550 million owed to my State. Because Wyoming is a certified State, I wanted to see that money come from the Federal Government with no strings attached. The legislation we have before us today accomplishes that goal by guaranteeing that Wyoming will receive the money we are owed from the Federal Government in 7 years.

Second, I wanted a guarantee that future monies would be directed to States like Wyoming where significant amounts of coal are produced.

Third, it was important that more money be directed toward reclamation in States where the reclamation work is needed. Those goals are accomplished with the legislation that is included in this bill.

Finally, I wanted to see a reduction on the tax charged to Wyoming's coal companies. Some of the companies in my State do not have the problems associated with abandoned coal mines, nor do they have the orphan miner liability that is held by some companies. Those companies agreed not to fight an extension of the tax if it was reduced, and this legislation includes a slight reduction in the fee.

The priorities of other members are also included in this bill, including provisions that shore up health care for orphan miners who fall into the Combined Benefits Fund. Those priorities include the addition of health care coverage for members who fall into the 1992 fund and the 1993 fund. Although the shoring up of those three funds was not a priority for me, this represents compromise legislation.

The compromise brought all of the major players on board. The coal companies strongly support this bill. The United Mine Workers of America, UMWA, strongly support this bill. Other businesses who had interests in the AML fund strongly support this bill. With all these groups on board, we set out to gain support for this bill.

Senators SANTORUM and ROCKEFELLER worked hard to bring members from both sides of the aisle on board, and I commend them for their efforts. At the end of the day, we had seven committee chairmen who supported this bill. The chairman and ranking member of the Energy Committee, who have jurisdiction over a portion of the bill, signed a letter to the majority leader asking that it be included in the pension conference. The chairman and ranking member of the Finance Committee, who have jurisdiction over the rest of the bill, expressed support for moving this forward.

As we gained support, we also learned of opposition from members who objected to the cost of the legislation.

They claimed that the bill was too expensive and that the health care coverage for the orphan and widow miners was too good. As a member of the Senate Budget Committee, I want to spend taxpayer dollars appropriately. I want programs to work the way they are intended to work, and this program has not done so.

For my colleagues who have concerns about the cost of the legislation, it is important to remember that a $1.8 billion Federal trust sits in the Federal Treasury. It is important to remember that, although the fee is reduced slightly, we will continue to collect significant income from the fee. It is also important to remember that the Federal Treasury will collect significant revenues from coal production.

For years, we have been using Federal dollars in a way that they were not intended to be used. We have not made progress on the reclamation side, nor have we kept our promise to the States. This legislation corrects that error. It sends significant amounts of money to do reclamation, and it returns the money that was promised to the States.

As for the health care aspect of the bill, it is important to know that the Federal Government already provides funding for some health care. It is provided for with interest from Wyoming and other States' money. The Senators who represent the families who receive this health care continue to make sure the families receive it. Since miners' health care continues to be funded, we needed to find a way to fulfill the promise to the States. This legislation was such a fix.

As more members were brought on board, I worked with my colleagues on the pension conference to include this provision in the final conference report. Much progress was made, and at the end of the day, I included the AML bill that is a part of H.R. 5970 in my chairman's mark for the pension conference. This AML fix fit nicely in a section containing important tax credits, such as a State sales tax deduction from Federal income tax for Wyoming and other States with no income tax.

A last-minute strategy decision by some House members was made to separate the AML bill and the tax credits from the pension portion of the conference report. The House put the AML and the tax credits in a bill that also included the death tax forgiveness and a minimum wage increase. The second bill included many of the pension provisions of the pension conference report. The House then passed the pension bill and the tax credit bill and then adjourned on July 29, 2006, for the August home work period. That is where we stand.

I also take this opportunity to voice my support for the estate tax relief contained in this legislation. While I support a full and permanent repeal of this burdensome and unfair tax, the language contained in H.R. 5970 is a big step forward. Under this legislation, the estate and gift tax exemption will be increased over time to $5 million per person. The elimination of this unjust tax will allow many small, family-owned businesses throughout Wyoming and the Nation to keep their businesses open.

As I have said time and time again, the death tax is fundamentally unfair because it constitutes another layer of taxation. After years of paying State and Federal income taxes and other property taxes while trying to operate a successful business, the family must pay again at the time of death. The land subject to the death tax is the exact same land that the owner has been paying annual property taxes on. Double taxation is not only unfair on a philosophical level, it causes severe financial harm to the small businesses that are the driving force behind our economy. Our tax laws should encourage investment and growth and not stifle small businesses.

In addition to affecting many small businesses, the death tax forces landowners to sell their property to afford paying this tax and avoid passing on the costs to the next generation. Throughout Wyoming, I hear stories of families who are struggling to decide whether to sell part of their farm or ranch or risk leaving their children and grandchildren with this overly burdensome tax. Families should not have to make this impossible choice. In Wyoming, we work hard, in pursuit of the American dream, to create a better life for our children and grandchildren. Yet the death tax punishes this dream and the families who must pick up the pieces after losing a loved one.

There is another hidden cost to this double tax that many people do not consider. The death tax also forces families to spend thousands of dollars on estate planning. By requiring individuals and families to use vital financial resources on estate planning, money is being taken away from the family business, farm, or ranch. Permanently eliminating this tax will move precious financial resources to the business and employees themselves instead of to extensive estate planning costs.

Finally, I would like to briefly address one additional provision in this legislation—the State and local sales tax deduction. H.R. 5970 includes an extension of the State and local sales tax deduction for 2 years. I applaud the extension of this deduction. The ability to deduct State sales tax is an issue of fairness and parity. Under this legislation, taxpayers have the option to deduct their State and local sales tax or their State income tax. Federal taxpayers who reside in a State without an income tax should not be punished and forced to pay additional Federal taxes. Under this extension, taxpayers can choose whether to deduct their State and local sales or income tax.

I intend to vote in favor of the overall package. I strongly support the inclusion of the AML legislation. I am also strongly supportive of the tax extenders and the death tax relief. I hope that my colleagues will see the importance of this legislation and will join me in supporting its passage.

Mr. FRIST. Mr. President, how much time remains?

The PRESIDING OFFICER. Thirty seconds.

Mr. FRIST. Mr. President, I yield 1 minute using leader time to my distinguished colleague from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, how can we have bipartisanship in the Congress if Democrats won't take yes for an answer?

Of course, I am speaking about the bill before us—H.R. 5970, the Estate Tax and Extension of Tax Relief Act of 2006.

This legislation package isn't everything the Republicans wanted, and it is not everything the Democrats wanted. But both parties, and both Houses of Congress, now have an opportunity to vote on compromise legislation that accomplishes the goals we all aimed for.

We will substantially reduce the estate tax, or as I prefer to call it, the death tax. No American family should be forced to visit the undertaker and the tax collector on the same day.

Nothing could place more stress on a family than the loss of a loved one. Yet at such a difficult time, too many families in America today must make decisions about selling a business or a farm that has been in the family for generations in order to pay the death tax. That is wrong, and with this legislation, we will end that problem for many Americans.

We will also extend tax relief for many, to help encourage economic growth.

At the same time, we will increase the federally mandated minimum wage, from its current rate of $5.15 an hour to $7.25 in 2009. My friends on the other side of the aisle have continually said that raising the minimum wage is their top legislative priority.

Well, now is the time to vote for their top priority. Yet the Democratic leadership is threatening to kill this bill.

What part of ''yes'' do my friends on the other side of the aisle not understand? What part of ''bipartisanship'' do they not want?

We want to meet them halfway on this compromise legislation. We have taken their legislation, and some of our legislation, and also a host of tax provisions that we all agree on. But apparently it is not enough.

The Democrats cannot call this a do-nothing Congress on the one hand, and block every bill they can and try to blame the majority on the other.

We have a choice. We can work together and pass legislation that will benefit millions of Americans, or we can devolve into obstruction, and get nothing. I think what the American

people deserve is positive action. That means passing this bipartisan compromise bill.

We were all elected to get something done on behalf of our constituents, and this legislation will mean real, tangible results for millions of Americans. As always, I stand ready to work with my Democratic friends to pass much-needed tax relief, and add to the long list of accomplishments of the 109th Congress.

Unfortunately, it appears the Democrat leadership would prefer to have a political issue rather than an accomplishment.

Mr. President, what we have heard tonight on the other side of the aisle is block and blame.

We have before us is a provision in three parts, each of which is supported by a bipartisan majority.

Let me say that again.

Each of the three parts of this bill are supported by a bipartisan majority of the Senate.

So what can possibly be wrong with passing the three bills together since they are each supported by a bipartisan majority of the Senate?

What is going on here? It is block and blame. They want to say this is a ''do-nothing Congress.''

If there is anything this Congress has not been able to accomplish, you can point the finger at the Democratic side of the aisle. Their strategy is block and blame.

I yield the floor.

Mr. FRIST. Mr. President, in closing, I will be very brief.

In a few moments, we will be voting on the motion to proceed to this very important bill called the Family Prosperity Act. It is called that very specifically for the reasons we have outlined.

There are three very important components: The extension of tax relief—we spoke about it on the floor, key provisions such as the State and local tax deduction affecting the many States, in my State alone, 670,000 Tennessee families; college tuition deduction affecting millions of families; research and development tax credit which stimulates growth, innovation, creativity, and jobs; teachers' classroom expenses deduction, affecting 55,000 teachers.

Secondly, the permanent solution to the death tax challenge that we have today is a compromise. It is not only a compromise that prevents the death rate from escalating to 55 percent and dropping to $1 million in 2011, it is a $5 million exemption per spouse indexed for inflation, and a 15-percent tax rate from $5 million to $25 million.

Thirdly, a minimum wage increase, 40 percent over the next 3 years—40 percent.

In summary, an ''aye'' vote is a vote for that permanent death tax relief. An ''aye'' vote is for that extension of tax relief. And an ''aye'' vote is for that 40 percent minimum wage increase.

We have a lot of challenges before us. We have addressed many others in the last 4 weeks. This gives us the opportunity to address an issue that will affect the typical American out their working, their family, that farmer, that small business owner.

I encourage my colleagues to vote aye.

I ask unanimous notwithstanding rule XXII that the mandatory quorum be waived.

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

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture on the motion to proceed to H.R. 5970 the Estate Tax and Extension of Tax Relief Act of 2006.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to H.R. 5970: a bill to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5,000,000, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes.

Bill Frist, Mike Crapo, Lamar Alexander, Richard C. Shelby, Sam Brownback, Saxby Chambliss, Chuck Hagel, Tom Coburn, Richard Burr, Orrin Hatch, Thad Cochran, John Ensign, David Vitter, Pat Roberts, Craig Thomas, Jeff Sessions, Mel Martinez.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 5970, a bill to amend the Internal Revenue Code of 1986 to increase the unified credit against the estate tax to an exclusion equivalent of $5 million, to repeal the sunset provision for the estate and generation-skipping taxes, and to extend expiring provisions, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—56 yeas, nays 42, as follows:

[Rollcall Vote No. 229 Leg.]

YEAS—56

Alexander	Burr	Craig
Allard	Byrd	Crapo
Allen	Chambliss	DeMint
Bennett	Coburn	DeWine
Bond	Cochran	Dole
Brownback	Coleman	Domenici
Bunning	Collins	Ensign
Burns	Cornyn	Enzi
Graham	Lugar	Smith
Grassley	Martinez	Snowe
Gregg	McCain	Specter
Hagel	McConnell	Stevens
Hatch	Murkowski	Sununu
Hutchison	Nelson (FL)	Talent
Inhofe	Nelson (NE)	Thomas
Isakson	Roberts	Thune
Kyl	Santorum	Vitter
Lincoln	Sessions	Warner
Lott	Shelby	

NAYS—42

Akaka	Feingold	Menendez
Bayh	Feinstein	Mikulski
Biden	Frist	Murray
Bingaman	Harkin	Obama
Boxer	Inouye	Pryor
Cantwell	Jeffords	Reed
Carper	Johnson	Reid
Chafee	Kennedy	Rockefeller
Clinton	Kerry	Salazar
Conrad	Kohl	Sarbanes
Dayton	Landrieu	Schumer
Dodd	Lautenberg	Stabenow
Dorgan	Leahy	Voinovich
Durbin	Levin	Wyden

NOT VOTING—2

Baucus	Lieberman

The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 42. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The majority leader is recognized.

Mr. FRIST. Mr. President, I now enter a motion to reconsider the vote by which cloture was not invoked.

The PRESIDING OFFICER. The motion is entered.

Mr. FRIST. Mr. President, the real vote would have been 57 to 41. I switched my vote from ''aye'' to ''no,'' thus the reported vote is 56 to 42.

I want to clarify, very briefly, where we are now. For purely procedural reasons, as leader, I switched my vote to a ''no'' vote to preserve all of my procedural options. As everyone knows, I strongly support cloture and moving to proceed to the three important issues in the Family Prosperity Act. I initially voted ''yes'' on cloture, but by switching to a ''no'' vote, I preserve my right, as leader, to revisit this issue in the future as a package.

The Senate just had a majority vote to move forward to this bill which reforms the onerous death tax, raises the minimum wage for millions of Americans, and provides a number of important tax relief extenders that will expire. Had the Senate invoked cloture, I am confident we could have finished this measure this weekend and presented it to the President in the next couple of days to become the law of the land.

With my switched vote, I preserve the procedural option to bring the bill back as a package. I hope the Democratic Senators will rethink long and hard over the weeks to come before we return for business in September.

Mr. President, finally, just for the record, a number of comments were made just prior to the vote about the tip wage issue. As my colleagues know, I have made it clear to them that is an issue that we would be able to address once on the bill. But we have now been prevented from getting on the bill.

I am confounded. There is no other way to put it.

My colleagues on the other side of the aisle come to this floor, time and again, raving about a ''do nothing'' Congress.

Well, today, just a few minutes ago, we had yet another opportunity to do something—as we have already many times this Congress.

We had the chance to bring three very important issues to the floor for debate: permanent death tax relief, extension of expiring tax provisions, and a minimum wage Increase.

These are issues that matter in the day-to-day lives of our constituents—issues that actually mean something to hard-working Americans.

And yet some of my colleagues decided these issues aren't important enough to debate here on the Senate floor.

This package—it's about securing America's prosperity.

It's about easing the tax burden facing America's families.

It's about helping hard-working Americans tackle an increasing cost of living head on.

And it's about fostering innovation and reinvestment in our homegrown small businesses and farms.

Quite simply, it's vital to the economic security of everyday Americans.

These are challenging issues, and they must be addressed here on the Senate floor.

And as I have said before, these issues must be addressed as a package: permanent death tax relief, tax policy extensions, and a 40-percent increase in the minimum wage.

All three together. All or nothing.

Not bringing this package—the Family Prosperity Act—to the floor is tantamount to saying, ''We don't care about America's economic security.''

And I am deeply ashamed that we, the U.S. Senate, would ever dare send such a message to the American people.

The PRESIDING OFFICER. The Democratic leader.

Mr. REID. Mr. President, everyone will be relieved to know I don't have anything to say.

PENSION PROTECTION ACT OF 2006

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of H.R. 4, which the clerk will report by title.

The legislative clerk read as follows:

A bill (H.R. 4) to provide economic security for all Americans, and for other purposes.

The PRESIDING OFFICER. Under the previous order, there are 20 minutes equally divided between the two leaders.

The Senator from Wyoming.

Mr. ENZI. Mr. President, I allocate myself 7 minutes of the 10 we have on our side.

A year ago, we were working on a pension bill, and we were working on the bill in two separate committees. We passed bills out of both committees. Then the two committees met together, and we merged it into one bill. There were a lot of difficulties in doing that process. It took quite a while. At the end of November we still had several problems and because of that, the media pronounced the bill dead. A week later, we had revived it and passed it in the Senate with just two votes in opposition to it and 97 in favor. All that in just 1 hour. Then it was brought to life on the House side. They passed the bill in December of 2005.

Then, in March 2006, a conference was named, and we worked on it diligently for hours virtually every day. A lot of moving parts started to fit into place. Some wondered if it would never get done.

I looked up the last major revisions we did on a pension bill. They were not nearly as expansive as this. This is the biggest revision of pension laws to be enacted in the past 32 years.

I noticed, in 1987, a big pension reform conference started in early March. The conference committee started a little earlier, but the bill was enacted until December 22. In 1994, there was a second pension reform conference. Again, the conference started in March of that year. The conferees wound up the conference agreement a little earlier than in 1987. This time, the bill was enacted on December 8, 1994. So we are way ahead of schedule compared to those two conferences. But we had to do it in a little different method than we might have liked to get to this point. Nevertheless, it is the most sweeping amendment to ERISA and the Internal Revenue Code in over 30 years. It is nearly identical to the product and agreements made by the members of the conference committee in a bipartisan manner. I am proud we have before us the most sweeping changes to our Nation's retirement laws since the enactment of ERISA itself.

This legislation will provide greater security for our Nation's workers who have retirement benefit plans and greater stability for the Pension Benefit Guaranty Corporation. There is little doubt this bill will be the foundation on which the future of our retirement system rests.

Today, we secure the future for American workers and their families. We ensure their hard work is rewarded and their hard-earned dollars go towards their retirement needs.

At the outset of the pension debate, I laid out three guiding principles that must be followed when the bill is enacted. Each of these has been satisfied in this bill that I am proud to have helped craft as chairman of the conference committee.

The first guiding principle is: The money workers earn for retirement must be there when they retire. This legislation contains tougher funding rules to ensure the money is there when workers enter retirement.

The pension bill puts an end to phony pension accounting rules that inflated the apparent value of pension plans, relied on inaccurate measurements of liabilities, and permitted funding holidays through the use of credit balances when plans were seriously underfunded.

Promises made to workers for their retirement will be promises kept by assuring the money needed is in the fund and by appropriately limiting when benefits may be increased, freezing future accruals, and restricting the rapid out-flow of lump sums and shutdown benefits when the plan gets into serious trouble. The bill also imposes discipline on management by restricting new executive compensation when pension plans are in trouble.

The second guiding principle is: The new rules we craft should not be so draconian that they become the cause of more bankruptcies and pension plan terminations.

The conference committee leaders spent nearly 4 months debating this exact point with regard to ''at risk'' triggers. In the final bill, I believe we have found a proper balance.

The legality of cash balance and other hybrid pension plan designs is clarified on a prospective basis under ERISA, the Internal Revenue Code, and the Age Discrimination in Employment Act, thus ending legal challenges that have driven hundreds of quality employers out of the defined benefit system. We have always felt that these plans are valid under the Code, ERISA and the ADEA.

The final guiding principle is: A taxpayer bailout of the PBGC is not an option. The full faith and credit of the United States does not stand behind the private pension insurance systems, and I am committed to keeping it that way by shoring up the finances of the agency without a taxpayer bailout.

The legislation repeals the full funding exemption on the variable rate premium which reduces the deficit at the PBGC by billions over the next 10 years. With this single vote, we will make the most sweeping changes to ERISA since its enactment in 1974.

I urge my colleagues to vote in favor of this bill. Our future generations are counting on it.

I ask unanimous consent that the following letters be printed in the RECORD.

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

PENSION BENEFIT GUARANTY CORPORATION,
Washington, DC, October 14, 1993.

We write in response to your inquiry. You ask whether the PBGC adheres to the interpretation of section 4225 of the Employee Retirement Income Security Act of 1974 (''ERISA''), as amended by the Multiemployer Pension Plan Amendments Act of 1980 (''MPPAA''), set forth in its amicus curiae brief in Trustees of the Amalgamated Insurance Fund v. Geltman Industries, 784 F.2d 926 (9th Cir. 1986). In its brief, PBGC addressed the proper application of ERISA §§4225(a) and 4225(b) where the withdrawn employer

satisfies the prerequisites for the application of both subsections. PBGC expressed the view that an employer meeting the criteria in both subsections (a) and (b) may elect the limitation that yields the lesser of the amounts determined under the two subsections. The Ninth Circuit, however, reached a contrary conclusion. 784 F.2d at 929–30. For the reasons set out below, PBGC continues to believe that its interpretation of ERISA §§4225 (a) and 4225(b) is correct as a matter [*2] of law.

Under ERISA §4225(a)(1)(A), an employer who withdraws in connection with a ''bona fide sale of substantially all of [its] assets in an arm's-length transaction to an unrelated party'' will ordinarily be permitted to retain a portion of its dissolution value. The Geltman court, however, citing ''the language and . . . structure'' and the ''underlying policies of ERISA and MPPAA,'' concluded that an ''insolvent'' employer must be denied relief under subsection (a)(1)(A), because subsection (b) provides a different liability limit that is explicitly directed to ''an insolvent employer undergoing liquidation or dissolution.''

This analysis overlooks several pertinent points. First, when Congress intended to deny classes of employers relief under section 4225, it did so explicitly. See ERISA §4211(d) (prohibiting application of section 4225 to employers who withdraw from coal-industry pension plans). Significantly, nothing in the language of section 4225 suggests that subsections (a) and (b) are mutually exclusive.[1] The two provisions have separate factual prerequisites, and provide different types of relief. So long as an employer satisfies the requirements of both subsections, [*3] it should qualify for relief under either rule, and its liability should not exceed the lesser of the amounts determined under the two subsections.

[1] Sections 4225(a) and (b) both begin with the phrase ''in the case of an employer.'' The Geltman court suggested this phrase was ''evidence that the sections are to operate exclusive of each other. . . .'' This suggestion is manifestly incorrect. The phrase ''in the case of'' is used as an introduction to at least 30 provisions of MPPAA; in each such instance, it is used in its normal statutory sense, as a synonym for ''when'' or ''if''. 20A Words and Phrases 75 (1959 & Supp. 1983).

This conclusion is further supported by the technical definition of ''insolvency'' included in section 4225. Under section 4225(d)(1), ''an employer is insolvent if [its] liabilities, including withdrawal liability under the plan (determined without regard to subsection (b)), exceed [its] assets (determined as of the commencement of the liquidation or dissolution)'' (emphasis added). Section 4201(b)(1)(D) defines ''withdrawal liability'' as including adjustment pursuant to section 4225. Thus, the use of the term ''withdrawal liability'' in the definition [*4] of insolvency incorporates any reductions in withdrawal liability resulting from the application of section 4225 (including subsection (a)) except the reduction set out in section 4225(b), which is specifically excluded.[2]

[2] The decision is therefore incorrect when it states that whether ''an employer is an insolvent employer . . . is done by looking to the provisions of [section 4225(d)(1)] without regard to [section 4225(a)].'' Geltman, 784 F.2d at 929.

PBGC believes that its interpretation of section 4225 is fully consistent with the ''underlying policies of ERISA and MPPAA.'' Section 4225 is but one of several ERISA provisions that limit the amount of withdrawal liability imposed upon withdrawing employers.[3] Nothing in the congressional findings and policy declarations that preface MPPAA indicate that the withdrawal liability limitation provisions should be construed to maximize the liability of an employer. See MPPAA §3, codified at 29 U.S.C. §1001a. The same is true of the legislative history.

[3] See, e.g., ERISA §§4203 (b), (c), (d), and (f), 4204, 4207, 4208, 4209, 4210, 4217, 4218, 4219(c)(I)(B), 4224, and 4225. The Supreme Court has noted with approval Congress's efforts to moderate the impact of withdrawal liability on employers, including Congress's effort in section 4225. Connally v. PBGC, 475 U.S. 211, 225, 226 n.8 (1986).

Finally, the interpretation offered in Geltman makes little economic sense. Under the rationale of the decision, an employer whose liabilities exceeded its assets by only one dollar is ''insolvent'' and would automatically forfeit any relief under section 4225(a)(1)(A). In contrast, if the employer's assets were one dollar greater than liabilities, the full liability limitation would apply.[4] As discussed above, the application of the plain language of the statute avoids this sort of anomaly.

[4] The attached table, drawn from the PBGC's amicus brief, illustrates the dramatic increase in employer liability caused by the single dollar difference.

In conclusion, the plain wording of section 4225 dictates that an employer that meets the requirements of both subsections (a) and (b) is entitled to an assessment of withdrawal liability that does not exceed the lesser of the amounts determined under (a) and (b). Neither the legislative purpose nor principles of statutory construction compel a contrary conclusion. The PBGC therefore continues to adhere to the position stated in its brief amicus curiae.

I trust this responds to your question. If you have further questions regarding this matter, please contact Karen Morris of my staff.

CAROL CONNOR FLOWE,
General Counsel.

ADDENDUM

Computation of Withdrawal Liability Under Arbitrator's Interpretation in Geltman Industries and Amelgamated Insurance Fund, of Section 4225.

Assumptions: 1. The value of the employer's assets after the sale is $100,000; 2. The employer's liabilities other than withdrawal liability are $90,000; 3. The unfunded vested benefits allocable to the employer prior to the application of section 4225 are $10,000 in Example 1 and $10,001 in Example 2.

Maximum Withdrawal Liability Under §4225(a)	Example 1	Example 2
1. (a)(1)(A): 30% of the liquidation value of the employer = .30X($100,000–$90,000)	$3,000	
2. (a)(1)(B): unfunded vested benefits attributable to employees of the employer $0 or undetermined		N/A
3. Greater of (a)(1)(A) or (B) (#1 or #2)	3,000	
4. (b)(1): 50% of allocable unfunded vested benefits = .50X$10,00		$5,000.50
5. (b)(2): additional amount due plan (remaining liquidation value after #4)	N/A	4,999
6. Total collectible under (b) (sum of #4 and #5)		10,000
7. Amount paid to Plan	3,000	10,000
8. Amount paid to creditors other than Plan	90,000	90,000
9. Amount retained by employer	7,000	0

CONGRESS OF THE UNITED STATES,
Washington, DC, July 27, 2006.

DEAR CONFEREE: Throughout the last 18 months as Congress has worked on pension reform legislation, we have crafted a bipartisan compromise that addresses needed reforms to identify and rehabilitate troubled multiemployer pension plans. Under this compromise, workers and employers can be assured of predictability and transparency in their pension plans.

This compromise includes new, accelerated funding requirements for all multiemployer pension plans. It provides for enhanced disclosure for workers, retirees, and employers who contribute to these pensions. And it requires pension plans with financial difficulties on the horizon to meet strict goals to avoid these problems.

The most troubled pension plans—the so-called ''red zone'' pensions—would be required to adopt a rehabilitation plan to reach healthy funding status. The plan may require a combination of employer contribution increases, expense reductions, funding relief measures and restrictions on future benefit accruals. In certain extraordinary circumstances a rehabilitation plan may also reduce or eliminate certain ancillary pension benefits for workers who have not yet retired. This limited authority is necessary to ensure the continued viability of the most poorly-funded plans. These changes must be adopted by all bargaining parties, both management and labor trustees.

Our bi-partisan compromise also requires multiemployer plan trustees to impose upon contributing employers, within 30 days after the plan provides the notice of reorganization status, a series of automatic contribution surcharges. The surcharge will end when a new collective bargaining agreement is implemented that adopts a schedule of benefits based on the rehabilitation plan.

We believe that all of these reforms are critical to safeguarding the multiemployer pension system and protecting workers' benefits. We look forward to working with you to address the challenges facing America's workers and retirees.

JOHN A. BOEHNER,
Majority Leader, House of Representatives.
EDWARD M. KENNEDY,
Ranking Member, Senate HELP Committee.

Mr. ENZI. Mr. President, this bill is nearly identical to the product and agreements made by members of the conference committee in a bipartisan manner. I am proud that we have before us the most sweeping changes to our Nation's retirement laws since the enactment of ERISA itself.

This legislation will provide greater security for our nation's workers who have retirement benefit plans and greater stability for the Pension Benefit Guaranty Corporations, PGBC. There is little doubt that this bill will be the foundation on which the future of our retirement system rests. Today, we secure the future for American workers and their families. We ensure their hard work is rewarded and their hard earned dollars go towards their retirement needs.

I would like to review some important aspects of this legislation. For more than a year we have been working on a package of pension funding rules that will strengthen defined benefit plans and thus, protect plan participants from the fear of poverty in their retirement years. When I have concluded that, I will speak about the process surrounding the pension reform bill.

We were motivated to make these changes for several reasons. First, plans were underfunded. This occurred due to numerous and complicated reasons. A key factor was the combination of low interest rates and lowered equity values that began in the year 2000. The intersection of these two economic events caused both defined benefit

plans and the federal agency that insures them, the PBGC to show big deficits. More money needed to go into the plans regardless of fluctuations in the economy.

Underfunding was not caused solely by a drop in interest rates and equity values. It was also caused by loopholes in pension funding rules.

Second, as plan deficits rose, required contributions to plans skyrocketed. This put struggling companies in financial peril. When the terrorist attacks occurred on 9/11 the cash flow of many of those same companies froze up. Without big reserves in the plans, they could not make their pension payments any longer. Some of them just declared bankruptcy. In turn, they dumped their pensions on the PBGC. Those pension plan failures were quite large. Among them were some steel companies and a couple of big airlines.

PBGC premiums and asset recoveries from failed pension plans are not enough to cover the cost of paying benefits to participants of the failed plans. Every time there has been a pension plan failure, the PBGC's deficit worsens.

Finally, a taxpayer bailout of the PBGC is not an option. Congress' adverse experience with the savings and loan problems of the past taught us a lesson: A taxpayer bailout of the PBGC is not an option. A taxpayer bailout of the pension insurance agency could only occur if the Congress provided for it. We did not provide for a taxpayer bailout of the PBGC in this bill. Instead, we corrected the pension funding rules.

There have been murmurings in the media and on Capitol Hill that the bills produced in the House and Senate were somehow ''weaker than current law''. The facts plainly show that neither the House nor the Senate bill is weaker than current law and this new bill that the House introduced and passed on Friday July 28, 2006 is not weaker than current law either.

Here are just a few examples of how the pension reform proposal is tougher than current law.

Under the reform proposal: plans must be funded to 100 percent; plans must amortize their debts over 7 years; plans must use updated and accurate mortality tables; plans may not add inflated credit balances to deflated plan assets; liabilities must be valued using a modified yield curve that will better ''duration match'' assets and liabilities of the plans; smoothing for both assets and liabilities may be only 24 months in duration; plans that are seriously underfunded must pay an additional contribution for ''at-risk'' plans. If plans are at-risk for a long enough period of time, they will be subject to an additional requirement to pay a ''load factor'' into the plan which assumes the plan may be at risk of terminating; benefit increases, lump sum payouts and additional accruals are prohibited for certain seriously underfunded plans; payment of shutdown benefits are severely restricted for plans that are underfunded; funding of executive compensation is prohibited when the plan covering rank-and-file workers is underfunded; and premiums payable for pension insurance are dramatically increased and will add billions of dollars to the coffers of the PBGC.

By contrast, under current law a pension need be funded only to 90 percent; liabilities are valued upon the four-year weighted average of a long-term corporate bond and assets are smoothed over as many as five year; a single accelerated payment is required for underfunded plans, but there is no load factor; credit balances are added to assets and can result in inappropriate contribution holidays and there are many other weaknesses in current law that have been corrected in the reform legislation.

One industry that made a compelling case for special transition rules is the airline industry. Because airlines are vital to our economy, Congress agreed that different rules should apply to the plans of the legacy airlines. I am a little disappointed in the language from the House bill because it fails to treat all the legacy airlines equally. I admire the courage of a plan sponsor that makes the tough decision to freeze its plan. When a company is suffering from financial distress or the risk of it, it needs to freeze accruals. But if the company has made other financial sacrifices or the employees have made other concessions in order to keep the plan in place that should, (within limits), be a decision of the company.

The Senate bill gave amortization extensions to all four legacy airlines but required the non-frozen plans to pay into their benefit plans at the ''at-risk'' rate. The frozen plans received a more favorable arrangement—but all the legacy airlines received some more or less equivalent treatment.

Under the House bill, frozen plans receive 17 years to amortize their plan debt and an interest rate of 8.85 percent. The frozen plans would be prohibited from having a follow-on DB plan or a DC plan in which they pay matching contributions. If their plan should terminate within the next 10 years, for any reason other than a terrorist attack, or other similar event, severe termination premiums are to be imposed on the sponsoring company. This language controverts the provisions of the recently enacted reconciliation act, P.L. 109–171, that did not impose a termination premium on plans whose sponsor declared bankruptcy prior to October 18, 2005.

By contrast, nonfrozen plans receive some limited leeway. They would obtain an amortization of ten rather than seven years for the liabilities accrued to date under their plan. They would not have to pay the deficit reduction contribution, DRC, for 2006 or 2007. That waiver of the DRC would be a big help to their finances until the new rules phase in.

I prefer the language of the Senate passed bill, S. 1783. I am very sorry that the House did not see fit to accept the Senate language, as it was the result of many and long negotiations. The Nation cannot afford any more airline bankruptcies or terminations of airline pension plans. I hope this legislation will not worsen the finances of the legacy airlines or the pension plans they sponsor.

The language we have before us makes other changes to law as well. For example, it provides clarification regarding the use of automatic enrollment programs for defined contribution plans. It establishes a new portable defined benefit plan that we refer to as the ''DB(k)'' plan. This retirement savings vehicle is especially appealing to small and medium sized companies. The legislation improves portability of retirement savings. It contains many beneficial changes to tax law affecting the provision of health care benefits for public safety officers of state and local governments and for savings in long-term care plans.

There are also rules that recognize the unique situation of rural cooperatives that are very common in my home State and are vital to all rural parts of this Nation.

In addition, the rules for calculating lump sum distributions have finally been updated in this legislation. The change for this calculation will be phased in very slowly so that participants will not be disadvantaged by any sudden change in the rate used to make these calculations. As is the case under current law, the new law allows a plan sponsor to use different assumptions, interest rates and/or mortality tables, to determine lump sum distributions so long as the plan provides that a participant's lump sum amount is no less than the present value determined in accordance with the provision in effect under this legislation.

While single-employer pension funding problems have been quite visible, the funding problems of multiemployer pension plans, that is, plans that are sponsored by big labor unions and the employers who have an obligation to contribute to them, have been invisible. Ironically, the agency that is charged with protecting the integrity of the pension insurance system has consistently declined to recommend changes to the funding rules for these plans. Their argument is that the multiemployer plans are not a threat to the insurance system.

I respectfully submit that, over time, these multiemployer plans have become an unseen threat to the pension insurance system and to the participants in the plans and the employers who must fund them. If there were not risk inherent in these plans, the plans would never have come to Congress asking for changes in their rules. The changes in the pension reform bill will postpone the possible collapse of some multiemployer plans, but it they will not cure it. Much remains work remains to be done in terms of multiemployer reform.

Unlike the single-employer pension system which has been amended numerous times since its enactment in 1974, the rules governing multiemployer plans have been virtually untouched since the enactment of the rules covering these plans in 1980.

In 2003 the multiemployer plans came up to Capitol Hill and asked for a blanket extension of amortization of their plan gains and losses. Congress pared back that request in the provisions applicable to multiemployer plans that appear in the 2004 Pension Funding Equity Act, PFEA.

Since then, the unions and management agreed upon changes to ease the multiemployer pension funding standards for financially distressed plans. The changes made here identify plans that are seriously underfunded. They also establish benchmarks for improvement.

The two special categories are for plans we consider to be ''endangered'' versus those that are worse funded. Those are the plans in ''critical'' condition. At the behest of the union and management multiemployer coalition, we urge these plans to increase funding.

Multiemployer plans are funded through contributions specified in collective bargaining agreements. The plans look like a defined contribution plan to the employers who pay for them since they pay a certain number of dollars per hour each participant worked under the plan. But, these plans function like, and they are, defined benefit plans for the individuals covered by them. Because the plans are funded by, in some cases hundreds of, collective bargaining agreements, improvements to overall funding cannot necessarily occur quickly.

The new rules do not set painful improvement standards for underfunded plans. On the contrary, these new benchmarks for improvement are established with the complete approval of the multiemployer coalition. The new rules allow the plans to make modest increases in their overall funded status without necessarily making other sacrifices. There is one exception to this rule. That occurs when a plan is in so-called ''critical'' status. Under that circumstance, the multiemployer coalition asked for the right to eliminate early retirement subsidies for participants who are still working. Early retirement subsidies are an accrued vested benefit and under current law. They are protected from reduction or elimination by a plan amendment. Labor and management clearly felt that the underfunding in some multiemployer plans was so severe that the only way some of the plans could survive was to eliminate early retirement subsidies of those who are still working.

It is no secret that I resisted that change. Cutbacks of early retirement subsidies were not reported out of the HELP Committee. Cutbacks were not passed by the Senate. The provision allowing cutbacks was added by the House of Representatives' bill.

The issue of the cutback of previously accrued benefits is very controversial and a few clarifying points are needed. First, the drafters took great care to ensure that the decision to cutback accrued benefits is one that must be made by the plan trustees, and as part of the collective bargaining process. The language of the bill is clear, I believe, that any reduction of adjustable benefits can only be accomplished through a separate schedule. The language of the bill does not permit cutbacks in the default schedule.

The legislation also provides a floor for benefit reductions, i.e., the so-called 1 percent rule. The bill makes clear, however, that the plan sponsor retains the ability to prepare and provide the bargaining parties with alternative schedules to the default schedule that establish lower or higher accrual and contribution rates than the rates otherwise required under the provision. Thus, the plan sponsor may supply schedules to the bargaining parties for their consideration that raise employer contributions higher than the default schedule or reduce benefit accruals below the specified 1 percent level. The legislation does not require the plan sponsor to go below the 1 percent benefits floor, but that is expressly permitted if the trustees and bargaining parties so choose.

In the Health Education Labor and Pensions Committee, we worked on multiemployer funding reform legislation over the last year and a half. We heard testimony regarding the impact of existing multiemployer pension rules on small, privately held trucking-related companies that participate in multiemployer pension plans.

These businesses participate in pension plans that are badly underfunded as a result of changes in the trucking industry and poor decisions by some of the plans' trustees—decisions that the smaller companies had virtually no knowledge of, much less control over. Despite the fact that these companies have made every pension contribution required of them, the withdrawal liabilities attributable to them has skyrocketed, and in several cases exceeds the entire net worth of the company by two and three times.

I worked diligently with my colleagues to include withdrawal liability reforms for these companies in the pension bill, and to protect those small employers who came forward to voice their opinions from retaliation from the pension plan. I am pleased that we were successful in securing some modest reforms.

One additional issue which is vitally important to these employers involves the proper interpretation of current law. ERISA section 4225 provides limitations on withdrawal liability for an employer that withdraws from the plan in connection with a bona-fide arms-length sale of assets to an unrelated third party. As the interpretation of this section has been subject to some legal dispute (Trustees of the Amalgamated Insurance Fund v. Geltman Industries, 784 F.2d 926 (9th Cir. 1986)), it is important for Congress to reiterate its interpretation of this law.

Therefore, I have included for the CONGRESSIONAL RECORD a copy of PBGC Opinion Letter 93–3. In this opinion letter, PBGC explains that, ''the plain wording of section 4225 dictates that an employer that meets the requirements of both subsections (a) and (b) is entitled to an assessment of withdrawal liability that does not exceed the lesser of the amounts determined under (a) and (b).'' Further, PBGC says, ''that neither the legislative purpose nor principles of statutory construction compel a contrary conclusion.''

As the Chairman of the Health Education Labor and Pensions Committee, I believe this letter provides a clear and concise interpretation of Section 4225 which is completely consistent with the intent of Congress.

The pension reform bill amends the anti-retaliation section of ERISA to provide protection for employers who contribute to multiemployer plans and others. Specifically, the language adds a new sentence to ERISA Section 510 that states: ''In the case of a multiemployer plan, it shall be unlawful for the plan sponsor or any other person to discriminate against any contributing employer for exercising rights under this Act or for giving information or testifying in any inquiry or proceeding relating to this Act before Congress.''

The new sentence is necessary to close a loophole in the existing whistleblower protection. Over the course of the debate over multiemployer pension reforms, several companies approached Congress with concerns about how proposals would adversely affect their business operations. In June 2005, John Ward, of Standard Forwarding in East Moline, IL, speaking on behalf of those companies, testified before the Retirement Security & Aging Subcommittee of the Senate Health, Education, Labor & Pensions Committee.

On several occasions after that date, the committee heard allegations of threats of retaliation against Mr. Ward for testifying before Congress and for petitioning the Congress for redress of grievances. The fact is that Mr. Ward's and the small trucking companies offered a dissenting point of view on the proposed multiemployer reforms. The other companies for whom Mr. Ward testified are: Fort Transfer of Morton, IL; Midwest Drivers of Bloomington, MN; Billings Freight, Inc. of Lexington, NC; Miller Transporters of Jackson, MI; Schwerman Trucking Co. of Milwaukee, WI; and Steel Warehouse Co., Inc. of South Bend, TN. Among those allegations was the concern that all or most of the companies had been targeted by a large multiemployer fund.

The conference committee believes that such actions, if proved, would amount to unlawful retaliation under

the language added to ERISA by the pension reform bill under section 205. Exercising rights under ERISA, testifying before Congress, and giving information in any inquiry or proceeding relating to this Act are protected under this provision. Retaliation in the form of threats, special audits or singling out of employers and others for adverse or disparate treatment, will not be tolerated under the law. Let me say that, had there been a conference report, there was an agreement among the majority staff to include the specific reference to the small companies who warranted protection under this antiretaliation provision because they believe they have been singled out for retaliation by one of the plans to which they had an obligation to contribute.

Finally, all of Title II of the pension reform bill, except shortening the amortization from 30 to 15 years, is sunset after December 31, 2014 although any funding improvement or rehabilitation plan is permitted to remain in effect.

One of my highest priorities for pension reform is clarification of the legal status of hybrid pension plans. Since late in 1998 when sensational stories about these plans first hit the newspapers, the Congress has been struggling over how to respond. I have never doubted the legality of hybrid plans. While some conversion practices may have been questioned, the plans are entirely valid.

Hybrid plans have been criticized on the theory that the design was per se discriminatory. The theory suggests that the hypothetical individual account plan design unlawfully favors younger workers over older ones because younger workers could accrue interest on their account over a longer period of time than older workers. This theory amounts to a declaration that the ''time-value of money'' is age discriminatory.

Not surprisingly, given the confused logic of stating that compound interest in a pension plan is age discriminatory, most courts that have reviewed the age appropriateness of hybrid plan designs have found them to be legitimate. Indeed, the first federal court to review the question stated ''Plaintiffs' proposed interpretation would produce strange results totally at odds with the intended goal of the OBRA 1986 pension age discrimination provisions (Eaton v. Onan (S.D. N.Y. 2000)).'' The case law validating the hybrid design includes three federal court decisions issued since a 2003 rogue decision in the Southern District of Illinois. These decisions explicitly reject that court's reasoning and conclusion (Tootle v. ARINC (D. Md. 2004), Register v. PNC (E.D. Pa. 2005) and Hirt v. Equitable (S.D. N. Y. 2006) and hold the hybrid pension design to be legal. Consistent with these numerous federal court decisions, the Internal Revenue Service (IRS) for 15 years issued approvals for individual cash balance plans and the Treasury Department and IRS repeatedly issued guidance as to the validity of the cash balance design. It is not time for the IRS' self-imposed moratorium on determination letters for sponsors of these plans to end.

For purposes of applying the age discrimination test, the bill permits a plan to express an employee's accrued benefit ''under the terms of the plan'' as an account balance or current value of the accumulated percentage of the employee's final average compensation. This rule was intended to limit, for purposes of age discrimination testing, the use of an account balance to cash balance plans and the use of a current value to pension equity plans. However, the phrase ''under the terms of the plan'' could create the impression that the rule applies only to cash balance and pension equity plans that define in the plan document the term ''accrued benefit'' in this way.

Many cash balance and pension equity plans define ''accrued benefit'' as an age-65 annuity, even though that annuity is determined by reference to an account balance or current value. In many cases, this definition has been required by the Internal Revenue Service. It is important to clarify that Congress does not intend to require a plan document to include a specific definition of the term ''accrued benefit'' to apply the standard set forth in this legislation.

This bill sets forth a test for age discrimination in defined benefit pension plans that compares an employee's accrued benefit with that of any similarly situated younger employee. For this purpose, an employee's accrued benefit may be expressed as the current balance in a hypothetical account for any plan that determines the employee's accrued benefit (or any portion thereof) by reference to a hypothetical account, such as a cash balance plan. Similarly, for this purpose, an employee's accrued benefit may be expressed as a current value equal to an accumulated percentage of the employee's final average pay for any plan that determines an employee's accrued benefit (or any portion thereof) by reference to such current value, such as a pension equity plan.

But the bill does not elevate form over substance. How a plan expresses the accrued benefit for purposes of the age discrimination rules is not contingent upon how the plan document defines the term ''accrued benefit.'' For example, a cash balance plan may, for purposes of the age discrimination rules, express the accrued benefit as the current balance of the hypothetical account determined under the terms of the plan, even if the plan defines the term ''accrued benefit'' in a different form, such as an annuity commencing at normal retirement age that is based on the hypothetical account.

Similarly, a pension equity plan may express the accrued benefit as a current value equal to an accumulated percentage of the employee's final average pay as determined under the terms of the plan, even if the plan defines the term ''accrued benefit'' in a different form, such as an annuity commencing at normal retirement age that is based on that current value. This flexibility is important because pension plans will often define the ''accrued benefit'' in different fashions. For example, the IRS has frequently insisted that plans define the term ''accrued benefit'' as ''an annuity commencing at normal retirement age'', even though the annuity is determined by reference to a hypothetical account or a current value equal to an accumulated percentage of an employee's final average pay.

Any hybrid plan including a cash balance or pension equity plan may also apply the age discrimination test by expressing the employee's accrued benefit as an annuity beginning at normal retirement age (or at the employee's current age, if later), as determined under the terms of the plan. If a cash balance or pension equity plan were to do so, it likely would rely on the indexing rules elsewhere in section 701 to satisfy the age discrimination test.

The pension reform bill also provides new specifications for hybrid plan conversions. These are entirely new requirements and they have been worked out among the parties to these discussions. The rule specifies that for conversions, plans should follow an ''A + B'' formula. This means that the benefit accrued to date under the old formula, that was in effect prior to the conversion, must be added to the benefit under the new formula beginning on the date the conversion takes effect.

Under this A + B formula, any early retirement subsidy that was accrued up to the date of the conversion would be preserved in the benefit of the participant. This early retirement benefit would be payable only if the participant earned the requisite number of years of service to entitle him or her to the benefit subsidy. The participant would not be entitled to any additional amount of subsidy, but only the amount earned to-date could be paid out and only assuming he or she worked the number of years required under the plan to earn it. The new rule does not require a plan to pay an early retirement subsidy in lump sum unless the plan provides that it will do so. This is consistent with current law and practice.

The hybrid language also corrects the so-called pension whipsaw for distributions after the date of enactment. The parties to the pension discussions took the view that the position taken by the IRS in Notice 96–8 was an incorrect interpretation of present law. Many of us who were engaged in the pension reform discussions noted that Notice 96–8 was never finalized by the IRS in their regulations and we observed that the Treasury Department had been reviewing the position in Notice 96–8 for some time, but without result.

The approach taken in Notice 96–8 can actually harm many participants.

Many employers have reduced the rate of interest crediting under their hybrid plans due to concerns that over the requirements of the notice. In addition to its other flaws, the approach taken in the notice provides a larger benefit to be paid to a participant who takes a distribution before normal retirement age than for a participant who waits to take his or her benefit distribution. Thus Notice 96–8 would penalize an employee who waits to take a distribution. This is a perverse result for a rule governing retirement plans.

As we developed these new rules for hybrid plans, we were cognizant that the system is voluntary and as such, it must accommodate the needs and concerns of employers and employees. A viable pension system must grant plan sponsors the ability to change their plan designs on a prospective basis without undue restrictions or mandates on benefit levels.

This legislation is a clarification of the law; the action in producing this clarification should not cast any negative inference on the legality of the hybrid plans.

There are provisions in this legislation that I believe bring our pension retirement laws into greater sync with our future retirement needs for financial education and with the operations of our quickly evolving financial markets. One provision concerns the expansion of investment advice to workers while other provisions are designed to allow ERISA plans to achieve similar benefits and efficiency of our modernized financial markets that is available currently to retail and other institutional investors.

The investment advice provisions will provide much needed financial advice and guidance for the millions of workers and their families on how to invest their hard earned monies for retirement. The compromise achieved in the legislation would predicate upon the development of computerized models to help workers to investment monies through 401(k) accounts. Significant safeguards were put into the legislation to ensure that the computerized models were certified by independent third parties. In addition, greater auditing of the use of the computerized models and enhanced disclosures will ensure that the models are being used properly and that workers understand how investment advice should be used and how they can still seek independent advice for guidance and help.

Everyone at the conference table recognized the significant differences between the operation of 401(k) accounts and IRA accounts. While 401(k) accounts within defined contribution plans offer a limited menu of investment options, IRA accounts may have hundreds of various investment options and alternatives spanning a vast array of securities, debt, insurance and other financial products. With respect to these IRA accounts, I applaud the measures in the legislation that would encourage the development of computerized models to give individuals guidance on how to invest their IRA monies. However, I am afraid that the type and sophistication of the computerized models for IRA's may not be obtainable and that the computerized models presented to the Department of Labor for review may be trimmed down to encompass only ''life cycle'' type of investment options. This should not be the objective. As IRA accounts are different, the regulatory regime for giving investment advice guidance should be based upon to overcome the real world hurdles in getting appropriate investment advice to individuals.

It also should be noted that the Department of Labor, in 2001, issued an advisory opinion to Sun America to provide a structure for providing both traditional advice and discretionary management. It was the goal and objective of the Members of the Conference to keep this advisory opinion intact as well as other pre-existing advisory opinions granted by the Department. This legislation does not alter the current or future status of the plans and their many participants operating under these advisory opinions. Rather, the legislation builds upon these advisory opinions and provides alternative means for providing investment advice which is protective of the interests of plan participants and IRA owners.

The legislation also contains provisions to modernize ERISA to align it with our financial markets of today, not the financial markets of 1974. These modernizations provisions, such as permitting the use of electronic communication networks, will put ERISA plans in parity with the current ability of retail and other institutional investors to use these modernizations. Specifically with respect to the provision on electronic communication networks and similar trading venues, it was not the intention to overturn existing interpretations or guidance granted by the Department of Labor to securities exchanges registered pursuant to the Securities Exchange Act of 1934. The legislation's provision is clear that it is applicable solely to electronic communication networks and similar trading venues and not to securities exchanges. With respect to the block trading provisions, the legislation is not intended to be inconsistent with the Department of Labor's views with respect to the recently amended prohibited transaction exemption, PTE 75–1.

Should this legislation be enacted into law, I would like to comment on the history of pension legislation. The negotiations that have given birth to this new law and its place in time have been very difficult, but that is by no means unique to the history of ERISA.

This legislation marks the first major, comprehensive reform of the pension funding rules in 32 years. ERISA, itself, was enacted in 1974, 11 years after the collapse of the Studebaker pension plan in 1963 and after extremely heated debates in the House and Senate.

The first major reform of single-employer rules after ERISA was enacted occurred in 1987. Those reforms came only after a long and contentious conference. The conference began in March 1987, but it did not conclude easily or amicably. It was not until December 22, 1987 that the legislation was signed into law. The next major reform of single-employer plans occurred in 1994, seven more years after the '87 amendments. That legislation was not enacted until December 8, 1994. Multi-employer plans have not been revisited or reformed once since their enactment in 1980.

It seems that pension legislation is marked by disagreement and strife, but this should not be the case. There have been times when partisanship was put aside and when House and Senate, Republicans and Democrats sought to ''do the right thing'' rather than score points.

One example of that bi-partisan, bi-cameral cooperation is the pension provisions of EGTRRA. Those provisions would be made permanent by this legislation. EGTRRA made good reforms and I hope they will become permanent. They help Americans save for retirement, increase portability, protect plan integrity, increase the limits on defined benefit, defined contribution plans and IRAs. EGTRRA allows catch-up contributions for individuals who are age 50 and older and they make permanent many other beneficial tax and ERISA provisions.

I hope we can return to those days of pension bi-cameral and bi-partisan cooperation. Given the graying of America and the on-coming retirement of the baby-boomers, the American people need Congress to enact legislation that will improve the day-to-day lives of ordinary Americans. I hope this legislation can and will make modest steps in that direction.

Mr. President, I would like to make a special note about the bill before us. This legislation is essentially the product of the conference committee of which I chaired. While I am pleased we are on the verge of passing an historic measure, I must briefly mention concern, as any chairman should, for how we arrived at the bill before us today rather than a conference report. It was our intention to make final decisions on the very last items of the conference and to report back to both the House and the Senate with a completed, bipartisan conference report. Unfortunately, the conference process was cut short and was taken out of our hands. I truly hope that this is not the start of new precedent on how conferences should be conducted. If future actions repeat the actions taken here, then the future significance of chairmen and conference committees are in severe jeopardy. At the very heart of the Congress as a whole and the Senate, are the traditions and precedents to ensure that everyone plays by the

same rules. When those traditions and precedents are usurped, then we run the risk of making everything before us meaningless. I offer this statement as one of caution and not one of damnation.

Finally, Mr. President, I want to express my appreciation to the key people involved in this bill.

The pension bill we are about to pass could not have been drafted if partisanship and politics had been allowed to intervene. I want to thank Senators KENNEDY, GRASSLEY and BAUCUS for their extremely hard work on a complex piece of legislation. I appreciate their commitment to the private pension system and their willingness to drive onward to solutions to the many tough decisions we had to make. It has truly been an honor to work so closely with such fine statesmen.

I also want to thank Senators DEWINE and MIKULSKI for their extraordinary work as the leaders of the Subcommittee on Retirement Security and Aging. Their hearings last year created the basis for this bill. Their commitment to pensions of ordinary Americans and their sense of fairness greatly improved the bill before us.

There are many people who worked behind the scenes to get this bill completed. I would like to thank all of my staff for their diligence and commitment. In particular I thank:

HELP Committee Staff Director Katherine McGuire; Greg Dean, who played a central role on the investment advice and prohibited transactions bill language. He expertly managed discussions throughout the process and brought the various players together time and time again to move the bill forward; Diann Howland, my pension policy director, who bravely agreed to come back to the hill and take on her third major pension reform bill. In light of overwhelming odds, she brought a fresh perspective to complex issues every day and should be commended for her leadership in getting this bill done; David Thompson, he brought a superb understanding of the intricate and complex labor issues to the table; and Amy Angelier—my crackerjack budget staffer and policy advisor. She was on top of each and every aspect of the budget aspects of this bill and helped guide its success.

My staff worked closely with the staffs of my other Senate conferees and those individuals deserve thanks. They are Michael Myers, Portia Wu and Holly Fechner of Senator KENNEDY's HELP Committee staff; Kolan Davis, Mark Prater, John O'Neill, Judy Miller and Stu Sirkin on the staff of the Finance Committee for Senators GRASSLEY and BAUCUS. I wanted to especially commend Mark Prater for his leadership over the last week helping us maneuver through troubled waters.

I would also like to thank the nonpartisan legislative counsels and staff from the Joint Committee on Taxation for their very long hours and professionalism. Every person with a pension should join me in thanking Jim Fransen, Stacy Kern, Carolyn Smith, Patricia McDermott, and Nikole Flax.

Finally, I want to thank my chief of staff, Flip McConnaughey. He did an excellent job holding the office together and keeping a focus on Wyoming-specific issues when the pension conference kicked into full gear.

In conclusion, I want to express my appreciation to key people involved in this bill over the past 2 years. The pension bill we are about to pass could not have been drafted if partisanship and politics had not been laid aside for the greater good.

I thank Senators KENNEDY, GRASSLEY, and BAUCUS for their extremely hard work on this complex piece of legislation. I appreciate their commitment to the private pension system and their willingness to drive onward to solutions to the many tough decisions we had to make. It has truly been an honor to work so closely with such fine statesmen. I also thank Senators DEWINE and MIKULSKI for their extraordinary work as leaders of the Subcommittee on Retirement Security and Aging.

There are many people who worked behind the scenes to get this bill completed. I would like to thank all of my staff for their diligence and commitment. I will go into some of those in greater detail later. My staff worked with other Senate conferees and other individuals. I will mention those after we have the vote so people can be on their way.

I thank the nonpartisan Legislative Counsel's staff, Jim Fransen and Stacy Kern. And, finally, I thank my chief of staff, Flip McConnaughey.

I urge my colleagues to support this historic piece of legislation which the President will quickly sign into law. It will save a number of pension plans, but, more importantly, it will save the people that need these pensions.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I believe we have 10 minutes on our side. I yield myself 7 minutes, and 3 minutes to the Senator from Maryland, Ms. MIKULSKI.

I know that the hour is late, but I want to take just a few minutes to speak on this critical piece of legislation.

First, I want to thank my colleagues who were instrumental to crafting this bill. Pensions are not an easy subject, and it has been an extraordinary effort over the last two years to develop this compromise legislation, which will help to strengthen retirement security of over 100 million Americans.

I thank our leadership for bringing this important bill to the floor today—Senators FRIST and REID. Americans are counting on us to act now, and I thank our leaders for making this possible.

I want to thank Chairman ENZI, who has been both tireless, and also a gracious and even-handed leader, both of the HELP Committee and of this conference. I also want to thank Chairman GRASSLEY of the Finance Committee for his leadership and his integrity in this process.

And tonight all of us are remembering our good friend and colleague Senator MAX BAUCUS, who has worked so hard over the last few years on this legislation. Our thoughts are with him and his family and the people of Montana in their time of loss.

Many other Senators also contributed significantly to this legislation. Senators DEWINE and MIKULSKI have worked to be sure that we address the need of manufacturing companies in this country; Senator MIKULSKI has been particularly interested in women's retirement security and protections for older workers, as well. Senator ISAKSON and Senator LOTT have continued to press issues important to airlines. And Senator HARKIN has tirelessly advocated for older workers in cash balance pensions.

There have also been many leaders in the House who made this legislation possible. I particularly thank Majority Leader BOEHNER for his contributions and leadership.

I also thank our staffs, who devoted late nights, gave up vacations and weekends to get the bill done and worked steadily on this issue. Senator ENZI: Katherine McGuire, Greg Dean, Diann Howland, David Thompson, and Ilyse Schuman. Senator GRASSLEY: Kolan Davis, Mark Prater, and John O'Neill. Senator BAUCUS: Russ Sullivan, Pat Heck, Judy Miller, and Stu Sirkin. Senator MIKULSKI: Ellen-Marie Whelan and Ben Olinsky. From the Joint Committee on Taxation: Carolyn Smith, Patricia McDermott, and Nikole Flax. And from the Senate Legislative Counsel, Jim Fransen and Stacy Kern.

I especially thank my own staff for their tireless efforts: Terri Holloway, Jeff Teitz, Jonathan McCracken, and Laura Capps. Michael Myers, my staff director, helps guide our work on so many issues. And special thanks to Holly Fechner and Portia Wu. Portia brings a mastery of the issues and a dedication to workers that made possible so much that is in this legislation. And Holly is a true leader who had the vision and skills to make it all happen. I thank her for her work on this important bill.

This bill is the most important action to safeguard the retirement of hard working Americans in a generation. It will help more than 100 million Americans today as they look forward to a financially secure retirement, and millions more in the future. It means greater retirement security for workers across the economic spectrum—from cashiers to flight attendants, from construction workers to auto workers.

The danger has been obvious. More and more firms are dropping their pensions. Half of all American workers now have no retirement savings plan at their job at all.

This bill says to millions of Americans who fear their pensions may disappear that help is on the way. We're helping their pension plans recover and imposing tough new rules to keep them that way.

It gives workers a greater voice in planning their retirements instead of just blind faith. It's their money and their hard work, and they should know what's going on.

This legislation touches almost every aspect of retirement planning, whether it's a pension, a 401(k) plan or personal savings. We owe it to our workers to give them the best information so they can make the best choices for themselves and this bill makes that possible.

The Pension Protection Act will strengthen the financial health of pension plans by doing as much as we can to guarantee that funds will be there to pay for employees hard-earned retirement benefits.

It provides opportunities to increase retirement savings by automatically enrolling people in workplace pension plans, and improving the Saver's Credit to help moderate-income workers. Workers who participate in retirement savings plans will have greater access to investment advice to help them manage their retirement savings.

It protects the retirement benefits of older workers when companies switch to new types of cash balance pension plans. And it includes specific provisions to strengthen women's retirement security.

In addition, it includes clear protections to prevent employees from being stranded by future Enron-type crises because firms force them to invest their retirement savings in company stock.

The need for action is clear, and it's gratifying that Democrats and Republicans, House and Senate, have been able to come together to enact these major reforms.

I urge my colleagues to support this legislation.

I yield the remainder of my time to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I hope Members take the time to listen to what we are saying here. We are about to make history. We are about to pass legislation that is going to make a difference. We are going to make sure that the lives of over 100 million people will be more secure because of what we have done tonight. We are going to make sure that good-guy businesses will have clear, certain rules so that they can continue to provide pensions. We are going to make sure that government, through heavyhandedness or unintended consequences, won't force these businesses into bankruptcy. We are going to protect the taxpayer to make sure that the pensions of hundreds of thousands of people aren't dumped into the Pension Benefit Guarant Corporation, leaving it to the taxpayer to do what the private sector should. And we succeeded because we worked together.

I thank Senator ENZI for his leadership and his collegiality, his inclusion and his civility; Senator KENNEDY for the leadership he provided to our side of the aisle and the very competent staff at his disposal; certainly to my colleague Senator DEWINE. We chaired the Subcommittee on Retirement Security and Aging and held some of the first hearings out of the box. We tried to go at it with intellectual rigor and with fortitude. We promised we would do no harm to those who relied on a pension, to those who provided a pension, and to the Pension Guaranty.

Do you know what? We did it. Then we moved it through the HELP Committee. The Finance Committee had already started their work, and ultimately we merged those two bills. But Senator DEWINE and I come from a manufacturing base, those blue-collar workers with dirt under their fingernails and bad backs who wonder what they are going to have at the end of the workday. We stood up for them. There was a concern that the use of credit ratings in determining whether a pension plan was at risk would force manufacturing companies going through difficult economic times into bankruptcy because of their pensions.

We held up the Senate. We said we wouldn't let the bill go on. But Senators GRASSLEY and BAUCUS reached out to us and said: Trust us; we can reach a compromise. Will you work with us? We wanted to know what that compromise was. They said: We will have to work it out. Do you know what we did? We trusted our colleagues on the Finance Committee and before long we had a sensible solution that was actuarially sound, fiscally reliable, and also met the needs of the pensions.

Tonight we come before you with something that we truly have done on a bipartisan basis, consulting with experts, working with able staff, trusting and working with each other, long hours, difficult nights, sometimes speed bumps and potholes. But now we have come to the end of the journey. I can't tell you how proud I am to ask my colleagues to vote for this bill. I am proud not only because I believe tonight we truly can make a difference, but also so we can use this as a model of how when we work together, we can do better.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. I yield 3 minutes to the Senator from Georgia.

Mr. ISAKSON. Mr. President, tonight I thank a number of people and acknowledge their very hard work: Chairman MIKE ENZI of the HELP Committee and Ranking Member KENNEDY have been indispensable; Senator GRASSLEY, who has been fantastic, along with his ranking member MAX BAUCUS; John O'Neill of the staff of the Finance Committee; Diann Howland and Kara Marchione of the HELP Committee staff; my staff, Ed Eigee, Glee Smith and Mike Quiello; and, in particular, Senators COLEMAN and LOTT, who have worked so tirelessly to bring us to this moment.

For a second I would like to focus on what this moment is. There are three distinct winners tonight. In the short run, the winners are tens of thousands of employees in the airline industry confronted within the next 30 to 60 days with a loss of up to 70 percent of their pensions with them going on the back of the PBGC. They will be grateful for the opportunity this bill gives to allow them and their pensions to be honored.

Secondly, in the long run, tens of millions of Americans employed by some of the greatest corporations in this country whose pensions have come into jeopardy over time because of changes in the workforce, changes in longevity, and the pressures that have been put on the pension system.

Most importantly, the big winner tonight is the taxpayers of the United States. Because this Congress, in a bipartisan fashion, has come together and said: We can modernize our pension laws. We can keep pensions from being defaulted upon and going on the back of the PBGC. And we can prevent the type of failures that in the past have cost the American taxpayers tens of millions of dollars.

We had an earlier bill that failed tonight. It consolidated many efforts to bring about changes for many Americans. But as we close this session tonight, with the adoption of this particular piece of legislation, we will find the best in this Senate, where Republicans and Democrats have come together to do what is right for the taxpayers.

Lastly, I want to say in particular to the two Senators from Texas and the two Senators from Ohio—Mrs. HUTCHISON, Mr. CORNYN, Mr. VOINOVICH, and MIKE DEWINE—how much I appreciate their consent for us to move tonight and to work with them to see to it that the concerns they had are addressed in the months and years ahead.

I yield the floor.

TYPE III SUPPORTING ORGANIZATIONS AND EXCESS BUSINESS HOLDINGS

Mr. ALLARD. Mr. President, I would like to engage my colleague, the distinguished Chairman of the Senate Finance Committee, Senator GRASSLEY, regarding a specific point involving the charitable reform provisions for Type III supporting organizations, particularly the authority of the Secretary to exempt an organization from the application of the excess business holdings rules. My colleague has worked hard to address the unintended consequences that may arise with regard to some of these changes as they related to the important work of many fine organizations that support worthy and noble causes. I have one of these organizations in my State of Colorado—the

Reisher Family Foundation—that benefits many underprivileged students throughout my State and provides them the means to attend college in my State.

Mr. GRASSLEY. Mr. President, I am happy to engage my distinguished colleague about what the intent with this exemption is, and how we have worked to limit the unintended consequences for legitimate charitable organizations. As you are aware, some of us with interest in this provision in working to address any unintended consequences thought it would be a good idea to give the Secretary the ability to exempt from the excess business holdings rules Type III supporting organizations in certain limited circumstances.

Mr. ALLARD. Mr. President, specifically, I want to draw the chairman's attention to the excess business holdings provision and the language that allows the Secretary to waive the application of the excess business holdings provisions if the holdings of the Type III supporting organization are held consistent with the purpose or function constituting the basis for its exemption under section 501. I want to emphasize that my understanding is correct that the Secretary should make a final determination very quickly after a currently existing Type III supporting organization seeks exemption from the excess business holdings rules. It is extremely important that the determination be made within 6 months after the organization seeks exemption so that the organization knows how it must structure its holdings. Is that my friend's understanding?

Mr. GRASSLEY. Mr. President, I agree with Senator ALLARD on his understanding and our intent that the Secretary should make a final determination very quickly after a currently existing Type III supporting organization seeks exemption from the excess business holdings rules. The determination should be made by the Secretary within 6 months after the exemption is sought. The joint committee will have a description of several factors that the Secretary should consider in making decisions to waive. The considered views of the State Attorney General should be a part of that decision. In addition, if the shares of the entity and related persons is not controlling or the individual and related persons are bound to ultimately contribute all but a de minimus share to the charity and have no direct or indirect control of that charity and its investments those are additional factors the Secretary can consider.

Mr. ALLARD. I commend the chairman for his work and for working with others, such as the distinguished ranking member on the Senate Finance Committee, Senator BAUCUS, and Senator SANTORUM on this much needed exemption. There is no question that we intend to encourage more charitable giving in this country. I thank my colleague for engaging me in this colloquy.

Mr. President, I yield the floor.

CREDIT COUNSELING ORGANIZATIONS

Mr. SESSIONS. Mr. President, I want to take a minute to let my colleagues know what the chairman of the Finance Committee, Senator Coleman, and I have discussed with respect to the consideration of a particular section of the Pension Protection Act of 2006—Section 1220. Namely, that section would establish additional standards in the Internal Revenue Code for tax exemption for credit counseling organizations.

The chairman was the genesis of these provisions, and it is through his hard work and persistence that they were ultimately included in the bill we are currently considering. The credit counseling reform language will go a long way toward ensuring that the hundreds of bona fide tax-exempt credit counseling organizations operating today across the country that serve an invaluable role in helping consumers understand, deal with, and manage their credit and debt problems will be able to continue as tax-exempt under Internal Revenue Code Section 501(c)(3), with all of the important obligations and benefits that this status entails. Ensuring the continuation of tax-exempt credit counseling organizations that meet the high standards set by the Federal Tax Code, along with standards set by state law and by Federal agencies such as the Federal Trade Commission and the U.S. Department of Justice, will mean that the necessary counseling, education and debt management plan services will be available to all financially distressed consumers who need them for many years to come. It also means that there will be sufficient tax-exempt credit counseling organizations available to fulfill the pre-bankruptcy counseling mandate of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005. As for the purpose of Section 1220, I would like to turn to my colleague, Senator COLEMAN, who—as chairman of the Permanent Subcommittee on Investigations—conducted an investigation into abuses in the credit counseling industry.

Mr. COLEMAN. One provision of Section 1220 of the Pension Protection Act of 2006 would create a new Section 501 (q)(2)(A)(ii) of the Internal Revenue Code. This particular subsection contains one of several new requirements for credit counseling organizations to qualify for Federal tax exemption under Internal Revenue Code Section 501(c)(3). I wanted to clarify with the chairman that this particular provision is not intended to impose a limitation on all credit counseling organization revenues derived from debt management plans, but rather only on the revenues derived from what are commonly referred to as ''fair share'' payments from creditors to credit counseling agencies. These are payments made by creditors to credit counseling organizations that are attributable to the debt management plan services provided by credit counseling organizations to consumers whose debt is being repaid to the creditors. If the limitation were intended to include both ''fair share'' revenues paid by creditors and revenues received in the form of debt management plan fees paid by consumers, then virtually no existing credit counseling organizations, if any, would be able to qualify for tax-exempt status under Internal Revenue Code Section 501(c)(3). That is not the intent of Congress.

Mr. GRASSLEY. Mr. President, yes, the provision is intended to get at fair share type payments, but note that agencies and creditors cannot get around the provision merely by re-labeling fair share payments as something else. This is the intent of this provision. I am also aware of a specific issue affecting a few States and their existing State law, and the provision before us today specifically includes a transition period in part to allow the reconciliation of various State statutes with the new federal provision. I will work with interested Senators during this period on their concerns regarding existing organizations. I thank Mr. COLEMAN and Mr. SESSIONS for helping to clarify its intent.

MODIFICATIONS TO SECTIONS 801 AND 803

Mr. ALLEN. Mr. President, I would like to engage in a brief colloquy with the distinguished chairman of the Finance Committee, Senator GRASSLEY, regarding changes to the limitations on pension deductions in sections 801 and 803. The legislation, in section 801, increases the deduction limit for defined benefit plans for years after December 31, 2005. Increasing this limit will encourage employers to contribute more to their defined benefit plans.

However, if an employer has both a defined benefit plan and a defined contribution plan there is a separate deduction limit that applies to employers with a combination of plans. Thus, this legislation in section 803, also updates the limitation on deductions where an employer has a combination of such plans effective for contributions made for taxable years after December 31, 2005. The change in section 803 eliminates the deduction limit for combinations of defined benefit and defined contribution plans for employers that do not contribute more than 6 percent of compensation to a defined contribution plan.

If an employer has a combination of plans and wants to contribute more than 6 percent of compensation to a defined contribution plan, the legislation also has a provision in section 801 which permits employers to exclude defined benefit plans whose benefits are guaranteed by the PBGC, from the limits applicable to combinations of defined benefit plans and defined contribution plans. But, unlike the other two provisions I described above which permit employers to increase their contributions to defined benefit plans

effective for years after December 31, 2005, it appears that this last related provision regarding guaranteed plans may inadvertently not have the same effective date as the other two.

It seems to me that if we are encouraging employers to fully fund their defined benefit pension plans, that the effective dates for these provisions should all be effective as of December 31, 2005. I am hopeful that we will examine this issue and can correct this technical oversight.

Mr. GRASSLEY. Mr. President, I appreciate my distinguished colleague from Virginia, Senator ALLEN, raising this concern. I can assure him that he is correct that it makes perfect sense for provisions intended to encourage employers to fund their defined benefit pension plans by increasing the deduction limits to have the same effective date. I also agree that this should especially be true for provisions that update deduction limits for employers with a combination of plans. I look forward to working with my colleague on addressing this oversight.

Mr. ALLEN. Mr. President, I thank the distinguished chairman of the Finance Committee for his willingness to work with me to address this issue.

SECTION 701

Mr. BURR. Mr. President, I would like to ask the chairman of the Committee on Health, Education, Labor, and Pensions a question regarding how section 701 of the new bill relates to capital preservation and loss protection. Would you please explain what types of plans are subject to each of the two rules and how the rules operate?

Mr. ENZI. The capital preservation rule applies to applicable defined benefit plans, such as cash balance and pension equity plans. To illustrate how the rule operates in the case of a cash balance plan, the rule requires that the cumulative effect of all the interest credits to an employee's hypothetical account may not reduce the account balance below the sum of all the pay credits made to the account.

Mr. BURR. The bill refers to ''contributions credited to the account'' rather than pay credits?

Mr. ENZI. Yes. The two terms are synonymous. Since the account in a cash balance plan is hypothetical, the contributions credited to it are hypothetical also. Hypothetical contributions is merely another name for pay credits.

The second rule, the loss protection rule, applies to all defined benefit plans that use any form of benefit indexing. Thus, the second rule applies not only to cash balance and pension equity plans but also to other defined benefit plans that index benefits.

The loss prevention rule would apply in the same way as the capital preservation rule in the above example of a cash balance plan. However, because the loss prevention rule applies to a broader group of plans than just applicable defined benefit plans, the rule is written in more general terms than the capital preservation rule, which applies to a narrower universe of plans.

To illustrate how the loss protection rule operates in the case of a defined benefit plan that indexes benefits by reference to changes in the Consumer Price Index, the rule requires that the cumulative effect of such indexing may not cause a decrease in an employee's benefit below what it would have been in the absence of such indexing. Although it is very unlikely, this would occur if there were a sustained period of deflation in which the overall change in the CPI were negative rather than positive. In that extremely unlikely case, the plan could not reflect the cumulative negative change in the CPI.

Mr. BURR. At what point are the rules applied?

Mr. ENZI. The capital preservation and loss protection rules are intended to provide long-term protection to employees, so the determination of whether the rules are satisfied is made at the time benefits commence but not beforehand. In the case of plans that index benefits after benefits begin, the determination is made by reference to the benefit in effect at the time benefits begin.

LUMP SUMS FROM HYBRID PENSION PLANS

Mr. GREGG. Mr. President, I would like to ask the chairman of the Committee on Health, Education, Labor, and Pensions, to clarify provisions of H.R. 4 that address the payment of lump sums from hybrid pension plans.

My first question relates to a clarification of the effective date of those provisions. As you are aware, under the so-called whipsaw method of calculating lump sums, younger workers would receive much larger lump sums than identically situated older workers.

This result is one that Congress never intended. Furthermore, the practical effect of the whipsaw calculation would be to reduce benefits for all participants, young and old, in cash balance plans. Therefore, the intent of the whipsaw provisions is to put this issue to rest. Accordingly, the provisions are effective for distributions made after the date of enactment, regardless of why they are made.

Mr. ENZI. Yes. The provisions do apply to all distributions made after the date of enactment.

Mr. GREGG. My second question relates to the definition of ''market rate of return'' in the whipsaw provisions. My understanding is that the term ''market rate of return'' is intended to allow plans to adjust benefits in ways that benefit participants. For example, a plan could provide a variable market rate of return and, in addition, protect participants by preventing the rate of return in their accounts from falling below a reasonable, minimum level without having to reduce the variable market rate of return. My further understanding is that the term ''market rate of return'' is intended to include a fixed rate of interest that is no greater than the yield on long-term, investment-grade corporate bonds at any time during a reasonable period before the rate is first applied under the plan; is this correct?

Mr. ENZI. Yes, it is.

CREDIT COUNSELING

Mr. BINGAMAN. Mr. President, I would like to engage in a brief colloquy with the distinguished chairman of the Finance Committee, Senator GRASSLEY, regarding the provision addressing tax-exempt credit counseling organizations. My understanding is that the provision is intended to strengthen the standards for credit counseling organizations claiming exempt status, helping to ensure that these organizations do not conduct substantial activities unrelated to their exempt purposes of providing charitable and educational counseling. I would ask Chairman GRASSLEY to confirm that understanding and to briefly explain the intent of the provision.

Mr. GRASSLEY. I am happy to confirm the understanding of my distinguished colleague from New Mexico, Senator BINGAMAN, regarding this provision. The provision is intended to buttress current exemption standards by providing additional standards that must be met for a credit counseling organization to claim exempt status. As the Senator knows, the IRS recently has challenged the exempt status of several credit counseling organizations because they are operated for a substantial non-exempt purpose, substantial private benefit and private inurement. Certain of these organizations exist merely to generate income from the sale of debt management plans, while providing minimal exempt purpose activities related to credit counseling. The standards imposed under this provision are intended to augment, not supplant, the IRS efforts and to ensure that exemption from consumer protection laws applies only to those organizations that can satisfy stricter tax-exempt standards. I also want to assure the distinguished Senator from New Mexico that we will continue to monitor developments in this industry to ensure that only those entities that serve a sufficient charitable and educational purpose can claim tax-exempt status and that such tax-exempt entities do not generate significant revenues from activities unrelated to their exempt purposes. If it turns out that the additional standards imposed by this legislation do not have the desired impact, you can be assured that we will not hesitate to revisit this area.

Mr. BINGAMAN. I want to thank the distinguished chairman of the Finance Committee for his clarification and his leadership on these important issues.

RELIEF FOR AIRLINES

Mr. NELSON of Florida. Mr. President, while we consider legislation regarding the hard-earned pension benefits of American workers, we have before us a good bill, but flawed bill,

which is long overdue. It strengthens company pension plans and ensures that money promised is there to pay for millions of workers' and retirees' benefits. It also enhances retirement savings and retirement security by encouraging more companies to use automatic enrollment in 401(k) pension plans, which ensures workers save more for retirement.

Yet despite these positive steps and necessary reforms, I have grave reservations over the inequities contained in the airline relief portion of the bill.

We are not here to pick winners and losers in certain industries, yet the differential treatment contained in this legislation would offer one company an unfair advantage over another. Last year's Senate-passed bill contained equitable relief for all, which is the correct approach, and I am appreciative of the work the Senate Finance and the Health, Labor, Education and Pensions Committees put into that effort. This House-passed bill takes a different approach and deals a better hand to some at the expense of others.

It is not my intention to delay or hold up the bill because of this provision, but I am seeking assurances for the 13,475 American Airlines workers and retirees in Florida who are counting on us to make changes, in whatever way possible, that will put them on equal footing.

Mr. DURBIN. Mr. President, although I will support final passage of the long-awaited pension bill that aims to strengthen millions of workers' pensions, including those for airline workers, I want to express my concerns regarding one provision in particular. Similar to the Senate pension bill passed in October, this measure contains language that would provide financially troubled airlines more time to pay out their pension obligations and preserve their employees' pension plans. However, while the Senate-passed language was carefully crafted in such a way so as to not pick winners and losers between those airlines in bankruptcy that are freezing their defined benefit plans and those who have not entered bankruptcy and are intent on keeping their defined benefit plans, the House-passed language that we are soon to consider does pick winners and losers. The House measure gives those airlines that want to keep their defined benefit plans a much more unattractive interest rate than those airlines that freeze their plans. It is simply not fair to penalize those airlines that want to keep their pension plans.

It distresses me that those airlines that choose to keep their defined benefit plans will be punished and forced to compete on an uneven playing field. In June, concerned with the pensions of over 10,000 American Airlines' employees in my State and thousands of others across the Nation, I joined with Senator OBAMA and my fellow Senators from Oklahoma and Florida in sending a letter to the pension conferees reminding them of the importance of providing airline relief and treating all airlines equally. Unfortunately, this bill does not treat all airlines equally.

In talking to my colleagues in the Senate, I believe there is a general consensus that this differential should be corrected at the earliest possible legislative opportunity. If that assurance can be given by the Senate leaders on this pension legislation, I believe we should pass the House bill this week and work diligently to correct the inequity upon our return in September.

Mr. OBAMA. Mr. President, this is not a perfect bill. No 900-page bill could be. But it will push companies to stay true to the promises of retirement security that they have made to their employees. We have seen too many people hurt at companies that have gone through bankruptcy and dumped their pensions on the PBGC. We have also seen companies like Enron that misled their workers into putting all their retirement savings into employer stock. This bill takes steps to reduce the incentives and capacity for firms to take either of those courses of action.

But as I said, the bill is not perfect. Among the areas that could have used additional work is the disparate treatment among competitors contained in the airline relief portion of the bill.

The Senate-passed bill contained comparable relief for all airlines in an effort to keep from distorting the marketplace against or in favor of any one or two airlines. That was the correct approach. The House-passed bill treats different airlines differently and will distort the market in a way that is unnecessary and unfair to the 10,000 American Airlines workers and retirees in Illinois. Both as a matter of retirement policy and aviation policy, this bill should not favor one airline over another, and I join my colleagues who are calling for parity or near parity in treatment.

Mr. REID. Mr. President, I am glad that we are finally getting to the point where we can finish this very important pension reform legislation. It contains a number of measures that will improve the retirement security for millions of Americans.

One of the things that this bill does is provide targeted funding relief to the airline industry—an industry that was devastated by the events of September 11. In crafting the airline relief in the Senate bill, the managers struck the appropriate balance, being careful not to favor one group of companies over another. That balance is not reflected in the airline relief proposal that the House inserted into this bill at the last minute. Ironically, those airlines, like American, that want to keep their pension plans for their workers get a much less favorable interest rate and a shorter amortization period. As a result, those airlines that have done the right thing for their workers are penalized relative to those airlines that have opted to freeze their pension plans. That makes absolutely no sense.

While I agree with my colleagues that the pension reform bill should move forward this evening, I also strongly support their efforts to fix this portion of the bill in the very near future.

Mr. LAUTENBERG. Mr. President, this pension bill is a good bill, but it is not a perfect bill. It will make sure companies put real money behind their pension promises, in good times and bad. It will give workers more information about their pension plans so they understand the risks they face. It will create incentives to encourage more workers to save for their retirement.

Unfortunately, the bill is not fair to all airlines. The bill gives advantages for some carriers at the expense of others—especially disadvantaging those in New Jersey. As a result of this bill, some airlines will have to contribute hundreds of millions of dollars more to their pensions than others. That isn't fair, and it doesn't create a level competitive playing field.

The Senate agreed that this isn't fair, and that is why the Senate's version of airline relief treated all airlines equally. If the House Republican conferees had not hijacked this conference, I believe we wouldn't be in this position. But we have been put in a very difficult place. We are forced to choose between stopping this bill and endangering pensions for hundreds of thousands of workers and accepting an outcome that is blatantly unfair.

I hope and expect that when this bill passes, we will be able to work together to fix this problem at the first opportunity.

Mr. MENENDEZ. Mr. President, as we consider critical pension reform to help secure the retirement benefits of millions of our Nation's workers, I want first to commend my colleagues for all the hard work they have put into this bill and their efforts to strengthen our Nation's pension system. This bill will help ensure that companies can continue to provide pensions over the long term, it will protect the benefits of current beneficiaries, and it strengthens plans so that benefits will be there for workers for years to come.

And while I welcome this bipartisan bill and all that it will do to benefit the retirement security of workers, I would like to express my strong concern over the differential treatment of airlines in this bill. In allocating that relief, not all airlines are treated fairly, and therefore not on a level playing field. Some, such as Continental which has a significant economic and employee presence in New Jersey, are not given the same benefits and flexibility to make up the underfunding of their pension plans. What especially concerns me is that Continental went to great lengths to keep it from becoming financially unstable and to protect benefits for its employees, including voluntary wage reductions and freezing one of its pension plans. And despite those actions, because of the unequal treatment in this bill, the airline is at a competitive disadvantage, and over

10,000 workers in my state could be adversely affected.

As this legislation has been under negotiation for months and there is an urgency to pass a final bill, I do not want to hold up the pension bill from final passage. I do hope, however, that we can secure the support of our leadership and work with our colleagues to come to an agreement that would provide more equitable treatment for Continental Airlines and its employees. Retirement security is a pressing issue for many workers affected by this bill, including employees at Continental. Therefore, I urge my colleagues to work with us in addressing this issue when we return in September.

Mr. HARKIN. Mr. President, I do not believe that the pension bill should treat different, very competitive companies within the airline industry in the very disparate manner that it does. This was an unresolved issue in the pension conference when the House leaders decided not to complete the negotiations and instead sent us the measure before us. While I understand that an amendment tonight is not going to happen, I do believe that the Senate move to and insist that this wrong be fixed.

AIRLINE PENSION REFORM

Mrs. HUTCHINSON. Mr. President, I rise to engage the majority leader in colloquy related to H.R. 4, the Pension Protection Act. Senator TALENT has asked that I state for the information of our colleagues that he shares my concern in regard to the issue I am raising.

I support the efforts being made to reform and update our Nation's outdated pension laws and to protect the taxpayers by reducing the threat of insolvency on the part of the Pension Benefit Guaranty Corporation. But there is a section in the bill that is not equitable; it favors two airline companies over two others; and that must be remedied.

The bill affects the pension plans of four competing airline companies—American, Continental, Delta and Northwest. Two of these companies, Delta and Northwest, are currently operating in bankruptcy; American and Continental are not. When the Senate passed its version of the pension reform bill these four companies were treated equally. Our bill did not favor one over the other nor include provisions that would tilt the competitive playing field to the advantage of one or more of the companies.

But the legislation that has been sent to us by the House of Representatives unfortunately contains that type of unfair provision. The House bill allows Delta and Northwest to use an interest rate of 8.85 percent to calculate returns from pension assets and determine the amount of money that the companies must contribute each year to their pension plans to make up for unfunded liabilities. But the interest rate allowed to be used by American and Continental is not 8.85 percent. It is not 8 percent. It is not even 7 percent. These two companies must use the corporate bond yield, which is now about 6.2 percent.

Translated into dollars-and competitive advantage—the difference between 8.85 percent and 6.2 percent means that the annual payment of American and Continental could be hundreds of millions of dollars more than the payment due from Delta and Northwest, quickly mounting into the billions. I say to the majority leader that that is an inequity that must be removed. I am not arguing that the percentage used for Delta and Northwest be reduced or changed in any way. But I am arguing that the disparity between 8.85 percent and 6.2 percent is far too great and provides an unjust competitive advantage for Delta and Northwest. Is the leader able to provide any insight on his view of when and how the Senate would have an opportunity to address this issue?

Mr. VOINOVICH. I certainly endorse the comments of the Senator from Texas. The airline industry is very competitive with thin profit margins. The costs of labor and benefits are two of the few variables that affect a company's bottom line. The bill that came over to the Senate from the House, and which we are unable to amend today, puts several of the airlines at a severe competitive disadvantage because it does not apply the same rules to each airline's pension fund. Recognizing the importance of the other reform measures in this legislation, I understand the need to pass it and send it to the President for his signature. But before we do that, I would like to hear from the majority leader if he believes that he will be in a position before the year ends to revisit this question and help us reach a more equitable resolution.

Mr. DEWINE. I want to echo the comments of my colleagues. As the chairman of the HELP Subcommittee on Retirement Security and Aging, I have been working on pension reform legislation for the last year and a half. I believe it is essential that the Senate pass legislation this week that will strengthen defined benefit and multiemployer plans and that will encourage retirement savings by making the retirement provisions of EGTTRA permanent. And while I view this bill as an improvement over the bill the Senate passed last fall, with the elimination of the provision that used credit rating to determine at-risk funding status, I believe that this bill's airline relief provisions are greatly inferior to those of the Senate-passed bill. As my colleagues who spoke before me made clear, this is unacceptable and will need to be fixed when we return from the August recess.

Mr. CORNYN. I join my colleagues from Ohio and the senior Senator from Texas in their comments regarding H.R. 4, the Pension Protection Act. While providing the airline industry with relief, this bill does so unevenly and undercuts the ability of Continental Airlines and American Airlines to compete in a global economy. These Texas airlines have neither frozen their pension plans nor filed for bankruptcy. As Senator VOINOVICH stated, the airline industry operates on thin profit margins and disadvantaging two profitable airlines has ramifications not only for the airline industry, but also for consumers and airline employees. I believe it is crucial that Congress revisits this issue and provides more equitable relief for all airlines and not just a few.

Mr. INHOFE. I, too, want to echo the comments of my colleagues. I share their concern in regard to the issue that they have raised.

Mr. FRIST. I appreciate the comments of my colleagues. This pension bill—while not technically a conference report—essentially represents the bipartisan and bicameral agreement reached by House and Senate pension conferees after many months of negotiation. I am aware of the Senators' concern about the interest rate issue; I have had other Senators approach me as well.

Although we are not in a position to amend the bill before us, I can promise the Senators that I will continue to work with them on this issue after we return from the August recess. Until the Senate has had an opportunity to more fully examine the issues involved in this complex matter, we should consider it an issue that requires further discussion. As such, I think this issue needs to be reviewed further this year to assure an equitable result, recognizing of course that the House would have to agree to any changes we might propose.

Mrs. HUTCHISON. I thank the leader for his comments and his offer of assistance. I am told that the House majority leadership is aware of this matter and has given a commitment to work with interested colleagues to reach a resolution that assures no bias on the part of Congress toward any of the four airlines involved in this issue.

Mr. FEINGOLD. Mr. President, I will vote against the Pension Protection Act. While there are many constructive provisions in the bill, the package is deeply flawed in at least two respects. First, it will add to our already massive government debt. Thanks in large part to the expensive tax provisions that were added, the legislation will add another $66 billion over the next 10 years to the already massive debt with which we are burdening our children and grandchildren. To add insult to that injury, most of that cost stems from savings incentive provisions that overwhelmingly benefit those who least need it. The provisions that raise the contribution limits on tax-preferred savings accounts benefit only 1 in 16 households, and only 1 in 100 households with incomes under $50,000. If we want to encourage more savings, and we should, there are far better ways to do it.

The second matter that raises significant concerns is the so-called red zone

provision which permits pension plans to cut the vested pension benefits of workers. Allowing a worker's vested benefits to be cut is unprecedented and grossly unfair. If workers are told that they may take early retirement at a certain level of earned pension, that promise should not be broken. But under this bill, the financial future on which some families were planning can now come crashing down on them. Retirement benefits which were promised to them and on which they were relying may now be taken away. And make no mistake; if Congress permits earned benefits to be taken, they will be taken.

There is a clear need for pension reform, and many of the provisions in this bill make sense. But I cannot vote for a measure that is so irresponsible for the fiscal future of our Nation and the personal economies of thousands of workers who will soon retire.

Mr. HATCH. Mr. President, the Pension Protection Act of 2006 has been a long time coming. In the Senate, the Health, Education, Labor, and Pensions Committee and the Finance Committee reported pension legislation last year. The full Senate passed pension legislation in November of 2005, The House passed pension legislation in December of 2005.

We had to reconcile those bills, which was no small achievement, and then we had to consider the real concerns that some of our colleagues had about the impact of this bill in their States. But we got it done.

We had our differences, but ultimately we agreed more than we disagreed. We understood the fundamental problem and sought to solve it through genuine bipartisan negotiations. We saw that our defined benefit pension system was in dire straits. Too many companies had severely underfunded pension plans. Companies had made promises to their employees, promises that those employees were depending on for their retirement. But the companies were falling short on those promises.

This was not good for the bottomline of the Pension Benefit Guaranty Corporation, PBGC, which is now, as the result of several high profile bankruptcies, running at a considerable deficit. This was not good for employees, who in the event of plan termination would receive dimes on the dollar for their pension plans. And ultimately, it was not good for the American people, who might have been stuck holding the bag if the PBGC was unable to meet its obligations.

We had to act to fix this. We had to ensure that companies were putting their money where their mouths were. If they made pension promises, they had to keep them, They had to fund their plans.

And this bill requires them to do just that.

It was not easy.

The conference committee assembled to reconcile House and Senate differences was incredibly unwieldy. We had multiple chairmen involved in both the House and the Senate. It was an important enough issue for American workers, American taxpayers, and the American economy that leadership from both the House and the Senate were involved in the negotiations. Not only Republicans and Democrats, but even the House and the Senate, did not see eye to eye on all of the issues. And our decisions would impact the business plans of some of our country's greatest corporations, the future of the defined benefit pension system, and the future retirement of American workers.

But we did it. The final result of all these negotiations is a good bill.

In short, we are going to require companies to fund 100 percent of their pension liabilities. This makes sense. Under current law, they are only required to fund 90 percent of their liabilities. I think that it makes sense to most Americans that if you make a promise, you should keep that promise, and companies should be funding the plans that they have promised to their employees.

At the same time, we recognize that these new obligations could prove a hardship for many. So we have allowed companies with underfunded plans 7 years to make up their pension shortfalls. And for the financially struggling airlines, the opportunity to make up for their pension underfunding will be extended from ten to seventeen years.

And we are going to severely curtail the practice of promising new benefits for tomorrow when you cannot even keep the promises you have already made. Employers with pension plans less than 80 percent funded will not be able to promise future additional benefits unless the earlier benefits are paid for.

We shore up the multi-employer plans, which have unique funding problems.

We provide legal clarity to hybrid ''cash balance'' plans that have elements of both defined benefit and defined contribution plans.

Firms that administer 401(k) plans for their employers will be able to provide investment advice to employees, so long as that advice is based on an independently certified and audited computer model.

And to encourage personal saving for retirement, this bill will allow companies to automatically enroll workers in 401(k) plans.

This bill makes several tax incentives that encourage retirement savings permanent. Most importantly, Americans can remain confident that they will be able to rely on the increased 401(k) and IRA contribution limits established in 2001 and scheduled to expire in 2010.

This is not a perfect bill. But it is a real achievement.

Not only our pension system, but our entire retirement system, will be better off as a result of it.

And I want to congratulate my colleague and fellow conferee, Chairman ENZI, for being able to bring everyone together in the end. I want to thank my colleague and fellow conferee, Chairman GRASSLEY, for his persistence.

Our pension system was broken. Critics might complain that nothing gets done in Washington, but our pension system is busted, and tonight, through tough bipartisan and bicameral work, we went a long way towards fixing it.

It is late in an election year, and it says a good deal about our country that we could put our differences aside and tackle this important issue.

The lives of American retirees, and the health of American industry, will be better as a result.

Mr. AKAKA. Mr. President, today I will vote not against pension reform but against the unfair tactics being used by the majority leadership in Congress. As a representative of my State of Hawaii, I must ensure that the voices of the people of Hawaii are heard and that their rights are not infringed upon or forgotten. This is an important distinction to make at this time because the vote that I cast today is in support of the rights of every member in Congress and the people they represent.

It is my understanding that the House and Senate conferees were close to an agreement on the conference report to H.R. 2830, the Pension Protection Act of 2005, but without notification, the House leadership introduced H.R. 4. While this measure does include many of the decisions made by the conferees, and is in some cases an improvement from the measures passed by the House and Senate, I must vehemently object to the process that the House leadership used. In looking to our future, I must ensure that the process we follow in the Congress does not negate the voices of the minority.

When the House leadership introduced H.R. 4 and then called for a vote on the measure, they sent a loud and clear message on how future measures may be considered by Congress. Supporting such a process would allow the majority to believe that they do not have to listen to anyone's concern. Rather than negotiating on legislation with all the conferees in order to amicably resolve any differences, we find ourselves looking from the outside in. This is no way in which to ensure that the ideals and beliefs for all will be given the due process of consideration that everyone deserves.

For these reasons, I am voting against H.R. 4, again, not because I am against pension reform and ensuring that working men and women retain their benefits and pensions, but against the majority leadership's efforts to nullify our voices. I believe that the conferees to H.R. 2830 were close to an agreement and should have been allowed to complete action to develop a true compromise piece of legislation.

Mr. CHAMBLISS. Mr. President, I rise today in support of the Pension

Protection Act. This has been a long process, but I am glad we were able to produce a bill that provides retirement security to millions of Americans while at the same time protects the taxpayers. These reforms provide tough rules to ensure that employers will keep their pension promises.

I would like to thank my colleague from Georgia, Senator ISAKSON, for all his hard work throughout this process. I appreciate it, and I know the folks back in Georgia appreciate it.

Many companies and their employees in my home State of Georgia support this legislation and will benefit from its provisions. For example, Kroger has grocery stores all over Georgia and employs 18,000 folks across the State, who are depending on their pensions when they retire. General Motors also has a large presence in Georgia with almost 14,000 retirees and 3,500 employees, many of whom are covered by a defined benefit pension plan. The United Parcel Service, UPS, is headquartered in Atlanta, GA, and over 127,000 of its employees participate in multiemployer pension plans.

The airline industry in particular has taken some economic hits over the years, and I am pleased that Congress was able to provide critical provisions for the airlines, ensuring that they will get the time they need to fulfill their pension obligations.

Delta Airlines is headquartered in Georgia, and has a longstanding history of service to passengers throughout the world and has been an exemplary corporate citizen. Like many other hard-working Americans, Delta's some 91,000 employees and retirees have devoted years of work and time to their employer.

While our airlines are in a unique situation, many of them like Delta maintain a strong commitment to keep the pension promises they made to their employees and retirees.

I would like to close by reiterating why we are here today: American workers deserve to know their pensions will be there when they retire. With the passage of this conference report, we can ease the fears of millions of employees and retirees by taking the steps necessary to help ensure that pension promises will be kept and employers, not the taxpayers, will be held accountable.

Mr. KOHL. Mr. President, I rise in support of H.R. 4, the Pension Protection Act. This bill is not a conference report, and I am troubled by the way that the House circumvented the process and endangered swift enactment of this important legislation. However, the bill that will soon be before the Senate does reflect the carefully negotiated agreement of the conferees and enjoys broad bipartisan support.

Our goal is to strengthen traditional pensions, which have been an important source of retirement income for hard-working Americans. Unfortunately, these pensions have been on the decline, as companies replace them with 401(k)s that shift risk to individual workers and generally do not guarantee retirement income for life. We must ensure that traditional pensions remain a viable option for companies and at the same time ensure that companies keep their promises and do not dump their plans on the Government at taxpayer expense.

This compromise strikes the right balance of requiring companies to contribute enough to their pension plans, without discouraging them from maintaining their plans. The bill enacts the commonsense requirement that companies must fully fund their plans, so that they can keep their promises to the 34 million workers and retirees who rely on their hard-earned benefits. It allows companies to put in more money when times are good. It also provides relief to Delta and Northwest, who have said that they will be forced to dump their plans if Congress does not enact this bill soon.

Aside from reforming traditional pensions, the bill also includes important provisions to boost retirement savings. Most importantly, it improves and makes permanent the saver's credit, which helps low- and moderate-income workers save. It encourages companies to automatically enroll workers in 401(k) plans and makes pensions more portable. And it provides protections to workers in the wake of the Enron accounting scandal.

While this bill is not perfect, I believe that it will go a long way toward improving the retirement security of all Americans, and I therefore support its enactment.

Mr. LEVIN. Mr. President, last November I cast one of only two votes against the Senate's version of pension reform. One of my primary concerns with that bill was that companies trying to do right by their workers would be unfairly penalized. I was concerned that on balance, that bill did more to drive companies away from offering guaranteed benefit pension plans than it did to strengthen the system. But the bill before us today is much improved, and I will support it.

Let me state upfront that it is through a highly unusual maneuver that we are taking up this issue in the form of a new bill sent over from the House last week rather than as a final House-Senate conference report. As part of their ongoing efforts to ram through a reckless near-repeal of the estate tax, House Republicans hijacked the pension conference process to remove a package of widely supported tax breaks so they could be paired up with their estate tax proposal in another bill. The abuse of process involved in that maneuver is serious.

But regardless of political games, defined-benefit pensions are facing a crisis today and reforms are needed to make sure that retirees receive the benefits they were promised. We need to make sure that companies are required to adequately back up the promises they have made to their workers. At the same time, we should make sure that reforms are designed to encourage the recovery and strengthening, rather than the termination, of underfunded and vulnerable pension plans.

Striking this delicate balance is not easy. I am pleased that two misguided provisions from the Senate bill were dropped in the conference negotiations that are reflected in this bill. The first of those two provisions would have required companies with solid pension plans but who also had poor credit ratings to use actuarial assumptions that require them to put away unnecessarily high amounts of money into their pension trusts. I am glad that this bill uses a more direct measure of a pension plan's financial health to determine whether additional money needs to be put into the plan.

The second provision of concern dealt with an actuarial method known as ''smoothing.'' Under current law, the amount of money companies are required to put into their pension plans is determined by using a four-year weighted average of the values of pension assets and/or liabilities. The Senate bill would have shortened smoothing to 12 months, which would have added significant volatility for companies when they are determining how much money they need to set aside for the pension plans. The bill before us today changes smoothing to a 2-year time period. I would have preferred the 3-year average proposed in the original House bill, but the 2 years in today's bill is an obvious improvement over the Senate's original 1 year.

Based on my concerns with these credit rating and smoothing provisions, Senator VOINOVICH and I wrote a letter to the House-Senate pension bill conference committee members, urging them to consider the potentially adverse impact these provisions could have on companies that offer defined benefit pension plans and the employees and retirees who are counting on the stable pensions they have been promised. I was pleased that one-third of the Senate joined us in signing this letter, and I appreciate the conferees addressing our concerns.

I am also pleased that this bill, like the Senate bill, will give airlines extra time to fund their pension obligations. I am told that this action means that Northwest and Delta will keep their plans when they emerge from bankruptcy, rather than turning their obligations over to the Government's pension insurer, the Pension Benefit Guaranty Corporation, PBGC. Passing the airline provision is a win-win. The companies should now not dump their plans on the Government, and the airlines' employees and retirees will get to keep their full earned pensions.

I am pleased this bill includes four tariff-related bills I authored that will help Michigan companies become more competitive.

I am also pleased that the bill encourages companies to use automatic

enrollment and automatic increase in 401(k) pension plans to ensure that workers save more.

In addition, this bill includes long-overdue reforms to multiemployer pension plan law. These reforms will allow multiemployer pension plans to address any short-term funding crises as well as add new flexibility to advance fund and guard against a future crisis. Unfortunately, the bill also takes the unwise step of allowing underfunded multi-employer pension plans to cut benefits that workers have already earned. While I understand that shared sacrifice may be necessary in some instances, taking away earned benefits is unfair, and I hope this does not set a precedent for future pension laws.

I am also disappointed that this bill does nothing to pay for making permanent provisions enacted in the 2001 tax law to expand tax-preferred retirement and education savings accounts. The conference agreement makes these tax cuts permanent without offsetting their cost. According to Joint Committee on Taxation estimates, making these tax cuts permanent would cost $52.6 billion between 2007 and 2016. We are deep in a deficit ditch and already each American citizen's share of the debt is almost $29,000. Instead of just adding to our deep fiscal troubles, we should be closing down abusive tax shelters and offshore tax havens and coming up with other ways to pay for any further tax cuts.

While this bill is less than perfect, on balance I will support it because of the critical need to address retirement security for millions of Americans.

Mr. REED. Mr. President, the Pension Protection Act of 2006 would strengthen private pension plan funding and improve the financial position of the Pension Benefit Guarantee Corporation, PBGC. While the bill reflects difficult compromises, it is important that we act now to preserve the financial health of defined benefit pensions.

This legislation is an important step toward protecting the pensions of working Americans. Today's workers will live longer and work longer but also spend more time in retirement than ever before, so it is vital that the pension benefits promised to workers will actually be there when they retire.

The crisis in private pensions is just part of the growing problem of economic insecurity for many Americans. Although the economy has been growing, job growth has been modest, wages are not keeping pace with inflation, income inequality is growing, employer-provided health insurance coverage is falling, and private pensions are increasingly in jeopardy. Soaring prices for gasoline, home heating, health care, and college tuition is squeezing the take home pay of most workers. Many workers have little left over for retirement savings after making ends meet for basic living expenses.

Meanwhile, many employers shift the risk and responsibility of adequate retirement funds onto workers, as retirement prospects are more uncertain than ever. Twenty years ago, most workers with a pension plan could expect to receive a defined benefit based on years of service and salary. Today, defined contribution plans—which shift most of the investment risk and responsibility onto workers—have become the dominant form of pension coverage.

Despite the shift away from traditional pensions, defined benefit plans remain a critical source of retirement support, with 44 million workers and retirees relying on such plans as a source of stable retirement income. However, as we have seen with recent pension terminations in the airline industry, the real risk of defined benefit plan defaults further exacerbates workers' uncertainty and concern about their retirement prospects.

This bill tackles the growing problem of employers not setting aside enough money to cover their pension obligations. The Pension Benefit Guarantee Corporation, PBGC, estimates that total underfunding in PBGC-insured pension plans is about $450 billion, more than $100 billion of which is in plans sponsored by financially weak companies that are at reasonable risk of default.

However, the PBGC, which is the backstop to the defined benefit pension system, has funding issues of its own due to increased defaults by employers. At the end of 2005, the PBGC reported a cumulative deficit of $22.8 billion in its single-employer program. While the PBGC has sufficient assets to pay benefit obligations for a number of years, without changes in funding, the agency will eventually run out of money. The Congressional Budget Office estimates that PBGC's cumulative deficit will increase to $87 billion over the next 10 years, and suggests that there is a significant likelihood that all of PBGC's assets will be exhausted within the next 20 years.

The Pension Protection Act would tighten the funding rule for defined benefit plans by requiring that plans fund 100 percent of their liabilities, up from 90 percent under current law. Companies with underfunded plans would have seven years to make up any funding shortfall. Financially troubled airlines with underfunded plans would have 17 years to become fully funded.

The legislation would limit the use of credit balances to prevent companies with unfunded plans from avoiding plan contributions, prohibit companies with underfunded plans from increasing future benefits, and require an accurate accounting of each plan's true financial condition. Plans would also be required to provide more information about their current funding status to plan participants and beneficiaries.

In addition, the bill contains important, long overdue disclosure rules to protect the pension of workers, to avoid a situation like that of the Enron workers who lost their entire life savings. Under this bill, companies would be required to give workers quarterly benefit statements that show the value of their assets, and explain their right to and the importance to diversify their investments. The companies would also be required to give their employees a range of options for investing their 401(k) plans rather than just the in company stock and allow workers to sell the stock after three years.

A few of the other notable features of this bill are provisions that encourage low- and moderate-income workers to save for retirement by extending the ''saver's credit,'' and requiring automatic enrollment in defined contribution pensions such as 401(k) plans.

The saver's credit provides a permanent non-refundable tax credit to taxpayers with incomes below certain limits if they make contributions to an IRA or an employer-sponsored plan. Early evidence indicates that the saver's credit has increased participation rates in retirement plans. The effects of the credit are limited, however, by its nonrefundability, the sharp phase-down of the credit rate for moderate-income taxpayers, and the lack of indexing of the income limits. This bill would address one of the current problems with the credit by indexing the income thresholds starting in 2007.

The Pension Protection Act would encourage companies to use automatic enrollment. Under automatic enrollment, companies can enroll employees in contributory pension plans and defer a specified percentage of their earnings into an account. Employees are free to opt out of the plan if they do not wish to participate. Under current rules, employees must make an active decision to participate in contributory plans.

Studies show that automatic enrollment dramatically increases participation rates. The increase is particularly likely to benefit younger workers and low-income workers, who tend to have the lowest participation rates.

One concern I have is that this legislation extends the higher contribution limits on 401(k) and IRA contributions enacted in 2001, which would do little to encourage retirement saving while adding over $36 billion to the budget deficit over the next 10 years. While tax-advantaged retirement saving by low- and moderate-income individuals is likely to represent new saving, high-income individuals are more likely to use expanded savings opportunities to shift existing savings from taxable accounts to tax-advantaged accounts. In its analysis of a similar proposal in the President's FY 2004 budget, CBO concluded that expanding tax-free savings accounts would have little effect on personal saving.

Nonetheless, the Pension Protection Act makes progress toward ensuring that workers will receive the retirement benefits they have earned. We must continue work to improve our pensions system to ensure that Americans who work hard their entire lives

have the financial security they deserve. Part of this work will be to revisit some of the elements of this bill as well as to encourage employers to continue to offer retirement plans to hardworking Americans. The dilemma is that it took the majority 8 months to bring this bill forward and without it, more plans and workers are jeopardized. Congress must continue concerted efforts to address the real needs of American workers.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

• Mr. BAUCUS. Mr. President, first, I want to thank Chairman GRASSLEY, Senator KENNEDY, and Chairman ENZI for their hard work and cooperation on this bill.

I like the final product. It strikes a balance between getting plans funded and not forcing employers out of the defined benefit pension system. It provides certainty for cash balance plans. It makes certain that workers can diversify their investments out of employer stock. It makes changes that will help workers save for their retirements. And it assures that workers and retirees will receive clear information about the health of their plans and their individual situations.

I don't like for one minute, however, the process that got us here. Chairman GRASSLEY and I worked very closely to include tax extenders on this bill. We had an agreement with the House to do so. We were ready to sign the conference agreement. Instead, we had the rug pulled out from under us. The pension bill now comes to us without the extenders.

There is a reason for the conference process. It was a process that was working. I think that we should have continued down that path.

But as I said, this is a good pension bill of which we can be proud. We need to pass it.

I will not go through all the provisions in the bill. They are too numerous to do that. But there are some points that I want to highlight.

First let me address single-employer pension plan funding. When I spoke last November about the pension bill that was then pending in the Senate, I asked my colleagues to remember that we are here to protect workers' pension benefits. That has been our goal from day one. And that is what this bill does.

The current system is broken. The Pension Benefit Guaranty Corporation—the Federal corporation that guarantees defined benefit pension benefits—has a $23 billion deficit. The existing rules and temporary congressional fixes have created unpredictable funding requirements. As a result, employers are freezing their plans as a preliminary to leaving the defined benefit system altogether. And many view defined benefit plans as an antiquated vehicle for delivering retirement benefits.

How do we fix the system? We would all like to get the plans fully funded. We would all like not to increase funding requirements too much for employers who cannot afford it. We would all like to see defined benefit plans continue. That is especially true for the 44 million Americans now receiving retirement benefits from defined benefit plans or earning benefits under them.

Addressing these goals required a delicate balance. The balance that we struck is one of which I am proud. It reflects difficult compromises by all parties. There is no perfect answer here. But I think that we came as close as we could.

Employers will not be able to make promises that they don't fund. Employers and unions will not be able to negotiate for benefit increases without paying for them. Workers will have to push for better funding if they want to continue to earn benefits.

The medicine may not taste very good. But it is necessary to keep the patient alive.

At the same time, there are some patients that are so sick that they need more than harsh-tasting medicine. They need some understanding and a chance to recover. We are giving that chance to the airlines. Maybe that way we can avoid the harm that will come to the workers and retirees—and the PBGC—if the plans terminate.

Second, let me address cash balance plans. We have been struggling with the difficult problems of a new form of defined benefit plan called a ''cash balance plan'' for many years. Most pension experts recognize the cash balance design and other hybrid plan designs as the future of the defined benefit system. And that future is in limbo until we provide certainty as to the governing rules. Yet there is a real concern about age discrimination and what happens to workers who get caught up in the switch from a traditional plan to a cash balance plan.

This bill once again strikes a balance. It is a balance that is not likely to make anyone completely happy. We have dealt with the law going forward. We intend no inference to what the rules were prior to enactment. We will leave the past to the courts.

But in the future, employers and workers will know the guiding principles. I expect that as a result, we will see new life in the cash balance world. And we also make sure that workers are protected.

Third, let me address diversification. While defined benefit plans are important, many Americans today receive retirement benefits from their defined contribution plans. What a tragedy it was in Enron and other situations when workers had their entire retirement wrapped up in Enron stock. They could not get out even if they wanted to.

The new law will require plans to allow workers to diversify. Workers won't have to. It will be their choice. But they will have that choice.

Fourth, automatic enrollment: I am proud that this bill included a provision that I have been pushing for some time to allow 401(k) plans and 403(b) arrangements to automatically enroll workers unless they opt out. This means that the workers' salaries will be reduced to put savings into the retirement plan unless the worker instructs the employer not to do this withholding. And we let employers automatically increase the amount saved each year unless the worker says no. Many studies have found that this ''opt-out'' approach significantly increases workers'' retirement savings.

Fifth, let me address the saver's credit and permanence of provisions from the Economic Growth and Tax Relief Reconciliation Act of 2001, which people call EGTRRA. The bill makes permanent the EGTRRA savings provisions affecting plans and IRAs. I worked very closely with Chairman GRASSLEY to get the savings provisions included in EGTRRA in the first place. And I am very happy that this bill makes them permanent.

Perhaps more importantly, we made the saver's credit permanent. The saver's credit would have expired at the end of 2006. And for the first time, we indexed the saver's credit so that worker eligibility will not shrink over time because of inflation.

Sixth, we include the tax court modernization package. This package has passed Finance Committee three times. It is designed to help bring parity between the tax court and Article III courts. And it will modernize the tax court's pension system. This package is long overdue.

Seventh, we include important incentives for charitable giving. These include measures to promote land conservation. And these include a provision to encourage IRA rollovers to charitable organizations.'

I have been working since 2001 to allow ranchers and farmers to claim a special tax incentive to ensure their valuable production land preserved for generations of Montanans in the future. In fact, my first hearing as chairman of the Finance Committee in 2001 was on tax incentives for land conservation.

There are numerous other provisions in this 900–plus page bill of which we can all be proud. We have taken on a very difficult and complex subject and struck the right balance. I just regret that we could not do it in the proper way and finished the conference. There were important provisions included in the conference bill that are not included in the pension bill before us. We all know what they are and the reasons they are not included. I am sorry that the Senate process has come to such a sad state.

But after nearly 3 years, several hearings, and countless missed deadlines, the Senate is about to pass a monumental pension bill. It will enhance retirement security for millions of Americans.

There are many who deserve thanks for this legislation. I want to thank

Chairman ENZI and Senator KENNEDY from the Health, Education, Labor and Pensions Committee. They provided excellent leadership and cooperation.

I want to thank their staffs, many of whom spent sleepless nights getting this work done. In particular, I thank Diann Howland, David Thompson, Greg Dean, Portia Wu, Holly Fechner, and Terri Holloway. They played an important role developing the retirement security provisions in this bill.

I also to thank my good friend Senator GRASSLEY, the chairman of the Finance Committee, for his commitment to the retirement security of Americans. I want to thank some staff members in particular. I appreciate the cooperation we received from the Republican staff, especially Kolan Davis, Mark Prater, John O'Neill, Dean Zerbe, Elizabeth Paris, Chris Javens, Cathy Barre, Anne Freeman, Elizabeth Goff and Nick Wyatt.

I thank the staff of the Joint Committee on Taxation and Senate Legislative Counsel for their service, including Jim Fransen, Mark Mathiesen, Stacey Kern, Mark McGunagle, Carolyn Smith, Patricia McDermott, Nicole Flax, Roger Colinvaux, Ron Schultz and Gordon Clay.

I also thank my staff for their tireless effort and dedication, including Russ Sullivan, Pat Heck, Bill Dauster, Jon Selib, Melissa Mueller, Rebecca Baxter, and Ryan Abraham. I also thank our dedicated fellows, Stuart Sirkin, Tiffany Smith, Mary Baker, and Tom Louthan.

I especially want to express my sincere gratitude to Judy Miller. Her extraordinary efforts and contributions on this legislation went over and above the call of duty. I hold her in the highest esteem. And I can't thank her enough for her counsel and professionalism.

Finally, I thank our hardworking law clerks and interns: Christal Edwards, Justin Kraske, Joseph Adams, Tom Duppong, Jonathan Lebe, Robert Little, Chris Polhemus, Diana Ramos, Tara Rose, John Schiltz, Thad Seegmiller, Gwen Stoltz, and Matthew Wergin.

This legislation really was a team effort. And the product will do a lot of good. I am glad that we have finally reached the day where we can look forward to it soon becoming law.

A fair and good explanation of the bill can be found in The Technical Explanation of HR 4 prepared by the Joint Committee on Taxation.●

Mr. GRASSLEY. Mr. President, I rise today in support of the Pension 7 Protection Act of 2006.

Every Member of the U.S. Senate should be proud to support this bill.

This is a bill that is about one thing—improving the retirement security of all Americans.

It been a long road to get here.

There were times, I will tell you, when I wondered if we would ever get here.

But the fact that we are here today shows that when people stick to a goal and work together, you can get great things done for the American people.

I want to commend Chairman ENZI for his outstanding leadership and his perseverance in leading us here today.

I can tell you that it wasn't an easy job.

I am also very pleased to commend the great work of my colleague and good friend, Senator BAUCUS, who was my partner in the Finance Committee and all the way through conference on this legislation.

We worked together and our staffs worked together.

I wish he could be here with me today to see final passage of this legislation, but as we all know, he is attending to family matters that are far more important than anything we could be doing here in the U.S. Senate.

I also want to thank Senator KENNEDY, who worked tirelessly on this bill and was critical to the bipartisan bill before us.

Why is this a good bill?

I could spend all night talking about all of the positive reforms in this bill, but don't worry—I am not going to do that at 10 o'clock here tonight.

But I do want to highlight a few parts of this legislation that will make Americans more secure in their retirement.

First and foremost, this bill will ensure that American workers can depend on their pensions. They will know that their pension will actually be there for them when they retire.

This bill will also protect the PBGC from absorbing billions of dollars in pension liabilities from bankrupt airlines and give those airlines' employees an opportunity to receive the full pension they've been promised.

This bill will protect workers from the next Enron by prohibiting employers from stuffing company stock in their 401(k) plans.

This bill will make permanent the bipartisan retirement savings provisions from the 2001 tax relief bill—increased 401(k) and IRA limits, a permanent low-income Savers' Credit, greater portability of retirement assets, and a wide array of other pro-savings initiatives.

These provisions are vital to building a ''savers' society,'' and I am proud that these provisions originated in the Senate Finance Committee and were included in the 2001 tax bill at the insistence of myself and Senator BAUCUS.

This bill will also encourage greater participation in retirement plans by promoting automatic enrollment arrangements.

These are just a few of the key reforms in this bill. This is legislation that every Member of the Senate can truly be proud to support.

I look forward to seeing the President sign it into law.

I would like to incorporate by reference a technical explanation being prepared by the staff of the Joint Committee on Taxation that describes the legislative intent with respect to H.R. 4, the Pension Protection Act of 2006. This document expresses our understanding of the provisions in the bill, and it will be a useful reference in understanding the legislation. Chairman Thomas also made a statement on the floor of the House of Representatives last Friday that he had requested this technical explanation. The technical explanation will be published by the staff of the Joint Committee on Taxation as document number JCX–38–06, Technical Explanation of H.R. 4, The Pension Protection Act of 2006, as passed by the House on July 28, 2006, and as considered by the Senate on August 3, 2006.

The PRESIDING OFFICER. All time has expired. Under the previous order, the question is on the third reading of the bill.

The bill was read the third time.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The bill having been read the third time, the question is, Shall the bill pass?

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 93, nays 5, as follows:

[Rollcall Vote No. 230 Leg.]

YEAS—93

Akaka	Durbin	Menendez
Alexander	Ensign	Mikulski
Allard	Enzi	Murkowski
Allen	Feinstein	Murray
Bayh	Frist	Nelson (FL)
Bennett	Graham	Nelson (NE)
Biden	Grassley	Obama
Bingaman	Gregg	Pryor
Bond	Hagel	Reed
Brownback	Harkin	Reid
Bunning	Hatch	Roberts
Burns	Hutchison	Rockefeller
Byrd	Inhofe	Salazar
Cantwell	Inouye	Santorum
Carper	Isakson	Sarbanes
Chafee	Jeffords	Schumer
Chambliss	Johnson	Sessions
Clinton	Kennedy	Shelby
Cochran	Kerry	Smith
Coleman	Kohl	Snowe
Collins	Kyl	Specter
Conrad	Landrieu	Stabenow
Craig	Lautenberg	Stevens
Crapo	Leahy	Sununu
Dayton	Levin	Talent
DeMint	Lincoln	Thomas
DeWine	Lott	Thune
Dodd	Lugar	Vitter
Dole	Martinez	Voinovich
Domenici	McCain	Warner
Dorgan	McConnell	Wyden

NAYS—5

Boxer	Coburn	Feingold
Burr	Cornyn	

NOT VOTING—2

Baucus	Lieberman

The bill (H.R. 4) was passed.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I wish to take a moment and do special thanks

on the bill that was just passed. I congratulate everybody who has worked on the bill. It is going to make a difference for at least 145 million people in the United States. It is a very important bill, and it has been a long road with a lot of twists and a lot of difficulties. They all got ironed out with a very convincing vote.

I appreciate all the people who participated in this effort and were able to lend their expertise, their knowledge, their background, and put together something that will solve the pension difficulties for this country.

I particularly thank Senator KENNEDY, who is the ranking member on my committee. He worked with me through the drafting in committee, getting it through committee, then merging it with the Finance Committee, then getting it through the Senate as a whole, and then serving on the conference committee to get it all ironed out. He has been delightful to work with on this issue and other issues that deal with health, education, labor, as well as the pension bill.

I thank Senators GRASSLEY and BAUCUS for their extremely hard work. They brought the finance piece, the tax part together. They are experts in that area. They work together extremely well and extremely hard. Without their participation, this bill would not have been possible.

I appreciate everybody's commitment to the private pension system and their willingness to strive for solutions, not just to look at issues, and to make the tough decisions we had to make.

I also thank Senators DEWINE and MIKULSKI, again. They started the hearings on this bill before we ever got to the bill part, the drafting. They have worked together well on the aging issues of this country for a long time. They know them backward and forward.

As the bill went through the process, they made sure that specific instances they were aware of were known, the details were known, and we could consider ways to solve those as part of an entire package as opposed to piecemeal. They were extremely cooperative in working on it.

Through the final days of the conference committee, they were engaged in asking questions and making a difference for this bill. I can't say enough about Senators DEWINE and MIKULSKI and their extraordinary work.

But there are many people who worked behind the scenes to get this bill completed. I thank all of my staff for their diligence, commitment, expertise, and hard work. Since March, many of them have not had a weekend off. They have spent 12, 16, 18 hours a day working this bill. That is a huge commitment. I am sure a weight has been lifted from their backs. Without their expertise, we would not have been able to do it.

First off I would like to thank my staff director, Katherine McGuire. Without her, this bill never would be enacted. She had extraordinary efforts with the committee and then the conference committee and was able to pull people together to get an agreement. A lot of times, it meant not a compromise but finding a whole different way of doing it and engaging people and doing some research to find those other ways and even relying on some other committees to lend their expertise to do it. We made it through.

Greg Dean, our general counsel, played a central role in the investment advice and prohibited transactions bill language. That is a very specialized part. He helped me on the Banking Committee when I was subcommittee chairman there and then moved to this committee. He expertly managed discussions throughout the process, and he brought various players together time and again to move the bill forward. It is a very technical area, and it takes someone with that kind of technical expertise to do it.

I thank Ilyse Schuman, my chief counsel for the committee. She was able to pull together all the legal issues and was able to talk on that level with all of the other Senators and Members of the House to pull this off.

I thank Diann Howland, who is my pension policy director, who bravely agreed to come back to the Hill and take on her third major pension reform. In light of this, she brought a fresh perspective to the complex issues every day and has to be commended for leadership in getting this bill done. She probably knows more about pensions than anybody I have ever met and has been a valuable resource, knowing the history as well as being able to move forward on a new bill and get some things done that are different from what has been done before but things that have preserved pensions for people.

David Thompson brought a superb understanding of the intricate and complex legislation issues to the table and has a unique ability to explain these difficult issues in relatively few words and also explain some of the charts that went along with them. Again, I want to thank Amy Angelier who works as my budget staffer and approps staffer and policy adviser. She knows the intricacies of how the budget and the appropriations and the policy all have to fit together, whether it is pensions or whether it is banking or whether it is the rest of the issues we cover under Health, Education, Labor and Pensions. She was on top of each and every aspect of the budget aspects of this bill and helped guide it to success.

Now, my staff didn't do this alone. My staff worked closely with the staffs of my other Senate conferees, and those individuals deserve thanks. They are Michael Myers, Portia Wu, and Holly Fechner of Senator KENNEDY's HELP Committee staff; Kolan Davis, Mark Prater, John O'Neill, Judy Miller, Stu Sirkin, Russ Sullivan, Pat Heck, on the staff of the Finance Committee for Senators GRASSLEY and BAUCUS.

I especially commend Mark Prater for his leadership over the last week helping us to maneuver through troubled waters. He really knows the tax issues and knows the interplay between the moving parts in that whole area and was a tremendous help.

I would also like to thank the nonpartisan legislative counsels and the staff from the Joint Committee on Taxation for their very long hours and professionalism. They had to be in with all of the different times as all of these meetings were going on. Every person with a pension should join me in thanking Jim Fransen, Stacy Kern, Carolyn Smith, Patricia McDermott, and Nikole Flax.

Finally, I thank my chief of staff, Flip McConnaughey. He did an excellent job holding the office together and keeping a focus on Wyoming's specific issues when the pension conference kicked into full gear.

So I appreciate everybody's support of this legislation. I hope I haven't left anybody out. There have been so many people who have been involved in this, as I said, for just countless hours. It has been an incredible commitment of time and effort and knowledge, and I really appreciate that because without the kind of teamwork that we had on this, we would not have had the kind of approval we have.

I thank the Chair, and I yield the floor.

Mr. SANTORUM. Mr. President.

Mr. FRIST. Mr. President, if I could have one minute.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. I just wanted to thank Chairman ENZI for his tremendous leadership. So many people have been thanked over the course of the night, and it has been a very productive 4 weeks. But if you look at the committee chairman, he has probably been the busiest just overseeing the greatest number of bills, and then on top of that, having a very challenging conference, as we have all seen. It started with pensions, and for a period developed into about three or four other issues. I just wanted to thank him for his work, his tremendous work, his dedication, his passion, his independent but dedicated thinking where he listened to everybody and to his staff who have been tremendous on this particular bill, a very difficult bill, the pensions bill.

So on behalf of all of us, we thank Chairman ENZI.

Mr. ENZI. I thank the Senator.

Mr. GRASSLEY. Mr. President, after great effort by many people, the Senate has voted to agree to H.R. 4, the Pension Protection Act of 2006.

Credit must go to the dedicated members of my staff, who spent many hours over many months working on the issues that ultimately led to this bill. Kolan Davis, Mark Prater, John

O'Neill, Dean Zerbe, Elizabeth Paris, Chris Javens, Cathy Barre, Anne Freeman, Elizabeth Goff, and Nick Wyatt showed great dedication to the tasks before them.

As is usually the case, the cooperation of Senator BAUCUS and his staff was extremely valuable. I particularly want to thank Russ Sullivan, Patrick Heck, Bill Dauster, Judy Miller, Stuart Sirkin, Jon Selib, Melissa Mueller, Rebecca Baxter and Ryan Abraham.

I want to show my appreciation towards HELP Committee Chairman ENZI's staff, including Katherine McGuire, Greg Dean, Diann Howland and David Thompson. I want to thank Portia Wu and Holly Fechner along with the rest of HELP Committee Ranking Member KENNEDY's staff. I also want to thank the staff of Finance Committee member conferees on the pension bill. They include Evan Liddiard, Brendan Dunn, Manny Rossman, Wes Coulam, Jennifer Perkins, Jen Vesey, Amy Barber, Steve Bailey, and James Dennis.

I also want to mention Thomas Barthold, the acting chief of staff of the Joint Committee on Taxation and his staff. The efforts of Carolyn Smith, Patricia McDermott, and Nicole Flax were invaluable. Roger Colinvaux, Gordon Clay, and Ron Schultz provided great assistance with the charitable provisions that are in the bill. I also want to thank Theresa Pattara, who worked on my staff as a legislative fellow, for her work on the charitable provisions.

Finally, I want to show my appreciation to the staff of Senate Legislative Counsel, including Jim Fransen, Mark Mathiesen, Stacey Kern, and Mark McGunagle.

Mr. President, after great effort by many people, the Senate has voted to agree to H.R. 4, the Pension Protection Act of 2006.

Credit must go to the dedicated members of my staff, who spent many hours over many months working on the issues that ultimately led to this bill. Kolan Davis, Mark Prater, John O'Neill, Dean Zerbe, Elizabeth Paris, Chris Javens, Cathy Barre, Anne Freeman, Elizabeth Goff, and Nick Wyatt showed great dedication to the tasks before them.

As is usually the case, the cooperation of Senator BAUCUS and his staff was extremely valuable. I particularly want to thank Russ Sullivan, Patrick Heck, Bill Dauster, Judy Miller, Stuart Sirkin, Jon Selib, Melissa Mueller, Rebecca Baxter and Ryan Abraham.

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Finally, I want to show my appreciation to the staff of Senate Legislative Counsel, including Jim Fransen, Mark Mathiesen, Stacey Kern, and Mark McGunagle.

I yield the floor.

COMBATING AUTISM ACT OF 2005

Mr. SANTORUM. Mr. President, I understand the paper is in the process of being delivered to the desk on S. 843, so while that is happening, let me just make some remarks about the legislation.

The legislation that I am calling up on behalf of myself and Senator DODD and the two leaders who have been outstanding in helping us bring this bill to the floor tonight is the Combating Autism Act. I know Senator ENZI was just speaking, but I want to thank Senator ENZI and Senator KENNEDY also and the entire HELP Committee. If you want to talk about a team effort, this has been a tremendous team effort, starting initially with Senator DODD and myself and our staffs who have just done an outstanding job.

I thank particularly on my staff Jen Vessey, who has just put in—I won't say hours of time but days of time, in working together along with Senator DODD's staff and then subsequently the entire committee staff; in particular, Senators ENZI and KENNEDY'S staff, as well as, as we brought this to the process, Senator FRIST and Senator REID.

This team was committed to getting this bill done and passed before the August break. We had many bumps along the way, but tonight, with a minor change in the bill, we are going to see this piece of legislation pass and pass by unanimous consent.

I am very excited about all of the work that has been put in by the entire autism community. I think, as Senator DODD will attest, there are very many arms of the autistic community, a lot of groups who have a very wide variety of people with respect to how to deal with Federal legislation regarding autism. But we were able to sit down and work together over months of time.

I thank some people in particular who have worked outside of the Congress, outside of the Halls of Congress: Bob and Suzanne Wright deserve special recognition as grandparents of an autistic child for their tremendous effort in pulling together these outside groups, along with Deirdre Imus, who, again, devoted an extraordinary amount of time and energy in bringing all of these disparate groups in the autism community across the country together to work toward a common goal, and that is to authorize an autism coordinator, authorize work and research to be done at NIH that looks into all of the issues regarding autism, including the causes of autism, how to best screen for autism, how to best diagnose autism, and how to best treat autism.

It is one of the few disorders that I am aware of that is so prevalent in America, and we have very few good answers on any one of those issues. It creates enormous amounts of frustration for parents and relatives and friends of children with autism that we just seem to have no answers, and we see an ever-increasing population of autistic children with fewer and fewer answers on how to diagnose, screen, test, and treat these young children.

So tonight is a real landmark. It is a step forward for a community that has been seeking someone to listen to them in Washington. It has been a real honor to work with Senator DODD. He has just been terrific, including tonight, when we ran into a bump and he was able to smooth that bump. We had one on our side. After lots of discussion, and thanks to the leader and his work here, we were able to deal with that, and now we are in a situation where we can move forward and pass this important piece of legislation. I believe the paper work is now ready.

Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 578, S. 843.

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

The assistant legislative clerk read as follows:

A bill (S. 843) to amend the Public Health Service Act to combat autism through research, screening, intervention and education.

There being no objection, the Senate proceeded to consider the bill which was reported from the Committee on Health, Education, Labor and Pensions with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Combating Autism Act of 2006''.

SEC. 2. ACTIVITIES TO IMPROVE AUTISM-RELATED RESEARCH.

Section 409C of the Public Health Service Act (42 U.S.C. 284g) is amended to read as follows:

''SEC. 409C. AUTHORITY OF THE DIRECTOR OF THE NATIONAL INSTITUTES OF HEALTH RELATING TO AUTISM.

''(a) STRATEGIC PLAN FOR AUTISM RESEARCH.—

''(1) IN GENERAL.—The Secretary, acting through the Director, shall develop and implement a strategic plan for the conduct and support of research related to autism spectrum disorder.

''(2) REQUIREMENTS.—The strategic plan developed under paragraph (1)—

''(A) shall—

''(i) be updated annually;

''(ii) take into account the research recommendations of the Interagency Autism Coordinating Committee under section 399CC; and

''(iii) using professional judgment, outline the proposed budgetary requirements of the strategic plan, including specific funding expectations for continued multi-year program activities, as well as new and complementary program activities, subject to the availability of appropriations; and

''(B) may include investigator-initiated research.

''(3) REPORT.—Not later than April 1, 2008, and annually thereafter, the Secretary, acting through the Director, shall prepare and submit to the appropriate committees of Congress a report that contains—

''(A) the strategic plan under paragraph (1) that will be applicable to the upcoming fiscal year; and

''(B) a description of the actual dollar expenditures for autism spectrum disorder during the previous fiscal year.

''(b) EXPANSION, INTENSIFICATION, AND COORDINATION OF ACTIVITIES.—The Secretary, acting through the Director, shall, subject to the availability of appropriations, expand, intensify, and coordinate the activities of the National Institutes of Health with respect to autism spectrum disorder.

''(c) CENTERS OF EXCELLENCE.—

''(1) AUTISM CENTERS OF EXCELLENCE.—

''(A) IN GENERAL.—The Secretary, acting through the Director, shall, subject to the availability of appropriations, award grants or contracts to public or nonprofit private entities to assist such entities in paying all or part of the costs of planning, establishing, improving, and providing basic operating support for centers of excellence concerning research on autism spectrum disorder.

''(B) RESEARCH ACTIVITIES.—A center of excellence that receives funding under this paragraph shall conduct basic and clinical research into autism spectrum disorder. Such research shall—

''(i) be conducted in the fields of developmental neurobiology, genetics, epigenetics, pharmacology, nutrition, immunology, neuroimmunology, neurobehavioral development, endocrinology, gastroenterology, psychopharmacology, or toxicology; and

''(ii) include investigations into the causation, diagnosis or rule out, early detection, prevention, services, supports, or intervention of autism spectrum disorder.

''(C) SERVICES.—

''(i) IN GENERAL.—A center of excellence that receives funding under this paragraph may expend amounts provided under a grant or contract under such paragraph to carry out a program to make individuals aware of opportunities to participate as subjects in research conducted by the center.

''(ii) REFERRALS AND COSTS.—A program carried out under clause (i) may, in accordance with such criteria as the Director may establish, provide to the subjects described in such clause, referrals for health and other services and reimbursement of care for individuals as are required for such research.

''(iii) AVAILABILITY AND ACCESS.—The extent to which a center of excellence that receives funding under this paragraph can demonstrate the availability of and access to clinical services shall be considered by the Director in making decisions concerning the awarding of grants or contracts to applicants that meet the scientific criteria for funding under this section.

''(D) COORDINATION OF CENTERS OF EXCELLENCE.—The Director shall provide for the appropriate coordination of information among centers of excellence that receive funding under this paragraph and ensure regular communication between such centers.

''(E) ORGANIZATION.—A center of excellence that receives funding under this paragraph shall use the facilities of a single institution, or be formed through a consortium of cooperating institutions, that meets such requirements as may be required by the Director.

''(F) DURATION.—The term of a grant or contract awarded under this paragraph shall not exceed a period of 5 years. Such period may be extended for 1 or more additional periods not exceeding 5 years if the operations of the center of excellence involved have been reviewed by an appropriate technical and scientific peer review group established by the Director and the group has recommended to the Director the extension of such period.

''(G) GEOGRAPHIC DIVERSITY.—The Director shall consider geographic diversity in awarding centers of excellence.

''(2) CENTERS OF EXCELLENCE IN ENVIRONMENTAL HEALTH AND AUTISM.—

''(A) IN GENERAL.—The Director shall, subject to the availability of appropriations, award grants or contracts to public or nonprofit private entities to pay all or part of the cost of planning, establishing, improving, and providing basic operating support for centers of excellence regarding environmental health and autism spectrum disorder.

''(B) RESEARCH.—A center of excellence established under this paragraph shall conduct basic and clinical research of a broad array of environmental factors that may have a possible role in autism spectrum disorder.

''(C) COORDINATION AND ORGANIZATION.—The Secretary, acting through the Director of NIH, shall apply to the centers under this paragraph the same requirements concerning coordination, reporting, and organization as the requirements applied to the centers of excellence under subparagraphs (D), (E), (F), and (G) of paragraph (1).

''(d) COLLECTION AND STORAGE OF DATA.—

''(1) IN GENERAL.—The Secretary, acting through the Director and in coordination with the Director of the Centers for Disease Control and Prevention, shall, subject to the availability of appropriations, establish and provide funding for mechanisms and entities that provide for the collection, storage, coordination, and public availability of data that is collected by the centers of excellence under this section, under section 399AA(b), and under section 409C(c) and, to the extent possible, data generated from public and private research partnerships. In establishing such mechanisms and entities, the Secretary—

''(A) shall ensure that there is data sharing among autism spectrum disorder researchers; and

''(B) may utilize existing facilities.

''(2) FACILITATION OF RESEARCH.—

''(A) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program under which samples of tissues and genetic and other biological materials that are of use in research on autism spectrum disorder are donated, collected, preserved, and made available for such research.

''(B) ACCEPTED SCIENTIFIC STANDARDS.—The program established under paragraph (1) shall be—

''(i) carried out in accordance with accepted scientific and medical standards for the donation, collection, and preservation of such samples; and

''(ii) conducted so that the tissues and other materials saved, as well as any database compiled from such tissues and materials, are available to researchers at a reasonable cost and on an expedited basis.

''(e) CONSOLIDATION.—The Secretary, acting through the Director, may consolidate program activities under this section if such consolidation would improve program efficiencies and outcomes.

''(f) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There is authorized to be appropriated—

''(A) $68,000,000 for fiscal year 2007, $82,000,000 for fiscal year 2008, $96,000,000 for fiscal year 2009, $120,000,000 for fiscal year 2010, and $134,000,000 for fiscal year 2011, to carry out subsections (a), (b), and (d);

''(B) $26,000,000 for fiscal year 2007, $32,500,000 for fiscal year 2008, $39,000,000 for fiscal year 2009, $45,500,000 for fiscal year 2010, and $52,000,000 for fiscal year 2011, to carry out subsection (c)(1); and

''(C) $6,000,000 for fiscal year 2007, $7,500,000 for fiscal year 2008, $9,000,000 for fiscal year 2009, $10,500,000 for fiscal year 2010, and $12,000,000 for fiscal year 2011, to carry out subsection (c)(2).

''(2) GENERAL USAGE.—Of the amounts appropriated under subparagraphs (B) and (C) of paragraph (1), not to exceed 5 percent of such amounts may be utilized by the National Institutes of Health for administrative and other expenses.

''(g) SUNSET.—This section shall not apply after September 30, 2011.''.

SEC. 3. DEVELOPMENTAL DISABILITIES SURVEILLANCE AND RESEARCH PROGRAM.

(a) IN GENERAL.—Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following:

''PART R—PROGRAMS RELATING TO AUTISM

''SEC. 399AA. DEVELOPMENTAL DISABILITIES SURVEILLANCE AND RESEARCH PROGRAM.

''(a) AUTISM SPECTRUM DISORDER AND OTHER DEVELOPMENTAL DISABILITIES.—

''(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants or cooperative agreements to eligible entities for the collection, analysis, and reporting of State epidemiological data on autism spectrum disorder and other developmental disabilities. An eligible entity shall assist with the development and coordination of State autism spectrum disorder and other developmental disability surveillance efforts within a region. In making such awards, the Secretary may provide direct technical assistance in lieu of cash.

''(2) DATA STANDARDS.—In submitting epidemiological data to the Secretary pursuant to subsection (a), an eligible entity shall report data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention, after consultation with relevant State and local public health officials, private sector developmental disability researchers, and advocates for individuals with autism spectrum disorder or other developmental disabilities.

''(3) ELIGIBILITY.—To be eligible to receive an award under paragraph (1), an entity shall be a public or nonprofit private entity (including a health department of a State or a political subdivision of a State, a university, or any other educational institution), and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(b) CENTERS OF EXCELLENCE IN AUTISM SPECTRUM DISORDER EPIDEMIOLOGY.—

''(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall, subject to the availability of appropriations, award grants or cooperative agreements for the establishment of regional centers of excellence in autism spectrum disorder and other developmental disabilities epidemiology for the purpose of collecting and analyzing information on the number, incidence, correlates and causes of autism spectrum disorder and other developmental disabilities.

''(2) REQUIREMENTS.—To be eligible to receive a grant or cooperative agreement under paragraph (1), an entity shall submit to the Secretary an application containing such agreements and information as the Secretary may require, including an agreement that the center to be established under the grant or cooperative agreement shall operate in accordance with the following:

''(A) The center will collect, analyze, and report autism spectrum disorder and other developmental disability data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention, after consultation with relevant State and local public health officials, private sector developmental disability researchers, and advocates for individuals with developmental disabilities.

''(B) The center will develop or extend an area of special research expertise (including genetics, epigenetics, epidemiological research related to environmental exposures), immunology, and other relevant research specialty areas.

''(C) The center will identify eligible cases and controls through its surveillance system and conduct research into factors which may cause or increase the risk of autism spectrum disorder and other developmental disabilities.

''(c) FEDERAL RESPONSE.—The Secretary shall coordinate the Federal response to requests for assistance from State health, mental health, and education department officials regarding potential or alleged autism spectrum disorder or developmental disability clusters.

''(d) DEFINITIONS.—In this part:

''(1) OTHER DEVELOPMENTAL DISABILITIES.—The term 'other developmental disabilities' has the meaning given the term 'developmental disability' in section 102(8) of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002(8)).

''(2) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands.

''(e) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, $15,000,000 for fiscal year 2007, and such sums as may be necessary for each of fiscal years 2008 through 2011.

''(f) SUNSET.—This section shall not apply after September 30, 2011.

''SEC. 399BB. AUTISM EDUCATION, EARLY DETECTION, AND INTERVENTION .

''(a) PURPOSE.—It is the purpose of this section—

''(1) to increase awareness, reduce barriers to screening and diagnosis, promote evidence-based interventions for individuals with autism spectrum disorder or other developmental disabilities, and train professionals to utilize valid and reliable screening tools to diagnose or rule out and provide evidence-based interventions for children with autism spectrum disorder and other developmental disabilities; and

''(2) to conduct activities under this section with a focus on an interdisciplinary approach (as defined in programs developed under section 501(a)(2) of the Social Security Act) that will also focus on specific issues for children who are not receiving an early diagnosis and subsequent interventions.

''(b) IN GENERAL.—The Secretary shall, subject to the availability of appropriations, establish and evaluate activities to—

''(1) provide information and education on autism spectrum disorder and other developmental disabilities to increase public awareness of developmental milestones;

''(2) promote research into the development and validation of reliable screening tools for autism spectrum disorder and other developmental disabilities and disseminate information regarding those screening tools;

''(3) promote early screening of individuals at higher risk for autism spectrum disorder and other developmental disabilities as early as practicable, given evidence-based screening techniques and interventions;

''(4) increase the number of individuals who are able to confirm or rule out a diagnosis of autism spectrum disorder and other developmental disabilities;

''(5) increase the number of individuals able to provide evidence-based interventions for individuals diagnosed with autism spectrum disorder or other developmental disabilities; and

''(6) promote the use of evidence-based interventions for individuals at higher risk for autism spectrum disorder and other developmental disabilities as early as practicable.

''(c) INFORMATION AND EDUCATION.—

''(1) IN GENERAL.—In carrying out subsection (b)(1), the Secretary, in collaboration with the Secretary of Education and the Secretary of Agriculture, shall, subject to the availability of appropriations, provide culturally competent information regarding autism spectrum disorder and other developmental disabilities, risk factors, characteristics, identification, diagnosis or rule out, and evidence-based interventions to meet the needs of individuals with autism spectrum disorder or other developmental disabilities and their families through—

''(A) Federal programs, including—

''(i) the Head Start program;

''(ii) the Early Start program;

''(iii) the Healthy Start program;

''(iv) programs under the Child Care and Development Block Grant Act of 1990;

''(v) programs under title XIX of the Social Security Act (particularly the Medicaid Early and Periodic Screening, Diagnosis and Treatment Program);

''(vi) the program under title XXI of the Social Security Act (the State Children's Health Insurance Program);

''(vii) the program under title V of the Social Security Act (Maternal and Child Health Block Grant Program);

''(viii) the program under parts B and C of the Individuals with Disabilities Education Act;

''(ix) the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786); and

''(x) the State grant program under the Rehabilitation Act of 1973.

''(B) State licensed child care facilities; and

''(C) other community-based organizations or points of entry for individuals with autism spectrum disorder and other developmental disabilities to receive services.

''(2) LEAD AGENCY.—

''(A) DESIGNATION.—The governor of a State shall designate a public agency as a lead agency to coordinate the activities provided for under paragraph (1) in the State at the State level.

''(B) INFORMATION.—The Governor or a State, acting through the lead agency under subparagraph (A), shall make available to individuals and their family members, guardians, advocates, or authorized representatives, providers, and other appropriate individuals in the State, comprehensive culturally competent information about State and local resources regarding autism spectrum disorder and other developmental disabilities, risk factors, characteristics, identification, diagnosis or rule out, available services and supports, and evidence-based interventions. Such information shall be provided through—

''(i) toll-free telephone numbers;

''(ii) Internet websites;

''(iii) mailings; or

''(iv) other means as the Governor may require.

''(C) REQUIREMENTS OF AGENCY.—In designating the lead agency under subparagraph (A), the Governor shall—

''(i) select an agency that has demonstrated experience and expertise in—

''(I) autism spectrum disorder and other developmental disability issues; and

''(II) developing, implementing, conducting, and administering programs and delivering education, information, and referral services (including technology-based curriculum-development services) to individuals with developmental disabilities and their family members, guardians, advocates or authorized representatives, providers, and other appropriate individuals locally and across the State; and

''(ii) consider input from individuals with developmental disabilities and their family members, guardians, advocates or authorized representatives, providers, and other appropriate individuals.

''(d) TOOLS.—

''(1) IN GENERAL.—To promote the use of valid and reliable screening tools for autism spectrum disorder and other developmental disabilities, the Secretary shall develop a curriculum for continuing education to assist individuals in recognizing the need for valid and reliable screening tools and the use of such tools.

''(2) COLLECTION, STORAGE, COORDINATION, AND AVAILABILITY.—The Secretary, in collaboration with the Secretary of Education, shall provide for the collection, storage, coordination, and public availability of tools described in paragraph (1), educational materials and other products that are used by the Federal programs referred to in subsection (c)(1)(A), as well as—

''(A) programs authorized under the Developmental Disabilities Assistance and Bill of Rights Act of 2000;

''(B) early intervention programs or interagency coordinating council's authorized under part C of the Individuals with Disabilities Education Act; and

''(C) children with special health care needs programs authorized under title V of the Social Security Act.

''(3) REQUIRED SHARING.—In establishing mechanisms and entities under this subsection, the Secretary, and the Secretary of Education, shall ensure the sharing of tools, materials, and products developed under this subsection among entities receiving funding under this section.

''(e) DIAGNOSIS.—

''(1) TRAINING.—The Secretary, in coordination with activities conducted under title V of the Social Security Act, shall, subject to the availability of appropriations, expand existing interdisciplinary training opportunities or opportunities to increase the number of sites able to diagnose or rule out individuals with autism spectrum disorder or other developmental disabilities and ensure that—

''(A) competitive grants or cooperative agreements are awarded to public or non-profit agencies, including institutions of higher education, to expanding existing or develop new maternal and child health interdisciplinary leadership education in neurodevelopmental and related disabilities programs (similar to the programs developed under section 501(a)(2) of the Social Security Act) in States that do not have such a program;

''(B) trainees under such training programs—

''(i) receive an appropriate balance of academic, clinical, and community opportunities;

''(ii) are culturally competent;

''(iii) are ethnically diverse;

''(iv) demonstrate a capacity to evaluate, diagnose or rule out, develop, and provide evidence-based interventions to individuals with autism spectrum disorder and other developmental disabilities; and

''(v) demonstrate an ability to use a family-centered approach; and

''(C) program sites provide culturally competent services.

''(2) TECHNICAL ASSISTANCE.—The Secretary may award one or more grants under this section to provide technical assistance to the network of interdisciplinary training programs.

''(3) BEST PRACTICES.—The Secretary shall promote research into additional valid and reliable tools for shortening the time required to confirm or rule out a diagnosis of autism spectrum disorder or other developmental disabilities and detecting individuals with autism spectrum disorder or other developmental disabilities at an earlier age.

''(f) INTERVENTION.—The Secretary shall promote research, through grants or contracts, to determine the evidence-based practices for interventions for individuals with autism spectrum disorder or other developmental disabilities, develop guidelines for those interventions, and disseminate information related to such research and guidelines.

''(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, $32,000,000 for fiscal year 2007, $37,000,000 for fiscal year 2008, $42,000,000 for fiscal year 2009, $47,000,000 for fiscal year 2010, and $52,000,000 for fiscal year 2011, of which—

''(1) $5,000,000 shall be made available in each fiscal year for activities described in subsection (c); and

''(2) $3,000,000 shall be made available in fiscal year 2007, $6,000,000 in fiscal year 2008, $9,000,000 in fiscal year 2009, $12,000,000 in fiscal year 2010, and $15,000,000 in fiscal year 2011, for activities described in subsection (f).

''(h) SUNSET.—This section shall not apply after September 30, 2011.

''SEC. 399CC. INTERAGENCY AUTISM COORDINATING COMMITTEE.

''(a) ESTABLISHMENT.—The Secretary shall establish a committee, to be known as the 'Interagency Autism Coordinating Committee' (in this section referred to as the 'Committee'), to coordinate all efforts within the Department of Health and Human Services concerning autism spectrum disorder.

''(b) RESPONSIBILITIES.—In carrying out its duties under this section, the Committee shall—

''(1) make recommendations concerning the strategic plan described in section 409C(a);

''(2) develop and annually update advances in autism spectrum disorder research related to causes, early screening, diagnosis or rule out, intervention, and access to services and supports for individuals with autism spectrum disorder; and

''(3) make recommendations to the Secretary regarding the public participation in decisions relating to autism spectrum disorder.

''(c) MEMBERSHIP.—

''(1) IN GENERAL.—The Committee shall be composed of—

''(A) the Director of the Centers for Disease Control and Prevention;

''(B) the Director of the National Institutes of Health, and the Directors of such national research institutes of the National Institutes of Health as the Secretary determines appropriate;

''(C) the heads of such other agencies as the Secretary determines appropriate;

''(D) representatives of other Federal Governmental agencies that serve individuals with autism spectrum disorder such as the Department of Education; and

''(E) the additional members appointed under paragraph (2).

''(2) ADDITIONAL MEMBERS.—Not fewer than 6 members of the Committee, or 1/3 of the total membership of the Committee, whichever is greater, shall be composed of non-federal public members to be appointed by the Secretary, of which—

''(A) at least one such member shall be an individual with a diagnosis of autism spectrum disorder;

''(B) at least one such member shall be a parent or legal guardian of an individual with an autism spectrum disorder; and

''(C) at least one such member shall be a representative of leading research, advocacy, and service organizations for individuals with autism spectrum disorder.

''(d) ADMINISTRATIVE SUPPORT; TERMS OF SERVICE; OTHER PROVISIONS.—The following provisions shall apply with respect to the Committee:

''(1) The Committee shall receive necessary and appropriate administrative support from the Secretary.

''(2) Members of the Committee appointed under subsection (c)(2) shall serve for a term of 4 years, and may be reappointed for one or more additional 4 year term. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office.

''(3) The Committee shall meet at the call of the chairperson or upon the request of the Secretary. The Committee shall meet not fewer than 2 times each year.

''(4) All meetings of the Committee shall be public and shall include appropriate time periods for questions and presentations by the public.

''(e) COMPENSATION AND EXPENSES.—Members of the Committee who are officers or employees of the Federal Government shall serve as members of the Committee without compensation in addition to that received in their regular government employment. Other members of the Committee shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including travel time) they are engaged in the performance of their duties as members of the Committee.

''(f) SUBCOMMITTEES; ESTABLISHMENT AND MEMBERSHIP.—In carrying out its functions, the Committee may establish subcommittees and convene workshops and conferences. Such subcommittees shall be composed of Committee members and may hold such meetings as are necessary to enable the subcommittees to carry out their duties.

''(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, such sums as may be necessary for each of fiscal years 2007 through 2011.

''(h) SUNSET.—This section shall not apply after September 30, 2011 and the Committee shall be terminated on such date.

''SEC. 399DD. REPORT TO CONGRESS.

''(a) IN GENERAL.—Not later than 4 years after the date of enactment of the Combating Autism Act of 2006, the Secretary, in coordination with the Secretary of Education, shall prepare and submit to the Health, Education, Labor, and Pensions Committee of the Senate and the Energy and Commerce Committee of the House of Representatives a progress report on activities related to autism spectrum disorder and other developmental disabilities.

''(b) CONTENTS.—The report submitted under subsection (a) shall contain—

''(1) a description of the progress made in implementing the provisions of the Combating Autism Act of 2006;

''(2) a description of the amounts expended on the implementation of the particular provisions of Combating Autism Act of 2006;

''(3) information on the incidence of autism spectrum disorder and trend data of such incidence since the date of enactment of the Combating Autism Act of 2006;

''(4) information on the average age of diagnosis for children with autism spectrum disorder and other disabilities, including how that age may have changed over the 4-year period beginning on the date of enactment of this Act;

''(5) information on the average age for intervention for individuals diagnosed with autism spectrum disorder and other developmental disabilities, including how that age may have changed over the 4-year period beginning on the date of enactment of this Act;

''(6) information on the average time between initial screening and then diagnosis or rule out for individuals with autism spectrum disorder or other developmental disabilities, as well as information on the average time between diagnosis and evidence-based intervention for individuals with autism spectrum disorder or other developmental disabilities;

''(7) information on the effectiveness and outcomes of interventions for individuals diagnosed with autism spectrum disorder, including by various subtypes, and other developmental disabilities and how the age of the child may affect such effectiveness;

''(8) information on the effectiveness and outcomes of innovative and newly developed intervention strategies for individuals with autism spectrum disorder or other developmental disabilities; and

''(9) information on services and supports provided to individuals with autism spectrum disorder and other developmental disabilities who have reached the age of majority (as defined for purposes of section 615(m) of the Individuals with Disabilities Education Act (20 U.S.C. 1415(m)).''.

(b) REPEALS.—The following sections of the Children's Health Act of 2000 (Public Law 106–310) are repealed:

(1) Section 101 (42 U.S.C. 247b–4a) relating to research activities at the National Institutes of Health.

(2) Section 102 (42 U.S.C. 247b–4b) relating to the Developmental Disabilities Surveillance and Research Program.

(3) Section 103 (42 U.S.C. 247b–4c) relating to information and education.

(4) Section 104 (42 U.S.C. 247b–4d) relating to the Inter-Agency Autism Coordinating Committee.

(5) Section 105 (42 U.S.C. 247b–4e) relating to reports.

Mr. SANTORUM. Mr. President, before I offer the amendment, if Senator DODD would like to take a few minutes to speak.

Mr. DODD. Mr. President, I will be very brief. The majority leader is here, and my friend from Pennsylvania has very adequately—more than adequately—described the history of this legislation. It has been a journey of some time here to bring this legislation to the point we are this evening, to the final adoption unanimously by this body. I am very grateful, as well, to the chairman of our committee, MIKE ENZI, who has been tremendously helpful, along with Senator KENNEDY and other members of the committee who voted unanimously to report this bill out on a bipartisan basis.

As the Senator from Pennsylvania has pointed out, the majority leader and minority leader have been tremendously helpful, along with the majority and minority leader staffs who have helped us on the Senate floor work through some final little knots on this bill that had to be worked out before we could bring this bill to the consideration of the full body.

There are some very special people who worked very hard. The autism community is a large community. It is a diverse one. There are many points of view that have been represented by various people. It has been critically important that there has been an effort to come together. They have done that in part because of the leadership of Bob and Suzanne Wright, who played a very instrumental role, who are grandparents of an autistic child and who work tirelessly with the organization they helped found, Autism Speaks. Senator SANTORUM also mentioned Deirdre Imus, a constituent of mine in Connecticut, who is tenacious in her commitment to issues she gets involved in and has certainly been tenacious on this one. If there were one individual outside of the Members and staff of this body who worked so hard on this, she probably deserves it more than anyone for keeping the flame burning on this effort on behalf on the autism community.

Mr. President, 1 out of every 166 children in this country are born with autism spectrum disorder. It is a growing

problem, Mr. President. The problem has increased in my own State of Connecticut by close to 1,100 percent since 1993. We don't know exactly what causes this. But this bill will allow us to examine all questions—and I mean every question—arising of what may be provoking this rapid increase in autism. Clearly, our diagnosis, diagnostic efforts, are better today. But that doesn't explain to most of us why the dramatic increases have occurred.

So we believe there may be other reasons out there that deserve full examination and exploration. Certainly, looking at ways to treat this issue is also critically important, how to support these families who have an autistic child. There is a tremendous amount of pressure on families who are confronted with this issue. They handle it very well, and many of these families will tell you that while one may look at it from afar as a disability, in many cases you will be amazed how many view it as somehow a blessing in a way. I know that sounds strange to many of my colleagues to hear this, but for families with autistic children, it is difficult, but it is impressive to see how well they handle this. It is inspirational to watch how many families deal with this issue.

So tonight is a special night. It is late. We have major bills we have just passed on pension reform, and we are not suggesting this bill is more important than that bill in significance, but I want to tell you something. To an awful lot of families out there tonight who don't know anything about this late hour or what has happened here earlier, we are making a difference in their lives, and we may make a huge difference down the road in the lives of future children and families because we may get to the cause of this and make a difference in trying to stem the reach of autism spectrum disorder.

So I am deeply proud we have been involved. We hope we can get, of course, this bill signed into law fairly quickly. But, again, I thank my colleagues. I thank, particularly, Senator SANTORUM, who has been terrific on this issue and who has been a chief sponsor with me, along with the other Members whom I have mentioned.

In conclusion, hundreds of thousands of families across America struggle each and every day with autism spectrum disorder, ASD, one of the fastest-growing developmental disabilities in the United States. While we used to think of ASD as relatively rare, today it is diagnosed at a rate that is 10 times that of a decade ago. In my home State of Connecticut, we have witnessed an increase in diagnoses of ASD of close to 1,100 percent since 1993. What these numbers tell us is that ASD diagnoses are rising at truly alarming rates and we simply must provide more answers to all those affected by this devastating condition. As a nation, we need to support the families that are struggling to raise a child with ASD.

There are many theories as to why the prevalence of ASD has increased. Some have suggested that it is a reflection of better diagnostic tools and measures. Other theories focus on genetic or environmental factors. But the fact is that when it comes to autism spectrum disorder we just don't know for certain what causes it, we don't know exactly how to diagnose it, and we don't know how best to intervene so that individuals with ASD can achieve their highest potential. It is absolutely vital that we do more for families struggling with this disorder, which is why the Combating Autism Act is so important.

ASD affects as many as 6 out of every 1,000 children, and the economic cost to this country due to autism spectrum disorder is staggering. Healthcare for individuals with ASD over their lifetimes costs an estimated $35 billion per year. Schooling alone can cost as much as $100,000 each year. By 2015, the annual cost of care will be about $300 billion, but we know that this figure can be cut in half with early diagnosis, services, and intervention. As many as 40 percent of new ASD cases are identified in our schools each year, and a child is likely to be nearing his or her 10th birthday before a diagnosis is made. This means that interventions and services that could help these children achieve their full potential are not made available to them during the critical period of early development when interventions are most successful and cost-effective. As a country, we need to do a better job of diagnosing children before they start school. That means training pediatricians, early childhood educators, and day care providers to recognize the early indicators of ASD so that at-risk children are referred to specialists for diagnosis and services as early as practicable.

The Combating Autism Act will promote early detection, early evidence-based interventions, and services for individuals with ASD. It also significantly increases our investment in the National Institutes of Health for autism-related research. This legislation will also reauthorize the epidemiologic surveillance programs at the Centers for Disease Control and Prevention. Most importantly, this legislation will mean answers for the families that have been so deeply affected by ASD. For that reason, more than any other, I am grateful that the Senate is voting to pass the Combating Autism Act today.

I want to thank my colleagues, Senator SANTORUM, Senator ENZI, Senator KENNEDY, and their staffs for their extraordinary hard work on this bill. I also wish to offer my sincere thanks and appreciation to all of the individuals who are personally affected by autism spectrum disorder—and the many advocacy groups who represent them—for their continued dedication and passionate commitment to this legislation. Without their commitment, we would not be here today on the verge of Senate passage of this critical legislation that will greatly advance our Nation's efforts to address the many issues surrounding autism spectrum disorder and to serve those per * * *

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, before we move to pass this bill, I, too, want to add my commendation, my thanks, my appreciation, my gratitude to Senator SANTORUM and Senator DODD. I have had the opportunity to work almost daily with Senator SANTORUM on this particular issue and because of his focus and his dedication and hard work, indeed, at 11:15 tonight, we do have a reason to celebrate—celebrate not just for the bill itself but because it is a major step forward for the hundreds and thousands of families across this Nation who are exposed to, are touched by, who celebrate autism, and that this bill itself recognizes we have a long way to go.

It was a year ago that I asked the Government Accountability Office to look at and evaluate our country's efforts to combat autism and to look at the challenges that we have before us. It was 6 years ago that Senator KENNEDY and I cosponsored a bill, the Children's Health Act of 2000. The report was released today, the General Accounting Office report. It states that while Federal funding coordination and research have increased since the Children's Health Act of 2000, there is a significant need for more coordination, for expanded research, for better strategies for education, and indeed for more health care professionals to serve the autism community.

If you wrap all of that up, there is a need for better research, diagnosis, and treatment. And there is a need for a cure.

On the Senate floor we will talk about that need, but it is parents like Brian and Tracy Noll who feel it every day. Brian and Tracy are parents, actually Pennsylvanian parents—referring to my distinguished colleague, the sponsor of this bill—of a 7-year-old son with autism. As an infant, their son Tyler exhibited—this is the usual course—all the normal signs of a healthy baby, a happy baby. But at 18 months Brian started to notice that Tyler would no longer look him in the eye.

Again, as is the custom, after repeated visits to doctors, repeated visits, there was a lot of mystery initially. He was ultimately diagnosed with autism at the age of 3. Today Tyler struggles with communication and coordination, his language and sensory skills are limited. He knows, yes, that he is different from other children, but he really can't understand why. Brian and Tracy see their fun-loving son whose smile lights up the room and they hope for new treatments that will help him lead a normal and productive life. They hope researchers will help cure autism, and, yes, they hope

someday we will understand why. Because of the tremendous work of Senators SANTORUM and DODD, under the chairmanship of Chairman ENZI and Chairman KENNEDY—who I mentioned back from our work together in 2006—we are on the way to that becoming a reality.

It is one of the least understood developmental disorders of our time. The difficulties with communication skills and social skills are well known. But no case is the same. Every case is a little bit different. It covers, as its name suggests, a spectrum of behaviors. Approximately 40 percent of children with autism do not talk. Others will learn to talk but later stop speaking altogether. Some read at an advanced pace. Some have unique athletic abilities. Some will exhibit excellent fine motor skills but will have a great deal of difficulty with the more simple tasks before them.

I think back to 30 years ago when I graduated from medical school: Autism was little talked about as a disorder. But over the next three decades we have watched its incidence steadily grow. That is why, as I mentioned, in the year 2000, Senator KENNEDY and I were compelled to introduce that Children's Health Care Act. The intent was for America to better understand and treat and one day prevent a disorder that had for so long eluded the scientific community as well as the medical and clinical community.

As the GAO report released today highlights, coordination of Federal autism activities in NIH research has increased. Indeed, NIH funding has doubled between 2000 and today. Yet, for as many strides as we made in the last 5 years, one fact remains: There is no cure. We shed more light on autism, but we are still at the very dawn of understanding the disorder and its origins.

As a physician I have witnessed firsthand the power of research—if we invest, if we set up a framework for the appropriate research. And with reason, I harbor hope for a day when autism has a cure.

But that day depends on this body making a commitment.

We have laid a foundation. But today we have an opportunity to build on it by passing the Combating Autism Act, which not only reauthorizes The Children's Health Act of 2000—it addresses the specific challenges laid out in the GAO report. The GAO report highlights that we need greater coordination of Federal autism activities, and this bill ensures it. The report states that surveillance of autism can be improved through better coordination—and this bill ensures it. The report identifies the need for more health care professionals who are trained to interact with autism patients—and this bill ensures it. The report makes clear that because there is no cure and no known cause, research must be continued, and it must be expanded. And this bill ensures it.

For the parents of children with autism, there is so little certainty. There is no guarantee when they wake up in the morning that it will be a good day for their child. There is no guarantee that their child will learn to talk or to read or interact with his peers. And there is no certainty what the future holds for that child who will one day be an adult.

Today is an opportunity to provide those parents with what little certainty we can.

Today is the opportunity to assure them that we are continuing to push forward for better treatment, for more research, for a greater understanding, and one day, perhaps a cure.

I thank my colleagues Senators SANTORUM and DODD for sponsoring this legislation.

And I am pleased we have passed this important bill.

What we are about to do is a great victory for this body, for the country, and indeed for the parents of children with autism. I am pleased in a few moments we will pass this very important deal.

Both of my colleagues have previously mentioned their relationship with others who have autism. Again, Bob and Susan Wright have been tremendous leaders in their communities, across the country, and indeed globally in fighting autism. A good friend, Phil Geier, who they know very well, a close friend of mine, has been instrumental in shedding that communication, that light on this entity. We can all celebrate today that, because of all their hard work and the leadership of Chairman ENZI, we will be passing that bill shortly.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I salute the source of this effort for their hard work, Senator SANTORUM, Senator DODD, and many others, and ask unanimous consent my name be added as a cosponsor.

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

The Senator from Wyoming.

Mr. ENZI. Mr. President, I want to take a moment to add my congratulations to the people who have had a key role in doing this bill. First of all, I want to recognize the leader, who always inspires us on a lot of these issues and then provides the time for us to be able to do it as well—not only on this but on the pensions bill. He has to handle a lot of strategy and a lot of different personalities and does just a marvelous job moving the whole body along.

I primarily want to thank Senator DODD and Senator SANTORUM for bringing this to our committee and working it diligently. I also thank them for sending all the different people to see me who had an interest in this bill, who had a number of different likes and wants and needs. They are to be commended for the tremendous effort they put into making sure that some day we have a solution to autism.

It is the most diligent-working bunch of people I think I have ever been associated with. They are also at the very beginning of a process, it seems. We need to expedite that process. This bill will help to get that done.

Senator SANTORUM has just been a real leader on this issue and probably understands it better than anybody that I have worked with and has worked through all the difficulties of the last-minute kinds of changes.

I thank all of you for getting this for America. One of the things this bill does is help people understand autism better. It is relatively unknown. This elevates it. As we continue to do that, we will get solutions. I thank all of you for doing that.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I thank Senator ENZI for just the tremendous commitment that he and Senator KENNEDY made to being patient and working through the months of time it took to bring this bill together.

I know his intention was to move a comprehensive reform of the NIH, and he made an exception for this piece of legislation. Senator DODD and I thank both Senator ENZI and Senator KENNEDY for breaking ranks, making sure we could move this as a separate piece of legislation, apart from the overall reauthorization of NIH.

I want to say to the leader, as Senator ENZI said, we wouldn't be here if it were not for your commitment to get this bill done. I know Senator REID, with whom I spoke just a few minutes ago, said: This is a very important bill to me; this is something I want to see done. We worked through the bumps here right at the end to get that done thanks to you, our two leaders.

Up until the very end this has been a difficult process, but we are here. Having worked on a lot of bills, I have been very blessed in the time that I have been here. I have had my share of legislative successes and bills I have worked on and worked hard on to make a difference. I can't think of any piece of legislation that I will feel better about as I reflect back on what I have accomplished here than what we have done tonight.

People who are dealing with children with autism are a special group of people. Senator DODD laid that out very eloquently. They are a special group of people who are, in many cases, just more determined to be able to solve this enigma that is in their family, this disorder about which they just can't seem to get the answers they need.

I always say when I meet with a group of autistic kids and their parents, the commonality in every one of those meetings is tears. In most cases, we are talking to parents who are very, very stressed out and really sort of at their wits end as to how to grapple with this problem. Tonight, hopefully, we will begin the process of drying those tears and creating hope for a whole group of Americans and their

families who deserve better answers than what we are getting from the medical community today.

One final note. I want to say that Senator DODD, I think, referred to Deirdre Imus as the flame that just burned. I say, then her husband is the torch that is burning many places—many parts of our body at times, in getting this legislation through. Don Imus deserves, certainly, his credit for taking this issue on in a very public way and, because of what he does on the radio, increasing public awareness about this disorder and making a contribution to this effort that we are seeing successful tonight. But also the effort improving awareness of this order.

I am happy to yield to Senator DODD.

Mr. DODD. Mr. President, I suspect that Don Imus is so dedicated to raising awareness of this issues because of the work of his wife. That is why he does this, more than anything else. We are delighted to have both of their support and commitment to this important issue.

On my own staff, I wish to thank Jim Fenton, Tamar Magarik, and Elizabeth Hoffman; Jen Vesey with Senator SANTORUM; Shana Christrup and Steve Northrup of Chairman ENZI's staff, and Caya Lewis with Ranking Member KENNEDY's staff.

We have had some wonderful people on all sides work on this, and I am pleased to recognize them and add their names to the RECORD.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I earlier thanked my staff member, Jen Vesey, and I want to reiterate that. I really cannot tell you how much credit she deserves for this legislation and the enormous amount of time she spent in pulling this altogether. As Senator DODD mentioned staff again, I thought it was important for everyone who is working out there in the autism community to understand what a champion you have in Jen Vesey, who is on my staff.

I ask unanimous consent that Senator CHAMBLISS and Senator THUNE be added as cosponsors to the legislation.

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

Mr. SANTORUM. Mr. President, I understand there is an amendment at the desk. Let me explain what this amendment does before I ask consent it be adopted and the bill be passed, because I know people are going to hear that this bill passed and passed with an amendment and they are going to wonder what the amendment is and whether this does anything to change the bill.

The amendment is as a result of one of the bumps that we ran into tonight, trying to get this bill passed unanimously. It is not easy to get the Senate to do anything unanimously, particularly anything complex, and this is a very lengthy piece of legislation that has a lot of complexity to it.

We had one issue brought up by a Member with respect to the increase in the amount of authorization for research. That Member thought that number was excessive and was going to object to the consideration of the bill tonight unless we were able to do something about that authorization number. In order to get the legislation adopted—because, again, there would have been objection tonight and that objection would have carried into the fall, and with a very short timeframe the likelihood of that bill being able to pass this fall and be considered by the House and then passed and sent to the President would have been highly unlikely—so I was able to negotiate with this Senator to reduce the level of authorization, the increase, from $100 million in the area of research in the NIH to $200 million—which is what the bill calls for—from $100 million to $150 million. Instead of the research going up $20 million a year for 5 years up to $200 million in the final year, it will go up at $10 million a year to $150 million in the final year. Again, still a sizable increase.

It is a 50 percent increase in funding over 5 years in the authorization. If you look at what we are doing here in the Senate these days, we are not increasing funding for many programs at 50 percent. So it is not all we had hoped, not all we had wanted, but it is better than nothing. Unfortunately, with the late hour of this bill being brought up, nothing was a real alternative and not a pleasant one.

As a result, that is the amendment we will be considering here in a moment. After the amendment is adopted, then the bill will be passed. We will send the bill over to the House and hope that when the House returns in September and is willing to bring up this legislation, pass it as it is, and send it on to the President so we can get moving on finding a cure for the autism spectrum disorder.

Mr. ENZI. Mr. President, I rise today in support of S. 843, the Combating Autism Act. I am pleased to note that the Senate will pass this bill today.

This legislation, which was recently reported out of the Senate Health, Education, Labor, and Pensions Committee, focuses on expanding autism spectrum disorder research and coordination at the National Institutes of Health, NIH. It also increases awareness of autism spectrum disorder and its symptoms through the Centers for Disease Control and Prevention, CDC. Additionally, the bill integrates our various health, education, and disability programs that serve individuals and families affected by autism spectrum disorder and ensures that the community of people affected by this disorder have a voice in all of this.

No one knows exactly how many individuals are affected by autism spectrum disorder, but some studies suggest it could be as high as 1 out of every 166 American individuals.

But there are many things we do know about autism spectrum disorder. We know we need to begin intervention as early as possible to help individuals with autism spectrum disorder reach their full potential. And given the importance of early intervention, we need further research into the possible causes of autism spectrum disorder.

We need to understand more about the various forms of autism spectrum disorder to improve our ability to provide the right kinds of intervention and support. And, we need to provide better integration of the health, education, and disability programs already available to meet the increased demand for these interventions, supports and services.

I believe the ''Combating Autism Act'' is an important step toward addressing these needs and finding some solutions that will improve the lives of individuals and families whose daily lives have been turned upside down by autism spectrum disorder.

This bill is the result of a tremendous amount of work across party lines. I want to thank the original bill cosponsors, Senators SANTORUM and DODD for introducing this legislation and for working with me to fine-tune it. I would also like to express my deep appreciation and thanks to the ranking member, Senator KENNEDY, for his hard work during this process. Of course, in providing thanks to the members, I would be remiss if I did not mention the staff. Specifically, I want to thank Jen Vesey with Senator SANTORUM; Jim Fenton, Ben Berwick, Tamar Magarik, and Elizabeth Hoffman with Senator DODD, and Caya Lewis with Senator KENNEDY's office, as well as my staff—Steve Northrup, Aaron Bishop, Tec Chapman, Martina Bebin, and Shana Christrup.

I also want to thank the various groups and individuals who work on behalf of individuals and families affected by autism spectrum disorder. I appreciate the way in which this community of advocates has come together to work with me and my colleagues on this. If they had not worked together so well—with each other and with us as our Committee worked on this bill—I doubt we would be here today.

Mr. SANTORUM. Mr. President, first let me express my sincere gratitude to Chairman ENZI and your staff for investing so much time and thoughtful effort in this important legislation, as well as thank Senators DODD and KENNEDY, and their staffs. Few things are more important than the health and happiness of our Nation's children, and the Combating Autism Act will go a long way to helping those diagnosed with autism live up to their full potential. We have a tremendous opportunity to make a real difference in the lives of children with autism and their families. This Federal investment will lead to better understanding of autism, increase awareness, diagnosis and intervention—all things that will make a profound impact on families struggling for answers and hope.

Autism raises complex and emotional issues. All of us who worked so hard on

this legislation sought to keep the primary focus of the bill on autism research and awareness. However, in addressing the key issues within S. 843, some have raised concerns regarding a potential link between vaccines, vaccine components, such as thimerosal, and autism. Can the Chairman clarify his position on this issue?

Mr. ENZI. Mr. President, I am happy to do so. In 2004 the Institute of Medicine's Immunization Safety Review Committee concluded that the body of epidemiological evidence ''favors rejection of a causal relationship between the MMR vaccine and autism spectrum disorder'' and also ''favors rejection of a causal relationship between thimerosal-containing vaccines and autism spectrum disorder.'' The IOM committee also found that ''potential biological mechanisms for vaccine-induced autism spectrum disorder that have been generated to date are theoretical only.''

However, the IOM committee also acknowledged that ''[a]bsent biomarkers, well-defined risk factors, or large effect sizes, the committee cannot rule out, based on the epidemiological evidence, the possibility that vaccines contribute to autism spectrum disorder in some small subset or very unusual circumstances.'' The IOM committee also noted that ''experiments showing effects of thimerosal on biochemical pathways in cell culture systems and showing abnormalities in the immune system or metal metabolism in people with autism spectrum disorder are provocative,'' and suggested that ''the autism spectrum disorder research community should consider the appropriate composition of the autism spectrum disorder research portfolio with some of these new findings in mind.''

I agree with the IOM committee's recommendation that ''available funding for autism spectrum disorder research be channeled to the most promising areas.'' The HELP Committee reported this bill without making the determination for the autism spectrum disorder research community of what are the ''most promising areas'' for investigation. Instead, the bill reported by the HELP Committee contemplates key research activities, including environmental research, that focus on a broad range of potential contributing factors, with meaningful public involvement and advice in setting the research agenda.

However, I want to be clear that, for the purposes of biomedical research, no research avenue should be eliminated, including biomedical research examining potential links between vaccines, vaccine components, and autism spectrum disorder. Thus, I hope that the National Institutes of Health will consider broad research avenues into this critical area, within the Autism Centers of Excellence as well as the Centers of Excellence for Environmental Health and Autism. No stone should remain unturned in trying to learn more about this baffling disorder, especially given how little we know.

I also want to note that this broad statement is appropriately limited to biomedical and not epidemiological research. Although S. 843 provides for specific centers of excellence to examine epidemiological issues related to autism spectrum disorder, there is currently no expectation that the Centers for Disease Control and Prevention should further pursue additional epidemiological research regarding the link between autism spectrum disorder and vaccines or vaccine components, unless new biomedical research provides additional information about specific at-risk subpopulations. At this point, given what we know and what has already been done in this area, no new epidemiological research is required.

Mr. SANTORUM. I agree with the comments of the chairman. I thank him for clarifying, and again for all of his hard work on this legislation.

Mr. KENNEDY. I also agree with the comments of the chairman.

Mr. DODD. As my colleagues are well aware, the prevalence of ASD in the U.S. is 10 times greater than a decade ago. In my own State of Connecticut, ASD diagnoses have increased by close to 1100 percent since 1993. What these numbers tell us is that ASD diagnoses are rising at truly alarming rates and we simply must provide more answer to all those affected by this devastating condition.

We must also create a larger pool of experts in the field so that families can be directed to nearby specialty clinics for confirmation of diagnosis, care and services. Waiting lists at the Nation's top developmental disability centers are as long as 2 to 3 years, and families are often forced to travel far from home to receive needed care and to participate in clinical research studies. Increasing the number of trained physicians and allied health professionals who can provide a medical home for individuals with ASD will enable all those affected to receive the optimal and timely care that they deserve.

It is my sincere hope and expectation that by expanding the federal response to ASD and other developmental disabilities through the Combating Autism Act, we will see improved research on ASD, including its causes, and families across America will get the services they so urgently need. In our search for the cause of this growing developmental disability, we should close no doors on promising avenues of research. Through the Combating Autism Act, all biomedical research opportunities on ASD can be pursued, and they include environmental research examining potential links between vaccines, vaccine components and ASD.

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

The PRESIDING OFFICER (Mr. BURR). Without objection, it is so ordered.

The amendment (No. 4878) was agreed to, as follows:

On page 39, line 20, strike ''2007'' through page 40, line 5 and insert:

''(A) $68,000,000 for fiscal year 2007, $74,500,000 for fiscal year 2008, $81,000,000 for fiscal year 2009, $87,500,000 for fiscal year 2010, and $94,000,000 for fiscal year 2011, to carry out subsections (a), (b), and (d);

''(B) $24,000,000 for fiscal year 2007, $30,500,000 for fiscal year 2008, $37,000,000 for fiscal year 2009, $43,500,000 for fiscal year 2010, and $50,000,000 for fiscal year 2011, to carry out subsection (c)(1); and

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

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 843

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 ''Combating Autism Act of 2006''.

SEC. 2. ACTIVITIES TO IMPROVE AUTISM-RELATED RESEARCH.

Section 409C of the Public Health Service Act (42 U.S.C. 284g) is amended to read as follows:

''SEC. 409C. AUTHORITY OF THE DIRECTOR OF THE NATIONAL INSTITUTES OF HEALTH RELATING TO AUTISM.

''(a) STRATEGIC PLAN FOR AUTISM RESEARCH.—

''(1) IN GENERAL.—The Secretary, acting through the Director, shall develop and implement a strategic plan for the conduct and support of research related to autism spectrum disorder.

''(2) REQUIREMENTS.—The strategic plan developed under paragraph (1)—

''(A) shall—

''(i) be updated annually;

''(ii) take into account the research recommendations of the Interagency Autism Coordinating Committee under section 399CC; and

''(iii) using professional judgment, outline the proposed budgetary requirements of the strategic plan, including specific funding expectations for continued multi-year program activities, as well as new and complementary program activities, subject to the availability of appropriations; and

''(B) may include investigator-initiated research.

''(3) REPORT.—Not later than April 1, 2008, and annually thereafter, the Secretary, acting through the Director, shall prepare and submit to the appropriate committees of Congress a report that contains—

''(A) the strategic plan under paragraph (1) that will be applicable to the upcoming fiscal year; and

''(B) a description of the actual dollar expenditures for autism spectrum disorder during the previous fiscal year.

''(b) EXPANSION, INTENSIFICATION, AND COORDINATION OF ACTIVITIES.—The Secretary, acting through the Director, shall, subject to the availability of appropriations, expand, intensify, and coordinate the activities of the National Institutes of Health with respect to autism spectrum disorder.

''(c) CENTERS OF EXCELLENCE.—

''(1) AUTISM CENTERS OF EXCELLENCE.—

''(A) IN GENERAL.—The Secretary, acting through the Director, shall, subject to the availability of appropriations, award grants

or contracts to public or nonprofit private entities to assist such entities in paying all or part of the costs of planning, establishing, improving, and providing basic operating support for centers of excellence concerning research on autism spectrum disorder.

''(B) RESEARCH ACTIVITIES.—A center of excellence that receives funding under this paragraph shall conduct basic and clinical research into autism spectrum disorder. Such research shall—

''(i) be conducted in the fields of developmental neurobiology, genetics, epigenetics, pharmacology, nutrition, immunology, neuroimmunology, neurobehavioral development, endocrinology, gastroenterology, psychopharmacology, or toxicology; and

''(ii) include investigations into the causation, diagnosis or rule out, early detection, prevention, services, supports, or intervention of autism spectrum disorder.

''(C) SERVICES.—

''(i) IN GENERAL.—A center of excellence that receives funding under this paragraph may expend amounts provided under a grant or contract under such paragraph to carry out a program to make individuals aware of opportunities to participate as subjects in research conducted by the center.

''(ii) REFERRALS AND COSTS.—A program carried out under clause (i) may, in accordance with such criteria as the Director may establish, provide to the subjects described in such clause, referrals for health and other services and reimbursement of care for individuals as are required for such research.

''(iii) AVAILABILITY AND ACCESS.—The extent to which a center of excellence that receives funding under this paragraph can demonstrate the availability of and access to clinical services shall be considered by the Director in making decisions concerning the awarding of grants or contracts to applicants that meet the scientific criteria for funding under this section.

''(D) COORDINATION OF CENTERS OF EXCELLENCE.—The Director shall provide for the appropriate coordination of information among centers of excellence that receive funding under this paragraph and ensure regular communication between such centers.

''(E) ORGANIZATION.—A center of excellence that receives funding under this paragraph shall use the facilities of a single institution, or be formed through a consortium of cooperating institutions, that meets such requirements as may be required by the Director.

''(F) DURATION.—The term of a grant or contract awarded under this paragraph shall not exceed a period of 5 years. Such period may be extended for 1 or more additional periods not exceeding 5 years if the operations of the center of excellence involved have been reviewed by an appropriate technical and scientific peer review group established by the Director and the group has recommended to the Director the extension of such period.

''(G) GEOGRAPHIC DIVERSITY.—The Director shall consider geographic diversity in awarding centers of excellence.

''(2) CENTERS OF EXCELLENCE IN ENVIRONMENTAL HEALTH AND AUTISM.—

''(A) IN GENERAL.—The Director shall, subject to the availability of appropriations, award grants or contracts to public or nonprofit private entities to pay all or part of the cost of planning, establishing, improving, and providing basic operating support for centers of excellence regarding environmental health and autism spectrum disorder.

''(B) RESEARCH.—A center of excellence established under this paragraph shall conduct basic and clinical research of a broad array of environmental factors that may have a possible role in autism spectrum disorder.

''(C) COORDINATION AND ORGANIZATION.—The Secretary, acting through the Director of NIH, shall apply to the centers under this paragraph the same requirements concerning coordination, reporting, and organization as the requirements applied to the centers of excellence under subparagraphs (D), (E), (F), and (G) of paragraph (1).

''(d) COLLECTION AND STORAGE OF DATA.—

''(1) IN GENERAL.—The Secretary, acting through the Director and in coordination with the Director of the Centers for Disease Control and Prevention, shall, subject to the availability of appropriations, establish and provide funding for mechanisms and entities that provide for the collection, storage, coordination, and public availability of data that is collected by the centers of excellence under this section, under section 399AA(b), and under section 409C(c) and, to the extent possible, data generated from public and private research partnerships. In establishing such mechanisms and entities, the Secretary—

''(A) shall ensure that there is data sharing among autism spectrum disorder researchers; and

''(B) may utilize existing facilities.

''(2) FACILITATION OF RESEARCH.—

''(A) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program under which samples of tissues and genetic and other biological materials that are of use in research on autism spectrum disorder are donated, collected, preserved, and made available for such research.

''(B) ACCEPTED SCIENTIFIC STANDARDS.—The program established under paragraph (1) shall be—

''(i) carried out in accordance with accepted scientific and medical standards for the donation, collection, and preservation of such samples; and

''(ii) conducted so that the tissues and other materials saved, as well as any database compiled from such tissues and materials, are available to researchers at a reasonable cost and on an expedited basis.

''(e) CONSOLIDATION.—The Secretary, acting through the Director, may consolidate program activities under this section if such consolidation would improve program efficiencies and outcomes.

''(f) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There is authorized to be appropriated—

''(A) $68,000,000 for fiscal year 2007, $74,500,000 for fiscal year 2008, $81,000,000 for fiscal year 2009, $87,500,000, for fiscal year 2010, and $94,000,000 for fiscal year 2011, to carry out subsections (a), (b), and (d);

''(B) $24,000,000 for fiscal year 2007, $30,500,000 for fiscal year 2008, $37,000,000 for fiscal year 2009, $43,500,000 for fiscal year 2010, and $50,000,000 for fiscal year 2011, to carry out subsection (c)(1); and

''(C) $6,000,000 for fiscal year 2007, $7,500,000 for fiscal year 2008, $9,000,000 for fiscal year 2009, $10,500,000 for fiscal year 2010, and $12,000,000 for fiscal year 2011, to carry out subsection (c)(2).

''(2) GENERAL USAGE.—Of the amounts appropriated under subparagraphs (B) and (C) of paragraph (1), not to exceed 5 percent of such amounts may be utilized by the National Institutes of Health for administrative and other expenses.

''(g) SUNSET.—This section shall not apply after September 30, 2011.''.

SEC. 3. DEVELOPMENTAL DISABILITIES SURVEILLANCE AND RESEARCH PROGRAM.

(a) IN GENERAL.—Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following:

''PART R—PROGRAMS RELATING TO AUTISM

''SEC. 399AA. DEVELOPMENTAL DISABILITIES SURVEILLANCE AND RESEARCH PROGRAM.

''(a) AUTISM SPECTRUM DISORDER AND OTHER DEVELOPMENTAL DISABILITIES.—

''(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants or cooperative agreements to eligible entities for the collection, analysis, and reporting of State epidemiological data on autism spectrum disorder and other developmental disabilities. An eligible entity shall assist with the development and coordination of State autism spectrum disorder and other developmental disability surveillance efforts within a region. In making such awards, the Secretary may provide direct technical assistance in lieu of cash.

''(2) DATA STANDARDS.—In submitting epidemiological data to the Secretary pursuant to subsection (a), an eligible entity shall report data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention, after consultation with relevant State and local public health officials, private sector developmental disability researchers, and advocates for individuals with autism spectrum disorder or other developmental disabilities.

''(3) ELIGIBILITY.—To be eligible to receive an award under paragraph (1), an entity shall be a public or nonprofit private entity (including a health department of a State or a political subdivision of a State, a university, or any other educational institution), and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(b) CENTERS OF EXCELLENCE IN AUTISM SPECTRUM DISORDER EPIDEMIOLOGY.—

''(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall, subject to the availability of appropriations, award grants or cooperative agreements for the establishment of regional centers of excellence in autism spectrum disorder and other developmental disabilities epidemiology for the purpose of collecting and analyzing information on the number, incidence, correlates and causes of autism spectrum disorder and other developmental disabilities.

''(2) REQUIREMENTS.—To be eligible to receive a grant or cooperative agreement under paragraph (1), an entity shall submit to the Secretary an application containing such agreements and information as the Secretary may require, including an agreement that the center to be established under the grant or cooperative agreement shall operate in accordance with the following:

''(A) The center will collect, analyze, and report autism spectrum disorder and other developmental disability data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention, after consultation with relevant State and local public health officials, private sector developmental disability researchers, and advocates for individuals with developmental disabilities.

''(B) The center will develop or extend an area of special research expertise (including genetics, epigenetics, epidemiological research related to environmental exposures), immunology, and other relevant research specialty areas.

''(C) The center will identify eligible cases and controls through its surveillance system and conduct research into factors which may cause or increase the risk of autism spectrum disorder and other developmental disabilities.

''(c) FEDERAL RESPONSE.—The Secretary shall coordinate the Federal response to requests for assistance from State health, mental health, and education department officials regarding potential or alleged autism spectrum disorder or developmental disability clusters.

''(d) DEFINITIONS.—In this part:

''(1) OTHER DEVELOPMENTAL DISABILITIES.—The term 'other developmental disabilities' has the meaning given the term 'developmental disability' in section 102(8) of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002(8)).

''(2) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands.

''(e) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, $15,000,000 for fiscal year 2007, and such sums as may be necessary for each of fiscal years 2008 through 2011.

''(f) SUNSET.—This section shall not apply after September 30, 2011.

''SEC. 399BB. AUTISM EDUCATION, EARLY DETECTION, AND INTERVENTION.

''(a) PURPOSE.—It is the purpose of this section—

''(1) to increase awareness, reduce barriers to screening and diagnosis, promote evidence-based interventions for individuals with autism spectrum disorder or other developmental disabilities, and train professionals to utilize valid and reliable screening tools to diagnose or rule out and provide evidence-based interventions for children with autism spectrum disorder and other developmental disabilities; and

''(2) to conduct activities under this section with a focus on an interdisciplinary approach (as defined in programs developed under section 501(a)(2) of the Social Security Act) that will also focus on specific issues for children who are not receiving an early diagnosis and subsequent interventions.

''(b) IN GENERAL.—The Secretary shall, subject to the availability of appropriations, establish and evaluate activities to—

''(1) provide information and education on autism spectrum disorder and other developmental disabilities to increase public awareness of developmental milestones;

''(2) promote research into the development and validation of reliable screening tools for autism spectrum disorder and other developmental disabilities and disseminate information regarding those screening tools;

''(3) promote early screening of individuals at higher risk for autism spectrum disorder and other developmental disabilities as early as practicable, given evidence-based screening techniques and interventions;

''(4) increase the number of individuals who are able to confirm or rule out a diagnosis of autism spectrum disorder and other developmental disabilities;

''(5) increase the number of individuals able to provide evidence-based interventions for individuals diagnosed with autism spectrum disorder or other developmental disabilities; and

''(6) promote the use of evidence-based interventions for individuals at higher risk for autism spectrum disorder and other developmental disabilities as early as practicable.

''(c) INFORMATION AND EDUCATION.—

''(1) IN GENERAL.—In carrying out subsection (b)(1), the Secretary, in collaboration with the Secretary of Education and the Secretary of Agriculture, shall, subject to the availability of appropriations, provide culturally competent information regarding autism spectrum disorder and other developmental disabilities, risk factors, characteristics, identification, diagnosis or rule out, and evidence-based interventions to meet the needs of individuals with autism spectrum disorder or other developmental disabilities and their families through—

''(A) Federal programs, including—

''(i) the Head Start program;

''(ii) the Early Start program;

''(iii) the Healthy Start program;

''(iv) programs under the Child Care and Development Block Grant Act of 1990;

''(v) programs under title XIX of the Social Security Act (particularly the Medicaid Early and Periodic Screening, Diagnosis and Treatment Program);

''(vi) the program under title XXI of the Social Security Act (the State Children's Health Insurance Program);

''(vii) the program under title V of the Social Security Act (Maternal and Child Health Block Grant Program);

''(viii) the program under parts B and C of the Individuals with Disabilities Education Act;

''(ix) the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786); and

''(x) the State grant program under the Rehabilitation Act of 1973.

''(B) State licensed child care facilities; and

''(C) other community-based organizations or points of entry for individuals with autism spectrum disorder and other developmental disabilities to receive services.

''(2) LEAD AGENCY.—

''(A) DESIGNATION.—The governor of a State shall designate a public agency as a lead agency to coordinate the activities provided for under paragraph (1) in the State at the State level.

''(B) INFORMATION.—The Governor or a State, acting through the lead agency under subparagraph (A), shall make available to individuals and their family members, guardians, advocates, or authorized representatives, providers, and other appropriate individuals in the State, comprehensive culturally competent information about State and local resources regarding autism spectrum disorder and other developmental disabilities, risk factors, characteristics, identification, diagnosis or rule out, available services and supports, and evidence-based interventions. Such information shall be provided through—

''(i) toll-free telephone numbers;

''(ii) Internet websites;

''(iii) mailings; or

''(iv) other means as the Governor may require.

''(C) REQUIREMENTS OF AGENCY.—In designating the lead agency under subparagraph (A), the Governor shall—

''(i) select an agency that has demonstrated experience and expertise in—

''(I) autism spectrum disorder and other developmental disability issues; and

''(II) developing, implementing, conducting, and administering programs and delivering education, information, and referral services (including technology-based curriculum-development services) to individuals with developmental disabilities and their family members, guardians, advocates or authorized representatives, providers, and other appropriate individuals locally and across the State; and

''(ii) consider input from individuals with developmental disabilities and their family members, guardians, advocates or authorized representatives, providers, and other appropriate individuals.

''(d) TOOLS.—

''(1) IN GENERAL.—To promote the use of valid and reliable screening tools for autism spectrum disorder and other developmental disabilities, the Secretary shall develop a curriculum for continuing education to assist individuals in recognizing the need for valid and reliable screening tools and the use of such tools.

''(2) COLLECTION, STORAGE, COORDINATION, AND AVAILABILITY.—The Secretary, in collaboration with the Secretary of Education, shall provide for the collection, storage, coordination, and public availability of tools described in paragraph (1), educational materials and other products that are used by the Federal programs referred to in subsection (c)(1)(A), as well as—

''(A) programs authorized under the Developmental Disabilities Assistance and Bill of Rights Act of 2000;

''(B) early intervention programs or interagency coordinating council's authorized under part C of the Individuals with Disabilities Education Act; and

''(C) children with special health care needs programs authorized under title V of the Social Security Act.

''(3) REQUIRED SHARING.—In establishing mechanisms and entities under this subsection, the Secretary, and the Secretary of Education, shall ensure the sharing of tools, materials, and products developed under this subsection among entities receiving funding under this section.

''(e) DIAGNOSIS.—

''(1) TRAINING.—The Secretary, in coordination with activities conducted under title V of the Social Security Act, shall, subject to the availability of appropriations, expand existing interdisciplinary training opportunities or opportunities to increase the number of sites able to diagnose or rule out individuals with autism spectrum disorder or other developmental disabilities and ensure that—

''(A) competitive grants or cooperative agreements are awarded to public or nonprofit agencies, including institutions of higher education, to expanding existing or develop new maternal and child health interdisciplinary leadership education in neurodevelopmental and related disabilities programs (similar to the programs developed under section 501(a)(2) of the Social Security Act) in States that do not have such a program;

''(B) trainees under such training programs—

''(i) receive an appropriate balance of academic, clinical, and community opportunities;

''(ii) are culturally competent;

''(iii) are ethnically diverse;

''(iv) demonstrate a capacity to evaluate, diagnose or rule out, develop, and provide evidence-based interventions to individuals with autism spectrum disorder and other developmental disabilities; and

''(v) demonstrate an ability to use a family-centered approach; and

''(C) program sites provide culturally competent services.

''(2) TECHNICAL ASSISTANCE.—The Secretary may award one or more grants under this section to provide technical assistance to the network of interdisciplinary training programs.

''(3) BEST PRACTICES.—The Secretary shall promote research into additional valid and reliable tools for shortening the time required to confirm or rule out a diagnosis of autism spectrum disorder or other developmental disabilities and detecting individuals with autism spectrum disorder or other developmental disabilities at an earlier age.

''(f) INTERVENTION.—The Secretary shall promote research, through grants or contracts, to determine the evidence-based practices for interventions for individuals with

autism spectrum disorder or other developmental disabilities, develop guidelines for those interventions, and disseminate information related to such research and guidelines.

''(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, $32,000,000 for fiscal year 2007, $37,000,000 for fiscal year 2008, $42,000,000 for fiscal year 2009, $47,000,000 for fiscal year 2010, and $52,000,000 for fiscal year 2011, of which—

''(1) $5,000,000 shall be made available in each fiscal year for activities described in subsection (c); and

''(2) $3,000,000 shall be made available in fiscal year 2007, $6,000,000 in fiscal year 2008, $9,000,000 in fiscal year 2009, $12,000,000 in fiscal year 2010, and $15,000,000 in fiscal year 2011, for activities described in subsection (f).

''(h) SUNSET.—This section shall not apply after September 30, 2011.

''SEC. 399CC. INTERAGENCY AUTISM COORDINATING COMMITTEE.

''(a) ESTABLISHMENT.—The Secretary shall establish a committee, to be known as the 'Interagency Autism Coordinating Committee' (in this section referred to as the 'Committee'), to coordinate all efforts within the Department of Health and Human Services concerning autism spectrum disorder.

''(b) RESPONSIBILITIES.—In carrying out its duties under this section, the Committee shall—

''(1) make recommendations concerning the strategic plan described in section 409C(a);

''(2) develop and annually update advances in autism spectrum disorder research related to causes, early screening, diagnosis or rule out, intervention, and access to services and supports for individuals with autism spectrum disorder; and

''(3) make recommendations to the Secretary regarding the public participation in decisions relating to autism spectrum disorder.

''(c) MEMBERSHIP.—

''(1) IN GENERAL.—The Committee shall be composed of—

''(A) the Director of the Centers for Disease Control and Prevention;

''(B) the Director of the National Institutes of Health, and the Directors of such national research institutes of the National Institutes of Health as the Secretary determines appropriate;

''(C) the heads of such other agencies as the Secretary determines appropriate;

''(D) representatives of other Federal Governmental agencies that serve individuals with autism spectrum disorder such as the Department of Education; and

''(E) the additional members appointed under paragraph (2).

''(2) ADDITIONAL MEMBERS.—Not fewer than 6 members of the Committee, or 1/3 of the total membership of the Committee, whichever is greater, shall be composed of non-federal public members to be appointed by the Secretary, of which—

''(A) at least one such member shall be an individual with a diagnosis of autism spectrum disorder;

''(B) at least one such member shall be a parent or legal guardian of an individual with an autism spectrum disorder; and

''(C) at least one such member shall be a representative of leading research, advocacy, and service organizations for individuals with autism spectrum disorder.

''(d) ADMINISTRATIVE SUPPORT; TERMS OF SERVICE; OTHER PROVISIONS.—The following provisions shall apply with respect to the Committee:

''(1) The Committee shall receive necessary and appropriate administrative support from the Secretary.

''(2) Members of the Committee appointed under subsection (c)(2) shall serve for a term of 4 years, and may be reappointed for one or more additional 4 year term. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office.

''(3) The Committee shall meet at the call of the chairperson or upon the request of the Secretary. The Committee shall meet not fewer than 2 times each year.

''(4) All meetings of the Committee shall be public and shall include appropriate time periods for questions and presentations by the public.

''(e) COMPENSATION AND EXPENSES.—Members of the Committee who are officers or employees of the Federal Government shall serve as members of the Committee without compensation in addition to that received in their regular government employment. Other members of the Committee shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule for each day (including travel time) they are engaged in the performance of their duties as members of the Committee.

''(f) SUBCOMMITTEES; ESTABLISHMENT AND MEMBERSHIP.—In carrying out its functions, the Committee may establish subcommittees and convene workshops and conferences. Such subcommittees shall be composed of Committee members and may hold such meetings as are necessary to enable the subcommittees to carry out their duties.

''(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there is authorized to be appropriated, such sums as may be necessary for each of fiscal years 2007 through 2011.

''(h) SUNSET.—This section shall not apply after September 30, 2011 and the Committee shall be terminated on such date.

''SEC. 399DD. REPORT TO CONGRESS.

''(a) IN GENERAL.—Not later than 4 years after the date of enactment of the Combating Autism Act of 2006, the Secretary, in coordination with the Secretary of Education, shall prepare and submit to the Health, Education, Labor, and Pensions Committee of the Senate and the Energy and Commerce Committee of the House of Representatives a progress report on activities related to autism spectrum disorder and other developmental disabilities.

''(b) CONTENTS.—The report submitted under subsection (a) shall contain—

''(1) a description of the progress made in implementing the provisions of the Combating Autism Act of 2006;

''(2) a description of the amounts expended on the implementation of the particular provisions of Combating Autism Act of 2006;

''(3) information on the incidence of autism spectrum disorder and trend data of such incidence since the date of enactment of the Combating Autism Act of 2006;

''(4) information on the average age of diagnosis for children with autism spectrum disorder and other disabilities, including how that age may have changed over the 4-year period beginning on the date of enactment of this Act;

''(5) information on the average age for intervention for individuals diagnosed with autism spectrum disorder and other developmental disabilities, including how that age may have changed over the 4-year period beginning on the date of enactment of this Act;

''(6) information on the average time between initial screening and then diagnosis or rule out for individuals with autism spectrum disorder or other developmental disabilities, as well as information on the average time between diagnosis and evidence-based intervention for individuals with autism spectrum disorder or other developmental disabilities;

''(7) information on the effectiveness and outcomes of interventions for individuals diagnosed with autism spectrum disorder, including by various subtypes, and other developmental disabilities and how the age of the child may affect such effectiveness;

''(8) information on the effectiveness and outcomes of innovative and newly developed intervention strategies for individuals with autism spectrum disorder or other developmental disabilities; and

''(9) information on services and supports provided to individuals with autism spectrum disorder and other developmental disabilities who have reached the age of majority (as defined for purposes of section 615(m) of the Individuals with Disabilities Education Act (20 U.S.C. 1415(m)).''.

(b) REPEALS.—The following sections of the Children's Health Act of 2000 (Public Law 106–310) are repealed:

(1) Section 101 (42 U.S.C. 247b–4a) relating to research activities at the National Institutes of Health.

(2) Section 102 (42 U.S.C. 247b–4b) relating to the Developmental Disabilities Surveillance and Research Program.

(3) Section 103 (42 U.S.C. 247b–4c) relating to information and education.

(4) Section 104 (42 U.S.C. 247b–4d) relating to the Inter-Agency Autism Coordinating Committee.

(5) Section 105 (42 U.S.C. 247b–4e) relating to reports.

Mr. SANTORUM. I thank the Chair.

For the information of those who might be listening, the bill is now passed and we are off to the House with great hope that this fall will bring us successful passage there and final action by the President sometime in September.

I yield the floor.

UNANIMOUS CONSENT REQUEST—S. 3765

Mr. DURBIN. Mr. President, I see the majority leader is on the floor. I will make a unanimous consent request. I would like to very briefly describe what I am about to request.

I have filed S. 3765, along with Senator SUNUNU as my cosponsor, as well as Senator FEINGOLD and Senator STABENOW.

This is a bill that is very timely and important. I hope we will be able to have unanimous consent to go forward with this bill and pass it this evening.

It is a bill that has been referred to the Senate Judiciary Committee.

I have personally spoken to Senator ARLEN SPECTER, chairman of this committee, and told am I was going to make this unanimous consent request this evening. He said he would not object. Those were his exact words.

Senator LEAHY said the same thing.

The reason I am taking this extraordinary step is because this is an extraordinary situation. We all know what happened in Lebanon today. You can't turn on the news without being aware of the war that has consumed both southern Lebanon and many parts of northern Israel.

We realize as well that many people are innocent victims on both sides of

the border, and we realize that the United States has officially evacuated American citizens from Lebanon because of the danger.

We are also very aware of the fact that we have asked other Americans who remained to remove themselves as quickly as possible. It is estimated that 20 to 25 percent of the population of Lebanon has now been displaced. They are refugees—people who have been forced to leave their homes because of the danger of remaining because of the hostilities that continue between Israel and Hezbollah.

The purpose of this legislation is not new. It is something that has been done repeatedly. It grants temporary protected status to those Lebanese visitors in the United States who are legally here on visas which permit them to be here and which may soon expire. When they do, under the law these people are expected to leave the United States and return to Lebanon.

We have in the past been sensitized to the fact that sending many of these families from the United States to war-torn countries under these circumstances may in fact endanger those families.

The United States has many, many times in the past said we will grant temporary protected status to visitors in the United States to protect them from returning to a dangerous situation.

It is an act of compassion, an act of humanitarian caring, and I think speaks well of the United States. In the past we have even granted this status to Lebanese visitors when Lebanon was at war in the 1990s for the very same reason.

Today, there are seven countries around the world where the United States has granted temporary protected status to visitors from those countries in the United States.

This temporary protected status does not put these visitors on a path to legalization or citizenship. It simply allows them if they wish to stay in the U.S. while the hostilities continue up to a year. It would be a renewal after that point.

The reason I offered it at this late hour is because it is a matter of great urgency. It is important that we do this in a timely fashion.

As we consider this measure, the Bush administration is considering whether to do this administratively, which they can. We have done it legislatively. It has been done administratively.

My concern is that tomorrow I am certain some Lebanese visitors to the U.S. will find that their visas have expired, and they will face a very difficult decision. If they comply with the law and leave, returning to Lebanon, they could be endangering families and children who are here innocently visiting members of their family and friends. We don't want that to happen. These poor people from Lebanon, these innocent victims, should not have to return to this scene.

Of course, our State Department and the Department of Homeland Security would retain the authority to review each and every person. If for any reason some Lebanese visitor to the United States should not be allowed to remain in the United States, they can be denied the status. So it is done on a case-by-case basis. It offers a protection, which I think is the humanitarian thing to do.

Throughout history there have been times when in the course of war people have turned refugees from their country, left their country and turned to other countries for refuge. In many instances, countries have welcomed them understanding that that is the right and humane thing to do. In other instances, countries have shunned them. Those countries have been embarrassed by the history that was written afterwards.

I am lucky to be a Senator in this great country, a country which has extended this generosity and this welcome time and time again.

I am urging my colleagues this evening to join me in passing this bill, an extraordinary passage by unanimous consent so that we can send a clear message to the administration and to the Lebanese visitors to the United States that we deeply care about their safety and their security.

I see the majority leader is on the floor. I will make the formal unanimous consent request.

I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 3765, the Lebanese Temporary Protected Status bill that has been introduced by myself, Senator SUNUNU, Senator FEINGOLD, and Senator STABENOW, that the Senate proceed to its immediate consideration, the bill be read a third time and passed, and the motion reconsider be laid upon the table without any intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. FRIST. Mr. President, reserving right to object, S. 3765 to permit nationals being granted temporary protected status in United States is a bill that I personally support. And the chairman of the Judiciary Committee commented to the distinguished assistant minority leader his support. I just received it 15 minutes ago. I am trying to clear it but have not heard back from everybody tonight.

Without giving everyone the opportunity to review it, I am going to have to object tonight.

Again, we will see what happens over the next 30 or 40 minutes that we are in tonight. Not having heard back from everyone, I am unable to verify. So I do object.

Mr. DURBIN. Mr. President, I understand. I gave this to the majority leader maybe 45 minutes ago at most. I certainly didn't want to try to surprise him and mislead him because I think this is a matter that is very important. I sincerely hope we can clear this tonight. If we are unable to clear this and pass this legislation—or even if we do—I urge Michael Chertoff, Secretary of the Homeland Security Department, to grant this status to Lebanon and to do it immediately—immediately. The people of Lebanon cannot wait until Congress returns to Washington in September. And his immediate action will save lives and give peace of mind to a lot of our friends from Lebanon and to their families who live in the United States.

I yield the floor.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

Mr. FRIST. Mr. President, during the next probably 20 or 30 minutes we will be working on a number issues which are coming up unexpectedly at this late hour given the fact that we will be out for 4 weeks. It is a little bit disjointed as we pull together a number of these unanimous consent requests. And then we have the issue of nominations and a few more remarks.

UNANIMOUS CONSENT REQUEST—S. 3769

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be discharged from further consideration of S. 3769 and the Senate proceed to its immediate consideration. I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the measure be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Mr. President, reserving the right to object, I am not familiar with this bill. I have been informed by our cloakroom that there are objections to this from Members who are familiar with the content of the bill and/or members of the Foreign Relations Committee. I hope those as well can be resolved this evening. Absent that happening, I will have to object to this unanimous consent request.

The PRESIDING OFFICER. Objection is heard.

Mr. FRIST. Mr. President, I am disappointed that tonight we could not pass this bill. This is the Cuba Transition Act of 2006 which I cosponsored along with the Senators ENSIGN and MARTINEZ.

This bill would have authorized assistance to the people of Cuba, encouraged a democratic election process, and created a fund to support independent civil-society-building efforts.

It would have created the Fund For a Free Cuba which would have provided assistance to a transitional government in Cuba, and included assistance

to political prisoners and their families, other dissidents, independent libraries, youth organizations, workers rights activists, agricultural cooperatives, associations of the self-employed, journalists, economists, and medical doctors.

This has been cleared by our side. I believe that the other side, the Democrats, will have an opportunity to show solidarity with the Cuban people. We will try to clear this bill through the Senate when we reconvene.

Mr. DURBIN. Mr. President, if I might be allowed to comment as well, as the Senator from Tennessee, the majority leader, describes the bill, it sounds as if it is one that I gladly and wholeheartedly would support. I know Senator MARTINEZ has a special interest in this issue, having been born in Cuba and then coming to the United States and still with the great love for the land where he was born.

I have spoken to him for the last several days while there apparently is a transition of power in place there. And I know how important this is to him personally and to so many other people of Cuban dissent who live in the United States.

I am sorry that it cannot be cleared, but there are some on this side of the aisle who have expressed some reservation or objection at this point. But I personally hope that we can do this as quickly as possible so that the people of Cuba can appreciate and enjoy freedom as soon as we can give them a helping hand.

RETIREMENT OF MARTY BERMAN

Mr. FRIST. Mr. President, the Senate community is losing a longtime and valued employee. After 18 years of loyal and distinguished service, Marty Berman is retiring from the Senate Recording Studio. Marty played an integral part in the television broadcast of the Senate's proceedings and in helping facilitate the audio and video needs of Senators and their staffs.

His service to his country really started 45 years ago. Marty served faithfully, enlisting twice in a military career that began when he was 17 and lasted 6 years, from 1961 to 1967. Before leaving the military, he was a communications specialist with duty in Vietnam.

Marty brought extensive television experience to his job at SRS. In the private sector he worked at Satellite News Network, CNN, and finally at CBS. His work for Charles Kuralt and ''CBS Sunday Morning'' was nominated for an Emmy. A 13-minute long story he had photographed was aired, which is the television equivalent of a long book.

His career at the recording studio began in 1988 where he quickly came to specialize in audio operations. However, his contributions were not only technical. He also had just the right personal touch with Senators. It isn't always easy to get up in front of TV cameras and lights to speak, even for Senators, but Marty had the ability to put any Senator at ease. When floor directing, he spoke to each Senator easily and with warmth, and they trusted him. He was never intimidated, but he was always respectful.

Marty can be a bit feisty, but his bark is much worse than his bite. To those who have gotten to know him, he is warm and caring, too.

Marty ended where he had started, working the Senate television shift. In 18 years he braved many long days and late nights through the Senate's always unpredictable schedule. Throughout his time at the studio, Marty could always be counted on to be at his post. That included his work as chief STV audio operator where for most days during his shift he started up in the audio booth, assuring that the Senators could always be heard in the Chamber and on television.

Marty is the father of 3 grown children: Tracy, Eric, and Alex. The 3 have been the pride of his life and have become responsible and caring adults. He is also the proud grandfather of two. His marriage to Darlene has brought him much happiness. Both share the same three hobbies: antique collecting, antique collecting, and more antique collecting. Their home is a somewhat cluttered but fascinating museum of American Western and American Indian artifacts, pottery, Big Little Books, and just about anything else you can think of. Last, but not least, there are four others who hold a place in his heart. They are Hoover the yellow lab, Clarence the bassett hound, Crystal, the cat, and Birdie the cockatiel. Birdie likes to lay back and listen to the blues with Marty and Darlene and can even whistle Colonel Bogey's March from ''Bridge on the River Kwai.''

Marty's unique personality, loyalty, and dedication will be missed. We all join to wish Marty the best as he begins this next adventure in his life and know he will enjoy the newfound time for family, friends, pets, and antique collecting.

160TH ANNIVERSARY OF ABRAHAM LINCOLN'S ELECTION TO THE UNITED STATES HOUSE OF REPRESENTATIVES

Mr. DURBIN. Mr. President, Leo Tolstoy said of Abraham Lincoln that ''His example is universal and will last thousands of years . . . He was bigger than his country—bigger than all the Presidents together . . . and as a great character he will live as long as the world lives.''

Abraham Lincoln has been known and admired through the generations—and around the world. But Abraham Lincoln is known primarily for his presidency and his leadership of the United States through the dark days of the Civil War. We recall his unwavering commitment to the ''American experiment'' in democracy and his refusal to allow the national Union to fail, regardless of the odds against him.

Few people remember, though, that Abraham Lincoln was also a Member of Congress at one time. Today, August 3, in fact, marks the 160th anniversary of Abraham Lincoln's election to a single term in the U.S. House of Representatives. I also had the privilege of representing the 20th Congressional District of Illinois as a member of the House for 14 years.

There is a reason few people remember Lincoln's service in Congress. Frankly, his one term, in the 30th Congress, which sat from December 1847 to March of 1849, was rather unremarkable. He was a young country lawyer who served with the likes of John Quincy Adams in the House and Daniel Webster and John Calhoun in the Senate. Most of his colleagues viewed him as a Westerner of average talent.

He was a conscientious and hardworking Member, though, which isn't particularly surprising. He served on various committees, he voted on the floor of the House in nearly all of the rollcall votes during his term, and he corresponded faithfully with his constituents.

His most famous contribution to the political and policy debates of his term—criticism of President James Polk for the Nation's involvement in the Mexican war—earned him scorn and disfavor back in Illinois where the war had been popular. Illinois Democrats called Lincoln, himself a Whig at the time, a disgrace.

Lincoln left Congress and returned to his legal practice, arguing cases in country courthouses of Illinois' Eighth Judicial Circuit, and thinking he had no future in politics.

On the contrary, Lincoln's time walking the Halls of this building introduced him to the issues on the national political stage. The Congress in which he served debated the Wilmot Proviso, which would have prevented the spread of slavery into territories newly acquired from Mexico. Those debates exposed Lincoln to the divisiveness and explosiveness of the issue that severely tried his presidency a decade and a half later and nearly destroyed the country. His time in Congress also produced personal and political connections that served him years later as President and Commander-in-Chief.

Today, we mark the anniversary of Abraham Lincoln's election to the House of Representatives as the beginning of this great man's ascent on the national political stage. In February 2009, the Nation will mark the 200th anniversary of Lincoln's birth. Congress established the Abraham Lincoln Bicentennial Commission to help our Nation mark this milestone. I am privileged to cochair the Commission along with Congressman RAY LAHOOD and Lincoln Scholar Harold Holzer—we like to call ourselves ''a team of rivals.'' We have been working diligently to ensure

that a ''fitting and proper'' commemoration is planned. I am pleased to report that a number of our goals have already been met—the authorization of new penny designs in the bicentennial year and the issuance of a commemorative coin, for example. Other educational, scholarly, cultural, and historical events are in various stages of planning—both here in the United States and abroad.

After President Lincoln's untimely death, Edwin M. Stanton said, ''Now he belongs to the ages.'' Mr. President, today we remember Abraham Lincoln's service in the House, his leadership during our Nation's most perilous time, and his legacy of freedom, democracy, and equal opportunity. Even great life begins with a series of small but important steps. Let us keep working to carry out Abraham Lincoln's vision in our day.

AFRICAN HEALTH CAPACITY INVESTMENT ACT

Mr. DURBIN. Mr. President, this week I introduced the African Health Capacity Investment Act of 2006.

This bill was inspired last December, when I visited the Democratic Republic of Congo with Senator SAM BROWNBACK of Kansas.

The Congo is one of the poorest, most violent regions on Earth. This past weekend, it held its first multiparty elections in nearly 50 years. That is a moment to celebrate.

But one of the most profound challenges that the newly elected government will face is how to even begin to meet the health needs of its people. In the DRC, there are only 7 doctors and 44 nurses per 100,000 people. In the eastern Congo, which has witnessed terrible conflict and disease, there is only 1 doctor per 160,000 people. And, I was told, in the city of Goma, surgeons are literally one in a million. To put that in perspective, imagine three surgeons in a city the size of Chicago. Imagine living like that, and then imagine your doctors and nurses leaving for countries with better working conditions, better pay, and brighter futures.

That is the situation that the Congo and almost all of Sub-Saharan Africa faces every day, as doctors and nurses leave rural areas for African cities and leave African cities for the United States, the United Kingdom, and other Western destinations. Every year, Africa loses another 20,000 trained health professionals to European and North American medical facilities. That is an enormous brain drain.

As Randall Tobias, the U.S. Director of Foreign Assistance, has noted, there are more Ethiopian-trained doctors practicing in Chicago than in Ethiopia.

In the United States, we have 549 doctors and 773 nurses for every 100,000 people. And even at those levels, we face our own personnel shortages. As the baby boomers age and our health workforce retires, our shortages will grow. It has become our habit to recruit doctors and nurses from abroad and increasingly from the developing world to staff our hospitals, doctors' offices, and other health centers.

Those individuals immigrate here for the same reasons that people have always migrated here. They come for economic opportunities, greater freedom, and a better future for their children. As the son of an immigrant, I recognize their motivations and welcome the contributions that they make. But I also have to look at the countries that they leave behind.

That is what struck me so powerfully in the Congo: that we cannot continue to depend on the poorest countries in the world to train our doctors and nurses. We have to expand our own health workforce. Our nursing schools turn away thousands of qualified applicants every year because they don't have enough faculty to teach them. We have to fix that.

And we have to help Africa heal itself because even if the brain drain stopped completely, even if every doctor and nurse on the continent of Africa stayed there, they would still have tremendous shortages of health personnel.

That is why Senators COLEMAN, DEWINE, and FEINGOLD and I introduced the African Health Capacity Act this week.

The World Health Report concluded in 2003, ''The most critical issue facing health care systems is the shortage of people who make them work.'' The 2006 report, which focused entirely on health workforces, helped provide a blueprint on how to build that critical human infrastructure.

Sub-Saharan Africa has 11 percent of the world's population. It bears 25 percent of the global disease burden. But it has only 3 percent of the world's health workers, and it suffers nearly half of the world's deaths from infectious diseases.

Personnel shortages are a global problem, but nowhere are these shortages more extreme, the infrastructure more limited, and the health challenges graver than in Sub-Saharan Africa, the epicenter of the HIV/AIDS pandemic. We will not win the war against AIDS or any other health challenge without finding solutions to this problem. It looms larger than shortages of ARVs or any other single factor. The Institute of Medicine has called the health care worker shortage the greatest obstacle to fighting HIV/AIDS.

AIDS has had a particularly insidious effect on health workforces in Africa. Beginning in the 1980s, HIV/AIDS began to take a terrible toll among health workers in Africa. In 2000, 20 percent of the student nurses in Mozambique died from AIDS. Health workers are particularly vulnerable because many lack access to gloves or training in universal precautions that would help protect them from infection. These unsafe working conditions naturally drive many people to seek either safer jobs or employment in other countries. As illness, death, and migration reduce staff, those who are left face even heavier workloads, and they too may leave. This is a deadly and vicious cycle that we have to help Africa break.

The shortage of personnel has deadly repercussions that extend far beyond HIV/AIDS. A woman in Sub-Saharan Africa, for example, has a 1 in 13 chance of dying in pregnancy or childbirth, according to UNICEF. In resource-rich countries such as ours, that risk is 1 out of 4100. You change those terrible odds for the woman in Africa by providing greater access to skilled birth attendants. You greatly improve the newborn baby's chance at survival as well.

It is critically important that as we increase assistance for HIV/AIDS and for health and economic development more generally, that we work to strengthen health systems as a whole. The Office of the Global AIDS Coordinator is doing terrific work at boosting health capacity in the public and private sectors, and USAID has also been engaged in this effort.

This bill is intended to give these agencies the tools to do more and to better integrate and coordinate their activities.

The bill seeks to help Sub-Saharan African countries strengthen the capabilities of their health systems by helping countries improve dangerous and Sub-standard working conditions; helping them train, recruit, and retain doctors, nurses, and paraprofessionals; developing better management and public health training; and improving productivity and workforce distribution. Collecting workforce data, or strengthening the public health sector may not sound very glamorous, but steps like these are critical to creating the health infrastructure that Africa so badly needs.

That infrastructure may also be very important to us. With air travel to spread avian flu, scientists tell us that we may have only 3 weeks to contain an outbreak of the disease from the time that outbreak is detected anywhere in the world. If we miss that window, the outbreak of avian flu may become a pandemic and spread around the world.

As stated in the Harvard Public Health Review, ''Those regions of the world where human expertise and resources are in shortest supply, such as Africa, are most likely to serve as particularly fertile ground for getting a large-scale human flu epidemic off to a robust start.'' It is in our own interests, as well as Africa's, to improve its public health infrastructure.

This same point was made in the President's 2002 National Security Strategy. This document provides the administration's fundamental view of how we should confront global challenges and opportunities in the security arena. It is a measure of risks and priorities that is issued each Presidential term.

President Bush's 2002 National Security Strategy stated, ''The scale of the

public health crisis in poor countries is enormous. In countries afflicted by epidemics and pandemics like HIV/AIDS, malaria, and tuberculosis, growth and development will be threatened until these scourges can be contained. Resources from the developed world are necessary but will be effective only with honest governance, which supports prevention programs and provides effective local infrastructure.''

This bill is not just about spending more money to build African health capacity. It is also about spending that money better. This bill authorizes assistance to improve management and reduce corruption within the health sector. It requires the President to establish a monitoring and evaluation system to measure the effectiveness of our assistance.

Knowledge sharing is also important: Each minister of health and each nongovernmental organization should not have to reinvent the wheel.

Two years after enactment, this bill will require the production of a document publicizing best practices. This clearinghouse of information will provide valuable help for developing countries throughout the world.

The United States provides billions of dollars to fight HIV/AIDS, malaria, TB, and other health challenges in Africa. It is critical, as we pursue these programs, that we better integrate them within a framework to strengthen health systems as a whole. We need to help countries better invest their own human and material resources as well as our assistance.

In 2005, 2 million people in Sub-Saharan Africa died of AIDS, and 2.7 million people became newly infected. Nearly a million African children under the age of 5 died of malaria. Hundreds of thousands of Africans died last year of TB, cholera, dysentery, and other infectious diseases or in childbirth. These devastating mortality rates also strangle opportunities for economic development. But we can begin to change those trajectories by investing in African health capacity. Imagine living in a country like Ethiopia, with 3 doctors for every 100,000 people. Then ask yourself what we can do about it. This bill is a start.

I thank my colleagues, Senators COLEMAN, DEWINE, and FEINGOLD, for joining me in introducing this bipartisan bill, and I hope others will join us.

DETAINEE TREATMENT ACT

Mr. GRAHAM. Mr. President, I rise today to correct the public record with regard to a matter raised by the U.S. Supreme Court's decision in *Hamdan* v. *Rumsfeld*, 126 S.Ct. 2749 (2006). In part II of its opinion, the majority in Hamdan addressed whether the Detainee Treatment Act barred Hamdan's lawsuit from proceeding in its then-present form. As the court noted, the DTA provides that ''no court, justice, or judge shall have jurisdiction to hear or consider'' claims filed by Guantanamo detainees, except under the review standards created by that act.

In the course of drafting the DTA conference language regarding jurisdiction, Senator KYL, myself, and several others we consulted, specifically relied on the Bruner line of cases for guidance. In that line of cases, we had taken particular note of Justice Stevens's opinion in Landgraf, where, in discussing the Bruner line, he wrote that the Court had a consistent practice of ordering an action dismissed when the jurisdictional statute under which that action had been filed was subsequently repealed. Since that was precisely what we were doing in the DTA, reversing the Rasul finding of jurisdiction through the habeas statute, we were very comfortable with how our language addressed the jurisdictional change.

Likewise, the Bruner/Landgraf line of cases informed the enactment language regarding the substantive law changes we were making. Because of Justice Stevens's explanation in Landgraf, we felt we had to make those provisions specifically apply to pending cases. However, for everything else, including the requirements for the executive branch to do certain things within certain time periods, having a single enactment statement saying everything applied retroactively did not make sense. So, with that and other concerns, we ended up with what emerged from the conference process between passage of the amendment in November and adoption of the conference product in December. It was complicated and merged a number of concepts.

You see, as the author of that part of the Detainee Treatment Act, it was never my intent to carve out pending cases from the effect of that act. As I have detailed above, we knew the governing law and expected the courts to apply it. And I never hid this intent or understanding. My statements regarding this intent were consistent from the beginning of the debate on November amendment until final passage of the conference report on December 21. This is why I issued a joint statement with Senator LEVIN in early January of this year which stated, ''[t]he intent of the language contained within the Graham-Levin-Kyl amendment is that Courts will decide in accord with their own rules, procedures and precedents whether to proceed in pending cases.''

In reviewing the record, Justice Scalia and the other dissenters recognized this consistency. Justice Scalia stated that, ''[s]ome of the statements of Senator GRAHAM, a sponsor of the bill, only make sense on the assumption that pending cases are covered.'' Thus, they correctly concluded that the jurisdictional removal language included all pending cases.

Indeed, when the final version of the DTA passed the Senate, I and some of the cosponsors of my November amendment included a colloquy in the RECORD in which we made clear that we were perfectly aware of the Supreme Court's previous holdings governing jurisdiction-removing statutes and that we had not chosen the language of the amendment by accident. We had initially intended to explain our provisions of the DTA on the floor, but with time growing short, and rather than forcing our colleagues to listen as we droned on, we dropped the statement into the RECORD and everyone went home for the Christmas break.

The Hamdan majority addressed this statement in footnote 10 of its opinion. First, the Court noted that on November 15, ''Senator LEVIN urged adoption of an alternative amendment [the final version of my amendment] that 'would apply only to new habeas cases filed after the date of enactment.'" The Court then dismissed my own statement of views in the following passage:

> While statements attributed to the final bill's two other sponsors, Senators Graham and Kyl, arguably contradict Senator Levin's contention that the final version of the Act preserved jurisdiction over pending habeas cases, see 151 Cong. Rec. S14263–S14264 (Dec. 21, 2005), those statements appear to have been inserted into the Congressional Record *after* the Senate debate. See Reply Brief for Petitioner 5, n. 6; see also 151 Cong. Rec. S14260 (statement of Sen. Kyl) (''I would like to say a few words about the *now-completed* National Defense Authorization Act for fiscal year 2006'' (emphasis added)). All statements made during the debate itself support Senator Levin's understanding that the final text of the DTA would not render subsection (e)(1) applicable to pending cases. See, *e.g.*, *id.*, at S14245, S14252–S14253, S14274–S14275 (Dec. 21, 2005).

There are three misstatements of fact in footnote 10 of Hamdan that I would like to publicly correct. First, the colloquy that Senator KYL and I submitted for the RECORD was not submitted after the Senate's consideration of the bill. It was submitted well before the final vote on the conference report, and was necessary due to the substantial changes we made between the adoption on the amendment on November 15 and the adoption of the conference report on December 21.

Second, I have had a member of my staff view the tapes of the Senate's deliberations on November 15 that were prepared by the Senate Recording Studio. These tapes confirm that the statement from Senator LEVIN that the Supreme Court quoted from that day was not made live, but instead appears to have been submitted for the RECORD.

And third, my staff has viewed the tapes of the Senate's deliberations on December 21. These tapes confirm that the statements to which the Supreme Court cites from that day, statements by Senators LEAHY, DURBIN, and FEINGOLD, also were not spoken live on the Senate floor but were instead submitted for the RECORD. As I will discuss later, it generally doesn't matter to me if a statement is live or not, but it does bear noting the distinction given the Court's focus on it in this case.

The Supreme Court appears to have been misled about the nature of the

legislative statements regarding the Detainee Treatment Act. The court dismissed my and Senator KYL's statements on the basis that they were submitted for the Record. Instead, it relied on statements where it thought Senator LEVIN had publicly ''urged'' other members to accept his view, and on statements that it believed had been spoken live ''during the debate itself' on December 21.

In reality, there was no ''debate itself' on the Detainee Treatment Act on December 21.

The final Defense authorization conference report was adopted by a voice vote at 10 p.m. Of the 35 pages of the CONGRESSIONAL RECORD accompanying the final passage of that Act, virtually none of it was spoken live on the Senate floor. Nothing regarding the DTA was said live on December 21. In other words, the statements that Senator KYL and I submitted for the RECORD and that the Hamdan majority dismissed are identical in nature to all of the statements from November 15 and December 21 that the Hamdan majority quoted and cited in support of its construction of the DTA.

I should emphasize that although the Supreme Court was misled, I do not believe that it was misled by any of my colleagues. I believe that Senators LEVIN, LEAHY, DURBIN, and FEINGOLD acted entirely appropriately by submitting statements for the RECORD regarding their interpretation of the DTA. As I mentioned, the Senate considered the final Defense bill that contained the DTA late in the evening four days before Christmas. Although the Senators who submitted statements for the Record had every right to delight their colleagues with 6 hours of speeches and debate at that hour, I am certain that every member of the Senate appreciated the fact that these statements were submitted for the RECORD instead.

Where does the Court's mistake spring from then? The Supreme Court's mistake about the legislative history of the DTA appears to have been created by briefs filed by Mr. Neal Katyal, the counsel of record for Mr. Hamdan in the Supreme Court. Much of the Hamdan majority's analysis of the DTA and its legislative history appears to have been adopted verbatim from these briefs. Mr. Katyal's brief, for example, wrongly asserts that the colloquy between Senator KYL and me was ''inserted into the RECORD after the legislation passed.'' Although statements for the RECORD must be submitted on the same day that they are to appear in the daily edition of the RECORD, no public record is kept of when exactly a particular statement was submitted. Mr. Katyal could not possibly have known whether my colloquy with Senator KYL was submitted before or after final passage of the bill, unless he had asked me or my staff, which he did not do. Had he done so, we would have happily informed him that our statement was submitted hours before final passage. Yet he asserted to the Supreme Court that it was submitted ''after the legislation passed,'' a misstatement that the Supreme Court apparently believed and that it repeated in its majority opinion.

Mr. Katyal's brief also asserts that my colloquy with Senator KYL was ''entirely post hoc,'' and that Senator KYL and I ''waited until the ink was dry'' to submit our views. However, his brief's extensive citations to those December 21 statements that favored petitioner Hamdan are not accompanied by similar bold disclaimers.

Indeed, the very statements of Senators LEAHY, DURBIN, and FEINGOLD that the Supreme Court believed had been made ''during the debate itself' appear to have been brought to the court's attention by Mr. Katyal's brief. That passage of the brief makes no mention of the fact that these statements were not spoken live on the Senate floor. The brief also quotes at length from the same statement by Senator LEVIN on November 15 from which the Supreme Court later quoted in its opinion. Not only does the brief fail to warn the reader that this statement was not spoken live, the brief even asserts that ''[e]vidence of reliance on Senator LEVIN's statement was immediate,'' and it cites to a statement by Senator REID that refers to Senator LEVIN's views.

I can see how a reasonable person would understand this passage to mean that Senator LEVIN's and Senator REID's statements were spoken live on the Senate floor. The brief conjures up a scene of one Senator listening to another Senator speak and then ''immediately'' rising to express his agreement. Yet that scene never took place. Neither Senator LEVIN's nor Senator REID's remarks were made live on the Senate floor.

In the usual case, I do not think that an attorney would have a duty to tell a court whether the Senate floor statements that he is citing are live or not. Indeed, most attorneys would have no way of knowing whether a particular statement is live. Under Senate rules, submitted statements that pertain to pending Senate business are presumed to be live statements and are automatically included in the RECORD among live debate. In my opinion, this is critical to the effective and efficient functioning of the Chamber. I am confident that my colleagues would agree with me.

Here, however, Mr. Katyal made a point of seeking to discredit statements in the CONGRESSIONAL RECORD on the basis that they had not been spoken live. Given that he stressed the introduction of some statements, I believe it was incumbent on him to inform the Court that the statements on which he relied also were not spoken live.

I should again emphasize that I do not criticize any of my colleagues in the Senate. Senators LEVIN, LEAHY, DURBIN, and FEINGOLD's actions were entirely honorable and aboveboard. Indeed, Senators LEAHY, DURBIN, and FEINGOLD, as well as others who opposed the DTA had every right to have their opinions, thoughts, and intent recorded, both in November and in December.

In closing, I would also like to express my concern about the soundness of the distinction that the Hamdan majority drew between live and submitted statements. Although the reality of Senate floor debate is not quite as unflattering as what Justice Scalia suggests in his dissent, it is true that live speeches made by Senators are not always heard by other Members. Senate floor debate is only one of the many sources of information on which Senators rely when deciding how to cast their votes. Other than when Senators express agreement with one another through a colloquy or by expressly referring to each other's views, Senate floor statements should not be understood to represent the understandings and intentions of anyone other than the Member making the statement. Nor should the courts assume that Senators are unaware of court precedent and rules of construction.

I hope that this statement will prevent further mischaracterization of the legislative record of the Detainee Treatment Act. Senators LEVIN, LEAHY, DURBIN, and FEINGOLD's December comments on the act are all entitled to consideration, but no more so than mine or Senator KYL's. The Supreme Court was misled in Hamdan, and it appears to have based its decision, at least in part, on a simple mistake of fact. That is a result that all those who respect the democratic process and the rule of law should regret.

REMEMBERING U.S. SENATOR HIRAM FONG

Mr. AKAKA. Mr. President, on August 18, 2006, I will have the honor and privilege to commemorate the 47th anniversary of the admission of Hawaii to the United States by dedicating the building housing the Kapalama Post Office in honor of the late U.S. Senator Hiram L. Fong. It is fitting that on Admissions Day, the State of Hawaii commemorates the life of one of its strongest advocates for statehood—Senator Fong—by dedicating the postal facility at 1271 North King Street in Honolulu, which stands near Senator Fong's boyhood home in Kalihi.

Like so many of us with immigrant parents, Senator Fong will be remembered not only for his many accomplishments but also for his humble beginnings. As one of 11 children born to parents from China, he graduated with honors from the University of Hawaii in 1930, and continued his education at Harvard University where he received a law degree 5 years later. In 1959, when Hawaii achieved statehood, he was elected to fill one of two seats in the U.S. Senate where he served from 1959 until January 2, 1977.

Senator Fong was this Nation's first U.S. Senator of Asian ancestry. He

served as the ranking Republican on what was then the Senate Post Office and Civil Service Committee, which is why I am so glad we are marking his life's work by dedicating this post office in his memory. I knew Hiram Fong, and I found him to be a man of great integrity. He was a compassionate advocate for civil rights and workers' rights, and throughout his 20 years of service in Congress, Senator Fong personified the spirit of bipartisan cooperation. He was instrumental in enacting landmark civil rights legislation; reforming U.S. immigration laws to end discrimination against Asian immigrants; improving job training programs for workers; and fighting for equal pay for women. The people of Hawaii were truly fortunate to have been represented by Hiram Fong.

This son of Hawaii passed away on August 18, 2004, at the age of 97, followed by his wife Ellyn on March 25 of this year. Hiram and Ellyn are survived by 4 children, Hiram, Jr., Rodney, Marvin, and Mari-Ellen; 10 grandchildren; and 2 great-grandchildren. As we remember our good friend, Hiram Fong, on this Admissions Day, I ask my Senate colleagues and the people of Hawaii to pause for a moment to remember all he did on behalf of the Nation and his beloved Aloha State.

Mr. President, as the former chairman of the Senate Postal Subcommittee, I was proud to introduce the legislation designating the Kapalama Post Office in memory of my friend, Senator Hiram Fong. The Senate passed my bill, S. 2089, by unanimous consent on March 3 of this year; the House of Representatives took action on March 7; and on March 20, the President signed the bill, which is now Public Law 109–203.

VOTING RIGHTS ACT REAUTHORIZATION AND AMENDMENTS ACT OF 2006

Mr. LEAHY. Mr. President, one week ago, I stood behind President Bush as he signed the Voting Rights Act Reauthorization and Amendments Act of 2006 into law. The President gave a short speech about the importance of the legislation and his commitment to defending it. He even distributed a letter to all those in attendance celebrating this reauthorization. In his letter he acknowledged that ''further work remains in the fight against injustice, and each generation has a responsibility to write a new chapter in the unfinished story of freedom.'' I ask unanimous consent to insert his letter into the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered. (See exhibit 1).

Mr. LEAHY. Keeping the Voting Rights Act intact is important, but enforcing it is equally important. Now that Congress has passed the law—and the President has signed it—it is up to the President to ensure that this law and all of its provisions are enforced fully and faithfully. I was pleased last Thursday to hear the President commit to aggressive enforcement and to defend the Act from legal attacks. Article I of the Constitution provides for the Congress to write the laws, and Article II provides for the President to enforce them. Congress has done its part, and now the President must do his. I commended him for saying that he will.

Last week I spoke to the Senate about a letter I had sent to the President in which I urged him not to follow his usual practice of signing a bill with his fingers crossed behind his back and later issuing a presidential signing statement undercutting the law that Congress passed. I return today to report to the Senate that, to the best of my knowledge, the President has accepted that advice and has not issued an after-the-fact signing statement. I thank the President for following this course. In fact, the material posted on the White House website includes a ''fact sheet'' in which the White House reaffirms the President's commitment ''to vigorously enforce the provisions of the law and to defend it in court.''

The Voting Rights Act is the keystone in the foundation of civil rights laws and is one of the most important methods of protecting all Americans' foundational right to vote. Several generations have kept the chain of support for the Voting Rights Act unbroken, and now we have once again done our part to continue that legacy and revitalize the Act.

We know that effective enforcement of these provisions is vital in fighting against discrimination that, unfortunately, still exists in this nation today. As the President has acknowledged, the wound is not healed and there is more to do to protect the rights of all Americans to vote and have their votes count.

I also note for the record that today, two weeks after final passage of the House bill to reauthorize and revitalize the Voting Rights Act, and one week after the President signed that historic legislation into law, copies of Senate Report 109–295 have finally been printed. This is the committee report on S.2703 that I commented on during my statement to the Senate on July 27. It contains the objection of all eight Democratic members of the committee. As previously noted, it is unusual in that it does not represent the views of a majority of the committee and certainly does not represent the views of the Democratic sponsors of that Senate legislation.

EXHIBIT 1

THE WHITE HOUSE,
Washington, July 27, 2006.

I send greetings to those celebrating the reauthorization of the Voting Rights Act of 1965.

The Voting Rights Act is one of the most important pieces of legislation in our Nation's history. It has been vital to guaranteeing the right to vote for generations of Americans and has helped millions of our citizens enjoy the full promise of freedom. By refusing to give in to discrimination and segregation, heroes of the Civil Rights Movement called our country back to its founding ideals of freedom and opportunity for everyone. Leaders like Martin Luther King, Jr., and Thurgood Marshall believed in the constitutional guarantees of liberty and equality and trusted their fellow Americans to do the right thing to ensure these blessings for every man, woman, and child.

Over the years, our Nation has grown more prosperous and powerful, and it has also grown more equal and just. Yet, further work remains in the fight against injustice, and each generation has a responsibility to write a new chapter in the unfinished story of freedom. Reauthorizing this legislation is an example of our continued commitment to a united America where every person is valued and treated with dignity and respect.

America is grateful for the sacrifices of citizens such as Fannie Lou Hamer, Rosa Parks, and Coretta Scott King, after whom the bill reauthorizing the Voting Rights Act was named. I also appreciate the members of the House and Senate for passing this historic legislation. By working together, we can help build an America that lives up to our guiding principle that all men and women are created equal.

Laura and I send our best wishes on this special occasion.

GEORGE W. BUSH.

HONORING OUR ARMED FORCES

PRIVATE FIRST CLASS DEREK JAMES PLOWMAN

Mrs. LINCOLN. Mr. President, today I wish to pay tribute to a brave young man from Arkansas who lost his life while serving our Nation in uniform. PFC Derek James Plowman is remembered by those who knew him best as a compassionate soul, who was always quick to bring a smile to the faces of those around him. Having grown up in a large family that was often filled with laughter, he quickly became the life of every party, developing a special gift for being at ease in large groups and brightening the spirits of the people he came in contact with.

Shortly after moving to northwest Arkansas from Florida in 2004, Private First Class Plowman graduated from Valley Springs High School. Hoping to study psychology some day, he enlisted in the Arkansas Army National Guard for an opportunity to earn money towards his college education. It was also an opportunity for him to serve his country, a decision that personified the selfless attitude of this young man.

In the Guard, Private First Class Plowman was a cook assigned to the 142nd Brigade, a brigade comprised of citizen soldiers from north and northwest Arkansas. Upon returning home from basic training, he was informed by one of his superior officers that he would soon be mobilized for service in Operation Iraqi Freedom. With courage and reassurance, he looked his Sergeant in the eye and said ''That's OK. I signed on the dotted line and I've got a job to do.''

The 142nd was mobilized for duty in Iraq on December 7, 2005, and was scheduled to return next summer. Tragically, Private First Class Plowman died from a gunshot wound on

July 20 while serving with his brigade in Baghdad. In a memorial service at Valley Springs High School, over 200 mourners gathered to pay their respects for this fallen soldier and to comfort his family. He was later laid to rest at Western Grove Cemetery in Harrison, AR.

The loss of this special young man is a sobering reminder of the tragic human cost of war. The loss of any of our brave men and women in uniform is felt by not only their friends and loved ones but also by communities and families across our Nation that they fought to defend.

Words cannot adequately express the sorrow felt in the hearts of the family and loved ones of Derek Plowman, but I pray they can find solace in the courageous way he lived his life. My thoughts and prayers are with his mother and stepfather, Kim and Andrew Campbell, his father, Donald Plowman, his brothers and sisters, and with all those who knew and loved him.

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

On July 28, 2006, in Detroit, MI, Julia Lynn Marsh, a male transvestite, was physically and verbally assaulted by three men. According to sources, Marsh suffered injuries to the head after being struck by a crowbar. It appears Marsh was targeted solely because of his sexual orientation.

I believe that the Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

GULF OF MEXICO ENERGY SECURITY ACT

Mr. DOMENICI. Mr. President, the Senate passed one of the most important bills it has considered this year. We passed legislation that I believe is the most important thing we can do in the near-term to stabilize our energy prices and expand our energy supply.

This is American can-do legislation. With this bill, we are bringing vast reserves of American energy onshore from the American real estate that we own out in the ocean.

We are doing it safely, cleanly, and responsibly. We are bringing this clean energy onshore so our businesses can prosper, our farmers can prosper, and American families can have much needed relief from high energy costs.

Right now, energy is on all of our minds. Oil prices continue to climb because of instability in oil rich regions. Today, oil hovers at just below $75 a barrel. Natural gas prices are climbing because of the intense heat in many regions of our country. This week, the price jumped 11 percent in 1 day, and right now it is at $8.05 per million Btu—that price is four times higher than it was 6 years ago.

Let me tell you why Americans care so much. Between 1999 and 2005, the price of natural gas in the United States increased by 289 percent. At the same time, we lost over 3 million U.S. jobs in the manufacturing sector.

The heat wave gripping our Nation has made energy supply and energy prices a topic of real concern for all of us. As I speak, the lights in the hallways of the Senate and House office buildings are dimmed to conserve energy during this heat wave.

I think it is fitting that during a time of strong national concern over our soaring energy prices, the Senate will pass by what I expect to be a wide margin a bill to bring 1.2 billion barrels of oil and 5.8 trillion cubic feet of natural gas to market. Every once in awhile, we get it just right. This is one of those times.

I am particularly pleased that we did this bill in a way that reinvests in our environment. For decades, our coastal States have produced much of the oil and gas this Nation consumes. They will no longer sit back and go along with leasing without the compensation needed to fix the energy infrastructure and coastal environment that is so critical to our domestic energy survival.

Our coastal States provide 27 percent of our oil and 20 percent of the natural gas. MMS estimates that Gulf of Mexico production is expected to rise within the next several years to about 23 percent of our Nation's natural gas production and 40 percent of U.S. oil production.

In addition, our coastal States host nearly 50 percent of our refining infrastructure. The hurricanes last fall and the soaring energy prices afterward reminded all of us how critical the coastal States' production and infrastructure are to our energy supply.

I am pleased that today marks the beginning of the end of the days of turning our backs on our coastal States while we turn our energy dollars over to hostile regimes.

I am pleased that the bill invests a portion of our royalties in the coastal States and the coastal environment instead of forfeiting all royalties and sending that money to hostile governments to buy their energy. I hope the Gulf of Mexico Energy Security Act marks the beginning of the end of this long cycle of sending our dollars abroad to buy the energy we use here at home.

This bill represents America stepping up to the plate to solve our energy problems. It opens up 8.3 million new acres to development of nearly 6 trillion cubic feet of natural gas and 1.26 billion barrels of oil. We are talking about enough natural gas to heat and cool nearly 6 million homes for 15 years.

The proof of the substantive merits of this bill lies in is its broad support around the Nation from America's agricultural community, manufacturing community, producers of chemicals and plastics, the textile industry, the utility sector, and small businesses. Literally, thousands of consumer groups representing millions of Americans and millions of American jobs say the same thing—that S. 3711 provides the much needed relief for the American people.

That is why this bill is right for America. It is right for our national security. It is right for our economy, our businesses, our farms, and our families. I am pleased at the strong support for this measure.

I thank the following Energy Committee staff for their hard work on this bill: Frank Macchiarola, Bruce Evans, Marnie Funk, Angela Harper, Kara Gleason, and Kristina Rolph.

NOMINATIONS HOLDS

Mr. WYDEN. Mr. President, the plight of countless rural communities in Oregon and across the country may take a turn for the worse due to the impending expiration of the county payments legislation. For this reason, I am putting a hold on the following two Bush nominees to express my continuing dissatisfaction with the administration's lack of attention to the needs of people in more than 700 rural counties in over 40 States: John Ray Correll, Director of the Office of Surface Mining, Interior Department and Mark Myers, Director of the U.S. Geological Services, Interior Department.

In addition, I would also object to any unanimous consent allowing Mr. Correll, Mr. Myers, and Mr. Bernhardt to remain on the calendar. Instead, I request that these three nominations be returned to the White House during the congressional August recess. Rule 31 paragraph 6 of the Senate Rules provides that when the Senate will be in recess for more than 30 days, any nomination in committee or on the Senate Calendar must be returned to the White House unless the Senate, by unanimous consent, allows a nominee to remain on the calendar.

To date, the administration has proposed only one solution to funding county payments, and it is one that many of us find unacceptable. The county payments law, which provides a stable revenue source for education, roads and other county services in rural areas, is due to expire at the end of this year. In early 2005, I cosponsored a bipartisan bill, S. 267, to reauthorize county payments for another 7

years. In February, the administration proposed reauthorizing the law for only 5 years while cutting funding by 60 percent and funding that reduced portion with a controversial Federal land sale scheme.

Senator BAUCUS and I have proposed a sensible, alternative funding source for county payments. Our legislation fully funds county payments by ensuring that a portion of Federal taxes are withheld from payments by the Federal government to government contractors. The Federal Government currently does not withhold taxes when it pays government contractors. In May, the Republican-led Congress approved a major tax bill that uses our funding provision to instead provide tax cuts for the most fortunate Americans, leaving rural counties with fewer options and growing fiscal concerns.

As I have said before, I will hold these nominees and every nominee coming after them, if necessary, until the administration steps to the plate and delivers some leadership in finding a way to fund county payments.

RENEWABLE ENERGY

Mr. BURNS. Mr. President, I rise today to join Senator GRASSLEY and other distinguished Senate colleagues in cosponsoring S. Con. Res. 97. Under this concurrent resolution, the United States sets a goal to provide at least 25 percent of the total energy consumed in the United States from renewable resources by January 1, 2025.

I have said many times and very firmly believe that our energy future will be grown on our farms, ranches, and forests.

In my State of Montana, our farmers are already producing food and fiber for our country. Before long, they will be producing food, fiber, and fuel as agriculture will become part of the energy business. It is important we have the technology available so we do not have to choose between producing food or fuel. In Montana and elsewhere, technology is already being developed to produce cellulosic ethanol. Unlike traditional corn-based ethanol, cellulosic ethanol will use materials such as wheat straw and barley straw. These materials, once discarded as waste, can now be turned into energy.

On August 8, 2005, this Congress passed one of the most comprehensive energy research, development, and conservation bills this country has seen in decades: the Energy Policy Act of 2005. Now, just 1 year later, the initial outcomes are impressive. Twenty-seven new ethanol plants have broken ground. Over 400 E85 pumps have been installed. New wind power production has spurred over $3 billion in economic activity and generated 2,000 megawatts of new usable wind power online. These figures are staggering but pale in comparison to the accomplishments that are possible in the next 20 years.

We have set an ambitious goal. I am pleased this resolution does not include mandates for how to achieve this energy vision. The combination of American ingenuity and widespread public support for this initiative will move the free market toward achieving this attainable goal.

HOSTILITIES BETWEEN HEZBOLLAH AND ISRAEL

Mr. LEVIN. Mr. President, I am pleased to join Senator DODD, Senator SUNUNU and our other cosponsors in offering Senate Resolution 548, which expresses the sense of the Senate regarding the need for the United States and the international community to take certain actions with respect to the hostilities between Hezbollah and Israel.

Like all Americans, I am deeply concerned about the ongoing violence and the loss of civilian lives in the Middle East.

Hezbollah, an organization on the State Department's list of terrorist organizations, must accept full responsibility for sparking this latest round of violence. I support Israel's right to defend itself in response to Hezbollah's acts of terrorism against it. As this resolution urges, I hope that the governments of Iran and Syria will end their material and logistical support for Hezbollah and use their significant influence over Hezbollah to disarm the group and release all kidnapped prisoners.

As this resolution also urges, I favor the United States and the international community working with the governments of Israel and Lebanon on an urgent basis to attain a cessation in the hostilities between Hezbollah and Israel based on: the safe return of Israeli soldiers held by Hezbollah; the disarmament of Hezbollah, the removal of all Hezbollah forces from southern Lebanon, and the replacement of those forces with army and security forces of the Government of Lebanon; an reaching an agreement to fully implement United Nations Security Counsel Resolution 1559 and to create and deploy an international stabilization force with a clear mandate to enforce a permanent ceasefire.

I also hope that the U.S. Government and the international community will work together to organize an international donors conference to solicit and ensure the provision of international support for the reconstruction of Lebanon's infrastructure; and to remain engaged to promote sustainable peace and security for Israel and Lebanon and the greater Middle East.

EUROPEAN UNION COMPLIANCE TO THE KYOTO TREATY

Mr. MCCAIN. Mr. President, I want to address a growing misperception concerning the European Union's ability to meet its obligations under the Kyoto Treaty. There are many climate change skeptics who claim that the EU will not be able to meet their greenhouse gas emission reduction targets under the Kyoto Treaty. In turn, they argue that the U.S. should not participate in any ''cap and trade'' system for the reduction of greenhouse gas emissions.

Under the Kyoto Treaty, the EU has committed to greenhouse gas reductions target of 8 percent below their 1990 emission levels and covers the years 2008 through 2012. This target is shared by the 15 EU member states, EU–15, that existed at the time of the EU ratification of the protocol in May 2001. An additional 10 countries joined the EU in May 2004, eight of which have individual targets under Kyoto that range from 6 to 8 percent below the 1990 levels. Two of them, Malta and Cyprus, are developing countries and, therefore, do not have any emission targets under the treaty.

In December 2005, the EU, as required by the Kyoto Treaty, reported on the progress made toward reducing greenhouse gas emissions. The report indicated that EU policies and actions by member states to date have made annual carbon dioxide emissions reductions of 5.5 percent in the year 2003 across all 25 of the EU member states, EU–25.

The report makes the following assessments:

For the EU–15:

> Existing measures to reduce emissions of greenhouse gases that are projected to be 1.6 percent below the year 1990 levels in 2010. Savings from additional domestic policies and measures being planned by the EU–15 would result in total emission reductions of 6.8 percent.
>
> EU–15 member states forecast that they will be able to achieve lower emissions of 9.3 percent below the year 1990 levels through the use of the Kyoto flexibility mechanisms in the year 2010. They include such activities as emissions trading, forest sequestration, and participating in International projects that result in greenhouse gas reductions through the Joint Implementation and Clean Development Mechanism programs.

For the EU–25:

> The total of all member states' projections of greenhouse gas emissions will be 5 percent below base year levels in 2010 as a result of measures already implemented.
>
> The implementation of additional measures is projected to reduce the EU–25 greenhouse gas emissions to 9.3 percent below 1990 levels by 2010 and, with the use of Kyoto flexibility mechanisms, to 11.3 percent below the year 1990 levels.

The December 2005 report concludes that the EU–15 states can meet their target of 8 percent below the 1990 levels if the additional domestic measures and the Kyoto flexibility mechanisms that are planned are implemented.

According to the February 14, 2006 statement of the acting head of the United Nations Framework Convention on Climate Change, Richard Kinley, 34 industrialized countries under the Kyoto Treaty were ''on their way to lower their emissions levels by at least 3.5% below the 1990 levels during the first commitment period.'' ''With the help of additional measures and the use of Kyoto market-based mechanisms, they will as a group be able reach their agreed Kyoto reduction targets.''

In June, the European Environment Agency issued the Annual European Community Greenhouse Gas Inventory 1990–2004 and Inventory Report 2006. The report indicates that the EU–15 greenhouse gas emissions for 2004 increased by 0.3 percent—11.5 million tonnes of carbon dioxide equivalents—over 2003. However, compared to the base year, emissions in 2004 were 0.9 percent lower. Assuming a linear target path from 1990 to 2010, total EU–15 greenhouse gas emissions were 4.7 index points above this target path in 2004. It should be noted that this linear target path is not intended as an approximation of past and future emission trends. It does provide a measure of how close the EU–15 emissions are in 2004 to a linear path of emissions from 1990 to the Kyoto target period of 2008–2012, assuming that only domestic measures will be used. Therefore, it is not a measure of future compliance of the EU–15 with its greenhouse gas emission targets in 2008–2012, but aims at evaluating overall EU–15 greenhouse emissions in 2004 alone.

The EU is fully committed to the Kyoto Treaty. It has adopted a series of policies and measures, such as the EU's greenhouse gas emissions trading scheme, to meet its target in a cost-effective manner. The most recent projections show that these measures, together with the EU's participation in the global carbon market, will allow the EU to meet its target.

To ensure its compliance with the Kyoto Protocol, the EU has adopted a series of measures under the European Climate Change Programme, ECCP. Most of these measures have recently entered into force and will start to show their full effect over the next few years. These include:

The EU greenhouse gas emissions trading scheme; the promotion of electricity from renewable energy sources; the promotion of cogeneration, CHP; increasing the energy performance of buildings; the promotion of the use of biofuels for transport; the reduction of land-filling of biodegradable waste

I ask unanimous consent to have printed in the RECORD documents from the European Commission and the European Environmental Agency's reports which summarize the EU's efforts to address climate change. Let me highlight a few of the important elements from these reports for my colleagues.

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

Attachment I: European Climate Change Programme: Overview table of policies and measures

Explanation of terminology and estimates of emission reduction potential

1. "*In force*": These measures are adopted by the EU institutions, the main task for the Commission is to monitor the implementation and review if appropriate (as sometimes laid down through specific legislative requirements). Important upcoming reviews are also indicated in the table
2. "*In co-decision*": These measures have been proposed by the Commission and are currently in co-decision in the European Institutions
3. "*in implementation*" : these non legislative measures are currently in execution
3. "*Advanced stage of preparation*": the preparatory policy work is to a large extent completed and a concrete proposal is envisaged in the Commission's work plan
4. "*In preparation*": the examination of the measure are still on-going

It should be noted that the emission reduction potential for the various ECCP measures are (ex-ante) estimates. The 'ex ante' ECCP evaluation of the potential of a certain measure does not necessarily coincide with the actual realisation in the field, as not all of the detailed provisions of the proposals or adopted measures have been taken into account in the pre-evaluation. Another reason is that the estimated potential is sometimes based on reaching certain (indicative) targets, which will need to be proven in practice (eg. CHP and biofuels proposals).

Summary of implemented and planned policies and measures

Cross-cutting issues

Policies and measures 'Cross-cutting'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
EU emissions trading scheme		In force
Revision of the monitoring mechanism	N/a	In force
Link Kyoto flexible mechanisms to emissions trading		In force

Energy Supply

Policies and measures 'Energy supply'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Directive on renewable electricity	100-125[1]	In force
Directives on the promotion of transport bio-fuels	35-40[1]	In force
Directive on promotion of cogeneration	65	In force
Further measures on renewable	36-48	In preparation

[1] Second ECCP progress report April 2003 - http://europa.eu.int/comm/environment/climat/pdf/second_eccp_report.pdf

heating and cooling (including biomass action plan)		
Intelligent Energy for Europe: programme for renewable energy	N/a	Programme for policy support in renewable energy
TOTAL in implementation	193-255	

Energy demand

Policies and measures 'Energy demand'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Directive on the energy performance of buildings	35-45	In force Monitoring and review
Directive requiring energy labelling of domestic appliances Existing labels + New (el. ovens &AC) Envisaged revisions (refrigerators/freezers/dish-washers) Planned new (hot water heaters) Extension of scope of Directive	 20[1] 1 10 23 N/k	In force Monitoring and review In force In force In preparation
Framework Directive on eco-efficiency requirements of energy-using products	2010: dependent on implementation of daughter directives	In co-decision (institutional agreement)
Directive on Energy services	40-55[1]	In force
Action Plan on Energy efficiency as a follow-up to the GreenPaper	N/a	In preparation (2006)
Action under the directive on integrated pollution prevention and control (IPPC) on energy efficiency	N/k	In preparation
Intelligent Energy for Europe programme for energy efficiency	N/a	Programme for policy support in energy efficiency
Public awareness campaign on energy efficiency	N/a	Supporting program as part of Intelligent Energy for Europe: In implementation
Programme for voluntary action on motors (Motor Challenge)	30	Supporting programme for voluntary action on efficient motor systems
Public procurement	25-40	EU Handbook developed for guidance for increased energy efficient public procurement
OVERALL in implementation	184-224	

Transport

Policies and measures 'Transport'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Community strategy on CO_2 from passenger cars (including voluntary commitment – VC - of car associations)	Total 107-115 Of which VC: 75-80[2]	VC: monitoring; review ongoing Labelling: in force Communication on fiscal measures: in implementation Directive on taxation of passenger cars: in preparation
Framework Directive Infrastructure use and charging	40-60	In implementation, in relation to heavy duty road transport only
Shifting the balance of transport modes	N/k	Package of measures in implementation
Fuel taxation	N/k	In force Focus on EU harmonisation of taxation, not on CO_2 reduction
Directive on mobile air conditioning systems: HFCs	See regulation on fluorinated gases	In co-decision, as part of regulation on fluorinated gases
TOTAL in implementation	**147 - 175**	

Industry & non CO_2 gases

Policies and measures 'Industry'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Regulation on fluorinated gases	23[3]	In co-decision
IPPC & non-CO_2 gases	N/k	In force Review periodically

Waste

Policies and measures	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Landfill Directive	41[2]	In force
Thematic strategy on waste	N/k	In preparation

Integration Research & Development

Policies and measures	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
R&D framework Program	n/a	In force 6 Framework Programme for research and development Includes support for R&D in the fields of energy, transport and

[2] Second ECCP progress report April 2003 - http://europa.eu.int/comm/environment/climat/pdf/second_eccp_report.pdf

[3] COM (2003) 492 final

		climate In preparation 7 Framework Programme

Integration Structural funds

Policies and measures	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Integration climate change in structural funds &cohesion funds	n/a	For the new budgetary period 2007-2013 renewable energy and energy efficiency have been identified as eligible areas for support –EU strategic guidelines In preparation

Table 1: Agriculture

Policies and measures in 'Agriculture'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Integration climate change in rural development	N/a	For the new budgetary period 2007-2013 renewable energy and energy efficiency have been identified as eligible areas for support –EU strategic guidelines In preparation
Support scheme for energy crops	N/a	In force
N_2O from soils	10	improved implementation of the nitrates Directive
TOTAL in implementation	**10**	

Table 2:Forests

Policies and measures 'Forests'	**Emission reduction potential (Mt CO_2eq) By 2010 – EU-15**	**Stage of implementation /timetable /comments**
Afforestation and reforestation: - Afforestation programmes - Natural forest expansion	Not known	Identified potential:14 Mt of CO2 eq..Possibility for support through forestry scheme of rural development
Forest management (various measures)	Not known	Identified potential: 19 Mt CO2 eq..Possibility for support through forestry scheme of rural development, dependent on national implementation.
TOTAL in implementation	**-**	

Attachment II: The EU's Kyoto Performance

Table 1: Greenhouse gas emissions trends and Kyoto Protocol targets for 2008-2012 (source: European Environment Agency, 2006)

MEMBER STATE	Base year [1] (million tonnes)	2004 (million tonnes)	Change 2003–2004 (million tonnes)	Change 2003–2004 (%)	Change base year–2004 (%)	Targets 2008–12 under Kyoto Protocol and "EU burden sharing" (%)
Austria	78.9	91.3	-1.2	-1.3%	15.7%	-13.0%
Belgium	146.9	147.9	0.3	0.2%	0.7%	-7.5%
Cyprus [2]	6.0	8.9	-0.3	-3.0%	48.2%	-
Czech Republic	196.3	147.1	-0.5	-0.3%	-25.1%	-8.0%
Denmark	69.3	68.1	-6.0	-8.1%	-1.8%	-21.0%
Estonia	42.6	21.3	0.1	0.7%	-50.0%	-8.0%
Finland	71.1	81.4	-4.2	-4.9%	14.5%	0.0%
France	567.1	562.6	1.5	0.3%	-0.8%	0.0%
Germany	1230.0	1015.3	-9.1	-0.9%	-17.5%	-21.0%
Greece	111.1	137.6	0.3	0.3%	23.9%	25.0%
Hungary	122.2	83.1	-0.2	-0.2%	-32.0%	-6.0%
Ireland	55.8	68.5	0.1	0.1%	22.7%	13.0%
Italy	518.9	582.5	5.1	0.9%	12.3%	-6.5%
Latvia	25.9	10.7	0.0	0.4%	-58.5%	-8.0%
Lithuania	50.9	20.3	3.1	17.9%	-60.1%	-8.0%
Luxembourg	12.7	12.7	1.3	11.3%	0.3%	-28.0%
Malta [2]	2.2	3.2	0.1	4.2%	45.9%	-
Netherlands	214.3	217.8	2.5	1.1%	1.6%	-6.0%
Poland	565.3	386.4	3.7	1.0%	-31.6%	-6.0%
Portugal	60.0	84.5	0.9	1.0%	41.0%	27.0%
Slovakia	73.2	51.0	-0.1	-0.1%	-30.3%	-8.0%
Slovenia	20.2	20.1	0.4	2.0%	-0.8%	-8.0%
Spain	289.4	427.9	19.7	4.8%	47.9%	15.0%
Sweden	72.5	69.9	-1.1	-1.5%	-3.6%	4.0%
United Kingdom	767.9	659.3	1.3	0.2%	-14.1%	-12.5%
EU-15	**4265.7**	**4227.4**	**11.5**	**0.3%**	**-0.9%**	**-8.0%**

1. The base year emissions in this table are preliminary and the final emissions will be agreed in 2006 within Council Decision (2002/358/EC). The base year for CO2, CH4 and N2O, for the EU-15-15, is 1990; for the fluorinated gases 13 Member States have chosen to select 1995 as the base year, whereas Austria and France have chosen 1990. As the EU-15 inventory is the sum of Member States' inventories, the EU-15 base year estimates for fluorinated gas emissions are the sum of 1995 emissions for 13 Member States and 1990 emissions for Austria and France.
2. Malta and Cyprus did not provide GHG emission estimates for 2004, therefore the data provided in this table is based on gap filling.

Note: Malta and Cyprus do not have Kyoto Protocol targets.

Attachment III:

Use of the Kyoto Mechanisms by Member States

Member State planned use of the Kyoto Mechanisms in Million tonnes of CO_2 equivalent for the entire first commitment period (2008-2012), based on information provided in their National Allocation Plans submitted under the EU emissions trading scheme.

Member State	Planned use of Kyoto mechanisms	Which Kyoto mechanisms? (ET, CDM, JI)	Projected emission reduction 2008–12 through the use of Kyoto mechanisms [a] [Million tonnes CO_2-equivalents per year]
Austria	Yes	Priority on JI and CDM	7.0[b]
Belgium	Yes	Priority on JI and CDM	12,3
Denmark	Yes	CDM, JI	8-13
Estonia	No	-	-
Finland	Yes (Pilot programme to gain experiences implemented)	Not yet decided	0.6 contracted, total quantity not yet decided
France	Yes	Priority on JI and CDM	36
Germany	Use of Kyoto mechanisms allowed at company level, no acquisition by government planned	ET, JI, CDM	24
Greece	Not yet decided	Not yet decided	Not yet decided
Ireland	Yes	ET	3.7[c]
Italy	Yes	ET, CDM, JI	39.6
Luxembourg	Yes	ET, CDM, JI	3.0
Netherlands	Yes	CDM, JI	20.0[d] (CDM and JI)
Portugal	Yes	ET, CDM, JI	No estimate provided[e] Studies on the use of JI/CDM initiated
Slovenia	Yes	ET, CDM, possibly JI	Not yet decided
Spain	Yes	Priority on ET and CDM but also JI	20.0
Sweden	Not yet decided, under consideration (Pilot programme to gain experiences)	ET, CDM, JI	Investments made are estimated to amount to 1 Mtonne/year in emission credits
United Kingdom	Use of Kyoto mechanisms allowed at company level, no acquisition by government planned	ET, CDM, JI	No projected estimate as the amount will depend on private action

Notes:

[a] The projected emission reduction through the use of Kyoto mechanisms for Austria, Ireland and Luxembourg stems from the Commission decisions on the national allocation plans of those countries (COM(2004) 500 final, COM(2004) 681 final).The Commission has based its decision on information provided in the NAPs and/or in further correspondence during the assessment of the NAPs.The figures for Belgium, Denmark, Italy, the Netherlands, Portugal and Spain are derived from the questionnaire, the 3rd national communication or the national allocation plan (for details see below).

[b] Austria assumes in the questionnaire a maximum of 50 % of the efforts required for compliance with its burden sharing target to be accomplished by means of JI and CDM.

[c] Ireland states in the questionnaire that it intends to purchase 3.7 million tonnes CO_2-equivalents per year from international emissions trading.

[d] The Netherlands expect in the questionnaire a contribution of 100 million tonnes CO_2-equivalents from project based activities in 2008-12 (20.0 million tonnes CO_2-equivalents per year).By the end of 2004 99.0 million tonnes CO_2-equivalents have already been contracted, two thirds of which from CDM projects and the remaining third from JI.

[e] Portugal assumes in the questionnaire a maximum of 50% of the additional efforts required (described as the difference, for each of the years of the commitment period, between emissions levels considering the effects of policies and measures, and the burden sharing target) will be accomplished by means of JI and CDM.

Source: EEA, 2005

Mr. MCCAIN. Mr. President, attachment I gives a full overview of all recently adopted measures and their projected effect. ECCP policies and other actions by Member States to date, in combination with restructuring of European industry, particularly in Central and Eastern Europe, have contributed to an absolute reduction of annual carbon dioxide emissions of some 305 million tonnes, 4.8 percent, across the EU–25 in 2004.

Attachment II provides an overview of the performance of individual Member States. In 2004, the EU–15, which shares the EU's Kyoto target of an 8 percent reduction, had reduced their greenhouse gas emissions by 0.9 percent compared to 1990 levels even though they recorded economic growth of 32 percent from 1990 to 2004. The average EU–15 member state's emissions over the most recent 5-year period are currently 2 percent below 1990 level.

Attachment III provides an overview of the planned use by individual Member States of the Kyoto mechanisms. The EU will make use of the cost-effective reduction options offered by its participation in the global carbon market, based on the Kyoto's flexible mechanisms, to meet its target.

In summary Mr. President, the EU has made good progress and its ultimate success will depend upon the speed and thoroughness of the implementation by Member States of legislative and domestic measures. Total projections for the EU–15 Member States show that the Kyoto targets can be met if Member States implement additional planned domestic measures and use the flexible mechanisms.

Despite this meaningful progress, the EU realizes that much more has to be done. Its climate change policy does not stop in 2012, the end of the Kyoto Treaty. The European Commission has also adopted a Communication outlining key elements for a strategy for further action post 2012. They include: the need for broader participation by countries and sectors; the development of low-carbon technologies; the continued and expanded use of market-based instruments; and the need to adapt to the inevitable impacts of climate change. A follow-up Communication with proposals for concrete steps at European and international levels is planned for the end of 2006.

These policies, and others like them, provide the necessary strong, long-term signals to industry, EU Member State governments, and the wider international community that the EU is committed to tackling climate change and expects all of its institutions, businesses, and citizens to do their part.

Many here in the US will try to use another country's failure or inaction as an excuse for not doing anything. But it is just that, an excuse. The harsh reality is that we all need to be doing more—and that means the United States too. Just as we cannot allow the EU challenges to serve as the basis for our inaction, I certainly hope that the EU would not allow our lack of action to hinder their efforts to address this significant problem.

ADDITIONAL STATEMENTS

GRAND OPENING OF THE ROTARY CLUBS OF MODESTO CENTENNIAL JUNCTION

• Mrs. BOXER. Mr. President, today I celebrate the grand opening of the Rotary Clubs of Modesto Centennial Junction section of the Virginia Corridor and to recognize the United Rotary Clubs of Modesto's extraordinary contributions and support for the Virginia Corridor Rails-to-Trails project. When I visited the site in July of 2002, the Virginia Corridor was very much just an idea. However, as a result of the hard work of a number of city officials and staff members, and the determination of a group of motivated citizens, the entire Virginia Corridor will soon become a reality.

The United Rotary Clubs of Modesto, an organization that played an instrumental role to this project, is comprised of the five local Rotary clubs: the Modesto Rotary Club, the Modesto East Rotary Club, the Modesto Gateway Rotary Club, the Modesto North Rotary Club, and the Modesto Sunrise Rotary Club. Together, the local rotary clubs contributed significant funding for the trail segment between Roseburg and Orangeburg Avenues. The rotary clubs donated and installed lighting, a 10-foot wide asphalt trail surface, a kiosk, fencing and irrigation. This quarter mile trail, which will be known as the Rotary Clubs of Modesto Centennial Junction of the Virginia Corridor, features a trail with lighting, landscaping, benches, picnic tables and seat walls.

The Virginia Corridor Rails-to-Trails project is a truly collaborative effort between the city of Modesto, the State of California, the Federal Government, and a host of local community interests that, once completed, will successfully transform a once abandoned rail corridor into a premier linear park, trail and recreational gathering place in one of the fastest growing cities in California's Central Valley.

When completed, the Virginia Corridor will stretch nearly 4 miles from Modesto's central business district to the northern boundary of the city. Once completed, this trail will link neighborhoods by providing a safe and scenic commuter route to schools, parks, and restaurants for bicyclists and pedestrians. The Virginia Corridor will also offer a place for Modesto's outdoor enthusiasts to pursue a myriad of outdoor activities, as it will link three primary bike paths that include: the Hetch Hetchy Trail in North Modesto, the class I trails in Dry Creek Regional Park and the Tuolumne River Regional Park.

I congratulate the city of Modesto on the opening of the Rotary Clubs of Modesto Centennial Junction of the Virginia Corridor. I especially commend the invaluable contributions of the United Rotary Clubs of Modesto which, through their generosity and commitment to public service, have provided a community jewel that will go a long way towards improving the quality of life for the people of Modesto.•

HONORING OFFICER MICHEL O. CONLEY

• Mr. ALLARD. Mr. President, today I wish to honor Officer Michel O. Conley, who lost his life in Colorado's Big Thompson Flood of 1976.

Thirty years ago, more than 1 foot of rain fell in a matter of hours, causing a flash flood in Big Thompson Canyon. One hundred and forty four people were killed and over $30 million in property damage occurred. We remember those who died in this natural disaster and also the survivors who had to rebuild their lives, working as a community to start over again. This week, outside of my hometown of Loveland, CO, survivors of this tragedy gathered to commemorate the Big Thompson Flood. Though I could not be with them, my thoughts and prayers were. I speak on the Senate floor today as a tribute to this special event.

I ask that the following letter, which I wrote for the Memorial Service for Officer Michel O. Conley, be printed in the RECORD.

The material follows.

JULY 31, 2006

MEMORIAL SERVICE FOR OFFICER MICHEL O. CONLEY; 30TH ANNIVERSARY OF THE BIG THOMPSON FLOOD

DEAR MS. MARKS AND GUESTS: As we look back thirty years ago today we remember the shock and devastation that took place in the Big Thompson Canyon, and the loss of Officer Michel O. Conley.

Joan and I arrived just after the crest from the flood had passed through Loveland and were astounded by the destruction. We were devastated by the tragedy which affected our community.

The loss of Officer Michel Conley of the Estes Park Police Department is part of that tragedy. However, in his acts of service and selflessness he helped to prevent what could have been more losses. He helped to save approximately 60 people before he was lost in flood. His gallantry and bravery are to be commended.

Joan's and my prayers and thoughts are with you today as you commemorate the Big Thompson Canyon Flood and the life of Officer Conley, and with all whose lives were affected by this tragedy.

Sincerely,

WAYNE ALLARD,
U.S. Senator.•

IN MEMORY OF DR. FELICIA H. STEWART

• Mrs. BOXER. Mr. President, I wish to pay tribute to an extraordinary woman, renowned reproductive health expert Dr. Felicia Hance Stewart. Dr. Stewart died on April 13 at the age of 63. Her energy, compassion, intelligence and tireless commitment to

women's health made a difference for countless women in the U.S. and around the world.

Dr. Stewart's keen mind and affinity for medicine were apparent from her distinguished educational background. She received her bachelor of arts degree from the University of California, Berkeley, graduating Phi Beta Kappa and with honors in biochemistry. In 1969, she received her M.D. degree from Harvard University Medical School. She did her postgraduate training at Cambridge City Hospital in Massachusetts and at the University of California, San Francisco Medical Center.

Dr. Stewart's passion for empowering women through increased access to reproductive health services was evident throughout her extraordinary career. Dr. Stewart began her practice in obstetrics and gynecology in Sacramento, working for Sutter Medical Group, doing clinical research with a focus on contraceptives. She also worked as associate medical director of Planned Parenthood in Sacramento.

In 1994, Dr. Stewart was appointed Deputy Assistant Secretary for Population Affairs in the Clinton administration's Department of Health and Human Services, HHS. Working with then-Secretary of HHS Donna Shalala, Dr. Stewart was the senior expert responsible for family planning.

In 1996, she became director of Reproductive Health Programs at the Henry J. Kaiser Family Foundation in Menlo Park, CA. She was most recently co-director of the Bixby Center for Reproductive Health Research and Policy at UCSF.

Dr. Stewart wrote ''Understanding Your Body: Everywoman's Guide to a Lifetime of Health,'' 1987, and ''My Body, My Health: The Concerned Woman's Guide to Gynecology and Health,'' 1979. She cowrote ''Contraceptive Technology,'' a major professional reference book that has been published in 18 editions, and ''Emergency Contraception: The Nation's Best Kept Secret.'' She also published nearly 100 scientific journal articles.

Dr. Stewart's passionate and reasoned advocacy for increasing access to emergency contraception brought national attention to this critical women's health issue. Dr. Stewart was instrumental in conducting research which established that emergency contraception was safe and effective without a physician's prescription. Her research has helped increase access to emergency contraception in pharmacies throughout California.

In 1973, after Roe v. Wade was handed down, none of us thought we still would be fighting the same battle to protect fundamental women's reproductive rights in 2006. But the fight is more challenging than ever. Not only are we fighting to maintain abortion rights, but access to comprehensive health services, including contraception.

Dr. Felicia Stewart was at the forefront of that fight throughout her career. Her work helped prevent countless unintended pregnancies and empowered women to take control of their reproductive health. Dr. Stewart impacted many lives, from the women and men she served in clinics to the doctors, researchers and activists she inspired to follow in her footsteps. She leaves us with the inspiration to work harder and never give up the fight to secure the full range of reproductive health services for women. She leaves a lasting legacy that will not be forgotten.

Dr. Stewart is survived by her son Matthew Stewart and daughter Kathryn Stewart; her parents Lena and Harold Hance; her brother Allan Hance; stepchildren Tammy Barlow, Wayne Stewart, and Michael Stewart.

I am proud to have stood with Dr. Felicia Stewart in our fight to increase access to women's reproductive health services. She was a wonderful ally and supporter of my work in the Senate. She will be greatly missed.●

TRIBUTE TO MEL STREETER

● Ms. CANTWELL. Mr. President, earlier this summer, Seattle lost one of its most impressive and inspiring leaders. As an outstanding architect and an extraordinary man, Mel Streeter left his mark on our community and changed the lives of so many.

When he died on Monday, June 12, we lost a great friend and a true pioneer.

For more than 50 years, Mel's dedication, optimism, and good cheer made him a Seattle institution. For years to come, his creativity, generosity, and mentorship will provide a model and an inspiration.

As one of the first African-American architects to lead a Seattle firm, Mel broke down barriers and created new opportunities for others who followed.

As a proud and active member of Tabor 100, the America Institute of Architects Seattle Diversity Roundtable, and the Seattle Planning Commission, he strengthened our region and shaped its growth.

And as a tireless advocate for low-income and senior housing, Mel showed his bold spirit and his big heart.

His ingenuity and influence live on across the Pacific Northwest.

We are all so lucky to have seen Mel's vision made real in beautiful structures across our State. We are luckier still to have had him in our lives.

Next week, the people of Seattle will come together at a special memorial ceremony to celebrate Mel Streeter's life. My prayers and thoughts are with his wife Kathy and sons Doug, Jon, Ken, and Kurt. May your memories serve always as a source of comfort.●

125TH NATIONAL ENCAMPMENT

● Mr. CARPER. Mr. President, today I commemorate the Sons of Union Veterans of the Civil War on the occasion of its 125th National Encampment being held August 10 through the 14 in Harrisburg, PA. The event honors the brave men who fought to preserve our Nation during the Civil War.

In 1866, Union Veterans of the Civil War organized into the Grand Army of the Republic, GAR, and became a social and political force that would control the destiny of the Nation for more than six decades. Membership in the veterans' organization was restricted to individuals who had served in the Army, Navy, Marine Corps, or Revenue Cutter Service during the Civil War. In 1881, the GAR formed the Sons of Veterans of the United States of America to carry on its traditions and memory. On August 20, 1954, the U.S. Congress, under the leadership of GEN Douglas MacArthur and GEN Ulyssess S. Grant, III, formally chartered the Sons of Union Veterans of the Civil War.

Today, more than 6,500 members represent the Union Veterans of the Civil War throughout the United States. Their members devote a great deal of time, energy, and resources to preserve the history of the civil war in schools throughout the United States. They study the American Civil War from all perspectives in order to facilitate a deeper understanding of one of the most important events in our Nation's history.

In closing, I would like to again praise the Sons of Union Veterans of the Civil War on the occasion of its anniversary for its work to perpetuate and honor the brave men who fought for us to preserve our Nation. As a veteran myself, I understand the importance of honoring our veterans and preserving our history, especially that of the Civil War. I hope my colleagues in the Senate join me in honoring the work of the Sons of Union Veterans of the Civil War.●

125TH ANNIVERSARY OF MAYVILLE, ND

● Mr. CONRAD. Mr. President, today I wish to recognize a community in North Dakota that recently celebrated its 125th anniversary. On July 27–30, the residents of Mayville gathered to celebrate their community's history and founding.

Mayville's post office first opened on June 20, 1877, under the guidance of Mrs. Alvin Arnold, who served as the postmaster. It is believed that the community may have been named after her daughter May or for the wife of another postmaster in a nearby town. In 1888, led by Mayor E.M. Paulson, Mayville became a city.

Today, Mayville is thriving. Located in the beautiful Goose River Valley, Mayville prides itself on providing residents with a nice country living. Low crime, excellent education, and diverse economic opportunities set Mayville apart.

Mayville is also home to Mayville State University, which offers 2-year and 4-year liberal arts and professional degrees to over 700 students of all ages. Mayville State was the fourth university in the Nation to provide all of its

students with a notebook computer. It is also home to the Traill County Technology Center, a business incubator.

Mayville celebrated its 125th anniversary with a weekend of events that included parades, auctions, an all-school reunion, and community breakfasts.

Mr. President, I ask the Senate to join me in congratulating Mayville, ND, and its residents on their first 125 years and in wishing them well through the next century. By honoring Mayville and all the other historic small towns of North Dakota, we keep the great pioneering frontier spirit alive for future generations. It is places such as Mayville that have helped to shape this country into what it is today, which is why this fine community is deserving of our recognition.

Mayville has a proud past and a bright future.●

THE LIFE OF LEON EPSTEIN

● Mr. FEINGOLD. Mr. President, today I wish to honor the memory of Leon Epstein, someone who contributed a great deal to the University of Wisconsin and the study of political science, and someone I was proud to know.

Leon, who passed away on Tuesday, was a native Wisconsinite who gave back to our State through his dedicated work both as a scholar and an administrator at UW. Born in 1919 in Beaver Dam, he went on to study at the University of Wisconsin-Madison, where he earned a B.A. and then an M.A. in economics. He then spent virtually his entire academic career on the Madison campus, where for 40 years he was a beloved fixture in the political science department—a department from which I was proud to graduate. He made an impact on countless students as he taught introductory courses and supervised doctoral dissertations for four decades.

Throughout his life, Leon remained dedicated to his own research and independent work. He received many prestigious fellowship grants and published six books. He was widely recognized for his book ''Political Parties in Western Democracies,'' which received the first book award from the Political Organizations and Parties Section of the American Political Science Association. He also served as president of the Midwest Political Science Association, the British Politics Group, and the American Political Science Association.

Leon also held the position of dean of the College of Letters and Science from 1965 to 1969. In every capacity, Leon earned the respect and friendship of those with whom he worked. He was someone I admired, both for who he was and for the many outstanding contributions he made to the study of political science. He leaves behind a great legacy. People will study his work for many years to come. And those of us who knew him will remember a man of tremendous character who gave so much to a university and a State that he loved. He will be greatly missed.●

THE RETIREMENT OF JIM BARR

● Mr. KOHL. Mr. President, today I wish to honor my friend, James Barr III, a respected citizen of Wisconsin and a distinguished business executive, who has served with integrity and distinction as president and chief executive officer of TDS Telecommunication Corporation since 1990. Mr. Barr is stepping down from his position with TDS later this year.

Jim Barr has built a strong business model for TDS Telecom that is widely admired and emulated in the corporate world. Under his leadership, TDS Telecom has become a strong customer-focused organization that has won numerous customer service awards, including the prestigious JD Power and Associates annual award for exceptional customer care. He has created a vigorous and vital business organization with over 3,200 employees serving 1.2 million customers in 29 States. The company is now the sixth largest independent telephone company in the Nation.

Jim Barr has given of his personal time not only in his service to several national telecommunications industry boards but to numerous prestigious public service organizations, including the United Way of Dane County, WI.

Jim Barr has been an exemplary leader. His efforts have brought a higher quality of life to the people who have served with him and to the community he has served. He is, however, first and foremost, a loving and supportive husband to Joan, his wife of 45 years, a caring and understanding father to his four children, and a proud and devoted grandfather to eight grandchildren.

Mr. President, I therefore honor Jim Barr today for his outstanding contributions to the telecommunications industry as well as Wisconsin. He is a visionary and a builder, leader and a mentor, a beloved husband, father, and grandfather, and I am proud to call him my friend.●

TRIBUTE TO DR. WALTER F. MORRISON, JR.

● Mr. LOTT. Mr. President, I wish to recognize and pay tribute to Dr. Walter F. Morrison, Jr., Deputy Director of the U.S. Army Corps of Engineers Research and Development Center, ERDC, in recognition of his exceptional contributions to the Nation. Dr. Morrison will soon retire with over 30 years service to the Nation as a U.S. Army soldier and civilian leader. His efforts over these years and his most recent leadership in integrating and restructuring the Corps of Engineers Research and Development has been exceptional and will have a significant, long-term positive effect on the lives of our soldiers in combat and the safety of our citizens.

Dr. Morrison was commissioned a second lieutenant in the U.S. Army and served on active duty at the former Ballistic Research Laboratory, BRL as a first lieutenant and captain after graduating in physics from the Georgia Institute of Technology Reserve Officer Training Program in 1976. Upon completion of his military service he continued with the BRL as a civilian employee. Over the next several years he took on positions within the lab of ever increasing responsibility culminating in an assignment as the chief of the Terminal Effects Division with the responsibility for advanced lethality and survivability mechanisms, concepts, and designs for future Army land warfare systems.

In 1998, Dr. Morrison was selected as a member of the Senior Executive Service and assigned as the director for research and laboratory management, Office of the Assistant Secretary of the Army, Acquisition, Logistics and Technology. There, he was responsible for the Army Basic Research, Applied Research programs for the Army Research Laboratory, Army Research Institute, Corps of Engineers, and Simulation, Training and Instrumentation Command, as well as several Army-wide programs including Environment Quality Technology, Manufacturing Technology, and Army High Performance Computing. He also oversaw laboratory management policy for all Army laboratories and research centers.

Dr. Morrison has over 80 technical publications. He was elected a fellow of the Ballistic Research Laboratory in 1992 and has been awarded the Department of the Army Decoration for Exceptional Civilian Service Award, the Department of the Army Meritorious Civilian Service Award, the Army Superior Civilian Service Award, the Army Research and Development Achievement Award, and the Army Engineer Association Bronze and Silver de Fleury Medals. He received the bachelor's, masters and doctorate degrees in physics from the Georgia Institute of Technology.

Throughout his career, Dr. Morrison demonstrated a profound commitment to the Army, the Corps of Engineers, and the Nation. He is a consummate professional whose performance in over 30 years of service has personified those traits of competency and integrity that our Nation has come to expect of its senior civilian leaders.

I ask my colleagues to join me in thanking Dr. Morrison for his honorable service to the U.S. Army and the Nation. We wish him and his family Godspeed and all the best in the future.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2389. An act to amend title 28, United States Code, with respect to the jurisdiction of Federal courts over certain cases and controversies involving the Pledge of Allegiance; to the Committee on the Judiciary.

H.R. 3085. An act to amend the National Trails System Act to update the feasibility and suitability study originally prepared for the Trail of Tears National Historic Trail and provide for the inclusion of new trail segments, land components, and campgrounds associated with that trail, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 4075. An act to amend the Marine Mammal Protection Act of 1972 to provide for better understanding and protection of marine mammals, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 4894. An act to provide for certain access to national crime information databases by schools and educational agencies for employment purposes, with respect to individuals who work with children; to the Committee on the Judiciary.

H.R. 5013. An act to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to prohibit the confiscation of firearms during certain national emergencies; to the Committee on the Judiciary.

H.R. 5187. An act to amend the John F. Kennedy Center Act to authorize additional appropriations for the John F. Kennedy Center for the Performing Arts for fiscal year 2007; to the Committee on Environment and Public Works.

H.R. 5534. To provide grants from moneys collected from violations of the corporate average fuel economy program to be used to expand infrastructure necessary to increase the availability of alternative fuels; to the Committee on Energy and Natural Resources.

H.R. 5646. An act to study and promote the use of energy efficient computer servers in the United States; to the Committee on Energy and Natural Resources.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 459. Concurrent resolution providing for an adjournment or recess of the two Houses; to the Committee on Appropriations.

MEASURES READ THE FIRST TIME

The following bills were read the first time:

H.R. 4157. To promote a better health information system.

H.R. 4890. To amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed rescissions of budget authority.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–7759. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''International Fisheries; Pacific Tuna Fisheries; Restrictions for 2006 Longline Fisheries in the Eastern Tropical Pacific Ocean; Fishery Closure'' (RIN0648–AT33) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7760. A communication from the Deputy Assistant Administrator for Operations, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries off West Coast States; Coastal Pelagic Species Fisheries; Annual Specifications; Pacific Sardine Fishery'' (RIN0648–AT76) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7761. A communication from the Deputy Assistant Administrator for Regulatory Programs, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Spiny Dogfish Fishery Management Plan; 2006–2008 Specifications'' (RIN0648–AT59) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7762. A communication from the Acting Director, Domestic Fisheries Division. Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Squid in the Bering Sea and Aleutian Islands Management Area'' (ID 071706A) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7763. A communication from the Acting Director, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Western Aleutian District of the Bering Sea and Aleutian Islands Management Area'' (ID 071406C) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7764. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Yellowfin Sole in the Bering Sea and Aleutian Islands Management Area'' (ID 071306C) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7765. A communication from the Acting Director, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pelagic Shelf Rockfish in the Western Regulatory Area of the Gulf of Alaska'' (ID 071406B) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7766. A communication from the Acting Director, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Northern Rockfish in the Western Regulatory Area of the Gulf of Alaska'' (ID 071406D) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7767. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Catcher Vessels Using Trawl Gear in the Bering Sea and Aleutian Islands Management Area'' (ID 071306D) received on July 27, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7768. A communication from the Secretary of Transportation transmitting, pursuant to law, the report entitled ''Management Decisions and Final Actions on Office of Inspector General Audit Recommendations'' for the period ending March 31, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7769. A communication from the Under Secretary of Commerce for Oceans and Atmosphere, Department of Commerce, transmitting, pursuant to law, a report relative to the activities of the Northwest Atlantic Fisheries Organization for 2005; to the Committee on Commerce, Science and Transportation.

EC–7770. A communication from the Acting Assistant Secretary, Fisheries and Habitat Conservation, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Marine Mammal; Incidental Take During Specified Activities (Beaufort Sea)'' (RIN1018–AT82) received on July 31, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7771. A communication from the Director, Bureau of Economic Analysis, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Direct Investment Surveys: BE–577, Direct Transactions of U.S. Reporter with Foreign Affiliate'' (RIN0691–AA57) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7772. A communication from the Acting Director, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Regulatory Area of the Gulf of Alaska'' (ID 070606A) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7773. A communication from the Assistant Administrator for Fisheries, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Bering Sea and Aleutian Islands King and Tanner Crab Fishery Resources; Crab Economic Data Reports'' (RIN0648–AU44) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7774. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Eastern Aleutian District of the Bering Sea and Aleutian Islands Management Area'' (ID 070506A) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7775. A communication from the Assistant Administrator for Fisheries, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Allocating Bering Sea and Aleutian Islands King and Tanner Crab Fishery Resources'' (ID 033106A) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7776. A communication from the Deputy Assistant Administrator for Regulatory Programs, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries Off West Coast States; Coastal Pelagic Species Fisheries; Amendment 11'' (RIN0648–AT11) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7777. A communication from the Acting Director, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Shrimp Fishery of the Gulf of Mexico; Adjustment of the Ending Date of the Texas Closure'' (ID 070306A) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7778. A communication from the Acting Director, Office of Sustainable Fisheries, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Aleutian District of the Bering Sea and Aleutian Islands Management Area'' (ID 070706B) received on August 1, 2006; to the Committee on Commerce, Science , and Transportation.

EC–7779. A communication from the Acting Director, Domestic Fisheries Division, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Western Regulatory Area of the Gulf of Alaska'' (ID 071006F) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7780. A communication from the Acting Director, Domestic Fisheries Division, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the West Yakutat District of the Gulf of Alaska'' (ID 071106B) received on August 1, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7781. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Final Rule: Nantucket Lightship Scallop Access Area (NLCA) Closure for General Category Scallop Vessels'' (RIN0648–AU47) received on August 1, 2006; to the Committee on Commerce, Science and Transportation.

EC–7782. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Aspen and Leadville, Colorado)'' (MB Docket No . 05–184) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7783. A communication from the Deputy Chief, Pricing Policy Division, Wireline Competition Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Regulation of Prepaid Calling Card Services'' (WC Docket No. 05–68; FCC 06–79) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7784. A communication from the Associate Bureau Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Improving Public Safety in the 800 MHz Band'' (WT Docket No. 02–55; FCC 06–63) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7785. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Lometa, and Richland Springs, Texas)'' (MB Docket 05–305) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7786. A communication from the Associate Managing Director, Office of Managing Director, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Assessment and Collection of Regulatory Fees for Fiscal Year 2006'' (MD Docket No. 06–68; FCC 06–102) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7787. A communication from the Acting Chief, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''In the matter of Universal Service Contribution Methodology; Federal-State Joint Board on Universal Service—FCC 06–94'' (FCC 06–94) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7788. A communication from the Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Americus and Emporia, Kansas)'' (MB Docket No. 05–139) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7789. A communication from the Associate Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Altamont and Odin, Illinois)'' (MB Docket No. 05–86) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7790. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Austwell, Refugio, and Victoria, Texas)'' (MB Docket No. 05–154) received on August 2, 2006; to the Committee on Commerce, Science, and Transportation.

EC–7791. A communication from the Acting Executive Director, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled ''Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits'' (29 CFR Parts 4022 and 4044) received on August 2, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7792. A communication from the Regulations Coordinator, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicare Program; Physicians' Referrals to Health Care Entities With Which They Have Financial Relationships; Exception for Certain Electronic Prescribing and Electronic Health Records Arrangements'' (RIN0938–AN69) received on August 1, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7793. A communication from the Regulations Coordinator, Office of Inspector General, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicare and State Health Care Programs; Fraud and Abuse; Safe Harbors for Certain Electronic Prescribing and Electronic Health Records Arrangements Under the Anti-Kickback Statute'' (RIN0991–AB39) received on August 1, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7794. A communication from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicare Program; Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates; Fiscal Year 2007 Occupational Mix Adjustment to Wage Index; Health Care Infrastructure Improvement Program; Selection Criteria of Loan Program for Qualifying Hospitals Engaged in Cancer Related Health Care and Forgiveness of Indebtedness; and Exclusion of Vendor Purchases Made under the Competitive Acquisition Program (CAP) for Outpatient Drugs and Biologicals Under Part B for the Purpose of Calculating the Average Sales Price (ASP)'' (RIN0938–AO12; 0938–AO03; 0938–AN93; 0938–AN58) received on August 1, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–7795. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Report of Tips by Employee to Employer'' (Revenue Procedure 2006–30) received on August 2, 2006; to the Committee on Finance.

EC–7796. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled ''Filed Directive on Deductibility of Casino Comps'' (IRC Section 274) received on August 2, 2006; to the Committee on Finance.

EC–7797. A communication from the Chief, Publications and Regulations, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Announcement of Amendment to Effective Date Provision of Treas. Reg. 1.7874–2T'' (Notice 2006–70) received on August 2, 2006; to the Committee on Finance.

EC–7798. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Exclusion of Employees of 501(c)(3) Organizations in 401(k) and 401(m) Plans'' (RIN1545–BC87) received on August 2, 2006; to the Committee on Finance.

EC–7799. A communication from the Branch Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''May 2006 Revision of Instructions for Form 3115'' (Announcement 2006–52) received on August 2, 2006; to the Committee on Finance.

EC–7800. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Bureau of Labor Statistics Price Indexes for Department Stores—May 2006'' (Rev. Rul. 2006–40) received on August 2, 2006; to the Committee on Finance.

EC–7801. A communication from the Chief, Publications and Regulations, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Announcement that Identifies Specified Covering Services Eligible for Services Cost Method Under Section 482'' (Announcement 2006–50) received on August 2, 2006; to the Committee on Finance.

EC–7802. A communication from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicare Program; Inpatient Rehabilitation Facility Prospective Payment System for Federal Fiscal Year 2007; Certain Provisions Concerning Competitive Acquisition for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS), Accreditation of DMEPOS Suppliers'' (RIN0938–AO16) received August 1, 2006; to the Committee on Finance.

EC–7803. A communication from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled ''Types of Contracts'' (DFARS Case 2003–DO78) received on August 1, 2006; to the Committee on Armed Services.

EC–7804. A communication from the Director, Office of the General Counsel, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''OPM Employee Responsibilities and Conduct'' (RIN3206–AJ69) received on July 27, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7805. A communication from the Director, Strategic Human Resources Policy Division, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Excepted Service—Appointment of Persons with Disabilities and Career and Career-Conditional Employment'' (RIN3206–AK58) received on July 27, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7806. A communication from the Director, Strategic Human Resources Policy, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Cost-of-Living Allowances (Nonforeign Areas); COLA Rates Changes'' (RIN3206–AK67) received on July 27, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7807. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–466, ''Northwest One/Sursum Corda Affordable Housing Protection, Preservation and Production Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7808. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–455, ''Marvin Gaye Recreation Center and Playground Designation Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7809. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–456, ''Public Assistance Confidentiality of Information Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7810. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–457, ''Low-Income Disabled Tenant Rental Conversion Protection Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7811. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–458, ''Dedication of Public Streets and Alleys in Squares 5318, 5319, and 5320 S.O. 05–8132, Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7812. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–459, ''Independent Office of the Tenant Advocate Establishment Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7813. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–460, ''Mental Health Civil Commitment Extension Temporary Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7814. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–461, ''Additional Sanctions for Nuisance Abatement and Office of the Tenant Advocate Duties Clarification Temporary Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7815. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–462, ''Living Wage Clarification Temporary Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7816. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–463, ''Historic Preservation Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7817. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–464, ''Parking Enhancement Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7818. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–465, ''Enhanced Professional Security Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7819. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–452, ''Procurement of Natural Gas and Electricity Exemption Temporary Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7820. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–453, ''Parking Amendment Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7821. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 16–454, ''Barber and Cosmetologist License Act of 2006'' received on July 31, 2006; to the Committee on Homeland Security and Governmental Affairs.

EC–7822. A communication from the District of Columbia Auditor transmitting, pursuant to law, the report entitled ''Auditor's Examination of Parking Meter Contract Administration and Financial Management''; to the Committee on Homeland Security and Governmental Affairs.

EC–7823. A communication from the Principle Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''2-Propenoic Acid, 2-Methyl-, Polymer with Ethenylbenzene, 2-Ethylhexyl 2-Propenoate, 2-Hydroxyethyl 2-Propenoate, N-(Hydroxymethyl) -2-Methyl-20Propenamide and Methyl 2-Methyl-2-Progenoate, Ammonium Salt; Tolerance Exemption'' (FRL 8077–5) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7824. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''2H-Azepin-2-one, 1-Ethenylhexahydro-, Homopolymer1; Tolerance Exemption'' (FRL 8075–7) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7825. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Alachlor, Cholorothalonil, Methomyl, Metribuzin, Thiodicarb; Order Denying Petition to Revoke Tolerances'' (FRL 8079–8) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7826. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Fenhexamid; Pesticide Tolerance'' (FRL 8079–2) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7827. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Inert Ingredients; Revocation of Two Tolerance Exemptions'' (FRL 8079–9) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7828. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Inert Ingredient; Revocation of the Wheat Bran Tolerance Exemption'' (FRL 8080–1) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7829. A communication from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Oxirane, Methyl-, Polymer with Oxirane, Monobuthyl Ether; Tolerance Exemption'' (FRL 8078–4) received on July 27, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7830. A communication from the Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled ''Foreign Futures and Options Transactions, 17 CFR Part 30 (71 FR 40395, July 17, 2006)'' (71 FR 40395) received on July 27, 2006; to the Committee on Agriculture , Nutrition, and Forestry.

EC–7831. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Nectarines and Peaches Grown in California; Order Amending Marketing Order Nos. 916 and 917'' (Docket Nos. AO–90–A7; FV05–916–1) received July 31, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7832. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Interim Final Rule Amending the Egg Research and Promotion Rules and Regulations to Redistrict Geographic Areas'' (Docket No. PY–06–001) received July 31, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7833. A communication from the Administrator, Poultry Programs, Department

of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Updating Administrative Requirements for Voluntary Shell Egg, Poultry, and Rabbit Grading'' (RIN0581–AC25) received on July 31, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7834. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Irish Potatoes Grown in Colorado; Suspension of Continuous Assessment Rate'' (Docket No. FV06–948–1 IFR) received on July 31, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7835. A communication from the Director of the Regulatory Review Group, Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Regulations Regarding Employee Conflicts of Interest'' (RIN0560–AH57) received August 1, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7836. A communication from the Administrator of the Food and Nutrition Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Uniform Federal Assistance Regulations; Nondiscretionary Technical Amendments'' (RIN0584–AD16) received August 1, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7837. A communication from the Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled ''Joint Final Rules: Application of the Definition of Narrow-Based Security Index to Debt Securities Indexes and Security Futures on Debt Securities, 17 CFR Part 240 (71 FR 39534, July 13, 2006)'' (RIN3235–AJ54) received on August 2, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7838. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Citrus Canker; Quarantine of the State of Florida'' (Docket No. 06–114–1) received August 1, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7839. A communication from the President of the United States of America, transmitting, pursuant to law, a report relative to the export to the People's Republic of China of items not detrimental to the United States space launch industry; to the Committee on Foreign Relations.

EC–7840. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or defense services sold commercially under contract in the amount of $100,000,000 or more to Spain; to the Committee on Foreign Relations.

EC–7841. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or defense services sold commercially under contract in the amount of $100,000,000 or more to the United Kingdom; to the Committee on Foreign Relations.

EC–7842. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license agreement for the manufacture of significant military equipment abroad and the export of defense articles or defense services in the amount of $100,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–7843. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or defense services sold commercially under contract in the amount of $100,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–7844. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed manufacturing license agreement for the export of defense articles and defense services sold commercially under contract in the amount of $50,000,000 or more to Mexico; to the Committee on Foreign Relations.

EC–7845. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or defense services sold commercially under contract in the amount of $50,000,000 or more to Singapore; to the Committee on Foreign Relations.

EC–7846. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the termination of the 15% Danger Pay Allowance for Sarajevo, Bosnia-Herzegovina; to the Committee on Foreign Relations.

EC–7847. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report relative to agreements between the United States and Taiwan; to the Committee on Foreign Relations.

EC–7848. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the establishment of the 15% Danger Pay Allowance for East Timor; to the Committee on Foreign Relations.

EC–7849. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the removal of a specific sonar system from the United States Munitions List (USML); to the Committee on Foreign Relations.

EC–7850. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case-Zablocki Act, 1 U.S.C. 112b, as amended, the report of the texts and background statements of international agreements, other than treaties (List 06–170—06–185); to the Committee on Foreign Relations.

EC–7851. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans for Arizona; Maricopa County PM–10 Nonattainment Area; Serious Area Plan for Attainment of the 24-Hour and Annual PM–10 Standards'' (FRL 8204–8) received on July 27, 2006; to the Committee on Environment and Public Works.

EC–7852. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Guidelines Establishing Test Procedures for the Analysis of Pollutants Under the Clean Water Act; National Primary Drinking Water Regulations; and National Secondary Drinking Water Regulations; Analysis and Sampling Procedures'' (FRL 8203–8) received on July 27, 2006; to the Committee on Environment and Public Works.

EC–7853. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Hazardous Waste Management System; Modification of the Hazardous Waste Program; Cathode Ray Tubes'' (FRL 8203–1) received on July 27, 2006; to the Committee on Environment and Public Works.

EC–7854. A communication from the Assistant Secretary of the Army (Civil Works), Department of the Army, transmitting, pursuant to law, a report relative to the environmental restoration and protection of Smith Island, Maryland; to the Committee on Environment and Public Works.

EC–7855. A communication from the Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, a report relative to the recommendations of regional joint boards for the study of economic dispatch; to the Committee on Energy and Natural Resources.

EC–7856. A communication from the Secretary of the Department of Energy, transmitting, pursuant to law, the annual report relative to the Strategic Petroleum Reserve for the year 2005; to the Committee on Energy and Natural Resources.

EC–7857. A communication from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting a draft of a bill entitled ''National Heritage Areas Partnership Act''; to the Committee of Energy and Natural Resources.

EC–7858. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to the Department of Energy's Underground Storage Tank (UST) compliance strategy; to the Committee on Energy and Natural Resources.

EC–7859. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to the Department of Energy's strategic research portfolio analysis and coordination plan; to the Committee on Energy and Natural Resources.

EC–7860. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to the estimated cost and proposed schedule for the completion of the Environmental Impact Statement and record of decision for the disposal of greater-than-class C low-level radioactive waste; to the Committee on Energy and Natural Resources.

EC–7861. A communication from the General Counsel, Department of Housing and Urban Development, transmitting, pursuant to law, (4) reports relative to vacancy announcements within the Agency, received on August 1, 2006; to the Committee on Banking, Housing, and Urban Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–419. A resolution adopted by the House of Representatives of the Legislature of the State of Texas relative to memorializing Congress to posthumously bestow the Congressional Medal of Honor upon Doris ''Dorie'' Miller and to request the U.S. Postal Service to issue a commemorative postage stamp to honor Miller; to the Committee on Armed Services.

HOUSE RESOLUTION NO. 106

Whereas, World War II hero Doris ''Dorie'' Miller exhibited extraordinary courage on the USS *West Virginia* during the December 7, 1941, attack on Pearl Harbor, and his bravery has not received the full honors and recognition that it merits; and

Whereas, A native Texan, Dorie Miller was born in Waco on October 12, 1919, and enlisted in the United States Navy on September 16, 1939; and

Whereas, In the opening hours of America's entry into the war, the 22-year-old assisted fellow sailors and his wounded captain out of the line of fire to shelter; he then manned a machine gun on which he had not been trained, seizing both the initiative and the offense at a moment of critical national peril, and fired at the Japanese planes until the crew was ordered to abandon the ship; and

Whereas, For heroism on the USS *West Virginia*, Admiral Chester Nimitz bestowed upon Dorie Miller the Navy Cross, the United States Navy's highest honor, during a ceremony on the flight deck of the USS *Enterprise* at Pearl Harbor on May 27, 1942; Dorie Miller was the first African American to receive that award; and

Whereas, Dorie Miller was serving on the USS *Liscome Bay*, an escort carrier, on November 24, 1943, when his ship was sunk by a Japanese submarine in an attack which cost the lives of 646 men; Dorie Miller was officially presumed dead a year and a day after the carrier went down; and

Whereas, Besides the Navy Cross, he was entitled to the Purple Heart, the American Defense Service Medal—Fleet Clasp, the Asiatic-Pacific Campaign Medal, and the World War II Victory Medal and in 1973, the United States further recognized his military contributions by naming a frigate, the USS *Miller*, after him; and

Whereas, His actions on the USS *West Virginia* and his valiant service to his country during World War II warrant the highest honor that a member of the United States Armed Forces can receive, the Congressional Medal of Honor, and justify also a special philatelic commemoration that will endear this man of courage and selflessness to his fellow citizens and confer their utmost respect and gratitude; now, therefore, be it

Resolved, That the House of Representatives of the 79th Texas Legislature hereby respectfully request the Congress of the United States of America to posthumously bestow upon Doris ''Dorie'' Miller the Congressional Medal of Honor; and, be it further

Resolved, That the House of Representatives of the 79th Texas Legislature hereby respectfully request the U.S. Postal Service and the Citizens' Stamp Advisory Committee to issue a commemorative postage stamp l1onoring Doris ''Dorie'' Miller as part of their Black Heritage series and that the Texas delegation to the congress—as well as the Congressional Black Caucus—be hereby reverentially asked to join the effort to attain issuance of such a postage stamp; and, be it further

Resolved, That the chief clerk of the Texas House of Representatives forward official copies of this resolution to the president of the United States, to the postmaster general, to the speaker of the house of representatives and the president of the senate of the United States Congress, to all the members of the Texas delegation to the congress, and to all members of the Congressional Black Caucus, with the added request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

POM–420. A resolution adopted by the House of Representatives of the Legislature of the State of Texas relative to memorializing Congress to enact legislation relating to the assessment of penalties by a financial institution for an insufficient funds check; to the Committee on Banking, Housing, and Urban Affairs.

HOUSE RESOLUTION NO. 1300

Whereas, The paper check, one of the world's oldest and most common forms of payment, is widely accepted in the United States and internationally; it is used by businesses, governments, and consumers as payment for almost every type of commerce; and

Whereas, In most states, if the issuer of a check has insufficient funds to cover that check, state law authorizes a financial institution to impose a reasonable penalty against the issuer in order to cover the administrative cost of processing that dishonored check, and many financial institutions elect to do precisely that; and

Whereas, In addition, the recipient's financial institution may charge the recipient—who typically is unaware of the check's dubious status—a penalty for the dishonored check and possibly could go so far as to charge back to the recipient's account the amount of the insufficient funds check even if the recipient's financial institution had already made the funds available to the recipient, which may consequently create overdrafts of the recipient's account resulting in the recipient incurring additional penalties arising from those overdrafts; and

Whereas, Imposing a penalty upon the recipient of an insufficient funds check is an unfair business practice because it punishes the wrong party in this very common type of financial transaction; and

Whereas, Because financial transactions involving checks frequently cross state boundaries, it is desirable that a uniform, nationwide standard be established to address this problem; now, therefore, be it

Resolved, That the House of Representatives of the 79th Texas Legislature hereby respectfully urge the Congress of the United States to enact legislation to prohibit a dishonored check recipient's financial institution from assessing a penalty against the recipient and to instead authorize the recipient's financial institution to assess a penalty against the issuer's financial institution, which may in turn pass that penalty down to the issuer; and, be it further

Resolved, That the chief clerk of the Texas House of Representatives forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all the members of the Texas delegation to the congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ENZI, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 843. A bill to amend the Public Health Service Act to combat autism through research, screening, intervention and education (Rept. No. 109–318).

S. 3678. A bill to amend the Public Health Service Act with respect to public health security and all-hazards preparedness and response, and for other purposes (Rept. No. 109–319).

By Ms. COLLINS, from the Committee on Homeland Security and Governmental Affairs, with amendments:

S. 1838. A bill to provide for the sale, acquisition, conveyance, and exchange of certain real property in the District of Columbia to facilitate the utilization, development, and redevelopment of such property, and for other purposes.

By Mr. SPECTER, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 2679. A bill to establish an Unsolved Crimes Section in the Civil Rights Division of the Department of Justice, and an Unsolved Civil Rights Crime Investigative Office in the Civil Rights Unit of the Federal Bureau of Investigation, and for other purposes.

By Mr. ENZI, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 2823. A bill to provide life-saving care for those with HIV/AIDS.

By Ms. COLLINS, from the Committee on Homeland Security and Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 3721. A bill to amend the Homeland Security Act of 2002 to establish the United States Emergency Management Authority, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. DOMENICI for the Committee on Energy and Natural Resources.

*Mark Myers, of Alaska, to be Director of the United States Geological Survey.

*John Ray Correll, of Indiana, to be Director of the Office of Surface Mining Reclamation and Enforcement.

*Drue Pearce, of Alaska, to be Federal Coordinator for Alaska Natural Gas Transportation Projects for the term prescribed by law.

By Mr. ENZI for the Committee on Health, Education, Labor, and Pensions.

*Manfredi Piccolomini, of New York, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

*Ronald E. Meisburg, of Virginia, to be General Counsel of the National Labor Relations Board for a term of four years.

*Peter Schaumber, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2010.

*Arthur F. Rosenfeld, of Virginia, to be Federal Mediation and Conciliation Director.

*Karen Brosius, of South Carolina, to be a Member of the National Museum and Library Services Board for the remainder of the term expiring December 6, 2006.

By Mr. SPECTER for the Committee on the Judiciary.

Frances Marie Tydingco-Gatewood, of Guam, to be Judge for the District Court of Guam for the term of ten years.

Troy A. Eid, of Colorado, to be United States Attorney for the District of Colorado for the term of four years.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

EXECUTIVE REPORT OF COMMITTEE

The following executive report of committee was submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

[Treaty Doc. 109–3 Protocol Amending 1962 Extradition Convention with Israel (Ex. Rept. 109–16)]

The text of the committee-recommended resolution of advice and consent to ratification is as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol between the Government of the United States of America and the Government of the State of Israel Amending the Convention on Extradition of 1962, signed at Jerusalem on July 6, 2005 (Treaty Doc. 109–3).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. VITTER:

S. 3780. A bill to require the Under Secretary for Oceans and Atmosphere to develop a storm surge scale to be used in conjunction with the Saffir-Simpson scale to measure and predict the impact of storm surges caused by hurricanes and tropical storms and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. VITTER:

S. 3781. A bill to provide for hurricane and flood protection and coastal restoration projects in the State of Louisiana, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. VITTER:

S. 3782. A bill to amend the Internal Revenue Code of 1986 to provide a credit against the income tax for expenses incurred in any hurricane or flood protection project; to the Committee on Finance.

By Mr. LAUTENBERG:

S. 3783. A bill to amend the Internal Revenue Code of 1986 and the Foreign Trade Zones Act to simplify the tax and eliminate the drawback fee on certain distilled spirits used in non-beverage products manufactured in a United States foreign trade zone for domestic use and export; to the Committee on Finance.

By Mr. REED:

S. 3784. A bill to provide wage parity for certain prevailing rate employees in Rhode Island; to the Committee on Homeland Security and Governmental Affairs.

By Ms. SNOWE:

S. 3785. A bill to amend the Small Business Investment Act of 1958 to improve surety bond guarantees, and for other purposes; to the Committee on Small Business and Entrepreneurship.

By Ms. SNOWE:

S. 3786. A bill to reauthorize and improve the Small Business Act and the Small Business Investment Act of 1958, and for other purposes; to the Committee on Small Business and Entrepreneurship.

By Mr. SANTORUM (for himself, Mr. PRYOR, and Mrs. DOLE):

S. 3787. A bill to establish a congressional Commission on the Abolition of Modern-Day Slavery; to the Committee on Foreign Relations.

By Mr. BROWNBACK:

S. 3788. A bill to clarify Federal law to prohibit the dispensing, distribution, or administration of a controlled substance for the purpose of causing, or assisting in causing, the suicide, euthanasia, or mercy killing of any individual; to the Committee on the Judiciary.

By Mr. REID (for Mr. BAUCUS):

S. 3789. A bill to amend the Social Security Act to waive the 24-month waiting period for Medicare coverage of individuals disabled by reason of exposure to tremolite asbestos; to the Committee on Finance.

By Mrs. CLINTON:

S. 3790. A bill to create a set of effective voluntary national expectations, and a voluntary national curriculum, for mathematics and science education in kindergarten through grade 12, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. HUTCHISON (for herself, Ms. COLLINS, and Ms. SNOWE):

S. 3791. A bill to require the provision of information to parents and adults concerning bacterial meningitis and the availability of a vaccination with respect to such disease; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MARTINEZ:

S. 3792. A bill to amend the Internal Revenue Code of 1986 to allow a credit against tax for qualified elementary and secondary education tuition; to the Committee on Finance.

By Mr. MENENDEZ:

S. 3793. A bill to amend title 18, United States Code, to provide minimum mandatory penalties for certain public-corruption-related offenses; to the Committee on the Judiciary.

By Mr. CRAPO:

S. 3794. A bill to provide for the implementation of the Owyhee Initiative Agreement, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SMITH (for himself, Mr. ROCKEFELLER, Mr. ISAKSON, Mr. DEWINE, Mr. BURR, Mr. BINGAMAN, Ms. STABENOW, and Mr. MENENDEZ):

S. 3795. A bill to amend title XVIII of the Social Security Act to provide for a two-year moratorium on certain Medicare physician payment reductions for imaging services; to the Committee on Finance.

By Mr. CHAMBLISS:

S. 3796. A bill for the relief of Salah Naji Sujaa; to the Committee on the Judiciary.

By Mrs. CLINTON (for herself and Mr. JOHNSON):

S. 3797. A bill to establish demonstration projects to provide at-home infant care benefits; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. FEINSTEIN:

S. 3798. A bill to direct the Secretary of the Interior to exclude and defer from the pooled reimbursable costs of the Central Valley Project the reimbursable capital costs of the unused capacity of the Folsom South Canal, Auburn-Folsom South Unit, Central Valley Project, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SCHUMER:

S. 3799. A bill to require the Department of Homeland Security to regulate retail sales of hydrogen cyanide and its salts, and to require the Department of Homeland Security and Department of Justice to conduct a joint study about the risk of use of commercial products including cyanide by terrorists and potential preventative regulations; to the Committee on Homeland Security and Governmental Affairs.

By Mr. HAGEL:

S. 3800. A bill to amend the Foreign Assistance Act of 1961 to require recipients of United States foreign assistance to certify that the assistance will not be used to intentionally traffic in goods or services that contain counterfeit marks or for other purposes that promote the improper use of intellectual property, and for other purposes; to the Committee on Foreign Relations.

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

S. 3801. A bill to support the implementation of the Darfur Peace Agreement and to protect the lives and address the humanitarian needs of the people of Darfur, and for other purposes; to the Committee on Foreign Relations.

By Mrs. FEINSTEIN:

S. 3802. A bill to amend the Consolidated Omnibus Budget Reconciliation Act of 1985 to expand the county organized health insuring organizations authorized to enroll Medicaid beneficiaries; to the Committee on Finance.

By Ms. LANDRIEU:

S. 3803. A bill to establish national and State putative father registries, to make grants to States to promote responsible fatherhood, and for other purposes; to the Committee on Finance.

By Mr. AKAKA:

S. 3804. A bill to prohibit commercial air tour operations over Kalaupapa National Historical Park, Kaloka-Honokohau National Historical Park, Pu'uhonua o Honaunau National Historical Park, and Pu'ukohola Heiau National Historic Site; to the Committee on Commerce, Science, and Transportation.

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

S. 3805. A bill to direct the Secretary of the Interior to conduct a special resource study to determine the suitability and feasibility of including in the National Park System certain sites in Monroe County, Michigan, relating to the Battles of the River Raisin during the War of 1812; to the Committee on Energy and Natural Resources.

By Ms. SNOWE (for herself, Mrs. LINCOLN, Mrs. HUTCHISON, and Mr. KERRY):

S. 3806. A bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain improvements to retail space; to the Committee on Finance.

By Mr. ENZI (for himself and Mr. KENNEDY):

S. 3807. A bill to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act to improve drug safety and oversight, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HARKIN (for himself, Mr. GRASSLEY, Mr. DEWINE, Mr. BROWNBACK, Mr. TALENT, Ms. SNOWE, and Mr. LAUTENBERG):

S. 3808. A bill to reduce the incidence of suicide among veterans; to the Committee on Veterans' Affairs.

By Mrs. FEINSTEIN:

S. 3809. A bill for the relief of Jacqueline W. Coats; to the Committee on the Judiciary.

By Mr. KOHL (for himself and Mr. SCHUMER):

S. 3810. A bill to prevent tobacco smuggling, to ensure the collection of all tobacco taxes, and for other purposes; to the Committee on the Judiciary.

By Mr. HATCH (for himself, Mr. BINGAMAN, and Mr. BIDEN):

S. 3811. A bill to require the payment of compensation to members of the Armed Forces and civilian employees of the United States who performed slave labor for Japanese industries during World War II, or the surviving spouses of such members, and for other purposes; to the Committee on Armed Services.

By Mr. ISAKSON (for himself and Mr. REED):

S. 3812. A bill to require the Food and Drug Administration to conduct consumer testing to determine the appropriateness of the current labeling requirements for indoor tanning devices and determine whether such requirements provide sufficient information to

consumers regarding the risks that the use of such devices pose for the development of irreversible damage to the skin, including skin cancer, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SMITH (for himself, Mr. BINGAMAN, and Ms. MURKOWSKI):

S. 3813. A bill to permit individuals who are employees of a grantee that is receiving funds under section 330 of the Public Health Service Act to enroll in health insurance coverage provided under the Federal Employees Health Benefits Program; to the Committee on Homeland Security and Governmental Affairs.

By Mr. ROBERTS (for himself, Mr. REED, Mr. VOINOVICH, Mr. DEWINE, and Ms. MIKULSKI):

S. 3814. A bill to amend part B of title XVIII of the Social Security Act to restore the Medicare treatment of ownership of oxygen equipment to that in effect before enactment of the Deficit Reduction Act of 2005; to the Committee on Finance.

By Mr. SMITH (for himself and Mrs. LINCOLN):

S. 3815. A bill to improve the quality of, and access to, long-term care; to the Committee on Finance.

By Ms. COLLINS:

S. 3816. A bill to prohibit the shipment of tobacco products in the mail, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. TALENT:

S. 3817. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit for certain entities making matching contributions to retirement plans; to the Committee on Finance.

By Mr. HATCH (for himself and Mr. LEAHY):

S. 3818. A bill to amend title 35, United States Code, to provide for patent reform; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself, Mr. SMITH, Mrs. LINCOLN, Mr. PRYOR, and Mr. AKAKA):

S. 3819. A bill to amend title XIX of the Social Security Act to provide for redistribution and extended availability of unexpended medicaid DSH allotments, and for other purposes; to the Committee on Finance.

By Mr. DURBIN:

S. 3820. A bill to expand broadband access for rural Americans; to the Committee on Commerce, Science, and Transportation.

By Ms. COLLINS (for herself, Mrs. FEINSTEIN, Mr. CORNYN, Ms. MIKULSKI, Mr. LEAHY, and Mr. LIEBERMAN):

S. 3821. A bill to authorize certain athletes to be admitted temporarily into the United States to compete or perform in an athletic league, competition, or performance; to the Committee on the Judiciary.

By Mr. OBAMA:

S. 3822. A bill to improve access to and appropriate utilization of valid, reliable and accurate molecular genetic tests by all populations thus helping to secure the promise of personalized medicine for all Americans; to the Committee on Finance.

By Mr. DEWINE:

S. 3823. A bill to amend the Americans with Disabilities Act of 1990 and the Age Discrimination in Employment Act of 1967 to provide a means to combat discrimination on the basis of age or disability, by conditioning a State's receipt or use of Federal financial assistance on the State's waiver of immunity from suit for violations under such Acts; to the Committee on Health, Education, Labor, and Pensions.

By Mr. TALENT:

S. 3824. A bill to provide for uniform penalties for violating regulations within the National Park System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BURNS (for himself, Mr. FRIST, Mr. DEWINE, Mr. ALLARD, Mr. COLEMAN, Mr. SMITH, and Mr. ALLEN):

S. 3825. A bill to end the flow of methamphetamine and precursor chemicals coming across the border of the United States; to the Committee on the Judiciary.

By Mr. MENENDEZ:

S. 3826. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income military pay received by a member of a reserve component of the Armed Forces of the United States who is called to active duty; to the Committee on Finance.

By Mrs. LINCOLN (for herself, Ms. SNOWE, Mr. SCHUMER, Mr. ROCKEFELLER, Ms. LANDRIEU, Mrs. CLINTON, and Mr. VITTER):

S. 3827. A bill to amend the Internal Revenue Code of 1986 to extend and expand the benefits for businesses operating in empowerment zones, enterprise communities, or renewal communities, and for other purposes; to the Committee on Finance.

By Mr. INHOFE:

S. 3828. A bill to amend title 4, United States Code, to declare English as the official language of the Government of the United States, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Ms. STABENOW (for herself, Mr. MENENDEZ, Mr. KERRY, Mrs. CLINTON, Mr. OBAMA, Mr. LEAHY, Mr. JOHNSON, Mr. LIEBERMAN, Mr. DURBIN, Mr. BIDEN, Mr. DAYTON, Mrs. FEINSTEIN, and Mr. LEVIN):

S. 3829. A bill to extend and expand certain tax relief provisions and to increase the Federal minimum wage, and for other purposes; to the Committee on Finance.

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

S. 3830. A bill to prevent unfair practices and ensure an open market in the automobile industry, and for other purposes; to the Committee on Finance.

By Mr. GRAHAM:

S. 3831. A bill to reduce temporarily the duty on benzoyl chloride; to the Committee on Finance.

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

S. 3832. A bill to direct the Secretary of the Interior to establish criteria to transfer title to reclamation facilities, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KERRY:

S. 3833. A bill to authorize support for the Armed Forces Support Foundation in assisting members of the National Guard and Reserve and former members of the Armed Forces in securing employment in the private sector, and for other purposes; to the Committee on Armed Services.

By Mr. SESSIONS (for himself and Mrs. FEINSTEIN):

S. 3834. A bill to amend the Controlled Substances Act to address online pharmacies; to the Committee on the Judiciary.

By Mr. CORNYN (for himself, Mr. CHAMBLISS, Mr. ALLEN, Mr. KYL, Mr. SESSIONS, Mr. GRAHAM, Mr. INHOFE, and Mr. SANTORUM):

S. 3835. A bill to provide adequate penalties for crimes committed against United States judges and Federal law enforcement officers, to provide appropriate security for judges and law enforcement officers, and for other purposes; to the Committee on the Judiciary.

By Mr. MARTINEZ (for himself and Mr. SCHUMER):

S. 3836. A bill to reauthorize the United States Advisory Commission on Public Diplomacy; considered and passed.

By Mr. AKAKA (for himself, Mr. INOUYE, Mr. BYRD, Mr. STEVENS, Mr. JEFFORDS, Ms. MURKOWSKI, Mr. KERRY, Mr. COCHRAN, Mr. LIEBERMAN, Mr. DODD, Mr. ROCKEFELLER, Mr. KENNEDY, Mr. LOTT, Mr. BIDEN, Mrs. CLINTON, Mr. REID, Mr. DORGAN, Mr. REED, Mrs. FEINSTEIN, Mr. CONRAD, Mrs. DOLE, Mr. DOMENICI, and Mr. ROBERTS):

S. 3837. A bill to authorize the establishment of the Henry Kuualoha Giugni Kupuna Memorial Archives at the University of Hawaii; to the Committee on Health, Education, Labor, and Pensions .

By Mr. HATCH (for himself and Mrs. LINCOLN):

S. 3838. A bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes; to the Committee on Finance.

By Mr. DODD:

S. 3839. A bill to amend title II of the Social Security Act to provide that the eligibility requirement for disability insurance benefits under which an individual must have 20 quarters of Social Security coverage in the 40 quarters preceding a disability shall not be applicable in the case of a disabled individual suffering from a covered terminal disease; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DODD (for himself, Mr. LEVIN, Mr. SUNUNU, Ms. STABENOW, Mr. CHAFEE, Mr. KENNEDY, Mr. FEINGOLD, and Mrs. FEINSTEIN):

S. Res. 548. A resolution expressing the sense of the Senate regarding the need for the United States and the international community to take certain actions with respect to the hostilities between Hezbollah and Israel; considered and agreed to.

By Mr. SANTORUM (for himself, Mr. PRYOR, and Mrs. DOLE):

S. Res. 549. A resolution expressing the sense of the Senate regarding modern-day slavery; to the Committee on Foreign Relations.

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

S. Res. 550. A resolution designating October 22 through October 28, 2006, as ''National Save for Retirement Week''; to the Committee on the Judiciary.

By Mr. REID (for himself, Mr. BAUCUS, Ms. STABENOW, Mr. PRYOR, Mrs. CLINTON, Mr. LIEBERMAN, Mr. BINGAMAN, Ms. LANDRIEU, Mrs. LINCOLN, Mr. WYDEN, and Mr. JOHNSON):

S. Res. 551. A resolution expressing the sense of the Senate that illegal immigrants should not receive Social Security benefits and that this prohibition should be strictly enforced; to the Committee on Finance.

By Mr. SESSIONS (for himself, Mr. BROWNBACK, Mr. CHAMBLISS, Mr. CRAPO, Mr. GRASSLEY, Mr. INHOFE, Ms. LANDRIEU, Mr. MENENDEZ, Mr. SCHUMER, Mr. SHELBY, and Mr. SPECTER):

S. Res. 552. A resolution designating September 2006 as ''National Prostate Cancer Awareness Month''; to the Committee on the Judiciary.

By Mr. MENENDEZ:

S. Res. 553. A resolution expressing the sense of the Senate that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that a commemorative postage stamp be issued in honor of

Varian Fry; to the Committee on Homeland Security and Governmental Affairs.

By Mr. GREGG (for himself and Mr. CONRAD):

S. Res. 554. A resolution authorizing the printing with illustrations of a document entitled ''Committee on the Budget, United States Senate, 32nd Anniversary, 1974–2006''; considered and agreed to.

By Mr. FRIST (for himself and Mr. REID):

S. Res. 555. A resolution to authorize the production of records by the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs; considered and agreed to.

By Mr. CRAPO (for himself and Mr. DORGAN):

S. Res. 556. A resolution supporting National Peripheral Arterial Disease Awareness Week and efforts to educate people about peripheral arterial disease; considered and agreed to.

ADDITIONAL COSPONSORS

S. 211

At the request of Mrs. CLINTON, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 211, a bill to facilitate nationwide availability of 2–1–1 telephone service for information and referral on human services, volunteer services, and for other purposes.

S. 241

At the request of Ms. SNOWE, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 241, a bill to amend section 254 of the Communications Act of 1934 to provide that funds received as universal service contributions and the universal service support programs established pursuant to that section are not subject to certain provisions of title 31, United States Code, commonly known as the Antideficiency Act.

S. 513

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. 513, a bill to provide collective bargaining rights for public safety officers employed by States or their political subdivisions.

S. 528

At the request of Mr. HARKIN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 528, a bill to authorize the Secretary of Health and Human Services to provide grants to States to conduct demonstration projects that are designed to enable medicaid-eligible individuals to receive support for appropriate and necessary long-term services in the settings of their choice.

S. 843

At the request of Mr. SANTORUM, the names of the Senator from Wyoming (Mr. ENZI), the Senator from North Carolina (Mr. BURR), the Senator from Georgia (Mr. CHAMBLISS) and the Senator from South Dakota (Mr. THUNE) were added as cosponsors of S. 843, a bill to amend the Public Health Service Act to combat autism through research, screening, intervention and education.

At the request of Mr. FRIST, his name was added as a cosponsor of S. 843, supra.

At the request of Mr. DURBIN, his name was added as a cosponsor of S. 843, supra.

S. 859

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. 859, a bill to amend the Internal Revenue Code of 1986 to allow an income tax credit for the provision of homeownership and community development, and for other purposes.

S. 912

At the request of Mr. FEINGOLD, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 912, a bill to amend the Federal Water Pollution Control Act to clarify the jurisdiction of the United States over waters of the United States.

S. 914

At the request of Mr. ALLARD, the names of the Senator from New Jersey (Mr. MENENDEZ) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 914, a bill to amend the Public Health Service Act to establish a competitive grant program to build capacity in veterinary medical education and expand the workforce of veterinarians engaged in public health practice and biomedical research.

S. 1023

At the request of Mr. DODD, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 1023, a bill to provide for the establishment of a Digital Opportunity Investment Trust.

S. 1035

At the request of Mr. INHOFE, the names of the Senator from Wisconsin (Mr. KOHL), the Senator from Rhode Island (Mr. REED), the Senator from Wyoming (Mr. THOMAS), the Senator from Missouri (Mr. TALENT) and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 1035, a bill to authorize the presentation of commemorative medals on behalf of Congress to Native Americans who served as Code Talkers during foreign conflicts in which the United States was involved during the 20th century in recognition of the service of those Native Americans to the United States.

S. 1057

At the request of Ms. MURKOWSKI, her name was added as a cosponsor of S. 1057, a bill to amend the Indian Health Care Improvement Act to revise and extend that Act.

S. 1145

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. 1145, a bill to provide Federal assistance to States and local jurisdictions to prosecute hate crimes.

S. 1221

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. 1221, a bill to amend chapter 81 of title 5, United States Code, to create a presumption that a disability or death of a Federal employee in fire protection activities caused by any of certain diseases is the result of the performance of such employee's duty.

S. 1522

At the request of Mr. CHAMBLISS, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. 1522, a bill to recognize the heritage of hunting and provide opportunities for continued hunting on Federal public land.

S. 1620

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. 1620, a bill to provide the nonimmigrant spouses and children of nonimmigrant aliens who perished in the September 11, 2001, terrorist attacks an opportunity to adjust their status to that of an alien lawfully admitted for permanent residence, and for other purposes.

S. 2010

At the request of Mr. HATCH, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 2010, a bill to amend the Social Security Act to enhance the Social Security of the Nation by ensuring adequate public-private infrastructure and to resolve to prevent, detect, treat, intervene in, and prosecute elder abuse, neglect, and exploitation, and for other purposes.

S. 2138

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. 2138, a bill to prohibit racial profiling.

S. 2284

At the request of Ms. MIKULSKI, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 2284, a bill to extend the termination date for the exemption of returning workers from the numerical limitations for temporary workers.

S. 2354

At the request of Mr. NELSON of Florida, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 2354, a bill to amend title XVIII of the Social Security Act to reduce the coverage gap in prescription drug coverage under part D of such title based on savings to the Medicare program resulting from the negotiation of prescription drug prices.

S. 2460

At the request of Mr. MENENDEZ, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2460, a bill to permit access to certain information in the Firearms Trace System database.

S. 2487

At the request of Ms. STABENOW, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 2487, a bill to ensure an abundant and affordable supply of highly nutritious fruits, vegetables, and other specialty crops for American consumers and international markets by enhancing the competitiveness of United States-grown specialty crops.

S. 2548

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. 2548, a bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to ensure that State and local emergency preparedness operational plans address the needs of individuals with household pets and service animals following a major disaster or emergency.

S. 2590

At the request of Mr. COBURN, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 2590, a bill to require full disclosure of all entities and organizations receiving Federal funds.

S. 2592

At the request of Mr. HARKIN, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 2592, a bill to amend the Child Nutrition Act of 1966 to improve the nutrition and health of schoolchildren by updating the definition of ''food of minimal nutritional value'' to conform to current nutrition science and to protect the Federal investment in the national school lunch and breakfast programs.

S. 2601

At the request of Mr. ALEXANDER, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 2601, a bill to amend the Social Security Act to improve choices available to Medicare eligible seniors by permitting them to elect (instead of regular Medicare benefits) to receive a voucher for a health savings account, for premiums for a high deductible health insurance plan, or both and by suspending Medicare late enrollment penalties between ages 65 and 70.

S. 2616

At the request of Mr. SANTORUM, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 2616, a bill to amend the Surface Mining Control and Reclamation Act of 1977 and the Mineral Leasing Act to improve surface mining control and reclamation, and for other purposes.

S. 2663

At the request of Mr. DODD, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2663, a bill to amend the Public Health Service Act to establish grant programs to provide for education and outreach on newborn screening and coordinated followup care once newborn screening has been conducted, to reauthorize programs under part A of title XI of such Act, and for other purposes.

S. 2723

At the request of Mr. LAUTENBERG, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 2723, a bill to amend title XVIII of the Social Security Act to require the sponsor of a prescription drug plan or an organization offering an MA–PD plan to promptly pay claims submitted under part D, and for other purposes.

S. 2724

At the request of Mr. CARPER, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2724, a bill to amend the Clean Air Act to establish a national uniform multiple air pollutant regulatory program for the electric generating sector.

S. 2787

At the request of Mr. CRAIG, the names of the Senator from Alaska (Mr. STEVENS) and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. 2787, a bill to permit United States persons to participate in the exploration for and the extraction of hydrocarbon resources from any portion of a foreign maritime exclusive economic zone that is contiguous to the exclusive economic zone of the United States, and for other purposes.

S. 3275

At the request of Mr. ALLEN, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 3275, a bill to amend title 18, United States code, to provide a national standard in accordance with which nonresidents of a State may carry concealed firearms in the State.

S. 3485

At the request of Mr. DORGAN, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 3485, a bill to amend the Tariff Act of 1930 to prohibit the import, export, and sale of goods made with sweatshop labor, and for other purposes.

S. 3508

At the request of Mr. SUNUNU, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of S. 3508, a bill to authorize the Moving to Work Charter program to enable public housing agencies to improve the effectiveness of Federal housing assistance, and for other purposes.

S. 3529

At the request of Mr. MENENDEZ, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 3529, a bill to ensure that new mothers and their families are educated about postpartum depression, screened for symptoms, and provided with essential services, and to increase research at the National Institutes of Health on postpartum depression.

S. 3547

At the request of Mr. SESSIONS, the names of the Senator from Louisiana (Mr. VITTER) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 3547, a bill to amend title 18, United States Code, with respect to fraud in connection with major disaster or emergency funds.

S. 3615

At the request of Mr. HARKIN, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 3615, a bill to amend the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Federal Food, Drug, and Cosmetic Act to provide for improved public health and food safety through enhanced enforcement, and for other purposes.

S. 3659

At the request of Mr. SUNUNU, his name was added as a cosponsor of S. 3659, a bill to reauthorize and improve the women's small business ownership programs of the Small Business Administration, and for other purposes.

S. 3662

At the request of Mr. BENNETT, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 3662, a bill to amend the Credit Repair Organizations Act to establish a new disclosure statement, and for other purposes.

S. 3724

At the request of Mr. ROCKEFELLER, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 3724, a bill to enhance scientific research and competitiveness through the Experimental Program to Stimulate Competitive Research, and for other purposes.

S. 3738

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 3738, a bill to amend the Internal Revenue Code of 1986 to provide an additional standard deduction for real property taxes for nonitemizers.

S. 3742

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. 3742, a bill to amend the Internal Revenue Code of 1986 to provide incentives to encourage investment in the expansion of freight rail infrastructure capacity and to enhance modal tax equity.

S. 3764

At the request of Mr. LAUTENBERG, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 3764, a bill to amend title XVIII of the Social Security Act to eliminate the coverage gap under the Medicare part D prescription drug program.

S. 3765

At the request of Mr. DURBIN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 3765, a bill to designate Lebanon under section 244(b) of the Immigration and Naturalization Act to permit nationals of Lebanon to be granted temporary protected status in the United States.

S. 3769

At the request of Mr. ENSIGN, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 3769, a bill to encourage multilateral cooperation and authorize a program of assistance to facilitate a peaceful transition in Cuba, and for other purposes.

S. CON. RES. 97

At the request of Mr. SALAZAR, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. Con. Res. 97, a concurrent resolution expressing the sense of

Congress that it is the goal of the United States that, not later than January 1, 2025, the agricultural, forestry, and working land of the United States should provide from renewable resources not less than 25 percent of the total energy consumed in the United States and continue to produce safe, abundant, and affordable food, feed, and fiber.

S. RES. 224

At the request of Mr. DEWINE, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. Res. 224, a resolution to express the sense of the Senate supporting the establishment of September as Campus Fire Safety Month, and for other purposes.

S. RES. 407

At the request of Mr. MENENDEZ, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. Res. 407, a resolution recognizing the African American Spiritual as a national treasure.

S. RES. 494

At the request of Mr. SANTORUM, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. Res. 494, a resolution expressing the sense of the Senate regarding the creation of refugee populations in the Middle East, North Africa, and the Persian Gulf region as a result of human rights violations.

S. RES. 513

At the request of Mr. GRAHAM, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. Res. 513, a resolution expressing the sense of the Senate that the President should designate the week beginning September 10, 2006, as ''National Historically Black Colleges and Universities Week''.

AMENDMENT NO. 4772

At the request of Mr. CARPER, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of amendment No. 4772 proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

AMENDMENT NO. 4825

At the request of Mr. BAYH, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of amendment No. 4825 intended to be proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

AMENDMENT NO. 4826

At the request of Mrs. CLINTON, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of amendment No. 4826 intended to be proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

AMENDMENT NO. 4827

At the request of Mr. DODD, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

At the request of Mr. MENENDEZ, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Ms. LANDRIEU, her name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. INOUYE, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. ROCKEFELLER, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. JEFFORDS, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. BAUCUS, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. REED, his name was added as a cosponsor of amendment No. 4827 proposed to H.R. 5631, supra.

At the request of Mr. LEAHY, the names of the Senator from Arkansas (Mrs. LINCOLN), the Senator from Delaware (Mr. BIDEN) and the Senator from Nebraska (Mr. NELSON) were added as cosponsors of amendment No. 4827 proposed to H.R. 5631, supra.

AMENDMENT NO. 4842

At the request of Mr. KYL, the name of the Senator from Oregon (Mr. WYDEN) was withdrawn as a cosponsor of amendment No. 4842 proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

At the request of Mr. KYL, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of amendment No. 4842 proposed to H.R. 5631, supra.

AMENDMENT NO. 4843

At the request of Mr. KENNEDY, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from New York (Mrs. CLINTON), the Senator from Illinois (Mr. DURBIN), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Montana (Mr. BAUCUS), the Senator from Massachusetts (Mr. KERRY), the Senator from Michigan (Ms. STABENOW), the Senator from Wisconsin (Mr. FEINGOLD) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of amendment No. 4843 intended to be proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

AMENDMENT NO. 4844

At the request of Mr. SESSIONS, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of amendment No. 4844 proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

AMENDMENT NO. 4850

At the request of Mr. LAUTENBERG, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of amendment No. 4850 intended to be proposed to H.R. 5631, a bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. REED:

S. 3784. A bill to provide wage parity for certain prevailing rate employees in Rhode Island; to the Committee on Homeland Security and Governmental Affairs.

Mr. REED. Mr. President, today I am introducing the Rhode Island Federal Worker Fairness Act of 2006. This bill will merge the Narragansett Bay wage area with the Boston, MA, wage area to provide Rhode Island Federal blue-collar workers with pay equity in the region. These workers include janitors, mechanics, machine tool operators, munitions and explosive operators, electricians, and engineers.

Federal employees within the Narragansett Bay wage area are paid under one of the lowest Federal wage system, FWS, pay scales while residing in an area with one of the highest costs of living. Significant disparities between Narragansett Bay wages and those in proximate wage areas raise serious questions about the fairness and equity of the Federal wage pay scales. The average wage grade worker in Rhode Island earns $18.01 per hour compared to the same worker in Boston who earns $20.25 per hour or an employee in Hartford who earns $20.05 per hour. As a result, Rhode Island may be losing experienced Federal employees to the same jobs, at the same grade levels, just miles away because of better pay. Enacting this legislation would help the approximately 500 wage rate workers in Rhode Island better provide for their families, and it will ensure that Rhode Island keeps qualified and trained Federal workers.

Roughly 80 percent of all FWS employees in the United States work either in the Department of Defense or the Department of Veteran Affairs. Indeed, Naval Station Newport employs the most FWS workers in the Narragansett Bay area. These employees perform work that is important to our national security, and competitive compensation is the best way to ensure that these workers are qualified and effective. Merging these two wage areas would reduce the disparity between the salaries of these Federal workers and keep Federal workers in Rhode Island from abandoning their Government jobs for higher paying positions in Massachusetts and Connecticut.

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. 3784

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 ''Rhode Island Federal Worker Fairness Act of 2006''.

SEC. 2. WAGE PARITY FOR CERTAIN PREVAILING RATE EMPLOYEES IN RHODE ISLAND.

The wage schedules and rates applicable to prevailing rate employees (as defined in section 5342 of title 5, United States Code) in the Narragansett Bay, Rhode Island, wage area shall be the same as the wage schedules and rates applicable to prevailing rate employees in the Boston, Massachusetts, wage area.

SEC. 3. EFFECTIVE DATE.

Section 2 shall take effect beginning with the first pay period beginning on or after the date of enactment of this Act.

By Ms. SNOWE:

S. 3785. A bill to amend the Small Business Investment Act of 1958 to improve surety bond guarantees, and for other purposes; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, I rise today to introduce the Surety Bond Improvement Act, a bill designed to reinvigorate the Small Business Administration's Surety Bond Guarantee Program. This bill's primary purpose is to ensure that small businesses are able to secure the surety bonds they need to compete for contracts, grow, and hire more employees.

Surety bonds are critical to small companies' survival and competitiveness. Without bonding, small firms cannot secure the contracts they need to grow. Unfortunately, many new, small businesses lack the stable credit histories and assets they need to secure surety bonding. Many sureties also refuse to bond small companies because of the greater risk that comes with insuring unproven firms. For many small businesses, difficulties obtaining surety bonds act as a barrier to entry and prevent them from competing in defense contracting, construction, services, and other markets.

Insuring against loss, surety bonds are most often used on large contracts where the sequential work of many subcontractors is necessary to finish a project on time. The principal contractor will require that each subcontractor obtain a surety bond. A subcontractor's surety bond will guarantee that they will meet their contract's time and quality requirements whether it be for framing a building or installing specific computer equipment. The majority of small and large businesses fulfill their contractual obligations, and claims against surety bonds are infrequent. If a claim occurs, the surety firm is responsible for any monetary damages that occur because the bonded company did not fulfill its contractual obligations.

Many new small contractors are only able to obtain surety bonds through the SBA's Surety Bond Guarantee Program. In order to reduce the risk to surety firms, the SBA promises to cover between 70 and 90 percent of any possible claims on bonds underwritten through the Surety Bond Guarantee Program. The Surety Bond Guarantee Program then helps small businesses establish a bonding history so that with time they can outgrow the program and obtain bonds in the competitive marketplace.

It is critical to understand that the number of participating sureties in the Surety Bond Guarantee Program directly affects the number of small companies that can receive surety bonds. Over the last several years, a number of SBA actions have greatly reduced the profitability of surety companies participating in this SBA program. Declining profitability has forced sureties to leave the program, causing a severe downturn in the total number of small businesses obtaining surety bonds.

In 2003, the Surety Bond Guarantee Program issued 8,974 bonds to small businesses. In 2004, the number declined to 7,803 bonds, and in 2005, the number declined again to 5,678 bonds. This year, even though the need for surety bonds has not decreased, as of March 2006, only 1,760 surety bonds have been issued. The sureties argue that SBA's outdated fee structure and other actions, such as unwinding bond guarantees and recent fee increases, make it impossible for them to earn a profit and continue participating in the program.

One of the greatest obstacles to profitability is the Preferred Surety Bond Program's outdated fee structure. Currently, sureties in the preferred program are forced to use insurance rates set on August 1, 1987, almost 20 years ago. Many sureties have left the program because the SBA's outdated rates prevent them from making a profit on the small business bonds they issue.

To address this problem, my bill would grant participating sureties greater rate setting flexibility by allowing them to charge rates that are approved by the insurance commissioner of the State in which the contract will be performed. It will also raise the current limit on the maximum amount of a contract that a company can bond through the program from $2 million to $3 million, an adjustment that inflation makes necessary.

My bill prohibits the SBA from unwinding a surety bond guarantee after the agency has already underwritten and approved the bond. Currently, the SBA will often find technical reasons, which should have been discovered during the underwriting process, to avoid paying on a claim against an SBA guaranteed bond. When this occurs, the surety companies must honor the SBA's financial obligations and cover any losses caused by the breach of contract. Most sureties can only afford to have the SBA unwind a bond once or twice before they are forced to leave the Surety Bond Program.

My bill also addresses recent SBA fee increases. In August of 2005, the SBA moved to increase surety bonding companies' premium fees by 60 percent and then directed that none of the fee increase could be passed along to small companies seeking surety bonds. I was concerned that this fee increase would provide an additional reason for surety companies to stop underwriting small companies and further decrease the ability of small firms to receive surety bonds.

The SBA's fee increase made it necessary for me to evaluate the underlying terms of the surety program. After working with the SBA, eventually the agency agreed to allow the surety companies to split the fee increase with small firms, a much more palatable solution than forcing the bonding companies—or the small businesses—to absorb all of the increase.

The bill requires the SBA to be transparent in its fee structure and any calculations the agency uses to justify future fee increases. The bill also clarifies that Congress does not require the Surety Bond Guarantee Program to be entirely self funding or self sufficient.

I am working with the SBA to reverse the decline in participating sureties and increase the number of small businesses receiving surety bonding. To achieve this goal, the Surety Bond Guarantee Program is working to reduce approval times by increasing companies' ability to submit underwriting applications and claim requests online. The program also plans to restructure its field offices and conduct outreach to new sureties and small businesses needing surety bonding. These changes, along with the necessary legislative changes I have proposed today, will help the program attract new sureties and increase the overall number of small companies able to secure sureties underwriting through the program.

Mr. President, I would like to encourage my colleagues to support the Surety Bond Improvement Act. This bill was written after consulting with small business owners and surety bonding companies on how best to revitalize this critical program. Without these changes, the number of sureties participating in the program will continue to decline—as will the ability of small businesses to secure surety bonds. Without these bonds many small businesses will be unable to compete for contracts and government work. For new companies, obtaining a surety bond will become a barrier to entry and competition they are unable to overcome.

By Ms. SNOWE:

S. 3786. A bill to reauthorize and improve the Small Business Act and the Small Business Investment Act of 1958, and for other purposes; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, I rise today to introduce the Small Business Information Security Act of 2006. This bill will establish within the Small Business Administration a Small Business Information Security Task Force to advise the SBA and help small businesses both understand the information security challenges they face and identify resources to help meet those challenges.

As chair of the Senate Committee on Small Business and Entrepreneurship, one of my goals is to ensure small businesses are protected from the mounting information security threats they face every day. This legislation will create a clearinghouse of information, resources, and tools—compiled by a task force consisting of public and private sector experts in the field—that will ease the trouble, confusion, and cost often associated with enhancing information security measures within a small business. The task force will continually update information and resources as new technologies and new threats arise. Currently, potential and existing owners of small businesses turn to the SBA for resources regarding a number of other aspects when developing and maintaining their ventures. But information security resources are not as readily available. This measure will present an opportunity for the SBA to create a repository for small businesses to meet their information security needs.

According to a 2005 survey by the Small Business Technology Institute, more than half of all small businesses in the United States experienced a security breach in the last year. Furthermore, the study concludes that nearly one-fifth of small businesses do not use virus-scanning for e-mail, over 60 percent do not protect their wireless networks with encryption, and two-thirds of small businesses do not have an information security plan.

As these statistics illustrate, small businesses are increasingly at risk of data breaches and other forms of malicious attacks on their information technology infrastructure. The Small Business Information Security Task Force will provide resources and information to small business owners to help them overcome these obstacles and decrease the risks posed to their small businesses by cybercriminals. I encourage all of my colleagues to support this vitally important legislation.

By Mr. SANTORUM (for himself, Mr. PRYOR and Mrs. DOLE):

S. 3787. A bill to establish a congressional Commission on the Abolition of Modern-Day Slavery; to the Committee on Foreign Relations.

Mr. SANTORUM. Mr. President, I am joined today by Senator PRYOR and Senator DOLE to address an important issue that is all too often hidden from public view—the practice of modern day slavery.

One of my political heroes is the 18th century British statesman, William Wilberforce. Wilberforce was one of the leaders of the moral crusade to rid the British empire of slavery. He devoted 20 years to abolishing the British slave trade and another 26 years to abolishing slavery altogether. He and his fellow abolitionists had a profound affect on the American abolitionist movement, and their dedication fueled some of our greatest leaders, including John Quincy Adams, Benjamin Franklin, James Monroe, and John Jay. His influence reached William Wells Brown, Paul Cuffe, Benjamin Hughes, Frederick Douglass, and Abraham Lincoln, and he helped pave the way for abolitionists like Thaddeus Stevens and Richard Allen.

These great men opened the eyes of the United Kingdom and the United States to see the injustice that marked our countries. Thankfully, their work helped end the U.S. and U.K. slave trade. Later, our country constitutionally abolished slavery and took a significant step to effectuate the vision of the Declaration of Independence, that all people are created equal.

We, as a country, often rush to divorce ourselves from our historic malfeasance. We want to forget the stories of human beings—women and children—suffocating on slave ships, tied to whipping posts and bound with bruising fetters. We want to forget the blatant oppression, our country's inhumane drive for profit and obvious disregard for the value, worth and freedom inherent in every life. The slavery of our past offends every modern sensibility we have; yet, we cannot bury these stories as just part of the distant past.

Slavery exists today. Despite the heroic work of liberators centuries before us, and despite the fact that almost every country in this world has constitutionally outlawed slavery, as many as 27 million people are in bondage according to the 2006 Trafficking in Persons Report. This slavery, although in many ways different from the slavery in centuries past, is equally horrifying and brutal. Among other practices, it includes sexual exploitation, bonded labor, forced labor, forced marriage, chattel slavery and child labor.

An estimated 800,000 persons are trafficked across international borders each year, and an estimated 18,000 to 20,000 victims are trafficked into the United States each year. Approximately 80 percent of the victims are female and an estimated 40 to 50 percent are children. Unfortunately, unlike the slavery of our past, modern-day slavery takes on myriad, subtler forms, making it more difficult to identify and eradicate. Within countries where the trade originates, a seemingly endless supply of victims remains available for exploitation, and within the destination countries there seems to be an endless demand for the ''services'' of victims. Organized criminal networks—some large and some small—have taken control of this economic supply and demand situation, establishing an appalling, but often invisible trade of humans in the 21 century.

This modern-day slavery is notable for the variety and complexity of the trafficking networks that operate and sustain it. The forms of slavery, such as sex-trafficking, are incredibly adaptive: these networks extend to every region and virtually every country in the world—representing a truly global industry. Slavery of all forms is extremely profitable for the exploiters, and they capitalize on the weak and vulnerable, the desperate and unstable. They are most successful in areas of conflict and postconflict, transitioning states, sudden political change, economic collapse, widespread poverty, and natural disasters. Weak legal infrastructure, corrupt law enforcement officials, globalization and the lack of equal employment opportunity have fed this iniquitous multibillion-dollar criminal industry.

Women are often lured by promises of employment as shopkeepers, maids, seamstresses, nannies, or waitresses but then find themselves forced into prostitution upon arrival to their destination. Their traffickers seize travel documents, create enormous and unsubstantiated debt demands, and subject the women to brutal beatings if their earnings are unsatisfactory.

Girls, as young as five, are often kidnapped or even sold by trusted relatives into the transatlantic sex trade. They are often raped, beaten, and forced to sleep with 10 to 15 men per night. These young children are manipulated, coerced, and held in bondage. Victims are often isolated, unable to speak the language of the land they are transported to, and are often unfamiliar with the culture. Without the support network of their family and friends, they are incredibly vulnerable to their oppressors' demands.

The victims of modern-day slavery often face torture, violence, poor nutrition, and drug and alcohol addiction. They contract HIV/AIDS, suffer from severe trauma and depression, and are stripped of dignity and hope for their future. As I have continued to work on legislation that reaches the populations most deeply affected by the HIV/AIDS epidemic, violence against women, and child exploitation, I am offended by the complete disrespect for life that binds these horrors together.

We, as a nation, cannot stand idle. As William Wilberforce said, ''it is we who are now truly on trial before the moral sense of [this world], and if we shrink from it, deeply shall we hereafter repent our conduct.'' As a Congress, we have come together to call our country and others to action in the fight against human trafficking; I commend the work of this administration, the NGOs, and the freedom-fighters throughout the world who have been working to address this nefarious issue.

Yet despite our hard work, we have an obligation to do more. Today I am submitting a resolution and introducing a bill that call for a deeper commitment to the cause of abolishing

modern-day slavery. The resolution calls us to make modern-day slavery a priority in our foreign and domestic policy. This resolution resolves that the abolition of modern-day slavery should be prioritized at the 2007 G8 Summit and calls for the trade policy of the United States to reflect our commitment to freedom for all people.

I am also introducing a bill for the formation of a bipartisan congressional commission that will conduct a thorough and thoughtful study of all matters relating to modern-day slavery, working alongside the programs we have implemented so far. This commission will make recommendations for our country and for abolitionists worldwide including identifying the countries which provide the greatest opportunity for abolition of modern-day slavery specific to U.S. involvement. Currently, many of the very qualified groups that work to free slaves are scattered. Some of these groups are better at extraction, while others are better at rehabilitation; the commission will make recommendations that seek to bring these incredible groups together to provide the most sustainable options for rescued victims.

The commission will examine the economic impact on communities and countries that have demonstrated measured success in fighting modern-day slavery. I recently learned of a small village in South Asia where over 70 emancipated slaves have now been elected to positions of leadership in their community. They have built their first well to serve the community and are representing others who are vulnerable to oppression.

Additionally, this commission will make recommendations which work to increase education and awareness about modern-day slavery throughout the United States with the purpose of fighting modern-day slavery.

The potential exists for real and systemic change. Together, this commission and this resolution will work to support a full and rich circle demonstrating the power of emancipation. We have a tremendous opportunity to reaffirm our commitment as a nation to spreading freedom for all people by eradicating the horrendous scourge of modern-day slavery. I look forward to following the example of the abolitionists before us to end this worldwide evil.

Mr. President, I ask unanimous consent that a copy 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. 3787

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 ''Congressional Commission on the Abolition of Modern-Day Slavery Act''.

SEC. 2. MODERN-DAY SLAVERY.

In this Act, the term ''modern-day slavery'' means the recruitment, harboring, transportation, receipt, procurement, or control of persons through the use of force, fraud, coercion, abduction, deception, abuse of power, or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of subjection to debt bondage, serfdom, involuntary servitude, forced labor, chattel, forced marriage, peonage, sexual exploitation, or trafficking.

SEC. 3. FINDINGS.

Congress makes the following findings:

(1) The Declaration of Independence recognizes the inherent dignity and worth of all people and states that all people are created equal and are endowed by their Creator with certain unalienable rights, and the right to be free from slavery and involuntary servitude is among those unalienable rights.

(2) Despite international laws outlawing modern-day slavery, modern-day slavery affects virtually every country in the world, and as many as 27,000,000 people are victims. Modern-day slavery is one of the fastest growing areas of international criminal activity and is an increasing concern to the United States Administration, Congress, and the international community; the Federal Bureau of Investigation estimated that modern-day slavery generates over $9,000,000,000 every year.

(3) Traffickers use threats, intimidation manipulation, coercion, fraud, shame, and violence to force victims into modern-day slavery. Traffickers capitalize on areas of conflict and post-conflict, transitioning states, sudden political change, economic collapse, civil unrest, internal armed conflict, chronic unemployment, widespread poverty, personal disaster, lack of economic opportunity, and natural disasters.

(4) Modern-day slavery: contributes to the breakdown of societies due to the loss of family support networks; has a negative impact on the labor market in countries; brutalizes men, women, and children and exposes them to rape, torture, HIV/AIDS and other sexually transmitted diseases, violence, dangerous working conditions, poor nutrition, drug and alcohol addiction, severe psychological trauma from separation, coercion, sexual abuse, and depression; and strips human beings of dignity, respect, and hope for their future.

(5) The United States has given priority to combating human trafficking through the Victims of Trafficking and Violence Protection Act of 2000 (Public Law 106–386) and the Trafficking Victims Protection Reauthorization Act of 2005 (Public Law 109–164).

(6) The State Department issued its sixth congressionally mandated Trafficking in Persons Report (TIP) in June, 2006, which categorizes countries into tiered groups according to the efforts they are making to combat trafficking. The countries that do not cooperate in the fight against trafficking (Tier 3 Countries) have been made subject to United States sanctions since 2003, under the President's direction.

SEC. 4. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a congressional Commission on the Abolition of Modern-Day Slavery (referred to in this Act as the ''Commission'').

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 12 members, of whom—

(A) 3 shall be appointed by the Speaker of the House of Representatives;

(B) 3 shall be appointed by the majority leader of the Senate;

(C) 3 shall be appointed by the minority leader of the House of Representatives; and

(D) 3 shall be appointed by the minority leader of the Senate.

(2) QUALIFICATIONS.—Members of the Commission shall be appointed from among individuals with demonstrated expertise and experience in combating modern-day slavery and trafficking of persons.

(3) DATE.—The appointments of the members of the Commission shall be made not later than 30 days after the date of enactment of this Act.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) COCHAIRPERSONS.—The Speaker of the House of Representatives shall designate 1 of the members appointed under subsection (b)(1)(A) as a cochairperson of the Commission. The majority leader of the Senate shall designate 1 of the members appointed under subsection (b)(1)(B) as a cochairperson of the Commission.

(e) INITIAL MEETING.—Not later than 60 days after the date of enactment of this Act, the Commission shall hold its first meeting.

(f) MEETINGS.—The Commission shall meet at the call of either cochairperson.

(g) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

SEC. 5. DUTIES OF THE COMMISSION.

(a) STUDY.—

(1) IN GENERAL.—The Commission shall—

(A) conduct a thorough and thoughtful study of all matters relating to modern-day slavery, including vulnerabilities of commonly affected populations, such as populations in areas of conflict and post conflict, transitioning states, states undergoing sudden political change, economic collapse, civil unrest, internal armed conflict, chronic unemployment, widespread poverty, lack of opportunity, and national disasters;

(B) study the roles of the rule of law, lack of enforcement, and corruption within international law enforcement institutions that allow the proliferation of modern-day slavery;

(C) review all relevant Governmental programs in existence on the date of the beginning of the study, including the United States Agency for International Development, the Department of State, the Department of Defense, the Department of Labor, the Department of Health and Human Services, the Interagency Task Force to Monitor and Combat Trafficking, and the Human Smuggling and Trafficking Center; and

(D) convene additional experts from relevant nongovernmental organizations as part of the Commission's thorough review.

(2) GOALS.—In making determinations under paragraph (1), the Commission shall seek to promote goals of—

(A) providing a comprehensive and fully integrated evaluation of best practices, to prevent modern-day slavery;

(B) providing a comprehensive and fully integrated evaluation of the best practices to rescue and rehabilitate victims of modern-day slavery;

(C) providing a comprehensive and fully integrated evaluation of the best practices for prosecution of traffickers and increasing accountability within countries;

(D) providing a comprehensive and fully integrated evaluation of exportable models to prevent modern-day slavery, rescue and rehabilitate victims of modern-day slavery, prosecute offenders, and increase education and accountability about modern-day slavery, which could contribute governments, nongovernmental organizations, and institutions;

(E) identifying countries which provide the greatest opportunity for abolition of modern-day slavery specific to United States involvement;

(F) connecting various organizations to facilitate integration of information regarding identifying, extracting, and rehabilitating victims;

(G) examining the economic impact on communities and countries that demonstrate measured success in fighting modern-day slavery;

(H) increasing education and awareness about modern-day slavery throughout the United States to decrease modern-day slavery within the United States and abroad; and

(I) providing a comprehensive evaluation of best practices to educate high-risk populations.

(b) RECOMMENDATIONS.—The Commission shall develop recommendations on how to best combat modern-day slavery, including an economic, social, and judicial evaluation.

(c) REPORT.—Not later than 11 months after the date of enactment of this Act, the Commission shall submit a report to the Speaker and minority leader of the House of Representatives and the majority leader and minority leader of the Senate, which shall contain a detailed statement of the legislation and administrative actions as it considers appropriate.

SEC. 6. POWERS OF THE COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers necessary to carry out this Act.

(b) INFORMATION FROM GOVERNMENTAL AGENCIES.—The Commission may secure directly from any department or agency such information as the Commission considers necessary to carry out this Act. Upon request of either cochairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

SEC. 7. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5313 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The cochairpersons of the Commission, acting jointly, may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The cochairpersons of the Commission, acting jointly, may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United Sates Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Federal Government employees may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The cochairpersons of the Commission, acting jointly, may procure temporary and intermittent services under section 3109 (b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 8. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which the Commission submits its report under section 5.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Commission for fiscal year 2007 such sums as may be necessary to carry out this Act.

(b) AVAILABILITY.—Any sums appropriated under the authorization contained in this section shall remain available, without fiscal year limitation, until expensed.

By Mrs. CLINTON:

S. 3790. A bill to create a set of effective voluntary national expectations, and a voluntary national curriculum, for mathematics and science education in kindergarten through grade 12, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, I rise today to introduce legislation to help ensure that American students are competitive in the global economy of 21st century. If approved, The National Mathematics and Science Consistency Act would ensure that America's children have access to a rigorous math and science education. This bill will help young men and women in America compete successfully with students from around the world.

Last fall the National Academy of Sciences, NAS, outlined the challenges to American competitiveness in its report, ''Rising Above the Gathering Storm: Energizing and Employing America for a Brighter Economic Future.'' The reality is that modern technology makes it increasingly possible for employers to hire the most skilled workers wherever in the world they live. Unfortunately, too many American students—even some graduates of high school and college—are not equipped with the skills they need to compete successfully in the global economy.

Among 12th graders, America ranks 21st out of 40 industrialized nations in tests of math and science knowledge. Just one in three of America's college graduates earn degrees in math, science, and engineering while two in three college graduates of other countries do so. We must act now to improve education and research in science, technology, engineering, and mathematics, STEM, if America is to retain leadership of the global economy in the 21st century.

In ''Rising Above the Gathering Storm,'' the National Academy of Sciences made 20 recommendations for how America can increase its global competitiveness. Nineteen of the 20 recommendations were proposed in the PACE Acts—PACE-Education, PACE-Energy, and PACE-Finance. I was proud to cosponsor these bills, and it is a testament to the widespread concern regarding this issue that each bill has been cosponsored by more than 60 Senators.

The Mathematics and Science Consistency Act would implement the final NAS recommendation—for the Department of Education to convene a national panel of experts that will collect proven effective K–12 science and mathematics teaching materials, and, if effective models don't exist, create new ones. All materials would be made available online, free of charge, as a voluntary national curriculum that would provide an effective standard for K–12 teachers to use as a resource.

Regrettably, many States have set standards for math and science education at an abysmally low level. A Fordham report entitled ''The State of State Science Standards 2005'' found that nearly half of the States are doing a poor job of setting academic standards for science.

The result of low State standards is that States think their students are passing, teachers think their students are passing, and students think they are passing when they in fact are not. For example, a review of 12 diverse States by a team at the University of California at Berkeley found that the typical State reports that 77 percent of its fourth graders are proficient in mathematics as assessed by the State standard, while just 36.5 percent of fourth grade students in the typical State score as proficient in mathematics as assessed by the gold-standard National Assessment of Education Progress. Lowering academic standards does not adequately prepare our students to meet the demands of the global economy.

The Mathematics and Science Consistency Act will help States raise standards and invest in high-quality teaching through the collection of best practices and ensure that a world-class curriculum is available. Under my bill, it is entirely up to States whether to adopt the recommendations of the panel. States that do would be eligible for grants to acquire instructional materials, to make those materials available online and free to teachers and school staff, and to train teachers to effectively use the instructional materials.

Again, I want to emphasize that this bill provides assistance to States that wish to work together to ensure that all children are taught a rigorous, common curriculum. The Mathematics and

Science Consistency Act would implement the final recommendation made in the Gathering Storm report, and it will help ensure that our children are prepared to compete with success in the 21st century.

It is high time to do what is best for our children and their economic future. I am hopeful that my Senate colleagues from both sides of the aisle will join me today to move this legislation to the floor without delay.

By Mr. MARTINEZ:

S. 3792. A bill to amend the Internal Revenue Code of 1986 to allow a credit against tax for qualified elementary and secondary education tuition; to the Committee on Finance.

Mr. MARTINEZ. Mr. President, today I rise to discuss a bill that aims to give America's children access to greater educational opportunities. As history has taught us, advanced societies are always built on a foundation of a few shared values—and education is a chief component of that foundation.

For 21st century America to continue to lead the world, the leaders of this great Nation of ours must remain committed to providing every American child the opportunity to succeed in the classroom. A quality education unlocks the doors that lead to bigger life opportunities. As the axiom goes, knowledge is power [attributed to Sir Francis Bacon].

In addition, our educational system should be helping parents to make better choices, not taking choices away from them.

That is why I am introducing the Tax and Education Assistance for Children (TEACH) Act of 2006.

Representative VITO FOSSELLA of New York has already introduced this bill in the House of Representatives, where it has collected 34 cosponsors. Six of those cosponsors come from my home State of Florida. Those cosponsors are JEFF MILLER, GINNY BROWN-WAITE, DAVE WELDON, JOHN MICA, KATHERINE HARRIS and TOM FEENEY.

There is a good reason for this. In Florida and across America today, our public schools are facing new and troubling challenges.

Many public schools are suffering from overcrowding, leading to a myriad of problems such as teacher shortages, threats to campus security, a lack of books, desks, and computers, to name a few. In this country, known to the world as a ''land of opportunity,'' American parents deserve better than to have their children suffer through a failing school system.

We live in a consumer-driven society where numerous choices abound: car or SUV, caffeinated or decaf, book in print or book on tape.

We live in a country where you can make airline reservations from a portable electronic device, where a doctor can remotely assist in a surgery from thousands of miles away, where we can power our homes with Sun, wind, or water, and yet too often parents do not have a basic choice for their children: public school or private school.

Many parents would like to send their children to a traditional private, religious, or military school, however, they are often unable to do so because of the high costs of such an endeavor.

Many middle-class parents make enough to take care of their families, but not enough for their families to pick up and move to a better school district or for them to send their children to a private school where they are living.

As we know, it is the innate desire of parents to want to provide the very best for their children. While public schools are the right choice for tens of millions of American children each and every year, more than 5 million American students currently attend private schools at little or no cost to American taxpayers.

We want to help students reach their maximum potential. In this country and around the globe, the best educated people are nearly always the ones leading their respective communities forward.

This bill would establish a tax credit of up to $4,500 per family for private elementary or secondary school tuition. Single parents would also be eligible for the credit.

And because we always want to be responsible with how taxpayers' money is spent, the tax credit is nonrefundable. To elaborate, this means that if tuition is only three thousand dollars at a school, families will only be able to deduct that amount.

This credit would pass along a small portion of taxpayer savings back to the families that help generate it.

For all those middle-class and lower income families across America who feel trapped, who feel as if they don't have the power to choose what is best for their children and their educational needs, the TEACH Act of 2006 will make it possible for them to choose the best learning environment for their children.

It is also important to note that this bill does not institute a voucher program. Instead, as a Federal income tax credit, it helps families to have choices, while not detracting from the funding sources needed to continue upkeep of and improvements in our public schools.

This bill would alleviate the financial burden on our public schools, and thus allow schools to devote greater resources toward improving the educational experience for all students.

And the American taxpayer should not worry that this bill will reduce the funding for their child's school or for any other public school—it won't. What it will do is increase the value of every child's educational experience, be it in a public or private school.

According to the U.S. Census Bureau statistics from 2004, the cost of educating a student in the public school system is close to $8,000 a year. Multiplied out, this comes to a total savings of over $42 billion a year for our public school systems.

If the millions of privately educated students in this country were to be publicly educated, every taxpayer would have to bear that burden.

With this legislation, parents win because their children get the best education possible and the American taxpayer wins because they owe nothing more.

And where Florida is concerned, according to the aforementioned U.S. Census Bureau statistics, approximately, $6,000 is spent annually per public school student in the Sunshine State.

With more than 350,000 students attending private schools in Florida annually, our State's taxpayers save $2.2 billion—and that savings can benefit public schools.

The TEACH Act of 2006 would help to add to those savings.

America is an ownership society where people get to make choices about how they spend their money and where they are going to spend it.

With a choice as important as where and how our children are educated, we need to put more of the power in the hands of the parents.

While this is in no way comprehensive education reform, it is another big step in the right direction.

I encourage my Senate colleagues to learn more about the TEACH Act and to work with me to push through this legislation that will help our children across America receive the education that they need.

Remember, if we do not continue to invest in our future today, tomorrow will not show us the bright promise that it can. Let us carry that promise home to more Americans today.

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. 3792

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 ''Tax and Education Assistance for Children (TEACH) Act of 2006''.

SEC. 2. CREDIT FOR QUALIFIED ELEMENTARY AND SECONDARY EDUCATION TUITION.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25D the following new section:

''SEC. 25E. QUALIFIED ELEMENTARY AND SECONDARY EDUCATION TUITION.

''(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for a taxable year an amount equal to the qualified elementary and secondary education tuition paid or incurred by the taxpayer during the taxable year.

''(b) DOLLAR LIMITATION.—The amount allowed as a credit under subsection (a) with

respect to the taxpayer for any taxable year shall not exceed—

''(1) $4,500 in the case of a joint return,

''(2) $4,500 in the case of an individual who is not married, and

''(3) $2,250 in the case of a married individual filing a separate return.

''(c) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION TUITION.—

''(1) IN GENERAL.—The term 'qualified elementary and secondary education tuition' means expenses for tuition which are incurred in connection with the enrollment or attendance of any dependent of the taxpayer with respect to whom the taxpayer is allowed a deduction under section 151 as an elementary or secondary school student at a private or religious school.

''(2) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.''.

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25D the following new item:

''Sec. 25E. Qualified elementary and secondary education tuition.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

By Mr. CRAPO:

S. 3794. A bill to provide for the implementation of the Owyhee Initiative Agreement, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. CRAPO. Mr. President, I am pleased to introduce the Owyhee Initiative Implementation Act of 2006, a bill which is the result of a 5-year collaborative effort between all levels of government, multiple users of public lands, and conservationists to resolve decades of heated land-use conflict in the Owyhee Canyonlands in the southwestern part of my home State of Idaho.

This is comprehensive land management legislation that enjoys far-reaching support among a remarkably diverse group of interests that live, work and play in this special country.

Owyhee County contains some of the most unique and beautiful canyonlands in the world and offers large areas in which all of us can enjoy the grandeur and experience of untouched western trails, rivers, and open sky. It is truly magical country, and its natural beauty and traditional uses should be preserved for future generations.

Owyhee County is traditional ranching country. Seventy-three percent of its land base is owned by the United States, and it is located within an hour's drive of one of the fastest growing areas in the nation, Boise, ID.

This combination of attributes, including location, is having an explosive effect on property values, community expansion and development and ever-increasing demands on public land. Given this confluence of circumstances and events, Owyhee County has been at the core of decades of conflict with heated political and regulatory battles.

The diverse land uses co-exist in an area of intense beauty and unique character. The conflict over land management is both inevitable and understandable—how do we manage for this diversity and do so in a way that protects and restores the quality of that fragile environment?

In this context, the Owyhee County Commissioners and several others said ''enough is enough'' and decided to focus efforts on solving these problems rather than wasting resources on an endless fight. In 2001, The Owyhee County Commissioners, Hal Tolmie, Dick Reynolds and Chris Salove met with me and asked for my help.

They asked whether I would support them if they could put together at one table the interested parties involved in the future of the County to try and reach some solutions. I told them that if they could get together a broad base of interests who would agree to collaborate in a process committed to problem-solving, I would dedicate myself to working with them and if they were successful, I would introduce resulting legislation. They agreed.

Together, we set out on a 5-year journey on a road that is as challenging as any in the Owyhee Canyonlands. Sharp turns, steep inclines and declines, big sharp rocks, deep ruts, sand burrs, dust and a constant headwind is exactly what those of us who have worked so hard on this have faced every day.

This is very difficult work and in speaking of difficult work, I want to acknowledge the effort of my friend and colleague from Idaho, Representative MIKE SIMPSON, and the challenge he has taken on as he advocates his Central Idaho Economic Development Act. I support his work and his legislation.

The Commissioners appointed a chairman, an extraordinary gentleman, Fred Grant. They formed the Work Group which included The Wilderness Society, Idaho Conservation League, The Nature Conservancy, Idaho Outfitters and Guides, the United States Air Force, the Sierra Club, the county Soil Conservation Districts, Owyhee Cattleman's Association, the Owyhee Borderlands Trust, People for the Owyhees, and the Shoshone Paiute Tribes to join in their efforts. All accepted, and work on this bill began.

As this collaborative process gained momentum, the county commissioners expanded the Work Group to include the South Idaho Desert Racing Association, Idaho Rivers United and the Owyhee County Farm Bureau. Very recently, the commissioners have further expanded the effort to include the Foundation for North American Wild Sheep and the Idaho Backcountry Horsemen.

The commissioners also requested that the Idaho State Department of Lands and the Bureau of Land Management serve, and those agencies have provided important support.

This unique group of people chose to work without a professional facilitator, preferring instead to deal with differences face-to-face and together create new ideas. For me, one of the most gratifying and emotional outcomes has been to see this group transform itself from polarized camps into an extraordinary force that has become known for its intense effort, comity, trust and willingness to work toward a solution.

They operated on a true consensus basis, only making decisions when there was no voiced objection to a proposal.

They involved everyone who wanted to participate in the process and spent hundreds of hours discussing their findings, modifying preliminary proposals and ultimately reaching consensus solutions. They have driven thousands of miles inspecting roads and trails, listening to and soliciting ideas from people from all walks of life who have in common deep roots and deep interest in the Owyhee Canyonlands.

They sought to ensure that they had a thorough understanding of the issues and could take proper advantage of the insights and experience of all these people.

While this whole process and its outcomes are indeed remarkable, one of the more notable developments is the Memorandum of Agreement between the Shoshone Paiute Tribes and the County that establishes government-to-government cooperation in several areas of mutual interest. I want to particularly note the efforts and support of Mr. Terry Gibson, Chairman of the Shoshone Paiute Tribes, a great leader and a personal friend of mine.

All of these individuals and organizations have asked that I seek Senate approval of their collaborative effort, built from the ground up to chart their path forward.

The Owyhee Initiative transforms conflict and uncertainty into conflict resolution and assurance of future activity. Ranchers can plan for subsequent generations. Off-road vehicle users have access assured. Wilderness is established. The Shoshone-Paiute Tribe knows its cultural resources will be protected. The Air Force will continue to train its pilots.

Local, state and Federal agencies will have structure to assist their joint management of the region. And this will all happen within the context of the preservation of environmental and ecological health. This is indeed a revolutionary land management structure—and one that looks ahead to the future.

Principal features of the legislation include:

Development, funding and implementation of a landscape-scale program to review, recommend and coordinate landscape conservation and research projects;

Scientific review process to assist the Bureau of Land Management;

Designation of Wilderness and Wild and Scenic Rivers;

Release of Wilderness Study Areas;

Protections of tribal cultural and historical resources against intentional and unintentional abuse and desecration.

Development and implementation by the BLM of travel plans for public lands;

A board of directors with oversight over the administration and implementation of the Owyhee Initiative.

This can't be called ranching bill, or a wilderness bill, or an Air Force bill, or a tribal bill. It is a comprehensive land management bill.

Each interest got enough to enthusiastically support the final product, advocate for its enactment, and, most importantly, support the objectives of those with whom they had previous conflict.

Opposition will come from a few principal sources: those who simply don't want to have wilderness designated; those who don't want livestock anywhere on public land; and, those who do not want to see collaboration succeed. While I respect that opposition, I prefer to move forward in an effort that manages conflict and land, rather than exploit disagreements.

The status quo is unacceptable. The Owyhee Canyonlands and its inhabitants, including its people, deserve to have a process of conflict management and a path to sustainability. The need for this path forward is particularly acute given that this area is an hour's drive from one of the nation's most rapidly-growing communities. The Owyhee Initiative protects water rights, releases wilderness study areas and protects traditional uses.

I commend the commitment and leadership of all involved. We have established a long-term, comprehensive management approach. It's been an honor for me to work with so many fine people and I will do everything in my power to turn this into law.

The Owyhee Initiative sets a standard for managing and resolving difficult land management issues in our country. After all, what better place to forge an historical change in our approach to public land management, than in this magnificent land that symbolizes livelihood, heritage, diversity, opportunity and renewal?

And with that, I would like to recognize and thank the people who have been the real driving force behind this process: Fred Grant, Chairman of the Owyhee Initiative Work Group, his assistant Staci Grant, and Dr. Ted Hoffman, Sheriff Gary Aman, the Owyhee County Commissioners: Hal Tolmie, Chris Salova, and Dick Reynolds and Chairman Terry Gibson of the Shoshone Paiute Tribes. I am grateful to Governor Jim Risch of the Great State of Idaho for all of his support.

Thanks to: Colonel Rock of the United States Air Force at Mountain Home Air Force Base, Craig Gherke and John McCarthy of The Wilderness Society, Rick Johnson and John Robison of the Idaho Conservation League, Inez Jaca representing Owyhee County, Dr. Chad Gibson representing the Owyhee Cattleman's Association, Brenda Richards representing private property owners in Owyhee County, Cindy and Frank Bachman representing the Soil Conservation Districts in Owyhee County, Marcia Argust with the Campaign for America's Wilderness, Grant Simmons of the Idaho Outfitters and Guides Association, Bill Sedivy with Idaho Rivers United, Tim Lowry of the Owyhee County Farm Bureau, Bill Walsh representing Southern Idaho Desert Racing Association, Lou Lunte and Will Whelan of the Nature Conservancy for all of their hard work and dedication. I'd also like to thank the Idaho Back Country Horseman, the Foundation for North American Wild Sheep, Roger Singer of the Sierra Club, the South Board of Control, and the Owyhee Project managers, and all the other water rights holders who support me today. This process truly benefited from the diversity of these groups and their willingness to cooperate to reach a common goal.

The Owyhee Canyonlands and its inhabitants are truly a treasure of Idaho and the United States; I hope you will join me in ensuring their future.

It is my honor and privilege to introduce this legislation today to protect and preserve this tremendous part of Idaho and the people who live there.

By Mr. SMITH (for himself, Mr. ROCKEFELLER, Mr. ISAKSON, Mr. DEWINE, Mr. BURR, Mr. BINGAMAN, Ms. STABENOW, and Mr. MENENDEZ):

S. 3795. A bill to amend title XVIII of the Social Security Act to provide for a two-year moratorium on certain Medicare physician payment reductions for imaging services; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, I rise today with my friend and colleague from Oregon, Senator SMITH, to introduce the Access to Medicare Imaging Act of 2006. This legislation would require a 2-year moratorium on the imaging cuts enacted as part of the Deficit Reduction Act, pending the outcome of a comprehensive study of Medicare imaging utilization and payment by the Government Accountability Office, GAO.

Each year, millions of Medicare patients receive medical imaging services, including x-rays, CT-scans, MRIs, and PET scans, to name just a few. Imaging devices allow doctors to more accurately diagnose and treat a wide range of human conditions, and patients who receive imaging services enjoy the peace of mind that comes from more precise diagnoses of disease. It would not be an overstatement to say that medical imaging has revolutionized the manner in which physicians practice medicine and the manner in which patients receive health care.

The widespread use of digital imaging equipment allows providers to easily exchange images across the Internet, facilitating greater and more timely physician consultation and, most people believe, improving the quality of care received by the patient. This same technology allows greater access to radiology professionals across the country for individuals living in rural and other medically underserved areas, which is a big deal in West Virginia.

Consider, if you will, Braxton Memorial Hospital in the small town of Gassaway in central West Virginia. Braxton Memorial is a remote, critical access hospital without the services of a radiologist. Because of imaging technology, trained medical staff at Braxton Memorial can take a digital x-ray and, within minutes, send a precise copy to a major medical facility in Charleston. There, it is read by a radiologist, who then returns a written report by e-mail. A few years back this was still science fiction, but now it happens every hour of every day across the country.

As incredible as these services may seem and as important as they are to the practice of effective clinical medicine, there is a perception that imaging services also come with an increased cost. Over the past few years, the use of imaging services by Medicare beneficiaries has increased significantly. In fact, MedPAC reported in March 2005 that imaging grew at twice the rate of all other physician fee schedule services between 1999 and 2003. During that time, MRI and CT procedures increased by 15 percent to 20 percent per year on their own.

In addition to rising costs, MedPAC further reinforced ongoing concerns about potential overuse of imaging services and the sudden increase of outpatient-based imaging in primary care settings. Citing a lack of training and implementation of imaging guidelines, MedPAC called upon Congress to direct the Secretary of Health and Human Services to define and execute such standards.

Given the MedPAC report, imaging reimbursement became an easy budget target during the reconciliation debate last year. I am concerned, however, that the $8 billion in imaging cuts were prematurely added to the Deficit Reduction Act. I believe these cuts were arbitrarily determined in order to meet a budget target and were not based on sound public policy. I am also very concerned about the impact these cuts will have on the imaging profession and on Medicare beneficiaries' access to imaging services.

We should not put the health of our seniors at risk in order to achieve an arbitrary budget target. So today I join Senators SMITH, BINGAMAN, ISAKSON, STABENOW, DEWINE, MENENDEZ, and BURR in calling for a 2-year delay of these cuts so that a comprehensive GAO study can be completed. A thorough GAO analysis of Medicare reimbursement for imaging services will provide greater insight into this important field of medical practice and help inform our decisions going forward. I urge my colleagues to join with us in supporting this timely legislation.

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. 3795

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 ''Access to Medicare Imaging Act of 2006''.

SEC. 2. TWO-YEAR MORATORIUM ON CERTAIN MEDICARE PHYSICIAN PAYMENT REDUCTIONS FOR IMAGING SERVICES.

(a) MORATORIUM.—Subsections (b)(4)(A) and (c)(2)(B)(v)(II) of section 1848 of the Social Security Act (42 U.S.C. 1395w-4), as added by section 5102(b) of the Deficit Reduction Act of 2005, are each amended by striking ''2007'' and inserting ''2009''.

(b) GAO STUDY AND REPORT ON IMAGING SERVICES FURNISHED UNDER THE MEDICARE PROGRAM.—

(1) STUDY.—The Comptroller General of the United States shall conduct a comprehensive study on imaging services furnished under the Medicare program.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to Congress and the Secretary of Health and Human Services a report on the findings and conclusions of the study conducted under paragraph (1) together with recommendations for such legislation and administrative actions as the Comptroller General considers appropriate.

By Mrs. CLINTON (for herself and Mr. JOHNSON):

S. 3797. A bill to establish demonstration projects to provide at-home infant care benefits; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, I am pleased to introduce today legislation to provide parents new options to balance family and work.

The reality of today's economy is that most parents must work to provide economic security for their families—a reality that is particularly true when a new baby is welcomed into the family. In fact, 55 percent of women with infants younger than one year of age work. As a result, working parents face the challenge of providing economic security for their family while simultaneously ensuring that their infant receives the quality care that he or she needs.

Research shows that the quality of caretaking in the first months and years of life is critical to a newborn's brain development, social development and well-being. Yet there is currently a severe shortage of safe, affordable, quality care for infants. The number of licensed child care slots for infants meets only 18 percent of the need. The shortage is particularly acute in rural areas, and especially in rural areas that have many low-income residents.

In the ideal circumstance, I think we would all agree, parents who need affordable, high-quality care for their infant would provide that care themselves. Unfortunately, in many low- and moderate-income families, having a parent quit his or her job or reduce work hours to care for an infant is not financially viable. Doing so would plunge the family into an economic crisis. Rather, parents should have the choice of using a state child care subsidy to obtain infant care outside the home or of keeping the subsidy so they can stay home and care for their child themselves without risking their family's financial security.

The Choices in Child Care Act of 2006 would provide parents this choice. The bill amends the child care development block grant, CCDBG, so that low- and moderate-income parents have the option of forgoing a State childcare subsidy for infant care outside the home and instead receiving a comparable stipend to provide the care themselves while keeping the family economically stable. Providing support for at-home infant care would give thousands of working families the help they need to balance work and care for their infant children. The bill would also help meet the critical shortage of infant childcare, provide cost savings to state child care programs, support quality care for the critical first years of a child's development, and value parenting as a form of work.

The time has come for us to recognize the challenges facing families today and give parents additional resources and options to address those challenges. I urge my colleagues to join me in supporting the Choices in Child Care Act of 2006.

By Mrs. FEINSTEIN:

S. 3798. A bill to direct the Secretary of the Interior to exclude and defer from the pooled reimbursable costs of the Central Valley Project the reimbursable capital costs of the unused capacity of the Folsom South Canal, Auburn-Folsom South Unit, Central Valley Project, and for other purposes; to the Committee on Energy and Natural Resources.

Mrs. FEINSTEIN. Mr. President, I rise today to introduce a bill that is based on the simple fairness principle that you should pay for what you get, no more and no less. In this case California water districts have been paying for years for conveyance capacity on the Folsom South Canal that they do not use.

This bill would direct the Secretary of the Interior to exclude and defer from the pooled, reimbursable costs of California's Central Valley Project, CVP, the capital costs of the unused capacity of the Folsom South Canal. Congressman LUNGREN has introduced similar legislation in the House of Representatives.

In 1970, two CVP contractors signed contracts with the Bureau of Reclamation to take water from the Folsom South Canal, which had yet to be built. The canal diverts water out of Lake Natomas, a regulating reservoir immediately downstream of Reclamation's Folsom Reservoir, to areas in southern Sacramento County.

The canal was originally designed to incorporate five ''reaches''—or sections—and deliver water to southern Sacramento County, San Joaquin County, and to the San Francisco Bay area. Because the planned East Side Division irrigation project was never constructed, the anticipated deliveries through the Folsom South Canal never materialized. Only two reaches of the canal were constructed, and those are dramatically overbuilt. In a departure from normal reclamation policy, which dictates that signed contracts are required prior to construction of projects, signed contracts were not obtained.

The canal was built with the capacity to deliver 2.5 million acre-feet of water per year, but the only entity currently diverting water through the canal—the Sacramento Municipal Utility District, SMUD—has only diverted a maximum of 20,000 acre-feet per year. In short, a significantly oversized canal has been used to deliver a very small quantity of water.

Under reclamation policy, the agency allocates the capital costs of the canal to the pool of all CVP municipal and industrial water—M&I—users regardless of whether they divert water through the Folsom South Canal. There are 32 M&I customers that are paying for the canal, including SMUD, Sacramento County Water District, East Bay MUD, Santa Clara Valley Water District and Contra Costa Water District. Today, only SMUD diverts any water through the canal, albeit only about 8 percent of the canal's capacity; the other customers have little or no benefit to the project that they fund. This inequity is difficult to explain to ratepayers that are already burdened with replacing aging infrastructure and upgrading water treatment technologies.

My legislation would direct the Secretary of the Interior to exclude and defer from those pooled reimbursable costs of the CVP, the costs of the unused capacity of the Folsom South Canal. While final deferral calculations will be performed by reclamation as directed by this bill, it is estimated that this bill will result in a deferral of approximately $35 million excess capacity costs.

The concept of deferring costs is not unique to the Folsom South Canal. Congress has authorized deferrals for other elements of the CVP and in other reclamation projects. Even though there are many instances where customers pay for unused capacity, there are no instances that come close to approaching the absurd inequity of being forced to pay for a canal that is producing 8 percent of what reclamation promised it would deliver.

Should the amount of CVP water conveyed through the Folsom South Canal change in the future, this bill includes a provision directing Interior to review the change and adjust the deferred costs accordingly for unused capacity.

I strongly believe this deferral is the correct approach to this issue. Reclamation made the decision to oversize this canal based on future planned expansions—expansions that did not materialize. The water districts that use the existing canal for limited conveyances should not pay for the consequences of public policy decisions that resulted in a significantly oversized canal. Water districts should pay for the canal conveyance capacity that they use—I think this is a fairness principle that we can all accept.

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. 3798

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

SECTION 1. CERTAIN AMOUNTS EXCLUDE AND DEFER FROM THE POOLED REIMBURSABLE COSTS RELATED TO THE CENTRAL VALLEY PROJECT.

(a) IN GENERAL.—The Secretary of the Interior (referred to in this section as the ''Secretary'') shall exclude and defer from the pooled reimbursable costs of the Central Valley Project the reimbursable capital costs of the unused capacity of the Folsom South Canal, Auburn-Folsom South Unit, Central Valley Project.

(b) CALCULATION OF AMOUNT OF DEFERRED USE.—The Secretary shall calculate the amount to be assigned to deferred use as soon as practical and such shall be reflected in future years' water rates.

(c) CALCULATION OF CAPITAL COSTS.—For the purpose of calculating the excluded reimbursable cost for the Folsom South Canal facility, the Secretary shall multiply the existing total reimbursable cost for the facility by a factor, to be determined by dividing the current minimum unused conveyance capacity of the canal by the original design conveyance capacity of the canal. The minimum unused conveyance capacity of the canal shall—

(1) be determined by the Secretary;

(2) be based upon actual historic measured flows in the canal and planned future flows; and

(3) include the amount of Central Valley Project water that was originally conveyed or was historically projected to be conveyed through the Folsom South Canal which may have been contractually assigned to another entity.

(d) REVIEW AND ADJUSTMENT.—The Secretary shall review and adjust—

(1) the amount described in subsection (b)(3) as appropriate and recalculate the amount of such unused capacity of the Folsom South Canal; and

(2) the amount of reimbursable capital costs of the Folsom South Canal.

(e) CONVEYANCE OF CERTAIN WATER.—So long as an entity that is allocated and that pays capital, interest, and operation and maintenance costs associated with an amount of Central Valley Project water historically assigned to the Folsom South Canal does not use the Folsom South Canal for the conveyance of Central Valley Project water, that entity shall be entitled, without additional cost, to convey up to an equivalent amount of non-Central Valley Project water through the Folsom South Canal.

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

S. 3801. A bill to support the implementation of the Darfur Peace Agreement and to protect the lives and address the humanitarian needs of the people of Darfur, and for other purposes; to the Committee on Foreign Relations.

Mr. SMITH. Mr. President, I rise today to introduce the Peace In Darfur Act of 2006, along with my distinguished colleague from Massachusetts, Senator KENNEDY. Our intention is to continue to press the Sudanese Government and rebel groups to honor the Abuja peace agreement reached on May 5 in Nigeria. We hope that this legislation will help bring about peace in the region.

Mr. President, I will ask animous consent to have printed in the RECORD the following letters from the Hebrew Immigrant Aid Society, the American Jewish Committee and the Archdiocese of Portland, OR.

Tragically, despite the Abuja peace agreement, the conflict in the Darfur region of Sudan has continued unabated throughout this spring and summer. The Janjaweed, a government supported militia, continues to attack innocent citizens and the government is unable, or unwilling, to stop this brutality.

This violence has led to an increasingly—dire humanitarian situation. More then 3 million people are dependent upon humanitarian assistance. Imagine the entire state of Oregon, which has three and a half million citizens, dependent upon humanitarian aid. This is what we face in Darfur today.

I commend the Bush administration for the work it has done in bringing about the Abuja peace agreement. America has been extraordinarily generous in providing over $1 billion worth of humanitarian assistance to those suffering in the region. Yet more must be done to bring an end to the conflict and give the Sudanese people a chance to live a normal life.

The Peace in Darfur Act of 2006 seeks to increase the prospect of full implementation of the Abuja peace agreement and address the unmet humanitarian needs in Darfur. The bill supports the deployment of a United Nations peacekeeping force to Darfur, intensifying the international pressure on the Government of Sudan to comply with the agreement and allow in U.N. peacekeepers. This bill also codifies existing sanctions and calls for additional targeted sanctions on Sudan's leaders.

While the African Union Mission in Sudan has performed admirably under difficult conditions, a stronger force must be deployed to provide stability, allow refugees to return to their homes, and restore some semblance of normalcy to those affected by the fighting. Section 4 of our legislation calls upon the Government of Sudan to allow a United Nations peacekeeping force into Darfur to achieve these important objectives.

Section 4 of our legislation also assigns the special envoy for Sudan, authorized in the fiscal year 2006 supplemental appropriations bill, the task of supporting the peace process. The urgency of this situation demands a constant level of attention at the highest level of our government, a task that the special envoy can facilitate.

Section 5 of the bill codifies sanctions against Sudan that were imposed by Executive Order 13067. Codifying these sanctions will send a strong message to the Sudanese government that signing the peace agreement is not sufficient—we expect their full compliance and cooperation to bring about a peaceful resolution to the ongoing conflict.

Section 6 of the bill requires the State Department to issue a report on the implementation of the Darfur Peace Agreement and a description of the humanitarian crisis. It also calls for the President to report on the international community's efforts to support the peace process and address humanitarian shortfalls. I believe this will hold accountable those countries that are actively undermining the peace agreement.

If the President certifies that the Government of Sudan is implementing the peace agreement and has agreed to allow the presence of a U.N. peacekeeping mission, then the legislation requires the President to request recommendations to further the peace process from the special envoy for Sudan.

However, if the President finds the Sudanese Government is impeding the peace process, the bill calls for the President to impose additional measures against Sudan, including enacting targeted sanctions on the Sudanese leadership and their immediate families.

Section 7 requires a State Department report on those companies investing $5 million or more in Sudan. This information can then be used to deter investment groups, retirement funds, and others from investing in corporations doing business in Sudan. The legislation requires the Department of the Treasury to issue a report summarizing the assets of Sudanese leaders in the United States and elsewhere. This report will give a full accounting of the Sudanese leaders' assets and will allow the Department of the Treasury to take actions on these assets.

Finally, section 8 of the legislation authorizes $150 million for humanitarian needs in Darfur (fiscal years 2008–2012 to alleviate the suffering of these needy people.

Mr. President, I am pleased that Senator KENNEDY has joined me in this effort. Our legislation is an important step in the efforts needed to bring peace to the region. We hope that it will continue to focus attention on the crisis and pressure the major actors to abide by the Abuja peace agreement.

Mr. President, I ask unanimous consent that the letters to which I referred earlier by printed in the RECORD.

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

THE AMERICAN JEWISH COMMITTEE,
Washington, DC, August 2, 2006.

DEAR SENATOR: ''First they came first for the Communists, and I did not speak out because I was not a Communist. Then they came for the Socialists, and I did not speak out, because I was not a Socialist; Then they came for the trade unionists, and I did not speak out because I was not a trade unionist. Then they came for the Jews, and I did not speak out because I was not a Jew. Then they came for me, and there was no one left to speak out for me.''

In 1945 Lutheran Pastor Martin Niemoller's voice echoed around the globe as the world grieved over millions of lives lost at the hands of genocide. Sixty years later, America grieves as millions of innocent victims are being displaced, raped, tortured, and murdered in the Darfur region of Sudan.

Pressure is mounting for the Sudanese government to end its genocide. Over the past two years, Congress has allocated more than $250 million to expand and strengthen the role of the African Union Mission in Darfur and to provide additional humanitarian disaster relief throughout the region. As the nation's oldest human relations organization, the American Jewish Committee applauds Congress' action in approving these funds, but we believe that more must be done.

The fragile peace agreement reached in May now seems shattered as fighting continues to rage throughout the region. To halt the killing and displacement, civilians must be protected, the peace agreement must be implemented, and a secure environment must be established for the delivery of humanitarian aid. As atrocities, crimes against humanity and genocidal acts continue throughout the region, we urge you to take further action toward protecting besieged Sudanese civilians by supporting the Peace in Darfur Act.

The Peace in Darfur Act, introduced by Senators Gordon Smith and Edward Kennedy, directs the President to appoint a new special envoy to Sudan. The Special Envoy, in collaboration with international partners, would be best positioned to advance the Darfur peace process. The bill also calls on the government of Sudan to allow a UN peacekeeping force to enter Darfur; NATO to provide humanitarian, logistical, and personnel support to the UN; NATO to enforce the no-fly zone over Darfur; and the international community to not only support the African Union Mission (AMIS) in Sudan, but also to provide humanitarian assistance. The bill also authorizes an additional $150 million in humanitarian aid for Fiscal Years 2008–2012. Further, the bill mandates a Presidential report on the situation in Darfur that will cast new light on the Sudanese government's actions and provide a basis to impose targeted sanctions if necessary.

On behalf of a community that has suffered persecution and even genocide all too often in our history, we urge you to support this crucial piece of legislation. The time to act is now. History has demonstrated the price of standing idly by in the face of such horrors.

Respectfully,

RICHARD T. FOLTIN,
Legislative Director and Counsel.

THE HEBREW IMMIGRANT AID SOCIETY,
New York, NY July 28, 2006.

Hon. GORDON SMITH,
Senate Russell Office Building,
Washington, DC.
Hon. EDWARD M. KENNEDY,
Senate Russell Office Building,
Washington, DC.

DEAR SENATOR SMITH AND SENATOR KENNEDY: I am writing on behalf of the Hebrew Immigrant Aid Society (HIAS) to express our strong support for the ''Peace in Darfur Act of 2006.''

For over 125 years, HIAS has helped millions of people fleeing persecution and poverty through rescue, resettlement and reunion. The Jewish tradition's emphasis on refugee protection and our community's experience with the trauma of genocide and refugee flight make what's happening in Darfur an issue of primary concern for the Jewish community. We therefore applaud this bill for taking concrete steps to alleviate the inconceivable suffering and hardship that so many innocent Sudanese have endured in the past three years.

Specifically, we are pleased that this bill authorizes $150 million in additional funding to help meet tbe unmet humanitarian needs in Darfur. With an office in eastern Chad and programs in three refugee camps, HIAS has seen first-hand the dire consequences when the basic necessities of life, including food, water, and health services, are not met. In June 2005, HIAS launched the Initiative for Sudanese Refugees in Chad, which is intended to strengthen the refugees' psychological and social conditions and to convey skills needed to survive and function in the aftermath of extreme violence. Re-acquisition of these basic skills is crucial to break the chain of dependence and suffering caused by severe psychological trauma. By allocating additional funding to provide such basic necessities as food and water, this bill will help remove yet another hurdle to the Darfuri refugees' ability to support themselves and regain control over their lives and well-being.

The Jewish community, knowing all too well what results when genocide is met with silence and inaction, has aggressively denounced the genocide in Darfur and called on the U.S. Government to do more in response. By requiring the Administration to take several important actions, including appointing a Special Envoy for Sudan, the ''Peace in Darfur Act of 2006'' is a significant and vital bill that should be supported by all Members of Congress. To us, ''never again'' is more than just a quote—it is a mandate.

Sincerely,

GIDEON ARONOFF,
CEO and President.

ARCHDIOCESE OF PORTLAND IN OREGON,
Portland, OR, July 31, 2006.

Sen. GORDON SMITH,
Portland, OR.

DEAR SENATOR SMITH: Thank you for the opportunity to comment on the draft legislation ''Supporting Peace and Alleviating Suffering in Darfur'' that you are co-authoring with Senator Kennedy. The continuing violence and atrocities being committed in Darfur are tragic and deplorable. As people of faith we are compelled to do everything in our power to protect the lives and dignity of the victims. I deeply appreciate your leadership on this issue, and in particular your continuing efforts to introduce legislation in the U.S. Senate.

Archbishop Vlazny wrote that people of faith must demonstrate a willingness ''to go beyond our own boundaries to serve those in need and to work for global justice and peace. Ours is a shrinking and suffering world. Every once in a while a particular need in some corner of today's world becomes so acute that, for a time, it serves as the unique moral test of our society with respect to our care for the weakest among us . . . The Khartoum government has the greatest responsibility [for the violence and harassment directed against the Fur Zagahawa and Masaalite black African ethnic groups by the Janjaweed] and must be pressured to do what it can to bring an end to the conflict. We continue to urge the United Nations and our own government to apply that pressure.'' (Catholic Sentinel, August 26, 2004)

Even though the atrocities being committed against the population of Darfur were declared to be genocide by the international community in July 2004, the violence has continued unabated. It is clear that much more intensive and sustained engagement is required of the international community.

In May 2006, the Sudanese Government of National Unity and the Sudan Liberation Movement signed the Darfur Peace Agreement. Bishop Wenski, Chairman of the U.S. Conference of Catholic Bishops Committee on International Policy, said the peace accord ''will open the way for the United States to hold the Sudanese government to its promise of allowing the African Union peacekeeping force (AMIS) to be transformed into a more robust and mobile UN mission with a strong mandate. It is essential to strengthen significantly the presence and responsiveness of peacekeeping forces in Darfur, both to guarantee implementation of the peace agreement and to win the confidence of the people.''

In answer to the Gospel's call to protect human life and dignity, the U.S. Conference of Catholic Bishops joined the Save Darfur Coalition, an alliance of over 150 faith-based, humanitarian, and human rights organizations that organized the Million Voices for Darfur Campaign, in calling upon our leaders to no longer remain silent in the face of the killings, rape and wanton destruction occurring daily in Darfur.

The specific actions that were requested included:

(1) Retain urgently needed funding for humanitarian relief in the FY 2006 Emergency Supplemental Appropriations bill.

(2) Pressure the government in Khartoum to disarm the warring factions, cease all attacks against innocent civilians, provide unimpeded humanitarian access and bring to justice those perpetrating crimes against humanity.

(3) Pressure both the government and the rebels to respect the existing ceasefire agreement and to intensify the search for a durable peace during ongoing negotiations in Abuja, while simultaneously urging both Sudan and Chad to refrain from any escalation that might lead to threatened hostilities.

(4) Urge the U.S. to use its voice in the U.N. Security Council to ensure the continuation of the mandate of the African Union in Darfur to monitor the ceasefire, protect innocent civilians, and assist international humanitarian relief organizations, while urging NATO to provide AMIS with all possible logistical support until the transition to full-fledged UN peacekeeping force can be completed.

(5) Hold the signatories to the Comprehensive Peace Agreement fully accountable, and honor the promise to provide substantial financial and political support to the government of national unity to undertake the reconstruction of the country and its civil society.

(6) Urge the U.N. Security Council to continue its support for the peacekeeping mission that is working with all parties to the

national-unity government to implement the peace accord. The United States should provide adequate funding and logistical support so that peace and security might be achieved.

The draft legislation that you have proposed (''Supporting Peace and Alleviating Suffering in Darfur Act'', July 12, 2006 version) addresses these requested actions in a comprehensive and thorough manner. We are deeply grateful that you have demonstrated leadership on this issue and are willing to take the necessary steps to protect the people of Darfur from further harm. We join you in hoping that these measures will be fully effective.

The events of the past few months demonstrate that significant progress can be made with high level engagement on the part of the U.S. Congress and Administration. Please share our appreciation and gratitude with everyone who made this initial step toward peace possible. We offer our full support for continued and sustained leadership in the difficult time ahead.

Sincerely,

DAVID CARRIER, Ph.D.,
Director, Office of Justice and Peace.

Mr. KENNEDY. Mr. President, Senator SMITH and I have sent a bill to the desk to address the heart-wrenching crisis in Darfur and support the peace process there, and we look for its early consideration.

The horrifying violence in the Darfur region of Sudan was recognized by Congress and the Bush administration as genocide over 2 years ago, and it continues unabated today. However, rays of hope for peace can be seen on the horizon. On May 5, the Government of Sudan and the main rebel group, the Sudan Liberation Movement led by Minni Minnawi, agreed to a plan that, if implemented, could bring peace to Darfur.

The plan calls for an immediate cease-fire and requires the Government of Sudan to neutralize and disarm the Janjaweed militia, the gunmen supported by the government who have been conducting a bloody campaign to forcibly displace non-Arab tribes from Darfur.

The Darfur Peace Agreement is an opportunity we need to seize. To do so, greater international pressure on the Sudanese government will be required in order to improve the prospects of effective implementation. Developments since its signing indicate that the present level of international pressure isn't enough.

Three months have passed, but the Sudanese Government has done little to take the most important step in the peace plan—disarming the Janjaweed. Khartoum's past record is not encouraging. It has pledged to disarm the Janjaweed on previous occasions but then failed to follow through. This reluctance is not unexpected in light of the government's cynical use of the Janjaweed to exercise power in the Darfur region.

In recent months, the violence in Darfur has spilled over into neighboring Chad. The two governments each support armed groups opposed to the other. Sudanese helicopters and planes attack innocent villagers in Darfur, despite a United Nations order not to fly over Darfur.

The African Union Mission in Sudan, which has 7,000 peacekeepers in Darfur, has made a valiant effort to provide security and assist the people of Darfur. Nonetheless, the African Union peacekeepers are not able even to defend themselves, much less the two million refugees and internally displaced persons fleeing the violence. This mission is obviously unprepared and ill-equipped to press for and verify the implementation of the May 5 peace agreement.

Sudan appears to be waiting to see whether the international community will again just lament the crisis and make hollow threats, or is now ready and willing to take concrete steps. As one high-ranking Sudanese Government official said to a Boston Globe reporter, ''The United Nations Security Council has threatened us so many times, we no longer take it seriously.'' It is time for the United States and the international community to let the Sudanese Government know that this time we expect Sudan to carry through on its commitments in the Darfur Peace Agreement. Fortunately, the international community has already taken initial actions to support the May 5 Peace Agreement. The African Union and the United Nations are planning for the transfer of peacekeeping responsibilities from the African Union to the United Nations. In addition, NATO has begun planning on how to support a U.N. peacekeeping mission, and the European Union hosted a conference in July on assistance for Darfur.

Although the international community has signaled support for the Darfur Peace Agreement, Khartoum has been dragging its heels. In particular, it has not yet agreed to allow a U.N. peacekeeping mission into Darfur. The international community must strengthen its effort to persuade the Sudanese Government to comply with the agreement and permit the U.N. peacekeepers in Darfur.

One of the tragic outcomes of the Darfur violence is an alarming humanitarian crisis. More than 3 million people in Darfur are dependent on humanitarian assistance for survival. The violence in Darfur has forced millions to flee from their homes. The U.N. Office for the Coordination of Humanitarian Assistance reports that significant needs for health, food and water, and sanitation are not being met in Darfur. The World Food Program warns of a $400 million shortfall in the funds it now has for Sudan. Because of the shortages in food relief, the refugees are receiving only partial rations.

The children suffer most. One in four children in Darfur die before the age of five. The most needy frequently remain hidden, because insecurity in the region prevents them from making the dangerous trip to international relief centers.

The United States has been the largest single donor of humanitarian assistance to the people of Darfur, and we must continue our effort in order to give the people of the region much-needed aid. We must do more to encourage the international community to do so as well.

Sadly, the continuation of violence in the region has severely hindered humanitarian aid efforts. In the past 6 months, aid groups in eastern Chad have lost 26 vehicles to armed hijackers. One UNICEF worker was shot and nearly killed. It is unfair to put relief agencies in a situation where they must either risk having their aid workers murdered or raped, or pull out and leave thousands in Darfur to die. U.N. Secretary General Kofi Annan said of this crisis, ''Giving aid without protection is like putting a Band-Aid on an open wound.''

To give peace the best chance of taking hold, peace, the Sudanese Government must be persuaded to implement its commitment to neutralize and disarm the Janjaweed. The Sudanese can be influenced by what the rest of the world does. Sudan is not an isolated, remote land. It is the largest country in Africa, and has significant economic and political ties to the rest of Africa and the world.

Now is the time for the United States, in concert with other countries, to act on Darfur. This is why Senator SMITH and I have introduced legislation to urge the Sudanese parties to honor their commitment in the peace accord. The bill also helps to address the unmet humanitarian needs in Darfur.

At its core, the legislation is intended to encourage greater international pressure on the Government of Sudan to fulfill its obligations in the peace agreement and to allow U.N. peacekeepers into Darfur.

In preparing this legislation, we have worked closely with the NGO community of experts. Groups such as the International Crisis Group, Refugees International, Save Darfur Coalition, the Hebrew International Aid Society, the American Jewish Committee, the American Jewish World Service, and Physicians for Human Rights have endorsed it. I will ask that the letters of endorsements that I have submitted be printed in the RECORD.

The legislation assigns to the Presidential envoy for Sudan the responsibility for supporting the Darfur peace process and, together with the international community, to press the Sudanese parties to implement the agreed-upon ceasefire and disarm the Janjaweed militia.

It calls on the Government of Sudan to immediately allow a U.N. peacekeeping force to enter Darfur and to implement the Darfur Peace Agreement.

It calls on NATO to enforce the no-fly zone over Darfur, if requested by the U.N., and to provide airlift, and logistical and intelligence support to the peacekeepers.

It calls on the international community to act promptly to meet the outstanding humanitarian assistance

needs. We must do our part too. The legislation authorizes $150 million in additional funds for each of the next 5 fiscal years to meet these needs.

Under the legislation, the President will report on whether the Sudanese Government is implementing the peace agreement and has agreed to allow a U.N. peacekeeping mission to enter Darfur. If so, then the Presidential special envoy for Sudan will be requested to develop recommendations to advance the peace process. If the Sudanese Government refuses, then the President will impose sanctions targeted on the leaders of Sudan, urge the international community to do the same, and continue to oppose normalization of its relations with Sudan.

In addition, the bill requires reports from the Commerce Department identifying companies investing $5 million or more in Sudan and a listing of the assets of Sudanese leaders in the United States and elsewhere.

With so much other violence erupting in the world, we must not ignore the crisis in Darfur. Without international action, the genocide will go on. The Sudanese Government will balk or move slowly on disarming the Janjaweed and bringing an end to the violence. Experts estimate that since the conflict in Darfur began in 2004, up to 300,000 people have been killed, and an estimated 1.9 million have been displaced. Every day that we fail to act, those shameful numbers will increase.

I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the letters to which I referred be printed in the RECORD.

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

INTERNATIONAL CRISIS GROUP,
Washington, DC, August 1, 2006.

Hon. EDWARD KENNEDY,
Russell Senate Building,
Washington DC.

DEAR SENATOR KENNEDY: The International Crisis Group strongly supports the Peace in Darfur Act of 2006, which you are co-sponsoring with Senator Smith.

For the past 2 years, Crisis Group has advocated for tough legislation to address the ongoing atrocities in Darfur, Sudan. Last year, we endorsed the Darfur Accountability Act (HR 1424) and the Darfur Peace and Accountability Act (HR 3127). The Peace in Darfur Act complements previous legislation by calling explicitly for the U.S. to do the following: name a special envoy and lead multilateral efforts; increase pressure on the government of Sudan to allow the deployment of a robust UN peace support mission under Chapter VII of the UN Charter; and encourage non-signatories to sign the Darfur Peace Agreement by addressing its inadequacies.

Congressional action has been crucial in providing life-saving humanitarian assistance to millions of conflict-affected civilians in Darfur and in supporting African peacekeepers, but the situation remains critical. Concerted pressure on the government of Sudan, including U.S. support for the work of the International Criminal Court, is vital to hold perpetrators of atrocities accountable and to ensure that UN forces are deployed to protect civilians.

Yours sincerely,

MARK L. SCHNEIDER,
Senior Vice President.

REFUGEES INTERNATIONAL,
Washington, DC, August 1, 2006.

Hon. EDWARD KENNEDY,
U.S. Senate,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR KENNEDY: I am writing in support of the Peace in Darfur Act of 2006, which you and Sen. Smith are co-sponsoring. This important piece of legislation keeps the pressure on the government of Sudan and other parties to honor and implement the Darfur Peace Agreement. It recognizes the need to support the African Union force (AM IS) while moving toward a UN force in Darfur, and it calls for the continuation of necessary humanitarian aid.

Last week I returned from Darfur, where death, displacement and suffering are continuing, despite the signing of the Darfur Peace Agreement on May 5th. Based on talks with internally displaced people, rebel leaders, Sudanese government officials, civil society leaders, diplomats and UN officials, it is clear to me that the U.S. must keep the pressure on the government of Sudan to disarm the Janjaweed militia and work for peace. The appointment of a presidential envoy will give the U.S. more leverage and focus in its efforts to promote peace in Darfur.

Please ask your office to contact me if I can be of further assistance in supporting the Peace in Darfur Act of 2006.

Sincerely,

KENNETH H. BACON,

PRESIDENT.

HEBREW IMMIGRANT AID SOCIETY,
New York, NY, July 28, 2006.

Hon. GORDON SMITH,
Senate Russell Office Building,
Washington, DC.
Hon. EDWARD M. KENNEDY,
Senate Russell Office Building,
Washington, DC.

DEAR SENATOR SMITH AND SENATOR KENNEDY: I am writing on behalf of the Hebrew Immigrant Aid Society (HIAS) to express our strong support for the ''Peace in Darfur Act of 2006.''

For over 125 years, HIAS has helped millions of people fleeing persecution and poverty through rescue, resettlement and reunion. The Jewish tradition's emphasis on refugee protection and our community's experience with the trauma of genocide and refugee flight make what's happening in Darfur an issue of primary concern for the Jewish community. We therefore applaud this bill for taking concrete steps to alleviate the inconceivable suffering and hardship that so many innocent Sudanese have endured in the past three years.

Specifically, we are pleased that this bill authorizes $150 million in additional funding to help meet the unmet humanitarian needs in Darfur. With an office in eastern Chad and programs in three refugee camps, HIAS has seen first-hand the dire consequences when the basic necessities of life, including food, water, and health services, are not met. In June 2005, HIAS launched the Initiative for Sudanese Refugees in Chad, which is intended to strengthen the refugees' psychological and social conditions and to convey skills needed to survive and function in the aftermath of extreme violence. Re-acquisition of these basic skills is crucial to break the chain of dependence and suffering caused by severe psychological trauma. By allocating additional funding to provide such basic necessities as food and water, this bill will help remove yet another hurdle to the Darfuri refugees' ability to support themselves and regain control over their lives and well-being.

The Jewish community, knowing all too well what results when genocide is met with silence and inaction, has aggressively denounced the genocide in Darfur and called on the U.S. Government to do more in response. By requiring the Administration to take several important actions, including appointing a Special Envoy for Sudan, the ''Peace in Darfur Act of 2006'' is a significant and vital bill that should be supported by all Members of Congress. To us, ''never again'' is more than just a quote—it is a mandate.

Sincerely,

GIDEON ARONOFF,
CEO and President.

THE AMERICAN JEWISH COMMITTEE,
Washington, DC, August 2, 2006.

DEAR SENATOR:

''First they came first for the Communists, and I did not speak out because I was not a Communist. Then they came for the Socialists, and I did not speak out, because I was not a Socialist; Then they came for the trade unionists, and I did not speak out because I was not a trade unionist. Then they came for the Jews, and I did not speak out because I was not a Jew. Then they came for me, and there was no one left to speak out for me.''

In 1945 Lutheran Pastor Martin Niemoller's voice echoed around the globe as the world grieved over millions of lives lost at the hands of genocide. Sixty years later, America grieves as millions of innocent victims are being displaced, raped, tortured, and murdered in the Darfur region of Sudan.

Pressure is mounting for the Sudanese government to end its genocide. Over the past two years, Congress has allocated more than $250 million to expand and strengthen the role of the African Union Mission in Darfur and to provide additional humanitarian disaster relief throughout the region. As the nation's oldest human relations organization, the American Jewish Committee applauds Congress' action in approving these funds, but we believe that more must be done.

The fragile peace agreement reached in May now seems shattered as fighting continues to rage throughout the region. To halt the killing and displacement, civilians must be protected, the peace agreement must be implemented, and a secure environment must be established for the delivery of humanitarian aid. As atrocities, crimes against humanity and genocidal acts continue throughout the region, we urge you to take further action toward protecting besieged Sudanese civilians by supporting the Peace in Darfur Act.

The Peace in Darfur Act, introduced by Senators Gordon Smith and Edward Kennedy, directs the President to appoint a new special envoy to Sudan. The Special Envoy, in collaboration with international partners, would be best positioned to advance the Darfur peace process. The bill also calls on the government of Sudan to allow a UN peacekeeping force to enter Darfur; NATO to provide humanitarian, logistical, and personnel support to the UN; NATO to enforce the no-fly zone over Darfur; and the international community to not only support the African Union Mission (AMIS) in Sudan, but also to provide humanitarian assistance. The bill also authorizes an additional $150 million in humanitarian aid for Fiscal Years 2008–2012. Further, the bill mandates a Presidential report on the situation in Darfur that will cast new light on the Sudanese government's actions and provide a basis to impose targeted sanctions if necessary.

On behalf of a community that has suffered persecution and even genocide all too often

in our history, we urge you to support this crucial piece of legislation. The time to act is now. History has demonstrated the price of standing idly by in the face of such horrors.

Respectfully,

RICHARD T. FOLTIN,
Legislative Director and Counsel.

PHYSICIANS FOR HUMAN RIGHTS,
Washington, DC, August 2, 2006.

Office of Senator Edward Kennedy.

I wanted to let you know through this e-mail that Physicians for Human Rights supports the Kennedy/Smith Darfur legislation. You may use our name in list of organizations supporting the bill.

Thank you,

Best regards,

SMITA BARUAH,
Senior Manager for Government Affairs.

SAVE DAFUR COALITION,
Washington, DC, August 2, 2006.

Office of Senator Edward Kennedy.

Please include the Save Darfur Coalition in your list of organizations supporting this bill.

Thanks,

ALEX MEIXNER,
Communications and Legislative Coordinator.

AMERICAN JEWISH WORLD SERVICE,
Washington, DC, August 1, 2006.

Office of Senator Edward Kennedy.

American Jewish World Service can endorse the legislation.

Thanks,

STEFANIE OSTFELD.

By Mrs. FEINSTEIN:

S. 3802. A bill to amend the Consolidated Omnibus Budget Reconciliation Act of 1985 to expand the county organized health insuring organizations authorized to enroll Medicaid beneficiaries; to the Committee on Finance.

Mrs. FEINSTEIN. Mr. President, this bill will allow two California counties, Ventura and Merced, to provide health care to Medi-Cal beneficiaries through the model they have determined best meets their communities' needs.

This legislation allows Merced and Ventura to establish community operated health systems, COHS, and raises the percentage of Medi-Cal beneficiaries who are enrolled in these programs from 16 percent to 18 percent.

I urge my colleagues to support this legislation, and 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. 3802

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

SECTION 1. EXPANSION OF AUTHORIZED COUNTY MEDICAID ORGANIZED HEALTH INSURING ORGANIZATIONS.

(a) IN GENERAL.—Section 9517(c)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (42 U.S.C. 1396b note), as added by section 4734 of the Omnibus Budget Reconciliation Act of 1990 and as amended by section 704 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, is amended—

(1) in subparagraph (A), by inserting '', in the case of any health insuring organization described in such subparagraph that is operated by a public entity established by Ventura county, and in the case of any health insuring organization described in such subparagraph that is operated by a public entity established by Merced county'' after ''described in subparagraph (B)''; and

(2) in subparagraph (C), by striking ''14 percent'' and inserting ''16 percent''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

By Mr. AKAKA:

S. 3804. A bill to prohibit commercial air tour operations over Kalaupapa National Historical Park, Kaloko-Honokohau National Historical Park, Pu'uhonua o Honaunau National Historical Park, and Pu'ukohola Heiau National Historic Site; to the Committee on Commerce, Science, and Transportation.

Mr. AKAKA. Mr President, I rise today to introduce legislation that will prohibit commercial air tour operations over Kalaupapa National Historical Park, Kaloko-Honokohau National Historical Park, Pu'uhonua o Honaunau National Historical Park and Pu'ukohola Heiau National Historic Site.

When Congress first established the Hawaii Volcanoes National Park in 1916, the intent was to preserve the integrity and peace of the park's nearly 400 square miles of volcanoes, rivers, forests, wildlife and sacred sites. In the last few decades, however, the growth of the air tourism industry has considerably interrupted the tranquility of Hawaii's National Parks. Air tourism has had an adverse impact on the ability of Native Hawaiians to practice peaceful protocols of sacred sites. The sound from aircraft activity can significantly impinge on the solemnity of sacred sites and ceremonies.

Sacred sites, including the airspace of the designated locales, are an important resource for the Hawaiian people and we must do what is necessary to ensure that the value of these sites is not diminished. By prohibiting air tourism over these areas, the Hawaiian Sacred Sites Noise Reduction Act affords Natives Hawaiians, residents and visitors to our beautiful state the peace and tranquility to enjoy these sacred sites. I urge my colleagues to support this important piece of legislation.

By Ms. SNOWE (for herself, Mrs. LINCOLN, Mrs. HUTCHISON, and Mr. KERRY):

S. 3806. A bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain improvements to retail space; to the Committee on Finance.

Ms. SNOWE. Mr. President, I rise today to introduce a bill that will provide relief and equity to our Nation's 1.5 million retail establishments, most of which have less than five employees. This legislation is one in a series of proposals that, if enacted, will reduce both the amount of taxes that small businesses pay, but also the administrative burden that unfairly saddles them as they attempt to comply with our Nation's tax laws.

The proposal reduces from 39 to 15 years the depreciable life of improvements that are made to retail stores that are owned by the retailer. Under current law, only retailers that lease their property are allowed this accelerated depreciation, which means it excludes retailers that also own the property in which they operate. My bill simply seeks to provide equal treatment to all retailers.

Before I talk about the specifics of this particular provision, let me first explain why it is so critical that we begin evaluating how we can best reform the Tax Code, which increasingly keeps our small businesses trapped in a paralyzing state of regulatory limbo. As is well-known small businesses are the foundation of our Nation's economy. According to the Small Business Administration, small businesses represent 99 percent of all employers, employ 51 percent the private-sector workforce, and contribute 51 percent of the private-sector output.

Despite the fact that small businesses are the real job-creators for our Nation's economy, the current tax system imposes large and expensive requirements in terms of satisfying their reporting and recordkeeping obligations. This is a problem Congress must address because small companies are disadvantaged most in terms of the money and time spent in satisfying their tax obligation. Why create distractions for them as they simply seek to comply with the law?

For example, according to the Small Business Administration's Office of Advocacy, small businesses spend an astounding 8 billion hours each year complying with government reports. They also spend more than 80 percent of this time on completing tax forms. What's even more troubling is that companies that employ fewer than 20 employees spend nearly $1,304 per employee in tax compliance costs; an amount that is nearly 67 percent more than larger firms.

These statistics are disturbing for several reasons. First, the fact that small businesses are being required to spend so much money on compliance costs means they have fewer earnings to reinvest into their business. This, in turn, means that they have less money to spend on new equipment or on worker training, which unfortunately has an adverse effect on their overall production and the economy as a whole.

Second, the fact that small business owners are required to make such a sizeable investment of their time into completing paperwork means they have less time to spend on doing what they do best—running their business and creating jobs.

Let me be clear that I am in no way suggesting that small business owners are unique in having to pay income taxes, and I am certainly not expecting them to receive a free pass. What I am

asking for, though, is a change to make the Tax Code fairer and simpler so that small companies can satisfy this obligation without having to expend the amount of resources that they do currently.

For that reason, the package of proposals that I have introduced will provide not only targeted, affordable tax relief to small business owners but also simpler rules under the Tax Code. By simplifying the Tax Code, small business owners will be able to satisfy their tax obligation in a cheaper, more efficient manner, allowing them to be able to devote more time and resources to their business.

Specifically, the proposal that I am introducing today will simply conform the tax codes to the realities that retailers on Main Street face. Studies conducted by the Treasury Department, Congressional Research Service and private economists have all found that the 39-year depreciation life for buildings is too long and that the 39-year depreciation life for building improvements is even worse. Retailers generally remodel their stores every 5 to 7 years to reflect changes in customer base and compete with newer stores. Moreover, many improvements such as interior partitions, ceiling tiles, restroom accessories, and paint, may only last a few years before requiring replacement.

Mr. President, this legislation is a tremendous opportunity to help small enterprises succeed by providing an incentive for reinvestment. Every Member of this body has small retail constituents in small towns who may be in buildings that they have owned for generations and are struggling to compete. I urge my colleagues to join me in supporting this vital legislation as we work with the President to transform such a critical investment incentive into law. Finally, I would like to thank Senators LINCOLN, HUTCHISON, and KERRY for joining me as cosponsors to this legislation.

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. 3806

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

SECTION 1. RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN IMPROVEMENTS TO RETAIL SPACE.

(a) 15-YEAR RECOVERY PERIOD.—Subparagraph (E) of section 168(e)(3) of the Internal Revenue Code of 1986 (relating to 15-year property) is amended by striking ''and'' at the end of clause (vii), by striking the period at the end of clause (viii) and inserting '', and'', and by adding at the end the following new clause:

''(ix) any qualified retail improvement property.''.

(b) QUALIFIED RETAIL IMPROVEMENT PROPERTY.—Subsection (e) of section 168 of such Code is amended by adding at the end the following new paragraph:

''(8) QUALIFIED RETAIL IMPROVEMENT PROPERTY.—

''(A) IN GENERAL.—The term 'qualified retail improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

''(i) such portion is open to the general public and is used in the trade or business of selling tangible personal property or services to the general public; and

''(ii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

''(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

''(i) the enlargement of the building,

''(ii) any elevator or escalator, or

''(iii) the internal structural framework of the building.''.

(c) REQUIREMENT TO USE STRAIGHT LINE METHOD.—Paragraph (3) of section 168(b) of such Code is amended by adding at the end the following new subparagraph:

''(I) Qualified retail improvement property described in subsection (e)(8).''.

(d) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) of such Code is amended by inserting after the item relating to subparagraph (E)(viii) the following new item:

''(E)(ix) ..... 39''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified retail improvement property placed in service after the date of the enactment of this Act.

Mr. KERRY. Mr. President, along Main Street, in a countless number of towns, many small businesses are placed at a competitive disadvantage by our tax laws. Business owners need to remodel their store every 5 to 7 years. Consumers' tastes and needs change, and to stay competitive, a store needs to reflect those changes. If a store is owned, the owner is required to depreciate the renovation costs over 39 years, but a store that has leased space in the strip-mall across town, depreciates renovation costs over a 15-year period. The result: a Main Street store owner pays twice as much to renovate as their counterpart who leases.

Today, I am introducing legislation along with Senator SNOWE that will even the playing field for businesses that own the real estate where their business is located. We want parity between the business owners who own and those who lease their property.

The Treasury Department, the Congressional Research Service, and private economists have found that the depreciation life for renovations is far too long. These tax rules generate high tax costs, laying the burden on small town, rural retailers who are more likely to own their property than retailers in urban areas. It is time to address this inequity by reducing the 39-year tax depreciation period to 15 years. I urge my colleagues to support our Main Street stores through support of this legislation.

By Mr. ENZI (for himself and Mr. KENNEDY):

S. 3807. A bill to amend the Public Health Service Act and the Federal Food, Drug, and Cosmetic Act to improve drug safety and oversight, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. ENZI. Mr. President, I rise today to introduce a very important bill, one that my colleague Senator KENNEDY and I have been working on for some time.

In 2005, the HELP Committee held two hearings on the issue of drug safety. We received over 50 recommendations from witnesses at those hearings. At that time, Senator KENNEDY and I pledged to develop a comprehensive response to the drug safety issues raised. The Enhancing Drug Safety and Innovation Act is the product of working across party lines, and creates a structured framework for resolving safety concerns.

Under the Enhancing Drug Safety and Innovation Act, FDA would begin to approve drugs and biologics, and new indications for these products, with risk evaluation and mitigation strategies, REMS. The REMS is designed to be an integrated, flexible mechanism to acquire and adapt to new safety information about a drug. The sponsor and FDA will assess and review an approved REMS at least annually for the first 3 years, as well as in applications for a new indication, when the sponsor suggests changes, or when FDA requests a review based on new safety information.

The development of tools to evaluate medical products has not kept pace with discoveries in basic science. New tools are needed to better predict safety and efficacy, which in turn would increase the speed and efficiency of applied biomedical research. The Enhancing Drug Safety and Innovation Act would spur innovation by establishing a new public-private partnership at the FDA to advance the Critical Path Initiative and improve the sciences of developing, manufacturing, and evaluating the safety and effectiveness of drugs, devices, biologics and diagnostics.

The Enhancing Drug Safety and Innovation Act also establishes a central clearinghouse for information about clinical trials and their results to help patients, providers and researchers learn new information and make more informed health care decisions.

Finally, the Enhancing Drug Safety and Innovation Act would make improvements to FDA's process for screening advisory committee members for financial conflicts of interest. FDA relies on its 30 advisory committees to provide independent expert advice, lend credibility to the product review process, and inform consumers of trends in product development. The bill would clarify and streamline FDA's processes for evaluating candidates for service on an advisory committee, and address the key challenge of identifying a sufficient number of people with the necessary expertise and a minimum of potential conflicts of interest to serve on advisory committees.

I want to thank the dozens of stakeholders, including the Food and Drug

Administration, patient and consumer groups, industry associations, individual companies, and scientific experts who have taken the time and effort to give us their comments and input on the bill. Their assistance has been invaluable.

I look forward to working with my colleagues to advance this important piece of legislation.

Mr. KENNEDY. Mr. President, Senator ENZI, chairman of the Senate Health, Education, Labor, and Pensions Committee, and I are introducing the Enhancing Drug Safety and Innovation Act of 2006. The goals of this legislation are to enhance the Food and Drug Administration's authority over the safety of prescription drugs after they are approved; to encourage innovation in medical products; to improve access to clinical trials for patients and ensure that the doctors and patients learn about the results of clinical trials involving the drugs they prescribe and use; and to improve the screening of members of FDA's scientific advisory committees to avoid conflicts of interest.

The withdrawal of the drug Vioxx from the market nearly 2 years ago showed us once again that all prescription drugs have risks, many of which we may not know about when a drug is approved or even for years after approval. That is why we need a more effective system to identify and assess the serious risks of drugs, inform health care providers and patients about such risks, and manage or minimize these risks as soon as they are detected.

Our bill will require every drug to have a risk evaluation and mitigation strategy, or REMS, when it is approved. For many drugs, the REMS will include only the drug labeling, reports of adverse events, a justification for why only such reporting is needed, and a timetable for assessing how the REMS is working.

The FDA will be able to include additional requirements for a drug that poses serious risks, such as by requiring the drug to be dispensed to patients with labeling that patients can understand, that the drug company have a plan to inform health care providers about how to use the drug safely, or that a drug should not be advertised directly to consumers for up to 2 years after approval. If a serious safety signal needs to be understood, FDA can require further studies or even clinical trials after the drug is approved. Enhanced data-collection and data-mining techniques will help identify risk signals earlier and more thoroughly.

For a drug with the most serious side effects, FDA will be able to require that its REMS include the restrictions on distribution and use needed to assure its safe use.

The FDA will be able to impose any of these requirements at the time a drug is approved, and the agency can also modify the labeling or otherwise alter a drug's REMS after the approval. The drug's manufacturer will propose the REMS, or modifications to it, and the FDA and the company will try to work out an adequate REMS. If the agency and the company cannot agree, the agency's Drug Safety Oversight Board can review the dispute and recommend a resolution to senior FDA officials, who will make the final decision.

Civil monetary penalties are added to FDA's traditional enforcement tools to ensure compliance. Drug user fees will be used to review and implement the program.

The bill formalizes and makes mandatory what is now only informal and voluntary. Our intent is not to change standards for approving drugs but to ensure that the FDA has the ability to identify, assess, and manage risks as they become known. Better risk management will mean that drugs with special benefits for some patients will remain available, despite their serious risks for other patients, because FDA can better identify the risks and minimize them.

The bill helps to improve drug safety in other ways as well. The Reagan-Udall Institute for Applied Biomedical Research will be a new public-private partnership at the FDA to advance the agency's Critical Path Initiative, which is intended to improve the science of developing, manufacturing, and evaluating the safety and effectiveness of drugs, biologics, medical devices, and diagnostics.

The institute will be supported by Federal funds and by contributions from the pharmaceutical and device industries. Philanthropic organizations will be able to supplement Federal support. The institute will have a board of directors and an executive director, and will report to Congress annually on its operations.

The bill will also expand the public database at NIH to encourage more patients to enroll in clinical trials of drugs. This database would build on the current systems and would include late phase II, phase III, and all phase IV clinical trials for all drugs.

A second, publicly available database would include the results of phase III and phase IV clinical trials of drugs, with the possibility that late phase II trials would be added later. Posting of results could be delayed for up to 2 years, pending the approval of the drug or the publication of trial results in a peer-reviewed journal. The public needs to know about the results of clinical trials on drugs. Tragically, such information was not adequately available for the clinical studies of antidepressants in children.

Posting information in the clinical trials registry and the clinical trials results database will be requirements for Federal research funding and for drug review and approval by the FDA. Both the FDA and the Inspector General Office of the Department of Health and Human Services would review the content of submissions to the results database to ensure they are truthful and nonpromotional. These Federal requirements would preempt State requirements for clinical trial databases.

Finally, the bill will improve FDA's process for screening advisory committee members for financial conflicts of interest. The agency relies on its advisory committees to provide independent, expert, nonbinding recommendations on significant issues. Ideally, committee members should be free of any financial ties to the companies affected by an issue before a committee. But at times, there may be no individual without financial ties to such companies—for example, when the issue involves a rare disease or a cutting edge medical technology. In these cases, the FDA must be able to grant a waiver to allow an individual with essential expertise to serve on the committee. The bill will require the agency to seek qualified experts with minimal conflicts, clarify how it makes waiver decisions, and disclose those decisions at least 15 days before a committee meeting.

Our bill is a comprehensive response to drug safety and other important issues involving prescription drugs and other medical technologies. I commend Chairman ENZI and his dedicated staff—especially Amy Muhlberg—for working closely with us on this proposal, and I urge our Senate colleagues to support it.

By Mrs. FEINSTEIN:

S. 3809. A bill for the relief of Jacqueline W. Coats; to the Committee on the Judiciary.

Mrs. FEINSTEIN. Mr. President, I offer today private relief legislation to provide lawful permanent residence status to Jacqueline Coats, a 26–year-old widow currently living in San Francisco.

Mrs. Coats came to the U.S. in 2001 from Kenya on a student visa to study mass communications at San Jose State University. Her visa status lapsed in 2003, and the Department of Homeland Security began deportation proceedings against her.

Mrs. Coats married Marlin Coats on April 17, 2006, after dating for several years. The couple was happily married and planning to start a family when, on May 13, Mr. Coats tragically died in a heroic attempt to save two young boys from drowning.

The couple had been on a Mother's Day outing at Ocean Beach with some of Mr. Coats's nephews when they heard cries for help. Having worked as a lifeguard in the past, Mr. Coats instinctively dove into the water. The two children were saved with the help of a rescue crew, but Mr. Coats, caught in a riptide, died. Mrs. Coats received a medal honoring her husband.

Four days before Mr. Coats's death, the couple prepared and signed an application for a green card at their attorney's office. Unfortunately the petition was not filed until after his death,

rendering it invalid. Mrs. Coats currently has a hearing before an immigration judge in San Francisco on August 24, but her attorney has informed my staff that she has no relief available to her and will be ordered deported.

Mrs. Coats, devastated by the loss of her husband, is now caught in a battle for her right to stay in America. At a recent news conference with her lawyer, Thip Ark, she explained of her situation, ''I feel like I have nothing to live for. I have nothing to go home to. . . . I've been here 4 years. . . . It would be like starting a new life.''

Ms. Ark explains that Mrs. Coats is extremely close with her late husband's family, with whom she lives in San Leandro, CA. Mrs. Coats has said that her husband's large family has become her own. Ramona Burton of San Francisco, one of Marlin Coats's seven brothers and sisters explains, ''She spent her first American Christmas with us, her first American Thanksgiving. . . . I can't imagine looking around and not seeing her there. She needs to be there.''

The San Francisco and bay area community is rallying strong support for Mrs. Coats. The San Francisco chapters of the NAACP, the San Francisco Board of Supervisors, and the San Francisco Police Department, have all passed resolutions in support of Mrs. Coats's right to remain in the country.

Unfortunately, if this private relief bill is not approved, this young woman, and the Coats family, will face yet another disorienting and heartbreaking tragedy. Mrs. Coats will be deported to Kenya, a country she has not lived in since she was 21. In her time of grieving, she will be forced to leave her home, her job with AC Transit, her new family, and everything she has known for the past 5 years.

I cannot think of a compelling reason why the United States should not allow this young widow to continue the green card process. Had her husband lived, Mrs. Coats would have filed the papers without difficulty. It was because of her husband's selfless and heroic act that Mrs. Coats must now struggle to remain in the country. As one concerned California constituent wrote to me, ''If ever there was a case where common fairness, morality and decency should reign over legal technicalities, this is it. We, as a country, need to reward heroism and good.''

I believe that we can reward the late Mr. Coats for his noble actions by granting his wife citizenship. It is what he intended for her. It can even be argued that a green card for his wife was one of his dying wishes, as the papers were signed just 4 days prior to his death.

For these reasons, I offer this private relief immigration bill and ask my colleagues to support it on behalf of Mrs. Coats.

I also ask for 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. 3809

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

SECTION 1. PERMANENT RESIDENT STATUS FOR JACQUELINE W. COATS.

(a) IN GENERAL.—Notwithstanding subsections (a) and (b) of section 201 of the Immigration and Nationality Act (8 U.S.C. 1151), Jacqueline W. Coats shall be eligible for issuance of an immigrant visa or for adjustment of status to that of an alien lawfully admitted for permanent residence upon filing an application for issuance of an immigrant visa under section 204 of that Act or for adjustment of status to lawful permanent resident.

(b) ADJUSTMENT OF STATUS.—If Jacqueline W. Coats enters the United States before the filing deadline specified in subsection (c), Jacqueline W. Coats shall be considered to have entered and remained lawfully and shall be eligible for adjustment of status under section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) as of the date of enactment of this Act.

(c) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the application for issuance of an immigrant visa or the application for adjustment of status is filed with appropriate fees within 2 years after the date of enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBERS.—Upon the granting of an immigrant visa or permanent residence to Jacqueline W. Coats, the Secretary of State shall instruct the proper officer to reduce by 1, during the current or next following fiscal year, the total number of immigrant visas that are made available to natives of the country of birth of Jacqueline W. Coats under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas that are made available to natives of the country of birth of Jacqueline W. Coats under section 202(e) of that Act.

By Mr. KOHL (for himself and Mr. SCHUMER):

S. 3810. A bill to prevent tobacco smuggling, to ensure the collection of all tobacco taxes, and for other purposes; to the Committee on the Judiciary.

Mr. KOHL. Mr. President, I rise today with Senator SCHUMER to introduce the Prevent All Cigarette Trafficking, PACT, Act of 2006. As the problem of cigarette trafficking continues to worsen, we must provide law enforcement officials with the tools they need to crack down on cigarette trafficking. The PACT Act closes loopholes in current tobacco trafficking laws, enhances penalties for violations, and provides law enforcement with new tools to combat the innovative new methods being used by cigarette traffickers to distribute their products. Each day we delay passage of this important legislation, terrorists and criminals raise more money, states lose significant amounts of tax revenue, and kids have easy access to tobacco products over the Internet.

The cost to Americans is not merely financial. Tobacco smuggling also poses a significant threat to innocent people around the world. It has developed into a popular, and highly profitable, means of generating revenue for criminal and terrorist organizations. Hezbollah, for example, earned $1.5 million between 1996 and 2000 by engaging in tobacco trafficking in the United States. Al-Qaida and Hamas have also generated significant revenue from the sale of counterfeit cigarettes. That money is often raised right here in the United States, and it is then funneled back to these international terrorist groups. Cutting off financial support to terrorist groups is an integral part of the protecting this country against future attacks. We can no longer continue to let terrorist organizations exploit weaknesses in our tobacco laws to generate significant amounts of money. The cost of doing nothing is too great.

This is not a minor problem. Cigarette smuggling is a multibillion dollar a year phenomenon, and it is getting worse. In 1998, the Bureau of Alcohol, Tobacco, Firearms and Explosives, BATFE, had six active tobacco smuggling investigations. In 2005, the that number swelled to 452.

The number of cases alone, however, does not sufficiently put this problem into perspective. The amount of money involved is truly astonishing. Cigarette trafficking, including the illegal sale of tobacco products over the Internet, costs States billions of dollars in lost tax revenue each year. It is estimated that Federal tax losses to Internet cigarette sales will reach $1.4 billion this year. As lost tobacco tax revenue lines the pockets of criminals and terrorist groups, states are being forced to raise college tuition and restrict access to other public programs. Tobacco smuggling may provide some with cheap access to cigarettes, but those cheap cigarettes are coming at a significant cost to the rest of us.

According to the Government Accountability Office, GAO, each year, cigarette trafficking investigations are growing more and more complex, and take longer to resolve. More people are selling cigarettes illegally, and they are getting better at it. As these cases get tougher to solve, we owe it to law enforcement officials to do our part to lend a helping hand. The PACT Act enhances BATFE's authority to enter premises to investigate and enforce cigarette trafficking laws, and increasing penalties for violations. Unless these existing laws are strengthened, traffickers will continue to operate with near impunity.

Just as important, though, we must provide law enforcement with new enforcement tools tools that enable them to combat the cigarette smugglers of the 21st century. The Internet represents one of those new obstacles to enforcement. Illegal tobacco vendors around the world evade detection by conducting transactions over the Internet, and then employing the services of common carriers and the U.S. Postal Service to deliver their illegal products around the country. Just a few years

ago, there were less than 100 vendors selling cigarettes online. Today, approximately 500 vendors sell illegal tobacco products over the Internet.

Without new and innovative enforcement methods, law enforcement will not be able to effectively address the growing challenges facing them today. The PACT Act sets out to do just that by cutting off the delivery. A significant part of this problem involves the shipment of contraband cigarettes through the United States Postal Service, USPS. This bill would cut off access to the USPS by making tobacco products non-mailable. We would treat cigarettes just like we treat alcohol, making it illegal to ship them through the US mails and cutting off a large portion of the delivery system.

It also employs a novel approach, one being used in some of our States today, to combat illegal sales of tobacco over the Internet. Specifically, it will allow the Attorney General, in collaboration with State and local law enforcement, to create a list of companies that are illegally selling tobacco products. That list will then be distributed to legitimate businesses whose services are indispensable to illegal internet vendors—common carriers. Once a common carrier knows which customers are breaking the law, this bill will ensure that they take appropriate action to prevent their companies from being exploited by terrorists and other criminals.

It is important to point out that this bill has been carefully negotiated with the common carriers, including UPS, to ensure that it does not place any unreasonable burdens on these businesses. Many changes were made to the bill that was introduced in the last Congress to ensure that the legislation was written to conform to the technological capabilities of these companies. In light of these changes, there is no question that private carriers will be able to fully comply with this bill without interrupting their existing delivery practices and procedures.

In addition, the legislation makes clear that we are not asking for perfection. For example, carriers will not be held liable for the actions of their employees if they have effective policies and procedures in place to ensure compliance. The key word here is ''effective.'' These policies must be much more than mere words. We are not asking common carriers to ensure that every single pack of cigarettes is stopped before it moves through their delivery system, but we do expect a vigorous effort to ensure that they and their employees do the very best they can to stop doing business with people they know to be using their services to violate State and Federal laws. That is not too much to ask.

In addition to these important law enforcement needs, it is important to mention another aspect of this legislation that is equally important. One of the primary ways children get access to cigarettes today is on the internet and through the mails. The PACT Act now contains a strong age verification section that will ensure that online vendors are not selling cigarettes to our children. This provision would prohibit the sale of tobacco products to children, and it would also require sellers to use a method of shipment that requires a signature and photo ID check upon delivery. Most States already have similar laws on the books, and this would simply make sure that we have a national standard to ensure that the Internet is not being used to evade similar ID checks we require at our grocery and convenience stores.

The recognition that this is a significant problem, along with the commonsense approach taken in the PACT Act to combat it, has brought together a coalition of strange bedfellows. The legislation has not just garnered the support of the law enforcement community, including the National Association of Attorneys General, and public health advocates, such as the Campaign for Tobacco Free Kids. It also has the strong support of tobacco companies like Altria. These groups, who sometimes find themselves on opposite sides of these issues, all agree that this is an issue begging to be addressed. They all recognize the urgent need to provide our law enforcement officials with the tools they need to combat a very serious threat to our security and protect public health.

I urge my colleagues to support this important legislation, and 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. 3810

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

SECTION 1. SHORT TITLE; FINDINGS; PURPOSE.

(a) SHORT TITLE.—This Act may be cited as the ''Prevent All Cigarette Trafficking Act of 2006'' or ''PACT Act''.

(b) FINDINGS.—Congress finds that—

(1) the sale of illegal cigarettes and smokeless tobacco products significantly reduces Federal, State, and local government revenues, with Internet sales alone accounting for billions of dollars of lost Federal, State, and local tobacco tax revenue each year;

(2) Hezbollah, Hamas, al Qaeda, and other terrorist organizations have profited from trafficking in illegal cigarettes or counterfeit cigarette tax stamps;

(3) terrorist involvement in illicit cigarette trafficking will continue to grow because of the large profits such organizations can earn;

(4) the sale of illegal cigarettes and smokeless tobacco over the Internet, and through mail, fax, or phone orders, make it cheaper and easier for children to obtain tobacco products;

(5) the majority of Internet and other remote sales of cigarettes and smokeless tobacco are being made without adequate precautions to protect against sales to children, without the payment of applicable taxes, and without complying with the nominal registration and reporting requirements in existing Federal law;

(6) unfair competition from illegal sales of cigarettes and smokeless tobacco is taking billions of dollars of sales away from law-abiding retailers throughout the United States;

(7) with rising State and local tobacco tax rates, the incentives for the illegal sale of cigarettes and smokeless tobacco have increased;

(8) the number of active tobacco investigations being conducted by the Bureau of Alcohol, Tobacco, Firearms and Explosives rose to 452 in 2005;

(9) the number of Internet vendors in the United States and in foreign countries that sell cigarettes and smokeless tobacco to buyers in the United States has increased from only about 40 in 2000 to more than 500 in 2005; and

(10) the intrastate sale of illegal cigarettes and smokeless tobacco over the Internet has a substantial effect on interstate commerce.

(c) PURPOSES.—It is the purpose of this Act to—

(1) require Internet and other remote sellers of cigarettes and smokeless tobacco to comply with the same laws that apply to law-abiding tobacco retailers;

(2) create strong disincentives to illegal smuggling of tobacco products;

(3) provide government enforcement officials with more effective enforcement tools to combat tobacco smuggling;

(4) make it more difficult for cigarette and smokeless tobacco traffickers to engage in and profit from their illegal activities;

(5) increase collections of Federal, State, and local excise taxes on cigarettes and smokeless tobacco; and

(6) prevent and reduce youth access to inexpensive cigarettes and smokeless tobacco through illegal Internet or contraband sales.

SEC. 2. COLLECTION OF STATE CIGARETTE AND SMOKELESS TOBACCO TAXES.

(a) DEFINITIONS.—The Act of October 19, 1949 (15 U.S.C. 375 et seq.; commonly referred to as the ''Jenkins Act'') (referred to in this Act as the ''Jenkins Act''), is amended by striking the first section and inserting the following:

''SECTION 1. DEFINITIONS.

''As used in this Act, the following definitions apply:

''(1) ATTORNEY GENERAL.—The term 'attorney general', with respect to a State, means the attorney general or other chief law enforcement officer of the State, or the designee of that officer.

''(2) CIGARETTE.—

''(A) IN GENERAL.—For purposes of this Act, the term 'cigarette'—

''(i) shall have the same meaning given that term in section 2341 of title 18, United States Code; and

''(ii) shall include 'roll-your-own tobacco' (as that term is defined in section 5702 of title 26, United States Code).

''(B) EXCEPTION.—For purposes of this Act, the term 'cigarette' does not include a 'cigar,' as that term is defined in section 5702 of title 26, United States Code.

''(3) COMMON CARRIER.—The term 'common carrier' means any person (other than a local messenger service or the United States Postal Service) that holds itself out to the general public as a provider for hire of the transportation by water, land, or air of merchandise, whether or not the person actually operates the vessel, vehicle, or aircraft by which the transportation is provided, between a port or place and a port or place in the United States.

''(4) CONSUMER.—The term 'consumer' means any person that purchases cigarettes or smokeless tobacco, but does not include any person lawfully operating as a manufacturer, distributor, wholesaler, or retailer of cigarettes or smokeless tobacco.

''(5) DELIVERY SALE.—The term 'delivery sale' means any sale of cigarettes or smokeless tobacco to a consumer if—

''(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made; or

''(B) the cigarettes or smokeless tobacco are delivered by use of a common carrier, private delivery service, or the mails, or the seller is not in the physical presence of the buyer when the buyer obtains possession of the cigarettes or smokeless tobacco.

''(6) DELIVERY SELLER.—The term 'delivery seller' means a person who makes a delivery sale.

''(7) INDIAN COUNTRY.—The term 'Indian country' has the meaning given that term in section 1151 of title 18, United States Code, except that within the State of Alaska that term applies only to the Metlakatla Indian Community, Annette Island Reserve.

''(8) INDIAN TRIBE.—The term 'Indian tribe', 'tribe', or 'tribal' refers to an Indian tribes as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) or as listed pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a–1).

''(9) INTERSTATE COMMERCE.—The term 'interstate commerce' means commerce between a State and any place outside the State, commerce between a State and any Indian country in the State, or commerce between points in the same State but through any place outside the State or through any Indian country.

''(10) PERSON.—The term 'person' means an individual, corporation, company, association, firm, partnership, society, State government, local government, Indian tribal government, governmental organization of such government, or joint stock company.

''(11) STATE.—The term 'State' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

''(12) SMOKELESS TOBACCO.—The term 'smokeless tobacco' means any finely cut, ground, powdered, or leaf tobacco, or other product containing tobacco, that is intended to be placed in the oral or nasal cavity or otherwise consumed without being combusted.

''(13) TOBACCO TAX ADMINISTRATOR.—The term 'tobacco tax administrator' means the State, local, or tribal official duly authorized to collect the tobacco tax or administer the tax law of a State, locality, or tribe, respectively.

''(14) TRANSFERS FOR PROFIT.—The term 'transfers for profit' means any transfer for profit or other disposition for profit, including any transfer or disposition by an agent to his principal in connection with which the agent receives anything of value.

''(15) USE.—The term 'use', in addition to its ordinary meaning, means the consumption, storage, handling, or disposal of cigarettes or smokeless tobacco.''.

(b) REPORTS TO STATE TOBACCO TAX ADMINISTRATORS.—Section 2 of the Jenkins Act (15 U.S.C. 376) is amended—

(1) by striking ''cigarettes'' each place it appears and inserting ''cigarettes or smokeless tobacco'';

(2) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by inserting ''CONTENTS.—''after ''(a)''

(ii) by striking ''or transfers'' and inserting '', transfers, or ships'';

(iii) by inserting '', locality, or Indian country of an Indian tribe'' after ''a State'';

(iv) by striking ''to other than a distributor licensed by or located in such State,''; and

(v) by striking ''or transfer and shipment'' and inserting '', transfer, or shipment'';

(B) in paragraph (1)—

(i) by striking ''with the tobacco tax administrator of the State'' and inserting ''with the Attorney General of the United States and with the tobacco tax administrators of the State and place''; and

(ii) by striking ''; and'' and inserting the following: '', as well as telephone numbers for each place of business, a principal electronic mail address, any website addresses, and the name, address, and telephone number of an agent in the State authorized to accept service on behalf of such person;'';

(C) in paragraph (2), by striking ''and the quantity thereof.'' and inserting ''the quantity thereof, and the name, address, and phone number of the person delivering the shipment to the recipient on behalf of the delivery seller, with all invoice or memoranda information relating to specific customers to be organized by city or town and by zip code; and''; and

(D) by adding at the end the following:

''(3) with respect to each memorandum or invoice filed with a State under paragraph (2), also file copies of such memorandum or invoice with the tobacco tax administrators and chief law enforcement officers of the local governments and Indian tribes operating within the borders of the State that apply their own local or tribal taxes on cigarettes or smokeless tobacco.'';

(3) in subsection (b)—

(A) by inserting ''PRESUMPTIVE EVIDENCE.—'' after ''(b)'';

(B) by striking ''(1) that'' and inserting ''that''; and

(C) by striking '', and (2)'' and all that follows and inserting a period; and

(4) by adding at the end the following:

''(c) USE OF INFORMATION.—A tobacco tax administrator or chief law enforcement officer who receives a memorandum or invoice under paragraph (2) or (3) of subsection (a) shall use such memorandum or invoice solely for the purposes of the enforcement of this Act and the collection of any taxes owed on related sales of cigarettes and smokeless tobacco, and shall keep confidential any personal information in such memorandum or invoice not otherwise required for such purposes.''.

(c) REQUIREMENTS FOR DELIVERY SALES.—The Jenkins Act is amended by inserting after section 2 the following:

''SEC. 2A. DELIVERY SALES.

''(a) IN GENERAL.—With respect to delivery sales into a specific State and place, each delivery seller shall comply with—

''(1) the shipping requirements set forth in subsection (b);

''(2) the recordkeeping requirements set forth in subsection (c);

''(3) all State, local, tribal, and other laws generally applicable to sales of cigarettes or smokeless tobacco as if such delivery sales occurred entirely within the specific State and place, including laws imposing—

''(A) excise taxes;

''(B) licensing and tax-stamping requirements;

''(C) restrictions on sales to minors; and

''(D) other payment obligations or legal requirements relating to the sale, distribution, or delivery of cigarettes or smokeless tobacco; and

''(4) the tax collection requirements set forth in subsection (d).

''(b) SHIPPING AND PACKAGING.—

''(1) REQUIRED STATEMENT.—For any shipping package containing cigarettes or smokeless tobacco, the delivery seller shall include on the bill of lading, if any, and on the outside of the shipping package, on the same surface as the delivery address, a clear and conspicuous statement providing as follows: 'CIGARETTES/SMOKELESS TOBACCO: FEDERAL LAW REQUIRES THE PAYMENT OF ALL APPLICABLE EXCISE TAXES, AND COMPLIANCE WITH APPLICABLE LICENSING AND TAX-STAMPING OBLIGATIONS'.

''(2) FAILURE TO LABEL.—Any shipping package described in paragraph (1) that is not labeled in accordance with that paragraph shall be treated as nondeliverable matter by a common carrier, other delivery service, or the United States Postal Service if the common carrier, other delivery service, or the United States Postal Service, as the case may be, knows or should know the package contains cigarettes or smokeless tobacco. Nothing in this paragraph shall require the common carrier, other delivery service, or the United States Postal Service to open any package to determine its contents.

''(3) WEIGHT RESTRICTION.—A delivery seller shall not sell, offer for sale, deliver, or cause to be delivered in any single sale or single delivery any cigarettes or smokeless tobacco weighing more than 10 pounds.

''(4) AGE VERIFICATION.—Notwithstanding any other provision of law, a delivery seller who mails or ships cigarettes or smokeless tobacco in connection with a delivery sale—

''(A) shall not sell, deliver, or cause to be delivered any tobacco products to a person under the minimum age required for the legal sale or purchase of tobacco products, as determined by either State or local law at the place of delivery; and

''(B) shall use a method of mailing or shipping that requires—

''(i) the purchaser placing the delivery sale order, or an adult who is at least the minimum age required for the legal sale or purchase of tobacco products, as determined by either State or local law at the place of delivery, to sign to accept delivery of the shipping container at the delivery address; and

''(ii) the person who signs to accept delivery of the shipping container to provide proof, in the form of a valid, government-issued identification bearing a photograph of the individual, that the person is at least the minimum age required for the legal sale or purchase of tobacco products, as determined by either State or local law at the place of delivery.

''(c) RECORDS.—

''(1) IN GENERAL.—Each delivery seller shall keep a record of any delivery sale, including all of the information described in section 2(a)(2), organized by the State, and within such State, by the city or town and by zip code, into which such delivery sale is so made.

''(2) RECORD RETENTION.—Records of a delivery sale shall be kept as described in paragraph (1) in the year in which the delivery sale is made and for the next 4 years.

''(3) ACCESS FOR OFFICIALS.—Records kept under paragraph (1) shall be made available to tobacco tax administrators of the States, to local governments and Indian tribes that apply their own local or tribal taxes on cigarettes or smokeless tobacco, to the attorneys general of the States, to the chief law enforcement officers of such local governments and Indian tribes, and to the Attorney General of the United States in order to ensure the compliance of persons making delivery sales with the requirements of this Act.

''(d) DELIVERY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no delivery seller may sell or deliver to any consumer, or tender to any common carrier or other delivery service,

any cigarettes or smokeless tobacco pursuant to a delivery sale unless, in advance of the sale, delivery, or tender—

''(A) any cigarette or smokeless tobacco excise tax that is imposed by the State in which the cigarettes or smokeless tobacco are to be delivered has been paid to the State;

''(B) any cigarette or smokeless tobacco excise tax that is imposed by the local government of the place in which the cigarettes or smokeless tobacco are to be delivered has been paid to the local government; and

''(C) any required stamps or other indicia that such excise tax has been paid are properly affixed or applied to the cigarettes or smokeless tobacco.

''(2) EXCEPTION.—Paragraph (1) does not apply to a delivery sale of smokeless tobacco if the law of the State or local government of the place where the smokeless tobacco is to be delivered requires or otherwise provides that delivery sellers collect the excise tax from the consumer and remit the excise tax to the State or local government, and the delivery seller complies with the requirement.

''(e) LIST OF UNREGISTERED OR NONCOMPLIANT DELIVERY SELLERS.—

''(1) IN GENERAL.—

''(A) INITIAL LIST.—Not later than 90 days after this subsection goes into effect under section 10 of the Prevent All Cigarette Trafficking Act of 2006, the Attorney General of the United States shall compile a list of delivery sellers of cigarettes or smokeless tobacco that have not registered with the Attorney General, pursuant to section 2(a) or that are otherwise not in compliance with this Act, and—

''(i) distribute the list to—

''(I) the attorney general and tax administrator of every State;

''(II) common carriers and other persons that deliver small packages to consumers in interstate commerce, including the United States Postal Service; and

''(III) at the discretion of the Attorney General of the United States, to any other persons; and

''(ii) publicize and make the list available to any other person engaged in the business of interstate deliveries or who delivers cigarettes or smokeless tobacco in or into any State.

''(B) LIST CONTENTS.—To the extent known, the Attorney General of the United States shall include, for each delivery seller on the list described in subparagraph (A)—

''(i) all names the delivery seller uses in the transaction of its business or on packages delivered to customers;

''(ii) all addresses from which the delivery seller does business or ships cigarettes or smokeless tobacco;

''(iii) the website addresses, primary e-mail address, and phone number of the delivery seller; and

''(iv) any other information that the Attorney General determines would facilitate compliance with this subsection by recipients of the list.

''(C) UPDATING.—The Attorney General of the United States shall update and distribute the list at least once every 4 months, and may distribute the list and any updates by regular mail, electronic mail, or any other reasonable means, or by providing recipients with access to the list through a nonpublic website that the Attorney General of the United States regularly updates.

''(D) STATE, LOCAL, OR TRIBAL ADDITIONS.—The Attorney General of the United States shall include in the list under subparagraph (A) any noncomplying delivery sellers identified by any State, local, or tribal government under paragraph (5), and shall distribute the list to the attorney general or chief law enforcement official and the tax administrator of any government submitting any such information and to any common carriers or other persons who deliver small packages to consumers identified by any government pursuant to paragraph (5).

''(E) CONFIDENTIALITY.—The list distributed pursuant to subparagraph (A) shall be confidential, and any person receiving the list shall maintain the confidentiality of the list but may deliver the list, for enforcement purposes, to any government official or to any common carrier or other person that delivers tobacco products or small packages to consumers. Nothing in this section shall prohibit a common carrier, the United States Postal Service, or any other person receiving the list from discussing with the listed delivery sellers the delivery sellers' inclusion on the list and the resulting effects on any services requested by such listed delivery seller.

''(2) PROHIBITION ON DELIVERY.—

''(A) IN GENERAL.—Commencing on the date that is 60 days after the date of the initial distribution or availability of the list under paragraph (1)(A), no person who receives the list under paragraph (1), and no person who delivers cigarettes or smokeless tobacco to consumers, shall knowingly complete, cause to be completed, or complete its portion of a delivery of any package for any person whose name and address are on the list, unless—

''(i) the person making the delivery knows or believes in good faith that the item does not include cigarettes or smokeless tobacco;

''(ii) the delivery is made to a person lawfully engaged in the business of manufacturing, distributing, or selling cigarettes or smokeless tobacco; or

''(iii) the package being delivered weighs more than 100 pounds and the person making the delivery does not know or have reasonable cause to believe that the package contains cigarettes or smokeless tobacco.

''(B) IMPLEMENTATION OF UPDATES.—Commencing on the date that is 30 days after the date of the distribution or availability of any updates or corrections to the list under paragraph (1), all recipients and all common carriers or other persons that deliver cigarettes or smokeless tobacco to consumers shall be subject to subparagraph (A) in regard to such corrections or updates.

''(3) SHIPMENTS FROM PERSONS ON LIST.—

''(A) IN GENERAL.—In the event that a common carrier or other delivery service delays or interrupts the delivery of a package it has in its possession because it determines or has reason to believe that the person ordering the delivery is on a list distributed under paragraph (1)—

''(i) the person ordering the delivery shall be obligated to pay—

''(I) the common carrier or other delivery service as if the delivery of the package had been timely completed; and

''(II) if the package is not deliverable, any reasonable additional fee or charge levied by the common carrier or other delivery service to cover its extra costs and inconvenience and to serve as a disincentive against such noncomplying delivery orders; and

''(ii) if the package is determined not to be deliverable, the common carrier or other delivery service shall, in its discretion, either provide the package and its contents to a Federal, State, or local law enforcement agency or destroy the package and its contents.

''(B) RECORDS.—A common carrier or other delivery service shall maintain, for a period of 5 years, any records kept in the ordinary course of business relating to any deliveries interrupted pursuant to this paragraph and provide that information, upon request, to the Attorney General of the United States or to the attorney general or chief law enforcement official or tax administrator of any State, local, or tribal government.

''(C) CONFIDENTIALITY.—Any person receiving records under subparagraph (B) shall use such records solely for the purposes of the enforcement of this Act and the collection of any taxes owed on related sales of cigarettes and smokeless tobacco, and the person receiving records under subparagraph (B) shall keep confidential any personal information in such records not otherwise required for such purposes.

''(4) PREEMPTION.—

''(A) IN GENERAL.—No State, local, or tribal government, nor any political authority of two or more State, local, or tribal governments, may enact or enforce any law or regulation relating to delivery sales that restricts deliveries of cigarettes or smokeless tobacco to consumers by common carriers or other delivery services on behalf of delivery sellers by—

''(i) requiring that the common carrier or other delivery service verify the age or identity of the consumer accepting the delivery by requiring the person who signs to accept delivery of the shipping container to provide proof, in the form of a valid, government-issued identification bearing a photograph of the individual, that such person is at least the minimum age required for the legal sale or purchase of tobacco products, as determined by either State or local law at the place of delivery;

''(ii) requiring that the common carrier or other delivery service obtain a signature from the consumer accepting the delivery;

''(iii) requiring that the common carrier or other delivery service verify that all applicable taxes have been paid;

''(iv) requiring that packages delivered by the common carrier or other delivery service contain any particular labels, notice, or markings; or

''(v) prohibiting common carriers or other delivery services from making deliveries on the basis of whether the delivery seller is or is not identified on any list of delivery sellers maintained and distributed by any entity other than the Federal Government.

Nothing in this paragraph may be construed to preempt or supersede State laws prohibiting the delivery sale, or the shipment or delivery pursuant to a delivery sale, of cigarettes or smokeless tobacco to individual consumers.

''(B) RELATIONSHIP TO OTHER LAWS.—Nothing in this paragraph shall be construed to prohibit, expand, restrict, or otherwise amend or modify—

''(i) section 14501(c)(1) or 41713(b)(4) of title 49, United States Code;

''(ii) any other restrictions in Federal law on the ability of State, local, or tribal governments to regulate common carriers; or

''(iii) any provision of State, local, or tribal law regulating common carriers that falls within the provisions of chapter 49 of the United States Code, sections 14501(c)(2) or 41713(b)(4)(B).

''(5) STATE, LOCAL, AND TRIBAL ADDITIONS.—

''(A) IN GENERAL.—Any State, local, or tribal government shall provide the Attorney General of the United States with—

''(i) all known names, addresses, website addresses, and other primary contact information of any delivery seller that offers for sale or makes sales of cigarettes or smokeless tobacco in or into the State, locality, or tribal land but has failed to register with or make reports to the respective tax administrator, as required by this Act, or that has been found in a legal proceeding to have otherwise failed to comply with this Act; and

''(ii) a list of common carriers and other persons who make deliveries of cigarettes or smokeless tobacco in or into the State, locality, or tribal lands.

''(B) UPDATES.—Any government providing a list to the Attorney General of the United States under subparagraph (A) shall also provide updates and corrections every 4 months until such time as such government notifies the Attorney General of the United States in writing that such government no longer desires to submit such information to supplement the list maintained and distributed by the Attorney General of the United States under paragraph (1).

''(C) REMOVAL AFTER WITHDRAWAL.—Upon receiving written notice that a government no longer desires to submit information under subparagraph (A), the Attorney General of the United States shall remove from the list under paragraph (1) any persons that are on the list solely because of such government's prior submissions of its list of noncomplying delivery sellers of cigarettes or smokeless tobacco or its subsequent updates and corrections.

''(6) DEADLINE TO INCORPORATE ADDITIONS.—The Attorney General of the United States shall—

''(A) include any delivery seller identified and submitted by a State, local, or tribal government under paragraph (5) in any list or update that is distributed or made available under paragraph (1) on or after the date that is 30 days after the date on which the information is received by the Attorney General of the United States; and

''(B) distribute any such list or update to any common carrier or other person who makes deliveries of cigarettes or smokeless tobacco that has been identified and submitted by another government, pursuant to paragraph (5).

''(7) NOTICE TO DELIVERY SELLERS.—Not later than 14 days prior to including any delivery seller on the initial list distributed or made available under paragraph (1), or on any subsequent list or update for the first time, the Attorney General of the United States shall make a reasonable attempt to send notice to the delivery seller by letter, electronic mail, or other means that the delivery seller is being placed on such list or update, with that notice including the text of this Act.

''(8) LIMITATIONS.—

''(A) IN GENERAL.—Any common carrier or other person making a delivery subject to this subsection shall not be required or otherwise obligated to—

''(i) determine whether any list distributed or made available under paragraph (1) is complete, accurate, or up-to-date;

''(ii) determine whether a person ordering a delivery is in compliance with this Act; or

''(iii) open or inspect, pursuant to this Act, any package being delivered to determine its contents.

''(B) ALTERNATE NAMES.—Any common carrier or other person making a delivery subject to this subsection shall not be required or otherwise obligated to make any inquiries or otherwise determine whether a person ordering a delivery is a delivery seller on the list under paragraph (1) who is using a different name or address in order to evade the related delivery restrictions, but shall not knowingly deliver any packages to consumers for any such delivery seller who the common carrier or other delivery service knows is a delivery seller who is on the list under paragraph (1) but is using a different name or address to evade the delivery restrictions of paragraph (2).

''(C) PENALTIES.—Any common carrier or person in the business of delivering packages on behalf of other persons shall not be subject to any penalty under section 14101(a) of title 49, United States Code, or any other provision of law for—

''(i) not making any specific delivery, or any deliveries at all, on behalf of any person on the list under paragraph (1);

''(ii) not, as a matter of regular practice and procedure, making any deliveries, or any deliveries in certain States, of any cigarettes or smokeless tobacco for any person or for any person not in the business of manufacturing, distributing, or selling cigarettes or smokeless tobacco; or

''(iii) delaying or not making a delivery for any person because of reasonable efforts to comply with this Act.

''(D) OTHER LIMITS.—Section 2 and subsections (a), (b), (c), and (d) of this section shall not be interpreted to impose any responsibilities, requirements, or liability on common carriers.

''(f) PRESUMPTION.—For purposes of this Act, a delivery sale shall be deemed to have occurred in the State and place where the buyer obtains personal possession of the cigarettes or smokeless tobacco, and a delivery pursuant to a delivery sale is deemed to have been initiated or ordered by the delivery seller.''.

(d) PENALTIES.—The Jenkins Act is amended by striking section 3 and inserting the following:

''SEC. 3. PENALTIES.

''(a) CRIMINAL PENALTIES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), whoever violates any provision of this Act shall be guilty of a felony and shall be imprisoned not more than 3 years, fined under title 18, United States Code, or both.

''(2) EXCEPTIONS.—

''(A) GOVERNMENTS.—Paragraph (1) shall not apply to a State, local, or tribal government.

''(B) DELIVERY VIOLATIONS.—A common carrier or independent delivery service, or employee of a common carrier or independent delivery service, shall be subject to criminal penalties under paragraph (1) for a violation of section 2A(e) only if the violation is committed intentionally for the purpose of—

''(i) obtaining the business of delivery sellers known to the common carrier or independent delivery service not to be in compliance with this Act; or

''(ii) assisting a delivery seller to violate or otherwise evade compliance with section 2A.

''(b) CIVIL PENALTIES.—

''(1) IN GENERAL.—Except as provided in paragraph (3), whoever violates any provision of this Act shall be subject to a civil penalty in an amount not to exceed—

''(A) in the case of a delivery seller, the greater of—

''(i) $5,000 in the case of the first violation, or $10,000 for any other violation; or

''(ii) for any violation, 2 percent of the gross sales of cigarettes or smokeless tobacco of such person during the 1-year period ending on the date of the violation.

''(B) in the case of a common carrier or other delivery service, $2,500 in the case of a first violation, or $5,000 for any violation within 1 year of a prior violation.

''(2) RELATION TO OTHER PENALTIES.—A civil penalty under paragraph (1) for a violation of this Act shall be imposed in addition to any criminal penalty under subsection (a) and any other damages, equitable relief, or injunctive relief awarded by the court, including, but not limited to, the payment of any unpaid taxes to the appropriate Federal, State, local, or tribal governments.

''(3) EXCEPTIONS.—

''(A) DELIVERY VIOLATIONS.—An employee of a common carrier or independent delivery service shall be subject to civil penalties under paragraph (1) for a violation of section 2A(e) only if the violation is committed intentionally for the purpose of—

''(i) obtaining the business of delivery sellers known to the common carrier or independent delivery service not to be in compliance with this Act; or

''(ii) assisting a delivery seller to violate or otherwise evade compliance with section 2A.

''(B) OTHER LIMITATIONS.—No common carrier or independent delivery service shall be subject to civil penalties under paragraph (1) for a violation of section 2A(e) if—

''(i) the common carrier or independent delivery service has implemented and enforces effective policies and practices for complying with that section; or

''(ii) an employee of the common carrier or independent delivery service who physically receives and processes orders, picks up packages, processes packages, or makes deliveries, takes actions that are outside the scope of employment of the employee in the course of the violation, or that violate the implemented and enforced policies of the common carrier or independent delivery service described in clause (i).''.

(e) ENFORCEMENT.—The Jenkins Act is amended by striking section 4 and inserting the following:

''SEC. 4. ENFORCEMENT.

''(a) IN GENERAL.—The United States district courts shall have jurisdiction to prevent and restrain violations of this Act and to provide other appropriate injunctive or equitable relief, including money damages, for such violations.

''(b) AUTHORITY OF THE ATTORNEY GENERAL.—The Attorney General of the United States shall administer and enforce the provisions of this Act.

''(c) STATE, LOCAL, AND TRIBAL ENFORCEMENT.—

''(1) IN GENERAL.—

''(A) STANDING.—A State, through its attorney general (or a designee thereof), or a local government or Indian tribe that levies a tax subject to section 2A(a)(3), through its chief law enforcement officer (or a designee thereof), may bring an action in a United States district court to prevent and restrain violations of this Act by any person (or by any person controlling such person) or to obtain any other appropriate relief from any person (or from any person controlling such person) for violations of this Act, including civil penalties, money damages, and injunctive or other equitable relief.

''(B) SOVEREIGN IMMUNITY.—Nothing in this Act shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian tribe against any unconsented lawsuit under this Act, or otherwise to restrict, expand, or modify any sovereign immunity of a State or local government or Indian tribe.

''(2) PROVISION OF INFORMATION.—A State, through its attorney general, or a local government or Indian tribe that levies a tax subject to section 2A(a)(3), through its chief law enforcement officer (or a designee thereof), may provide evidence of a violation of this Act by any person not subject to State, local, or tribal government enforcement actions for violations of this Act to the Attorney General of the United States or a United States attorney, who shall take appropriate actions to enforce the provisions of this Act.

''(3) USE OF PENALTIES COLLECTED.—

''(A) IN GENERAL.—There is established a separate account in the Treasury known as the 'PACT Anti-Trafficking Fund'. Notwithstanding any other provision of law and subject to subparagraph (B), an amount equal to 50 percent of any criminal and civil penalties collected by the United States Government in enforcing the provisions of this Act shall

be transferred into the PACT Anti-Trafficking Fund and shall be available to the Attorney General of the United States for purposes of enforcing the provisions of this Act and other laws relating to contraband tobacco products.

''(B) ALLOCATION OF FUNDS.—Of the amount available to the Attorney General under subparagraph (A), not less than 50 percent shall be made available only to the agencies and offices within the Department of Justice that were responsible for the enforcement actions in which the penalties concerned were imposed or for any underlying investigations.

''(4) NONEXCLUSIVITY OF REMEDY.—

''(A) IN GENERAL.—The remedies available under this section and section 3 are in addition to any other remedies available under Federal, State, local, tribal, or other law.

''(B) STATE COURT PROCEEDINGS.—Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized State official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of State or other law.

''(C) TRIBAL COURT PROCEEDINGS.—Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized Indian tribal government official to proceed in tribal court, or take other enforcement actions, on the basis of an alleged violation of tribal law.

''(D) LOCAL GOVERNMENT ENFORCEMENT.—Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized local government official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of local or other law.

''(d) PERSONS DEALING IN TOBACCO PRODUCTS.—Any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 (regarding permitting of manufacturers and importers of tobacco products and export warehouse proprietors) may bring an action in a United States district court to prevent and restrain violations of this Act by any person (or by any person controlling such person) other than a State, local, or tribal government.

''(e) NOTICE.—

''(1) PERSONS DEALING IN TOBACCO PRODUCTS.—Any person who commences a civil action under subsection (d) shall inform the Attorney General of the United States of the action.

''(2) STATE, LOCAL, AND TRIBAL ACTIONS.—It is the sense of Congress that the attorney general of any State, or chief law enforcement officer of any locality or tribe, that commences a civil action under this section should inform the Attorney General of the United States of the action.

''(f) PUBLIC NOTICE.—

''(1) IN GENERAL.—The Attorney General of the United States shall make available to the public, by posting such information on the Internet and by other appropriate means, information regarding all enforcement actions undertaken by the Attorney General or United States attorneys, or reported to the Attorney General, under this section, including information regarding the resolution of such actions and how the Attorney General and the United States attorney have responded to referrals of evidence of violations pursuant to paragraph (2).

''(2) REPORTS TO CONGRESS.—The Attorney General shall submit to Congress each year a report containing the information described in paragraph (1).''.

(f) CONFORMING AND CLERICAL AMENDMENTS.—The section heading for chapter 10A of title 15, United States Code, is amended to read as follows: ''**REMOTE SALES OF CIGARETTES AND SMOKELESS TOBACCO**''.

SEC. 3. TREATMENT OF CIGARETTES AND SMOKELESS TOBACCO AS NONMAILABLE MATTER.

Section 1716 of title 18, United States Code, is amended—

(1) by redesignating subsections (j) and (k) as subsections (k) and (l), respectively; and

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

''(j) TOBACCO PRODUCTS.—

''(1) PROHIBITION.—

''(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), all cigarettes (as that term is defined in section 1(2) of the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the 'Jenkins Act')) and smokeless tobacco (as that term is defined in section 1(12) of that Act), are nonmailable and shall not be deposited in or carried through the mails. The United States Postal Service shall not accept for delivery or transmit through the mails any package that it knows or has reasonable cause to believe contains any cigarettes or smokeless tobacco made nonmailable by this subsection.

''(B) REASONABLE CAUSE TO BELIEVE.—For purposes of this section, notification to the United States Postal Service by the Attorney General, a United States attorney, or a State Attorney General that an individual or entity is primarily engaged in the business of transmitting cigarettes or smokeless tobacco made nonmailable by this section shall constitute reasonable cause to believe that any packages presented to the United States Postal Service by such individual or entity contain nonmailable cigarettes or smokeless tobacco.

''(C) CIGARS.—Subparagraph (A) shall not apply to cigars (as that term is defined in section 5702(a) of the Internal Revenue Code of 1986).

''(D) GEOGRAPHIC EXCEPTION.—Subparagraph (A) shall not apply to mailings within or into any State that is not contiguous with at least 1 other State of the United States. For purposes of this paragraph, 'State' means any of the 50 States or the District of Columbia.

''(2) PACKAGING EXCEPTIONS INAPPLICABLE.—Subsection (b) shall not apply to any tobacco product made nonmailable by this subsection.

''(3) SEIZURE AND FORFEITURE.—Any cigarettes or smokeless tobacco made nonmailable by this subsection that are deposited in the mails shall be subject to seizure and forfeiture, and any tobacco products so seized and forfeited shall either be destroyed or retained by Government officials for the detection or prosecution of crimes or related investigations and then destroyed.

''(4) ADDITIONAL PENALTIES.—In addition to any other fines and penalties imposed by this chapter for violations of this section, any person violating this subsection shall be subject to an additional penalty in the amount of 10 times the retail value of the nonmailable cigarettes or smokeless tobacco, including all Federal, State, and local taxes.

''(5) USE OF PENALTIES.—There is established a separate account in the Treasury known as the 'PACT Postal Service Fund'. Notwithstanding any other provision of law, an amount equal to 50 percent of any criminal and civil fines or monetary penalties collected by the United States Government in enforcing the provisions of this subsection shall be transferred into the PACT Postal Service Fund and shall be available to the Postmaster General for the purpose of enforcing the provisions of this subsection.''.

SEC. 4. COMPLIANCE WITH MODEL STATUTE OR QUALIFYING STATUTE.

(a) IN GENERAL.—A Tobacco Product Manufacturer or importer may not sell in, deliver to, or place for delivery sale, or cause to be sold in, delivered to, or placed for delivery sale in a State that is a party to the Master Settlement Agreement, any cigarette manufactured by a Tobacco Product Manufacturer that is not in full compliance with the terms of the Model Statute or Qualifying Statute enacted by such State requiring funds to be placed into a qualified escrow account under specified conditions, or any regulations promulgated pursuant to such statute.

(b) JURISDICTION TO PREVENT AND RESTRAIN VIOLATIONS.—

(1) IN GENERAL.—The United States district courts shall have jurisdiction to prevent and restrain violations of subsection (a) in accordance with this subsection.

(2) INITIATION OF ACTION.—A State, through its attorney general, may bring an action in the United States district courts to prevent and restrain violations of subsection (a) by any person (or by any person controlling such person).

(3) ATTORNEY FEES.—In any action under paragraph (2), a State, through its attorney general, shall be entitled to reasonable attorney fees from a person found to have willfully and knowingly violated subsection (a).

(4) NONEXCLUSIVITY OF REMEDIES.—The remedy available under paragraph (2) is in addition to any other remedies available under Federal, State, or other law. No provision of this Act or any other Federal law shall be held or construed to prohibit or preempt the Master Settlement Agreement, the Model Statute (as defined in the Master Settlement Agreement), any legislation amending or complementary to the Model Statute in effect as of June 1, 2006, or any legislation substantially similar to such existing, amending, or complementary legislation hereinafter enacted.

(5) OTHER ENFORCEMENT ACTIONS.—Nothing in this subsection shall be construed to prohibit an authorized State official from proceeding in State court or taking other enforcement actions on the basis of an alleged violation of State or other law.

(6) AUTHORITY OF THE ATTORNEY GENERAL.—The Attorney General of the United States may administer and enforce subsection (a).

(c) DEFINITIONS.—In this section the following definitions apply:

(1) DELIVERY SALE.—The term ''delivery sale'' means any sale of cigarettes or smokeless tobacco to a consumer if—

(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made; or

(B) the cigarettes or smokeless tobacco are delivered by use of a common carrier, private delivery service, or the mails, or the seller is not in the physical presence of the buyer when the buyer obtains possession of the cigarettes or smokeless tobacco.

(2) IMPORTER.—The term ''importer'' means each of the following:

(A) SHIPPING OR CONSIGNING.—Any person in the United States to whom non-tax-paid tobacco products manufactured in a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States are shipped or consigned.

(B) MANUFACTURING WAREHOUSES.—Any person who removes cigars or cigarettes for sale or consumption in the United States from a customs-bonded manufacturing warehouse.

(C) UNLAWFUL IMPORTING.—Any person who smuggles or otherwise unlawfully brings tobacco products into the United States.

(3) MASTER SETTLEMENT AGREEMENT.—The term ''Master Settlement Agreement'' means the agreement executed November 23, 1998, between the attorneys general of 46

States, the District of Columbia, the Commonwealth of Puerto Rico, and 4 territories of the United States and certain tobacco manufacturers.

(4) MODEL STATUTE; QUALIFYING STATUTE.—The terms ''Model Statute'' and ''Qualifying Statute'' means a statute as defined in section IX(d)(2)(e) of the Master Settlement Agreement.

(5) TOBACCO PRODUCT MANUFACTURER.—The term ''Tobacco Product Manufacturer'' has the meaning given that term in section II(uu) of the Master Settlement Agreement.

SEC. 5. UNDERCOVER CRIMINAL INVESTIGATIONS OF THE BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES.

(a) APPROPRIATIONS AVAILABLE.—

(1) IN GENERAL.—Commencing as of the date of the enactment of this Act and without fiscal year limitation, the authorities in section 102(b) of the Department of Justice and Related Agencies Appropriations Act, 1993 (title I of Public Law 102–395; 106 Stat. 1838) shall be available to the Bureau of Alcohol, Tobacco, Firearms and Explosives for undercover investigative operations of the Bureau which are necessary for the detection and prosecution of crimes against the United States.

(2) CONFORMING RULE.—For purposes of the exercise by the Bureau of Alcohol, Tobacco, Firearms and Explosives of the authorities referenced in paragraph (1), a reference in section 102(b) of the Department of Justice and Related Agencies Appropriations Act, 1993 (title I of Public Law 102–395; 106 Stat. 1838) to the Federal Bureau of Investigation shall be deemed to be a reference to the Bureau of Alcohol, Tobacco, Firearms and Explosives, and a reference to the Director of the Federal Bureau of Investigation shall be deemed to be a reference to the Director of the Bureau of Alcohol, Tobacco, Firearms and Explosives.

(b) LIMITATIONS IN APPROPRIATIONS ACTS.—The exercise of the authorities referred to in subsection (a)(1) by the Bureau of Alcohol, Tobacco, Firearms and Explosives shall be subject to the provisions of appropriations Acts.

SEC. 6. INSPECTION BY BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES OF RECORDS OF CERTAIN CIGARETTE AND SMOKELESS TOBACCO SELLERS.

(a) IN GENERAL.—Any officer of the Bureau of Alcohol, Tobacco, Firearms and Explosives may, during normal business hours, enter the premises of any person described in subsection (b) for the purposes of inspecting—

(1) any records or information required to be maintained by such person under the provisions of law referred to in subsection (d); or

(2) any cigarettes or smokeless tobacco kept or stored by such person at such premises.

(b) COVERED PERSONS.—Subsection (a) applies to any person who engages in a delivery sale, and who ships, sells, distributes, or receives any quantity in excess of 10,000 cigarettes, or any quantity in excess of 500 single-unit consumer-sized cans or packages of smokeless tobacco, within a single month.

(c) RELIEF.—

(1) IN GENERAL.—The district courts of the United States shall have the authority in a civil action under this subsection to compel inspections authorized by subsection (a).

(2) VIOLATIONS.—Whoever violates subsection (a) or an order issued pursuant to paragraph (1) shall be subject to a civil penalty in an amount not to exceed $10,000 for each violation.

(d) COVERED PROVISIONS OF LAW.—The provisions of law referred to in this subsection are—

(1) the Act of October 19, 1949 (15 U.S.C. 375; commonly referred to as the ''Jenkins Act'');

(2) chapter 114 of title 18, United States Code; and

(3) this Act.

(e) DELIVERY SALE DEFINED.—In this section, the term ''delivery sale'' has the meaning given that term in 2343(e) of title 18, United States Code, as amended by section 4(d)(4).

SEC. 7. COMPLIANCE WITH TARIFF ACT OF 1930.

(a) INAPPLICABILITY OF EXEMPTIONS FROM REQUIREMENTS FOR ENTRY OF CERTAIN CIGARETTES.—Section 802(b)(1) of the Tariff Act of 1930 (19 U.S.C. 1681a(b)(1)) is amended by adding at the end the following: ''This paragraph shall not apply to any cigarettes sold in connection with a delivery sale (as that term is defined in section 1(6) of the Act of October 19, 1949 (commonly referred to as the 'Jenkins Act')).''.

(b) STATE AND TRIBAL ACCESS TO CUSTOMS CERTIFICATIONS.—Section 802 of the Tariff Act of 1930 (19 U.S.C. 1681a) is amended by adding at the end the following:

''(d) STATE AND TRIBAL ACCESS TO CUSTOMS CERTIFICATIONS.—A State, through its attorney general, and an Indian tribe (as that term is defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)), through its chief law enforcement officer, shall be entitled to obtain copies of any certification required pursuant to subsection (c) directly—

''(1) upon request to the agency of the United States responsible for collecting such certification; or

''(2) upon request to the importer, manufacturer, or authorized official of such importer or manufacturer.''.

(c) ENFORCEMENT PROVISIONS.—Section 803 of the Tariff Act of 1930 (19 U.S.C. 1681b) is amended—

(1) in subsection (b)—

(A) in the first sentence—

(i) by inserting ''any State of'' before ''the United States'' the first and second places it appears; and

(ii) by inserting before the period the following: '', to any State in which such tobacco product, cigarette papers, or tube was imported, or to the Indian tribe of any Indian country (as that term is defined in section 1151 of title 18, United States Code) in which such tobacco product, cigarette papers, or tube was imported''; and

(B) in the second sentence, by inserting '', or to any State or Indian tribe,'' after ''the United States''; and

(2) by adding at the end the following:

''(c) ACTIONS BY STATES AND OTHERS.—

''(1) PERSONS DEALING IN TOBACCO PRODUCTS.—Any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 (regarding permitting of manufacturers and importers of tobacco products and export warehouse proprietors) may bring an action in the United States district courts to prevent and restrain violations of this title by any person (or by any person controlling such person), other than a State, local, or tribal government.

''(2) STATE, LOCAL, AND TRIBAL GOVERNMENTS.—A State, through its attorney general, or a local government or tribe through its chief law enforcement officer (or a designee thereof), may bring a civil action under this title to prevent and restrain violations of this title by any person (or by any person controlling such person) or to obtain any other appropriate relief for violations of this title by any person (or from any person controlling such person), including civil penalties, money damages, and injunctive or other equitable relief.

''(3) CONSTRUCTION GENERALLY.—

''(A) IN GENERAL.—Nothing in this subsection shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian tribe against any unconsented lawsuit under this title or to otherwise restrict, expand, or modify any sovereign immunity of a State, local government, or Indian tribe.

''(B) CONSTRUCTION WITH OTHER RELIEF.—The remedies available under this subsection are in addition to any other remedies available under Federal, State, local, tribal, or other law.

''(4) CONSTRUCTION WITH FORFEITURE PROVISIONS.—Nothing in this subsection shall be construed to require a State or Indian tribe to first bring an action under to paragraph (1) when pursuing relief under subsection (b).

''(d) CONSTRUCTION WITH OTHER AUTHORITIES.—Nothing in this title shall be construed to expand, restrict, or otherwise modify the right of—

''(1) an authorized State official from proceeding in State court, or taking other enforcement actions, on the basis of alleged violation of State or other law; or

''(2) an authorized Indian tribal government official from proceeding in tribal court, or taking other enforcement actions, on the basis of alleged violation of tribal law.''.

(d) INCLUSION OF SMOKELESS TOBACCO.—

(1) IN GENERAL.—Sections 802 and 803(a) of the Tariff Act of 1930 (19 U.S.C. 1202 et seq.) are amended by inserting ''or smokeless tobacco products'' after ''cigarettes'' each place it appears.

(2) CONFORMING AMENDMENTS.—

(A) REQUIREMENTS FOR ENTRY.—Section 802 of the Tariff Act of 1930 (19 U.S.C. 1681a) is amended—

(i) in the heading, by inserting ''**AND SMOKELESS TOBACCO**'' after ''**CIGARETTES**'';

(ii) in subsection (a)—

(I) in paragraph (1), by inserting ''or section 4 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4403), respectively'' after ''section 7 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a)'';

(II) in paragraph (2), by inserting ''or section 3 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402), respectively,'' after ''section 4 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333)''; and

(III) in paragraph (3), by inserting ''or section 3(d) of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402(d)), respectively,'' after ''section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c))'';

(iii) in subsection (b)—

(I) in the heading of paragraph (1), by inserting ''OR SMOKELESS TOBACCO'' after ''CIGARETTES''; and

(II) in the heading of paragraphs (2) and (3), by inserting ''OR SMOKELESS TOBACCO'' after ''CIGARETTES''; and

(iv) in subsection (c)—

(I) in the heading, by inserting ''OR SMOKELESS TOBACCO'' after ''CIGARETTE'';

(II) in paragraph (1), by inserting ''or section 4 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4403), respectively'' after ''section 7 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a)'';

(III) in paragraph (2)(A), ''or section 3 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402), respectively,'' after ''section 4 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333)''; and

(IV) in paragraph (2)(B), by inserting ''or section 3(d) of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402(d)), respectively'' after ''section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c))''.

(B) ENFORCEMENT.—Section 803(b) of the Tariff Act of 1930 (19 U.S.C. 1681b(b)) is amended by inserting '', or any smokeless tobacco product,'' after ''or tube'' the first place it appears.

(C) TITLE HEADING.—The heading of title VIII of the Tariff Act of 1930 (19 U.S.C. 1681 et seq.) is amended by inserting ''**AND SMOKELESS TOBACCO**'' after ''**CIGARETTES**''.

SEC. 8. EXCLUSIONS REGARDING INDIAN TRIBES AND TRIBAL MATTERS.

(a) IN GENERAL.—Nothing in this Act or the amendments made by this Act is intended nor shall be construed to affect, amend, or modify—

(1) any agreements, compacts, or other intergovernmental arrangements between any State or local government and any government of an Indian tribe (as that term is defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) relating to the collection of taxes on cigarettes or smokeless tobacco sold in Indian country (as that term is defined in section 1151 of title 18, United States Code);

(2) any State laws that authorize or otherwise pertain to any such intergovernmental arrangements or create special rules or procedures for the collection of State, local, or tribal taxes on cigarettes or smokeless tobacco sold in Indian country;

(3) any limitations under existing Federal law, including Federal common law and treaties, on State, local, and tribal tax and regulatory authority with respect to the sale, use, or distribution of cigarettes and smokeless tobacco by or to Indian tribes or tribal members or in Indian country;

(4) any existing Federal law, including Federal common law and treaties, regarding State jurisdiction, or lack thereof, over any tribe, tribal members, or tribal reservations; and

(5) any existing State or local government authority to bring enforcement actions against persons located in Indian country.

(b) COORDINATION OF LAW ENFORCEMENT.—Nothing in this Act or the amendments made by this Act shall be construed to inhibit or otherwise affect any coordinated law enforcement effort by 1 or more States or other jurisdictions, including Indian tribes, through interstate compact or otherwise, that—

(1) provides for the administration of tobacco product laws or laws pertaining to interstate sales or other sales of tobacco products;

(2) provides for the seizure of tobacco products or other property related to a violation of such laws; or

(3) establishes cooperative programs for the administration of such laws.

(c) TREATMENT OF STATE AND LOCAL GOVERNMENTS.—Nothing in this Act or the amendments made by this Act is intended, and shall not be construed to, authorize, deputize, or commission States or local governments as instrumentalities of the United States.

(d) ENFORCEMENT WITHIN INDIAN COUNTRY.—Nothing in this Act or the amendments made by this Act is intended to prohibit, limit, or restrict enforcement by the Attorney General of the United States of the provisions herein within Indian country.

(e) AMBIGUITY.—Any ambiguity between the language of this section or its application and any other provision of this Act shall be resolved in favor of this section.

SEC. 9. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act shall take effect on the date that is 90 days after the date of enactment of this Act.

(b) BATFE AUTHORITY.—

(1) IN GENERAL.—Sections 6 and 7 shall take effect on the date of enactment of this Act.

(2) DEFINITION.—For purposes of section 7, the definition of delivery sale in section 2343(e)(1) of title 18, United States Code, as amended by section 4(d)(4) of this Act, shall take effect on the date of enactment of this Act.

SEC. 10. SEPARABILITY.

If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of it to any other person or circumstance shall not be affected thereby.

By Mr. HATCH (for himself, Mr. BINGAMAN, and Mr. BIDEN):

S. 3811. A bill to require the payment of compensation to members of the Armed Forces and civilian employees of the United States who performed slave labor for Japanese industries during World War II, or the surviving spouses of such members, and for other purposes; to the Committee on Armed Services.

Mr. HATCH. Mr. President, it is my privilege today to introduce legislation that attempts to right wrongs and help those who have suffered.

I can think of few Americans who have suffered more than those brave World War II veterans who were subjected to slave labor conditions by Japanese industries during that difficult conflict. This legislation would provide long overdue compensation to our brave veterans who were forced into slave labor by our enemies.

Some might ask: why don't these veterans seek a remedy from the courts? The answer is that they have. Unfortunately, due to decisions that were made during the Cold War, our government relinquished the right of these veterans to successfully seek redress of their grievances on this matter in our nation's courts.

Regrettably, the Japanese Government has also declined to provide compensation.

Today, many of these American POWs are now in their eighties and nineties. Every day, more and more of these veterans pass away without ever realizing that their country truly cares for them and wants to right the wrongs of the past. If those who remain are to receive compensation, they must receive it now or this injustice will never be righted.

Remember, many of these men are the survivors of the Bataan Death March, which occurred in April of 1942 when the 70,000 Allied troops that comprised the defense of Bataan peninsula were ordered to surrender. Corregidor would fall a month later, but for the soldiers of Bataan the infamous Death March from the peninsula to holding camps throughout the Philippines was about to begin. During this march of 85 miles approximately 10,000 Allied forces were killed.

American POWs in the Pacific theater are also the survivors of the ''Hell Ships'' where servicemembers were placed in cargo ships destined for Japanese industrial sites. These ships were usually incredibly overcrowded and American POWs were subject to the horrific sanitary and living conditions.

After all this, when American servicemembers arrived at their destination, the majority were treated as slave labor, they faced fierce corporal punishment for minor infractions, and unnecessary starvation and cruel work environments.

It is important to note that this bill, which I am honored to say is cosponsored by Senator BINGAMAN and Senator BIDEN, is not to embarrass or to ridicule the people of Japan; far from it. For over 60 years, Japan has been one of our great allies. As the ranking member on the Senate Intelligence Committee, I well know the invaluable support and assistance that Japan has rendered in the global war on terrorism, including committing hundreds of ground troops to assist in the development of Iraq's infrastructure. I know that all Americans are grateful for this assistance.

Mr. President, it is time to do the right thing and provide these veterans with the minimal level of compensation they deserve. I believe that this limited compensation is a debt of honor that we should not withhold.

By Mr. ISAKSON (for himself and Mr. REED):

S. 3812. A bill to require the Food and Drug Administration to conduct consumer testing to determine the appropriateness of the current labeling requirements for indoor tanning devices and determine whether such requirements provide sufficient information to consumers regarding the risks that the use of such devices pose for the development of irreversible damage to the skin, including skin cancer, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. REED. Mr. President, I rise today, along with my colleague, Senator ISAKSON, to introduce the Tanning Accountability and Notification—TAN—Act of 2006. A House counterpart measure was introduced by Representatives MALONEY and BROWN-WAITE in February.

Close to a million people will be diagnosed with skin cancer this year. Approximately 1 in 5 Americans will develop skin cancer in their lifetime, and these numbers are on the rise.

There are many factors that contribute to these startling figures. In recent years efforts have been undertaken by various organizations to better inform the public about the risk of sun exposure and ways to decrease the chance of developing skin cancer. One area, however, where better information is sorely needed is on the use of indoor tanning salons.

Every day approximately 1 million people visit a tanning salon. It is a practice particularly popular among teens, the group that seems most at risk from the effects of indoor tanning. The American Academy of Dermatology, the Food and Drug Administration, FDA, the National Institutes of

Health, NIH, the Centers for Disease Control and Prevention, CDC, and the World Health Organization, WHO, all discourage the use of indoor tanning equipment.

This message and the current information about the risks of indoor tanning I fear are not being adequately passed on to consumers. The FDA has not updated its warnings on tanning beds since 1979. Regular users of indoor tanning beds deserve to be fully informed.

The TAN Act calls upon the FDA to revisit the current label on indoor tanning beds and determine through a process of public hearings and consumer testing what kind of labeling requirements would convey important information on the risks of indoor tanning.

This legislation is not about introducing new regulations but ensuring that the current FDA regulations remain effective in communicating accurate, current, and clear information to consumers of indoor tanning salons.

I look forward to working with my colleagues towards passage of this important, bipartisan legislation. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

By Mr. SMITH (for himself, Mr. BINGAMAN, and Ms. MURKOWSKI):

S. 3813. A bill to permit individuals who are employees of a grantee that is receiving funds under section 330 of the Public Health Service Act to enroll in health insurance coverage provided under the Federal Employees Health Benefits Program; to the Committee on Homeland Security and Governmental Affairs.

Mr. SMITH. Mr. President, today I am introducing the Community Health Center Employee Health Coverage Act, a bill that will help provide community health centers, CHCs, better access to more affordable health insurance for their employees. I am pleased to have my colleagues Senators BINGAMAN and MURKOWSKI join me as original cosponsors on this important proposal.

CHCs form the backbone of the Nation's health care safety net. They provide essential medical services to some of our most vulnerable citizens, including the uninsured and Medicaid and Medicare beneficiaries. In my home State of Oregon, health centers provide over 130 points of access, where upwards of 180,000 individuals receive care each year. Approximately 41 percent of those served are uninsured and 36 percent are on Medicaid, and most all reside in either a rural or economically depressed area. Clearly, CHCs have an important role in ensuring that those who otherwise might be unable to afford health coverage have access to the care they need.

CHCs also serve their patients in a very efficient manner. Studies have shown that care provided Medicaid patients at CHCs costs 30 percent less than care provided in other settings. This is mainly due to a lower number of specialty referrals and fewer overall hospital admissions. CHCs effectively demonstrate how focusing on primary and preventive care can help keep individuals healthier, which ultimately enhances their lives and saves the broader health care system money. Above and beyond the efficiencies CHCs have achieved in service delivery, patients report overwhelming satisfaction for the treatment they are provided. Health care providers across the spectrum would be well-served by emulating CHCs' example of delivering affordable, high-quality health care in an efficient manner.

Given the enormous value CHCs have to the U.S. health care system, I believe Congress should do all it can to support their mission. I commend President Bush's commitment to increasing funding for health center expansion in recent years. I am pleased the administration's request for $180 million in new funding in fiscal year 2007 was included in the Senate's version of the budget resolution. As the appropriations process continues to move forward, I hope that those much-needed funds are ultimately approved by Congress.

The bill I am filing today will compliment the increased funding CHCs have received in recent years. Just like businesses across the nation, health centers are coping with the rising cost of providing health benefits to their employees. Premiums for private health insurance grew by 9.5 percent in 2005—the fifth consecutive year of increases over 9 percent. Because CHCs operate on very limited budgets, it has become more and more difficult for them to absorb these increased costs while continuing to provide affordable health care to their patients.

It is important to note that CHCs rely upon the Federal Government for more than half of their operating revenues. Each year, health centers receive 26 percent of their funding from direct Federal grants and another 36 percent from the Medicaid Program. Because CHCs are predominantly a Federal enterprise, I believe it makes sense for them to be able to reap many of the same benefits of other Federal entities. That is why the bill I am filing today would allow CHCs to purchase more affordable health insurance coverage for their employees through the Federal Employee Health Benefits Program, FEHBP.

Allowing federally funded entities to purchase health coverage through FEHBP is not unprecedented. Employees of Gallaudet University and certain U.S. Department of Agriculture grantees already are able to participate in FEHBP as if they were directly employed by the Federal Government. Considering that CHC providers are already deemed ''Federal employees'' for the purpose of receiving medical liability protection through the Federal Government, it is a logical next step to allow them to purchase health coverage through FEHBP. In doing so, we will be able to provide CHCs much needed security in knowing that their employees will have steady access to affordable health insurance.

I believe that in the long run, CHCs will be able to achieve a great deal of savings by purchasing health coverage for their employees through FEHBP. Premiums for policies purchased through FEHBP consistently grow at a much slower rate than other commercial policies. Every dollar CHCs save in employee benefit costs can be redirected into medical care for the vulnerable populations they serve. Access to FEHBP coverage also may help some CHCs provide health benefits to their employees for the first time. This could help recruit much needed medical personnel in underserved and rural communities. I am hopeful health centers in rural parts of my State will be able to attract the physicians they so desperately need by offering them FEHBP coverage.

There is wide support for CHCs in the Senate, as evidenced by the introduction of two other CHC-related measures this week. Senator BINGAMAN and I also are filing the Strengthen the Safety Net Act that will allocate unspent Medicaid disproportionate share hospital funds to CHCs and other community-based health care providers. And, I am joining a bipartisan group of my colleagues in introducing the CHC Reauthorization Act to ensure that CHCs can continue providing health care to some of our most vulnerable citizens for years to come. I hope the Senate's leadership will move this package of three bills quickly through the process, as a sign of appreciation for the important role CHCs play in the U.S. health care system.

By Mr. SMITH (for himself and Mrs. LINCOLN):

S. 3815. A bill to improve the quality of, and access to, long-term care; to the Committee on Finance.

Mr. SMITH. Mr. President, I rise today to introduce the Long-Term Care Quality and Modernization Act of 2006. I am pleased to be joined by my colleague, Senator BLANCHE LINCOLN of Arkansas.

As chairman of the Senate Special Committee on Aging, I am committed to improving the financing and delivery of long-term care. The Centers for Medicare and Medicaid Services estimate that national spending for long-term care was almost $160 billion in 2002, representing about 12 percent of all personal health care expenditures. While those numbers are already staggering, we also know that the need for long-term care is expected to grow significantly in coming decades. Almost two-thirds of people receiving long-term care are over age 65, with this number expected to double by 2030.

I know that providing quality long-term care services for America's frail, elderly, and disabled is the priority of

nursing homes and assisted-living facilities. I applaud their work but recognize we must do more to improve care and contain costs. When you consider that 8 of 10 nursing home residents rely on Medicare and Medicaid for their long-term care needs, it is apparent that Congress has a responsibility to improve these programs so they are sustainable for years to come.

That is why I am introducing the Long-Term Care Quality and Modernization Act of 2006 with Senator LINCOLN. This bill will address several problems nursing homes are experiencing with payments, regulations, workforce shortages, taxes, and disaster preparedness funding. The issue of long-term care expenditures need not be an insurmountable task. It will require action and cooperation by public officials and private providers as we work to find ways to help Americans become better prepared for their long-term care needs.

However, we cannot do it alone. Individuals must take responsibility and begin planning for their long-term care needs. With our national savings rate in steady decline, I fear the American middle class is woefully unprepared to meet the coming challenges of their long-term care. As we move forward in our effort to help individuals stay financially stable in their later years, we must encourage them to purchase long-term care insurance and save for long-term care services. Included in the bill I am introducing today is the Long-Term Care Trust Account Act of 2006. My legislation will create a new type of savings vehicle for the purpose of preparing for the costs associated with long-term care services and purchasing long-term care insurance. An individual who establishes a long-term care trust account can contribute up to $5,000 per year to their account and receive a refundable 10 percent tax credit on that contribution. Interest accrued on these accounts will be tax free, and funds can be withdrawn for the purchase of long-term care insurance or to pay for long-term care services. The bill will also allow an individual to make contributions to another person's long-term care trust account. This will help many people in our country who want to help their parents or a loved one prepare for their health care needs.

It is my hope that this legislation will help all Americans save for their long-term care needs. I urge my colleagues on both sides of the aisle to support this important bill.

By Ms. COLLINS:

S. 3816. A bill to prohibit the shipment of tobacco products in the mail, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Ms. COLLINS. Mr. President, I rise today to introduce legislation that will help crack down on illegal sales of tobacco to underaged young people by banning the shipment of cigarettes and other tobacco products through the U.S. mail. Not only does the delivery of cigarettes and other tobacco products through the mail create opportunities for tax evasion, but it also creates an easy means through which children and young people can obtain these potentially deadly products.

Tobacco remains the No. 1 preventable cause of death in the United States today, accounting for more than 400,000 deaths a year and billions of dollars in health care costs. Moreover, tobacco addiction is a ''teen-onset'' disease: Ninety percent of all smokers start before they are 21. If we are to put an end to this tragic, yet preventable, epidemic, we must accelerate our efforts not only to help more smokers to quit, but also to discourage young people from ever lighting up in the first place.

Internet sales of tobacco are growing and growing fast. Unfortunately, effective safeguards against illegal sales to young people are virtually nonexistent on the more than 400 Web sites selling tobacco, making it easier and cheaper for kids to buy cigarettes.

A 2002 American Journal of Public Health study found that 20 percent of cigarette-selling Web sites do not say anything about sales to minors being prohibited. More than half require only that the buyer say they are of legal age. Another 15 percent require only that the buyer type in their date of birth, and only 7 percent require any driver's license information.

It is no wonder that Internet ''stings'' conducted by attorneys general in at least 15 States have found that children as young as 9 years old are able to purchase cigarettes easily. One study in The Journal of the American Medical Association reported that kids as young as 11 were successful more than 90 percent of the time in purchasing cigarettes over the Internet. Moreover, since Internet cigarette vendors typically require a two-carton minimum purchase, many high school and middle school buyers of Internet tobacco also end up serving as suppliers of cigarettes to other kids.

In an effort to combat this problem, all of the major credit card companies have taken steps to ensure that their systems are not used to process payments for illegal cigarette sales. Moreover, all of the major commercial carriers—UPS, DHL and FedEx—have agreed to put a stop to the mail order sale and delivery of tobacco products. This leaves our U.S. Postal Service as the sole remaining courier for the delivery of tobacco products to minors. I believe that it is time for us to close this final delivery gap so that cigarettes and other tobacco products are not so easily accessible to our Nation's children.

The Postal Code already makes it illegal to mail alcoholic beverages and guns. The legislation I am introducing today will amend title 39 of the United States Code to add cigarettes and smokeless tobacco to the list of restricted, nonmailable matter. Any person found guilty of mailing such a product would be liable for a civil penalty of up to $5,000 or 10 times the estimated retail value of the tobacco products, including all Federal, State, and local taxes, whichever is highest, for a first violation. Civil penalties of up to $100,000 would be imposed for a second or each subsequent violation.

Mr. President, the U.S. Postal Service should not be the delivery agent for illegal cigarette traffickers. The legislation I am introducing today will close a loophole that has allowed Internet and mail order companies to circumvent the law, and I urge my colleagues to support this reform.

By Mr. HATCH (for himself and Mr. LEAHY):

S. 3818. A bill to amend title 35, United States Code, to provide for patent reform; to the Committee on the Judiciary.

Mr. HATCH. Mr. President, I rise today to introduce with Senator LEAHY the Patent Reform Act of 2006.

This bill addresses many of the issues and problems that my colleague, Senator LEAHY, and I have identified through a series of hearings and discussions with stakeholders. We also had the benefit of knowing the priorities identified by Chairman LAMAR SMITH and Ranking Democratic Member BERMAN, who have introduced an analogous bill in the House.

I would like to thank the Senator LEAHY for all of his hard work and assistance in developing this bill and for his willingness to reach a compromise on those issues where our policy views conflicted.

This bill is not perfect, and is not the bill that either I or my esteemed cosponsor would have introduced independently, but I believe that it fairly reflects a compromise between my priorities and the priorities of Senator LEAHY.

We have also attempted to achieve some balance between the priorities identified by the various industries and stakeholders that we consulted while formulating our policy views in this area.

I am sure that further refinements will be made to this bill during the legislative process, so I would encourage those who are either pleased or displeased by any of the aspects of the bill to continue working with us to resolve any outstanding issues.

This bill addresses many of the problems with the substantive, procedural, and administrative aspects of the patent system, which governs how entities here in the United States apply for, receive, and eventually make use of patents covering everything from computer chips to pharmaceuticals to medical devices to—I am told—at least one variety of crustless peanut butter and jelly sandwich.

As the Founding Fathers made clear in Article 1, section 8 of the Constitution, Congress is charged with ''promot[ing] the Progress of Science

and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.''

There is a growing consensus among those who use the patent system that significant reform is needed.

While there appears to be a high degree of consensus on some issues relating to patent reform—such as the advisability of creating a new post-grant review process, there are significant disagreements about other changes to the patent system and about how best to streamline patent litigation.

By all accounts, patent litigation has become a significant problem in some industries. There are a number of factors in patent law that drive up the cost and uncertainty of litigation in ways that are unjustified. However, some of the principal problems and costs associated with patent litigation are not uniform across industrial sectors. This has led to substantial and sometimes vociferous disagreements about the nature of the underlying problems and, thus, what the appropriate solutions might be. We have done our best to resolve these disagreements based on our judgment about what is likely to preserve a balance between patent holders and alleged infringers in these actions.

There is also substantial consensus regarding a number of basic, structural changes to the patent system. The most significant of these involves moving from our current first-to-invent system to something approximating a first-to-file rule in determining which of two conflicting inventors has the right to obtain a patent.

While there is general agreement regarding some of the changes necessary to move toward a first-to-file system, there are some disagreements that remain unresolved by the current language of this bill. Although we have done our best to preserve many of the principles defining what constitutes ''prior art'' under current law, patent experts continue to disagree over whether we have achieved this goal.

Additionally, shortly before introduction, a concern emerged that we had not adequately preserved the changes enacted by the Cooperative Research and Technology Enhancement Act—CREATE Act, P.L. 108–453—involving some types of double patenting. Since Senator LEAHY and I were original cosponsors of that law, I can assure you that we will be receptive to concerns in this regard and try to fix them.

With that preface, I would like to discuss several of the more significant changes made to the current patent system by this bill.

Sections 1 and 2 of the bill contain the short title, table of contents, and other similar provisions. Sections 3 and 4 contain amendments to implement the first-to-file rule and other changes to the manner in which patent applications are filed with the Patent and Trademark Office and the process governing the examination of applications. Much of this language is similar to language in previous bills. However, as I have mentioned, several significant issues remain unresolved, and we will continue to work with stakeholders and other members to ensure an appropriate resolution.

Section 5 changes the remedies available to plaintiffs in patent infringement suits, as well as the available defenses to patent infringement. The two most substantial changes involve limitations on the availability of enhanced damages upon a showing of ''willful'' infringement by a plaintiff and a parallel limitation on the availability of unenforceability under the doctrine of ''inequitable conduct.'' Willfulness and inequitable conduct were two of the three major subjective elements that were identified in a major report on the current patent system by the National Research Council of the National Academy of Sciences. The report, entitled ''A Patent System for the 21st Century,'' recommended limiting both willfulness and the inequitable conduct defense to streamline patent litigation. We were unable to reach agreement on repealing the ''best mode'' requirement, which was the third subjective element identified both in the report and by various stakeholders, but I am hopeful that we will continue to work toward a mutually-acceptable compromise on that issue.

Section 5 also contains a provision expanding ''prior user rights.'' These prior user rights are, in reality, a defense to infringement liability for those making or preparing to make commercial use of an invention prior to a patent being issued. Prior to a patent's issuance, such a user often has no way of knowing that he is—or will be—infringing a patent. In some cases, the user has independently invented the subject matter in question, in which case it would be inequitable to subject him or her to infringement liability. Currently, the prior user defense is available only with respect to method patents. The bill expands the prior user defense to all categories of patents and makes related changes to this defense.

Additionally, Section 5 contains two of the more controversial provisions in the bill. The first is a rough codification of an ''apportionment'' rule for calculation of damages. There is an existing, uncodified rule for such apportionment that exists in case law. However, codifying the rule will increase its clarity and mandate its application in all appropriate cases.

The second controversial provision in this section is a mandatory fee shifting provision. The language of this provision requires courts to award attorneys' fees to a prevailing party in cases where the non-prevailing party's legal position was not substantially justified. This language is similar to the test used in the Equal Access to Justice Act. This provision is intended to discourage litigation in those cases where a plaintiff's or defendant's case is so weak as to be objectively unreasonable.

Finally, this section also contains a repeal of Section 271(f) of Title 35. Under current law, either a foreign or domestic patent holder may be able to obtain damages based on foreign uses of domestically-manufactured components of an infringing article. In essence, current law provides for the extraterritorial application of domestic law in a manner that benefits foreign manufacturers and patentees in some situations.

Section 6 contains procedures for instituting a new type of post-grant review preceding that will allow the validity of a patent to be challenged in an administrative proceeding conducted by the Patent and Trademark Office rather than in court litigation.

Under current law, there are narrow reexamination procedures by which the PTO may reconsider a patent's validity at the request of an interested party. However, current reexamination proceedings are very limited and do not allow for a full consideration of a patent's validity. As a result, even when reexamination is available, potential litigants generally wait to challenge a patent's validity until an infringement suit has been brought despite the higher costs and prolonged uncertainty of doing so.

I believe that by adopting a more robust post-grant review proceeding we are providing a more efficient means of challenging a patent's validity in an administrative proceeding. This is necessary to address systemic problems in our patent system, making post-grant review an essential component of any meaningful reform legislation. While there appears to be substantial agreement regarding the need for a more meaningful post-issuance review, there are strong disagreements over its specific attributes and scope.

During hearings conducted in the Subcommittee on Intellectual Property and during meetings with stakeholders, we encountered widely disparate proposals and suggestions regarding post-grant review from stakeholders, academics, and lawmakers. At one end of the spectrum are proposals that would create a low-cost, streamlined proceeding by simply expanding the current inter partes reexamination. At the other end of the spectrum are those that would like to see the creation of specialized patent courts that would partially supplant Federal court litigation. With this bill, we have introduced a proposal that falls somewhere in between these two extremes.

This bill institutes a robust post-grant opposition system. The new procedures for post-grant cancellation proceedings create a new system for challenging the validity of problematic or suspect patents, which will allow those who are concerned about infringing such a patent to test its validity in an administrative proceeding instead of waiting to assert invalidity as a defense in an infringement action. The

new procedures are tiered in such a way as to encourage challenges to occur within the first year after a patent's issuance. After the one-year ''first window,'' challenges may still be brought by those who are able to demonstrate a substantial economic stake in the outcome of the proceeding. To deter piecemeal litigation, if a party institutes a proceeding after the first year, any challenge to patentability available to that party with respect to the patent must be either raised or waived. Thus, a challenger who participates in a proceeding outside the first year is estopped from raising any grounds relating to patentability that were or could have been raised in the previous challenge.

In addition to the new post-grant review proceedings, language in section 9 of this bill makes substantial improvements to the existing inter partes reexamination proceeding that are based on recommendations from the PTO and stakeholders. The most significant change to the reexamination proceedings is the modification of the estoppel effect of such proceedings. Currently, participants in an inter partes reexamination are barred from subsequently raising any grounds they ''raised or could have raised.'' Thus, parties who wish to challenge a patent more than a year after its issuance will have the option of bringing a narrow challenge that will not subject them to full estoppel as an alternative to bringing a full post-grant opposition proceeding or reserving their arguments for court. This approach provides a range of alternatives to legitimate challengers, while still providing balanced protections against harassing or abusive litigation for the patentee.

Section 8 would amend the current statutory provision that determines the appropriate venue for patent litigation. The intent of the venue language is to serve as a starting point for discussions as to what restrictions—if any—are appropriate on the venue in which patent cases may be brought. Section 8 also contains a provision allowing for interlocutory appeals of decisions involving the claim construction of a patent. Again, this language is intended to generate discussion about the current interplay between the Federal district and appellate courts. As both academics and the patent bar have noted, the resolution of the legal questions involving claim construction appear to be taking up a greater and greater portion of the docket of the Federal circuit court of appeals.

Given the high percentage of reversals on claims construction issues, some experts believe that an interlocutory appeal of Markman decisions might allow parties to resolve disputes as to claim construction more decisively prior to proceeding to a full trial. Alternatively, other experts believe that a return to the treatment of claims construction as a mixed question of law and fact might induce more deferential review by the appellate court. Still others have suggested that increased expertise among the district court judges trying patent cases might result in a lower reversal rate. In that regard, I should note that Congressman ISSA has a bill authorizing a pilot project that appears to be a promising approach to increasing the expertise of Federal judges who handle patent cases, and I am considering introducing a similar bill here in the Senate. While I am not wedded to any particular approach or combination of approaches, I believe this is an issue that should receive serious attention and consideration by Congress.

Section 9 of the bill includes additional statutory changes that either implement or complement provisions found elsewhere in the bill. It also includes expanded authority for the PTO to conduct substantive rulemaking, as well as the changes to the inter partes reexamination procedures that I mentioned previously.

Section 10 includes a generic effective date provision. Obviously, I will need to modify the effective dates of the various provisions in the bill once we have been able to assess the difficulty of implementing various provisions in this bill.

In closing, I would like to thank my cosponsor, the senior Senator from Vermont, for all the work he has put into this bill and to compliment his intellectual property counsel, Susan Davies, for her efforts as well. I am committed to moving this legislation forward and hope that my colleagues will join me in my efforts to refine and enact this important bill.

Mr. LEAHY. Mr. President, the Senate is about to adjourn for its August recess—4 weeks when we get to reconnect with our constituents, catch up on the concerns of our home States, and study our legislative plans with a depth and attention that we cannot devote during the hectic days we are in session. Some of us may even spend a little time with our families and friends. As I have done in years past, I will be in Vermont. The choice between spending August in Washington, DC, or Middlesex, VT, has always been an easy one for me.

When the Senate is in session, our obligations are many and varied, as important as they are diverse. We hold hearings, and then we pursue followup questions. We try to engage in oversight, though that has not been a particularly fruitful exercise with this current administration. We investigate issues, and then we endeavor to craft solutions. We vote and we caucus and we deliberate.

It is not always a process that yields results, but today I can report it has. I am pleased to join with the chairman of the Intellectual Property Subcommittee today in introducing a bipartisan bill on patent reform. The bill is the result of almost 2 years of hard work on hard issues. We held several hearings, had innumerable meetings with a universe of interested participants in the patent system, and received input from a number of voices in debate about patent reform. We delved deeply into the myriad problems plaguing our patent system, especially those that hinder the issuance of high-quality patents.

In introducing this bill together, we take a productive step toward updating the most outdated aspects of the patent code and attempt to bolster the Patent and Trademark Office in its administrative review of patents throughout the process. We are striving to place incentives on the parties with the most information to assist the PTO by sharing that information. We place our patent system in line with much of the rest of the world, by moving from a ''first-to-invent'' system to a ''first-to-file.''

Congress needs to address the urgent needs for revision and renewal in our patent system, and we must harness the impressive intellectual power and varied experiences of all the players in the patent community as we finalize our new laws. I believe that, while introducing this bill today is not the end of the process—and indeed, in many respects, it is truly the beginning—it is a significant accomplishment that we have come together to set down a comprehensive approach to overhauling our patent system. If the United States is to preserve its position at the forefront of innovation, as the global leader in intellectual property and technology, then we need to move forward, and this bill is our first step. We must improve and enhance the quality of our patent system and the patents it produces.

This legislation is not an option but a necessity. Senator HATCH and I have made genuine progress on this complex issue. We agreed on many salutary changes, but it can be no surprise that we differed on some aspects of the effort as well. Recognizing the critical importance of compromise, of offering a bill to the interested public to study and improve, and of taking a clear first step down the path to genuine reform, we both made concessions. This is not the bill I would have introduced if I were the sole author, and I expect Senator HATCH would say the same. I appreciate the concessions that Senator HATCH made. I have tried to be both reasonable and accommodating in honoring my commitment to him—a commitment that he requested specifically—to introduce a bill before the August recess.

In particular, I am concerned about how some of the changes proposed would affect the generic pharmaceutical industry, especially the provision that would limit the ''inequitable conduct'' defense to only those cases in which a patentee's willful deception of the PTO results in an invalid patent claim. While I think we should expect the highest caliber of behavior by those who are seeking patents—which are, after all, often highly profitable government monopolies—surely we can at

least insist on an absence of affirmative deceit. I hope and expect that we can continue the discussion on this issue as the year progresses.

I also want to ensure the delicate balance we have struck in the post-grant review process and make certain that the procedure is both efficient and effective at thwarting some strategic behavior in patent litigation and at promoting a healthier body of existing patents. Fee-shifting, even in a limited set of cases, likewise raises concerns that should have a more public airing.

I respect the necessity for considering and balancing a number of different concerns as we draft comprehensive and complicated legislation. I will never sacrifice the quality of the laws we produce to expediency, but I recognize the utility of such compromises when, as with this bill, introduction is a first step in a larger and longer discussion.

I am extremely pleased that Senator HATCH and I have come together to tackle these important and urgent issues. Many hours of hard work were spent by both of our offices to develop legislative language so that we can, today, jointly introduce a bill to move the debate forward. The bill is a remarkable achievement and a substantial step toward real reform. I look forward to continuing to work with Senator HATCH, other members of the Senate Judiciary Committee, and the affected parties on these matters.

By Mr. BINGAMAN (for himself, Mr. SMITH, Mrs. LINCOLN, Mr. PRYOR, and Mr. AKAKA):

S. 3819. A bill to amend title XIX of the Social Security Act to provide for redistribution and extended availability of unexpended medicaid DSH allotments, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation with Senators SMITH, LINCOLN, PRYOR, and AKAKA entitled the ''Strengthening the Safety Net Act of 2006.'' This legislation is important to the continued survival of many of our Nation's safety net hospitals that provide critical health care access to our Nation's 46 million uninsured citizens through the Medicaid disproportionate share hospital, or DSH, program.

In recognition of the burden certain hospitals bear in providing a large share of health services to the low-income patients, including Medicaid and the uninsured, the Congress established the Medicaid DSH program in the mid-1980s to give additional funding to support such ''disproportionate share'' hospitals. By providing financial relief to these hospitals, the Medicaid DSH program maintains hospital access for the poor. As the National Governors Association has said, ''Medicaid DSH's funds are an important part of statewide systems of health care access for the uninsured.''

Mr. President, I request unanimous consent for the text of the bill and the text of the fact sheet on the legislation 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. 3819

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 ''Strengthening the Safety Net Act of 2006''.

SEC. 2. REDISTRIBUTION AND EXTENDED AVAILABILITY OF UNEXPENDED MEDICAID DSH ALLOTMENTS.

Section 1923(f) of the Social Security Act (42 U.S.C. 1396r–4(f)) is amended—

(1) in paragraph (3)(A), by striking ''paragraph (5)'' and inserting ''paragraphs (5) and (7)'';

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

(3) by inserting after paragraph (6), the following new paragraph:

''(7) REDISTRIBUTION AND EXTENDED AVAILABILITY OF UNEXPENDED ALLOTMENTS.—

''(A) ESTABLISHMENT OF REDISTRIBUTION POOL.—

''(i) IN GENERAL.—Subject to clauses (ii) and (iii), the Secretary shall establish, as of October 1 of fiscal year 2007, and of each fiscal year thereafter, the following redistribution pool:

''(I) In the case of fiscal year 2007, a $150,000,000 redistribution pool from the total amount of the unexpended State DSH allotments for fiscal year 2004.

''(II) In the case of fiscal year 2008, a $250,000,000 redistribution pool from the total amount of the unexpended State DSH allotments for fiscal year 2005.

''(III) In the case of fiscal year 2009 and each succeeding fiscal year thereafter, a $400,000,000 redistribution pool from the total amount of the unexpended State DSH allotments for the third preceding fiscal year.

''(ii) UNEXPENDED STATE DSH ALLOTMENTS.—If a State claims Federal financial participation for a payment adjustment made under this section for a fiscal year from which a redistribution pool of unexpended State DSH allotments has already been created under clause (i), then, for purposes of this paragraph, the total amount of unexpended State DSH allotments in the fiscal year following the State claim for such Federal financial participation, shall be reduced by the Federal financial participation related to such claim.

''(iii) REDUCTION IN AMOUNTS AVAILABLE.—If the total amount of the unexpended State DSH allotments for a fiscal year (taking into account any adjustment to such amount required under clause (ii)) is less than the amount necessary to provide, for such fiscal year, the redistribution pool described in clause (i) and the amounts to be made available for grants under section 3(g) of the Strengthening the Safety Net Act of 2006 for such fiscal year, the Secretary shall reduce the amounts that are to be available for the redistribution pool under this paragraph and grants under such section, respectively, to such total amount.

''(B) REDISTRIBUTION.—

''(i) IN GENERAL.—Not later than October 1, 2006, and October 1 of each year thereafter, the Secretary shall allot the redistribution pool established for that fiscal year among eligible States.

''(ii) PRIORITY.—In making allotments under clause (i), the Secretary shall give priority—

''(I) first to eligible States described in paragraph (5)(B) (without regard to the requirement that total expenditures under the State plan for disproportionate share hospital adjustments for fiscal year 2000 is greater than 0); and

''(II) then to eligible States whose State DSH allotment per medicaid enrollee and uninsured individual for the third preceding fiscal year is below the national average DSH allotment per medicaid enrollee and uninsured individual for that fiscal year.

''(C) EXPENDITURE RULES.—An amount allotted to a State from the redistribution pool established for a fiscal year—

''(i) shall not be included in the determination of the State's DSH allotment for any fiscal year under this section;

''(ii) notwithstanding any other provision of law, shall remain available for expenditure by the State through the end of the second fiscal year after the fiscal year in which the allotment from the redistribution pool is made for expenditures incurred in any of such fiscal years; and

''(iii) shall only be used to make payment adjustments to disproportionate share hospitals in accordance with the requirements of this section.

''(D) DEFINITIONS.—In this paragraph:

''(i) ELIGIBLE STATE.—The term 'eligible State' means, with respect to the fiscal year from which a redistribution pool is established under subparagraph (A)(i), a State that has expended at least 90 percent of the State DSH allotment for that fiscal year by the end of the succeeding fiscal year.

''(ii) STATE DSH ALLOTMENT PER MEDICAID ENROLLEE AND UNINSURED INDIVIDUAL.—The term 'State DSH allotment per medicaid enrollee and uninsured individual' means the amount equal to the State DSH allotment for a fiscal year divided by the sum of the number of individuals who received medical assistance under the State program under this title for that fiscal year and the number of State residents with no health insurance coverage for that fiscal year, as determined by the Bureau of the Census.

''(iii) NATIONAL AVERAGE DSH ALLOTMENT PER MEDICAID ENROLLEE AND UNINSURED INDIVIDUAL.—The term 'national average DSH allotment per medicaid enrollee and uninsured individual' means the amount equal to the total amount of State DSH allotments for a fiscal year divided by the sum of the total number of individuals who received medical assistance under a State program under this title for that fiscal year and the total number of residents with respect to all States who did not have health insurance coverage for that fiscal year, as determined by the Bureau of the Census.''.

SEC. 3. HEALTH SERVICES FOR THE UNINSURED.

(a) DEMONSTRATION GRANTS TO HEALTH ACCESS NETWORKS.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall award demonstration grants to health access networks.

(2) APPLICATION.—Each applying health access network shall submit a plan that meets the requirements of subsection (c) for the purpose of improving access, quality, and continuity of care for uninsured individuals through better coordination of care by the network.

(3) AUTHORITY TO LIMIT NUMBER OF GRANTS.—The number of demonstration grants awarded under this section shall be limited, in the discretion of the Secretary, so that grants are sufficient to permit grantees to provide patient care services to no fewer than the number of uninsured individuals specified by each network in its grant application.

(b) DEFINITION OF HEALTH ACCESS NETWORK.—

(1) IN GENERAL.—In this section, the term ''health access network'' means a collection

of safety net providers, including hospitals, community health centers, public health departments, physicians, safety net health plans, or other recognized safety net providers organized for the purpose of restructuring and improving the access, quality, and continuity of care to the uninsured and underinsured, that offers patients access to all levels of care, including primary, outpatient, specialty, certain ancillary services, and acute inpatient care, within a community or across a broad spectrum of providers across a service region or State.

(2) INCLUSION OF SECTION 330 NETWORKS AND PLANS.—The term ''health access network'' includes networks and plans that meet the requirements for funding under section 330(e)(1)(C) of the Public Health Service Act (42 U.S.C. 254b(e)(1)(C)).

(3) INCLUSION OF INTEGRATED HEALTH CARE SYSTEMS.—

(A) IN GENERAL.—Such term also includes an integrated health care system (including a pediatric system).

(B) DEFINITION OF INTEGRATED HEALTH CARE SYSTEM.—For purposes of this section, an integrated health care system (including a pediatric system) is a health care provider that is organized to provide care in a coordinated fashion and assures access to a full range of primary, specialty, and hospital care, to uninsured and under-insured individuals, as appropriate.

(c) PLAN REQUIREMENTS.—

(1) IN GENERAL.—A health access network that desires a grant under this section shall submit a plan to the Secretary that details how the network intends to—

(A) manage costs associated with the provision of health care services to uninsured and underinsured individuals served by the health access network;

(B) improve access to, and the availability of, health care services provided to uninsured and underinsured individuals served by the health access network;

(C) enhance the quality and coordination of health care services provided to uninsured and underinsured individuals served by the health access network;

(D) improve the health status of uninsured and underinsured individuals served by the health access network; and

(E) reduce health disparities in the population of uninsured and underinsured individuals served by the health access network.

(2) IDENTIFICATION OF MEASURABLE GOALS.—The health access network shall—

(A) identify in the plan measurable performance targets for at least 3 of the goals described in paragraph (1); and

(B) agree that a portion of the payment of grant funds for patient care services after the first year for which such payment is made shall be contingent upon the health access network demonstrating success in achieving such targets.

(d) USE OF FUNDS.—A health access network that receives funds under this section shall expend—

(1) an amount equal to not less than 90 percent of such funds for direct patient care services; and

(2) an amount equal to not more than 10 percent of such funds for the network's operation and development for the purpose of improving the efficiency and effectiveness of the business and clinical operations of providers within the health access network, including through the integration of management information systems (including development and implementation of electronic medical records) and financial, administrative, or clinical functions across providers.

(e) RULE OF CONSTRUCTION REGARDING DIRECT PATIENT CARE SERVICES.—With respect to health access networks described in subsection (b)(2), the term ''direct patient care services'' shall be construed to mean the provision or purchase of services, such as specialty medical care and diagnostic services, that are not available or are insufficiently available through the network's providers. In purchasing such services for uninsured and underinsured individuals, networks shall, to the maximum extent feasible, endeavor to purchase such services from safety net providers.

(f) SUPPLEMENT, NOT SUPPLANT.—Funds paid to a health access network under a grant made under this section shall supplement and not supplant, other Federal or State payments that are made to the health access network to support the provision of health care services to low-income or uninsured patients.

(g) FUNDING.—

(1) TRANSFER OF PORTION OF UNEXPENDED DSH ALLOTMENTS.—Notwithstanding any other provision of law, as of October 1 of fiscal year 2007, and each fiscal year thereafter, amounts described in paragraph (2) are hereby transferred from the total amount of the unexpended State DSH allotments under section 1923 of the Social Security Act (42 U.S.C. 1396r–4) and made available for grants under this section.

(2) AMOUNTS MADE AVAILABLE FOR GRANTS.—The amounts to be made available under this section for each fiscal year beginning with fiscal year 2007 are equal to the redistribution pool amounts determined for each fiscal year under section 1923(f)(7)(A)(i) of the Social Security Act (42 U.S.C. 1396r–4(f)(7)(A)(i)) (as amended by section 2(3) of the Strengthening the Safety Net Act of 2006).

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

STRENGTHENING THE SAFETY NET ACT OF 2006

This legislation, introduced by Senators Bingaman, Smith, Lincoln, Pryor, and Akaka, would redistribute unused federal Medicaid Disproportionate Share Hospital (DSH) funds to strengthen and augment the nation's health care safety net. Half of the redistributed funds would be used to increase the availability of DSH funds to states currently receiving low or less than average DSH allotments and the other half would be used to fund integrated ''health access networks'' of community health centers, public hospitals, and other safety net providers. These networks would be required to provide high quality primary, outpatient, inpatient and specialty care to uninsured and other medically vulnerable populations.

In 2007, the bill would redistribute $300 million in unexpended funds; in 2008, $500 million; and in 2009 and thereafter $800 million. These levels would be prorated downward if there are insufficient unexpended funds to meet the statutory amounts. This legislation will:

Keep funds allocated to the safety net with the safety net; Provide money to test implementation of high quality integrated networks of safety net providers; and, Allow networks of community health centers to purchase specialty care services.

BACKGROUND

Congress created the Medicaid DSH requirement in 1981 to ensure that state Medicaid programs provide adequate payments to hospitals whose patient populations are disproportionately composed of low income Medicaid and uninsured patients. Medicaid DSH payments have evolved into one of the most important sources of financing for the nation's safety net. Each year, each individual state is allocated a DSH allotment. The allotments vary considerably from state to state and a state's ability to draw-down its DSH allotment varies depending on its financial resources. Each year, some states do not utilize their entire DSH allotment.

In part, this legislation would permit a redistribution of unused DSH funds to states that have lower DSH allotments. Two categories of states would be prioritized to receive redistributed DSH money to supplement their existing DSH allotment: (1) low DSH states (i.e. states that are designated by the MMA as a low DSH state due to DSH expenditures being less than 3 percent of total Medicaid expenditures in fiscal year 2000) and (2) states whose DSH allotment per Medicaid enrollee and uninsured individual is below the national average. Only states that have spent at least 90 percent of their DSH allotment would be eligible for the redistribution.

Redistributed DSH dollars also would fund ''Health Access Network'' demonstration projects designed to improve access, quality, and continuity of care for uninsured individuals through better coordination of care. To obtain funding under this legislation, health access networks would be required to submit a plan to the Secretary of the Department of Health and Human Services that details how the network plans to:

Reduce costs associated with the provision of health care services to uninsured individuals; Improve access to, and the availability of, health care services provided to individuals served by the health access network; Enhance the quality and coordination of health care services provided to such individuals; Improve the health status of communities served by the health access network; and, Reduce health disparities in such communities.

Health access networks would be required to identify measurable performance targets and demonstrate progress in order to qualify for future year funding. Grantees would have to spend 90 percent of awarded funds for direct patient care services.

By Mr. DURBIN:

s. 3820. A bill to expand broadband access for rural Americans; to the Committee on Commerce, Science, and Transportation.

Mr. DURBIN. Mr. President, I rise to introduce a bill entitled Broadband for Rural America Act of 2006.

There is no question that broadband is an essential component of our lives, both at work and at home. Broadband access is becoming a vital service, much like water, sewer, gas, and electricity are essential resources for our daily living. Our homes and businesses need affordable and easy access to an always-on, high speed and high capacity Internet connection, much like our homes and businesses need the traditional utility services.

Additionally, people who work outside the confines of an office building need broadband access on the go. Often, it is not enough to have only a cell phone to remain in touch with your boss, coworker, client, or supplier. In today's global economy, we need easy methods to transfer a vast quantity of data, fast and reliably, even if we are not near a landline phone, fax, or computer terminal.

Yet for so many Americans today, broadband access is still a foreign concept. The digital divide remains a reality. Rural broadband deployment

continues to lag behind urban deployment, and the differential continues to grow, even as broadband usage has grown significantly in our Nation.

When I travel to small or rural towns in downstate Illinois and elsewhere, I meet people who tell me that they cannot wait to have broadband, but that there is no service available where they live. I am certain that all of my colleagues in the Senate can identify with situations like this, where they have met constituents who are eager to jump onto the Information Superhighway, yet there is no on-ramp.

According to a 2004 report issued by the U.S. Department of Commerce, only about 25 percent of rural households that use the Internet have broadband access, compared to over 40 percent of the same households in urban areas. Similarly, the U.S. Department of Agriculture's 2005 report found that farm households have home access to broadband at almost half the level of all U.S. households nationwide.

The Pew Internet and American Life Project found similar results. In its 2006 report, Pew found that only 18 percent of rural adults reported a home broadband connection in the year 2005, compared to 31 percent of urban adults.

All these different studies issued by various authorities point to a consistent conclusion: Americans living in urban areas are almost twice as likely to have home broadband access as do their rural counterparts.

Contrary to popular belief, however, rural households use computers and information technology in ways that are very similar to their urban counterparts. Thus, it appears that the main obstacle to improving rural broadband adoption is not differences in the users themselves, but in the availability and price of broadband service.

It is clear that citizens in small towns and rural areas simply do not have the same options that people in cities and urban areas do. And, in some of the rural areas where broadband is available, these customers often pay more for inferior quality than customers in the more populated areas.

As our rural residents are falling behind city dwellers, so too, is our Nation falling behind the rest of the developed world.

The Organization for Economic Cooperation and Development found that, in 2004, America ranked 12th among developed nations in broadband access per 100 inhabitants. However, the same study had found that in 2001, we ranked 4th in the developed world. So, this means that in just 3 short years, we lost our competitive edge to 8 countries.

Broadband is critical to community and economic development, as it encourages investment, creates jobs, improves productivity, fosters innovation, and increases consumer benefits in every corner of our Nation.

A 2003 study by Criterion Economics found that adoption of current generation broadband would increase the gross domestic product by $179.7 billion, while sustaining an additional 61,000 jobs per year over the next 19 years. The study also projected 1.2 million jobs could be created if next generation broadband technology were rapidly deployed.

In early 2004, President Bush called for universal and affordable access to broadband by the year 2007, because it will enhance our Nation's economic competitiveness and help improve education and health care for all Americans. Kevin Martin, the chairman of the Federal Communications Commission, has said he is committed to expanding the number of broadband users in our country so that we can improve our rank in the world.

I agree with both President Bush and Chairman Martin. The administration, the FCC, Congress, and the States can all contribute to closing the digital divide, ensuring that rural Americans are not left behind in the 21st century's digital economy.

We need to work together to address this critical shortfall in our Nation's infrastructure. We need a seamless national network of broadband providers that will serve everyone in America.

Whether it is through telephone wire, cable, fiber, satellite, wireless, powerline, or any other medium, we need every existing and future broadband service provider to step up to the national challenge.

That is why I am introducing a bill that will encourage rapid deployment of high quality and affordable high speed broadband service, especially in the rural areas that desperately need this technology.

The Broadband for Rural America Act of 2006 includes five major provisions. Each provision is designed to eliminate obstacles that hinder broadband deployment in rural America today.

First, my bill creates a new Federal program specifically targeted to assist people who are doing the necessary work at the earliest stages to bring broadband to their communities.

These are future customers who are weary of waiting for telecommunications and cable companies to eventually reach their corners of the State. These are individuals, businesses, and co-ops who want to create a demand pool to entice new or existing carriers to quickly expand broadband service to areas where they work and live.

We have several groups like this in my home State of Illinois. They cannot wait any longer, so they have taken the initiative to work for access to affordable high quality broadband service.

Many of these groups and individuals work in collaboration with like-minded community leaders, businesspeople, engineers, and other experts to learn all they can about their region. They are the local experts on the unique geographic, economic, and lifestyle needs of their market. They can conduct the mapping and surveying work, to find out where there are services and gaps in their neighborhoods, and what technology is best suited to serve their region.

And, if they discover that no existing provider wants to expand service to where they are, based on the company's internal cost-benefit analysis, these groups are willing to start a communications service of their own, using technology they can afford, to provide broadband for and by themselves. These good people do not want to be left out of the new economy. They need our help.

Yet, currently, there is no readily accessible source of funding from the Federal Government for these groups that are undertaking the critical early stage groundwork. If they were already communications service providers, they could look for funding through other programs, including the USDA's Rural Utilities Service Program, the universal service fund, or the Small Business Administration. They could also go to the financial markets to seek venture capital and operating funds from established private sector investors.

But as startup groups trying hard to serve their local or rural community's needs, they have few places to turn to for financial assistance.

My bill creates a new Office of Broadband Access within the FCC that would administer a trust fund from which Federal grants can be issued to these startup groups. Under my bill, eligible entities include nonprofits, academic institutions, local governments, and commercial companies that will work to identify broadband access needs in unserved areas of the country.

The types of projects to be funded through this new program will include feasibility studies, mapping, economic analysis, and other activities undertaken to determine the reasons for the current lack of service and the scale, scope, and type of broadband services most suitable for the particular unserved area.

To further assist with these startup projects, my bill requires the FCC to collect more useful information from current broadband service providers to ascertain where and how broadband service is available, and to report to Congress on the areas that are unserved.

This reporting requirement is a bipartisan idea that Senator BILL NELSON and Senator JIM DEMINT recently presented before the Senate Commerce Committee. I am happy to work with them to further encourage the FCC to collect more useful data on the state of broadband deployment.

Finally, the revenues to fund this trust fund will be derived from direct appropriations of $10 million per year for 5 years, plus 1 percent of proceeds from all auction sales of spectrum conducted by the FCC, which are to be set aside for this unique purpose. I believe this should generate enough revenues to sustain this trust fund for the next

5 years, which is the critical time for Federal assistance.

When Congress created the Rural Utilities Service Broadband Loan and Loan Guarantee Program in the 2002 farm bill, we charged the U.S. Department of Agriculture with providing much needed funds to bring broadband to rural America. The bill authorized $100 million for fiscal years 2002 to 2007 to provide below market-rate loans and loan guarantees for the construction and improvement of facilities and equipment to provide broadband service.

While this loan program has had some successes over the past 4 years, it has also faced serious internal and external criticism.

For example, in September 2005, USDA's inspector general issued an internal audit report pointing out major problems with the program. Among other concerns, the report alleges that, in decisions that were inconsistent with provisions of authorizing statute, USDA has funded entities in suburban—not rural—areas, and in places that are already receiving broadband service.

The internal report also accuses the agency of mismanaging the program, leading to irregularities and even fraud in the decisionmaking and approval processes for applications.

To add more controversy to this program, in May of this year, USDA was sued by the cable industry for allegedly failing to follow the statutory mandates that created the broadband loan program.

Striking a tone similar to the inspector general's internal audit report, the lawsuit alleges among other issues that USDA has diverted Federal funds to suburban areas and has failed to ensure that unserved communities receive first priority.

I support the USDA's rural broadband loan program, and I want to see the program grow and continue to fund worthy projects. But I also believe that these recent internal and external developments merit serious consideration. So, in the spirit of working with the USDA to reform the problematic areas, my bill reforms and extends the life of the loan program for another 5 years, to expire in 2012, not 2007.

The bill goes to the heart of the concerns raised by the critics of the program. It amends the definition of an eligible rural community to exclude any area located within 10 miles of any city with a population of over 25,000. This should prevent the program from funding urban or suburban areas that may be technically considered rural under some definitions, but are in reality, located adjacent to areas that already receive broadband service.

Additionally, my bill prevents any rural area from being funded where a majority of its residential customers already have access to broadband service offered at a price per megabit of speed comparable to the nearest urban area. Under this definition, any area where rural residents are already enjoying affordable high speed broadband service should not be allowed to receive additional Federal funds.

These funds should be saved for the truly needy communities.

My bill also provides language to authorize in statute a rural broadband grant program to be administered by the USDA, together with its rural broadband loan and loan guarantee program.

While the USDA has created its own grant programs to fund certain broadband providers, a formal grant program was never authorized by Congress. By authorizing it, Congress will have more oversight and impose accountability, while keeping the grant program funded at an operational level for many years to come.

Finally, although USDA's inspector general has recommended several reform measures, I believe we should force the agency to implement these changes in order to improve the loan and grant programs. Therefore, my bill requires the USDA to undertake a comprehensive and transparent rulemaking process in response to the recent internal audit.

The FCC has been looking to make more spectrum available for innovative unlicensed wireless uses, including wireless broadband. This new ''unlicensed'' spectrum holds tremendous potential for allowing wireless broadband to be deployed in rural areas. This would be especially helpful in large rural geographic regions where it would be cost prohibitive to build out a broadband infrastructure with wires, cable, or fiber.

Some of this spectrum would come from space made newly available when traditional analog over-the-air TV broadcasters transition to digital transmission by 2009. Other spectrum may be found in narrow gaps between currently existing licensed users that could be utilized by smaller and localized products, such as garage openers, cordless phones, wireless baby monitors, and of course, broadband.

While I support making more spectrum available to new users, I believe we need to do so with clear safeguards in place so that new wireless users will not cause undue interference problems with existing broadcasters, public safety officials, and others that use wireless products such as microphones.

My bill requires the FCC to complete a rulemaking process to make new spectrum available for wireless broadband services in rural areas as soon as practicable. The bill specifically requires the FCC to ensure that new unlicensed wireless users provide engineering testing results to prevent harmful interference problems.

The FCC also has been planning an auction sale of spectrum in the 700 MHz band, which is ideal for wireless broadband use. I support this auction, and I encourage the FCC to conduct it as soon as possible, so that new service providers can enter the wireless broadband market to fill in the gaps in service that wireline providers cannot or will not meet.

However, we have learned from previous FCC auctions that the true value of spectrum depends on who uses it and for what purposes. We also have learned that different carriers will bid in different auctions, depending on the size of the blocks of airwaves available for purchase. Large national wireless carriers will choose to bid on large geographic markets, while smaller or local carriers will bid on smaller market sizes.

For the 700 MHz band, I agree with a bipartisan idea that Senator OLYMPIA SNOWE and Senator BYRON DORGAN proposed in the Senate Commerce Committee. In our view, it makes the most sense to configure the plan for this band to designate up to 12 MHz of paired recovered analog spectrum to be auctioned for smaller geographic licenses.

This will maximize the participation of small, regional, and rural service providers, because these are the most likely entities to provide wireless broadband service in rural areas.

My bill therefore requires the FCC to evaluate its auction plans and to divide some of the frequency allocations into smaller area licenses so that regional and rural wireless companies can compete in the bidding process.

I look forward to working with Senators SNOWE and DORGAN to ensure that the FCC maximizes the value of these public airwaves for the benefit of all Americans, especially those living in rural areas.

As with many States, my State of Illinois has struggled over the past few years with ways to bring universal and affordable broadband to every corner of our State. Many leaders in our State and local governments have studied various proposals, and have sought the guidance of experts in the private sector.

Additionally, telecommunications and cable companies that provide the vast majority of broadband service in the nation today are generally regulated at the state and local levels. Therefore, in our effort to develop a national broadband policy, I think it makes sense for Congress to learn from the varied experiences gained in many states that have tried innovative solutions to encourage or mandate broadband services in their regions.

My bill establishes a task force consisting of experts in Federal, State, and local governments, trade associations, public interest organizations, academic institutions, and other relevant areas, to study best practices for rapid deployment of broadband services in States, particularly those with large unserved rural areas.

The bill requires the task force, within 6 months, to provide to Congress and to each governor a report detailing a comprehensive list of specific measures adopted by State or local governments that have helped provide incentives for

communications carriers to deploy broadband services in areas that lacked such services.

For too long, we have been talking about the need to bring universal and affordable broadband to every corner of our Nation. Yet progress has been too slow. It is time to reengage our national, state, and local policy leaders to focus our attention, and work with the private sector toward achieving this goal.

I urge my colleagues to join me in supporting Broadband for Rural America Act of 2006.

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. 3820

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 ''Broadband for Rural America Act of 2006''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) High speed broadband communications is no longer a luxury. It has become a vital service for all Americans, much like water, sewer, gas, and electricity are essential resources for our daily lives.

(2) Broadband infrastructure is critical to community and economic development, by encouraging investment, creating jobs, improving productivity, fostering innovation, and increasing consumer benefits.

(3) Despite the ongoing efforts by traditional communications carriers to expand broadband services, the rate of deployment in America is still far from ideal. Recent reports indicate that America continues to trail other leading industrialized countries, per capita, in the availability and use of broadband communications.

(4) As our Nation falls behind the developed world in broadband access, so, too, are rural residents falling behind city and urban residents. In small towns and rural America, broadband service remains largely non existent. In places where it is available, rural broadband customers often pay more for inferior quality than customers in cities and urban areas.

(5) A national policy is needed to accelerate the deployment of broadband services so that, no matter where they live, every American can have access to affordable and high-quality broadband service as soon as possible.

SEC. 3. PURPOSE.

The purposes of this Act are to encourage the rapid deployment of high quality and affordable high speed broadband service to every corner of our Nation by—

(1) establishing a new source of funding for entities that work to identify unserved regions of the Nation and to address the lack of broadband service in those areas;

(2) reforming the rural broadband loan program to ensure that Federal funds are provided only to qualified entities that will serve truly rural and unserved regions of the Nation, while providing statutory authority and Federal funding for the rural broadband grant program;

(3) making more unlicensed spectrum available for innovative wireless broadband uses that will not cause harmful interference and degradation of service to other wireless services;

(4) encouraging rural, regional, and smaller wireless carriers to enter the wireless broadband market by reconfiguring the size of spectrum auctions into smaller market sizes; and

(5) studying policies and programs adopted by State and local governments that have worked to provide incentives for rapid broadband deployment.

SEC. 4. BROADBAND ACCESS TRUST FUND AND OFFICE OF BROADBAND ACCESS.

(a) ESTABLISHMENT.—

(1) FUND ESTABLISHED.—There is established in the Treasury of the United States the Broadband Access Trust Fund.

(2) OFFICE ESTABLISHED.—

(A) IN GENERAL.—There is established within the Federal Communications Commission the Office of Broadband Access.

(B) DUTIES.—The Office of Broadband Access shall coordinate the use of all resources within the Fund, as such resources relate to the expansion of broadband technology into rural or unserved areas.

(3) DEPOSITS.—The Fund shall consist of—

(A) the amounts appropriated pursuant to subsection (f); and

(B) 1 percent of the proceeds of any auction for any bands of frequencies conducted pursuant to section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)).

(4) FUND AVAILABILITY.—

(A) APPROPRIATION.—There are appropriated from the Fund such sums as are authorized by the board to be disbursed for grants under this section.

(B) REVERSION OF UNUSED FUNDS.—Any grant proceeds that remain unexpended at the end of the grant period, as determined under subsection (c)(3), shall revert to and be deposited in the Fund.

(b) BOARD OF DIRECTORS.—

(1) ESTABLISHMENT.—The Fund shall be administered by the Office of Broadband Access, in consultation with a board of directors comprised of 5 members, appointed by the Chairman of the Federal Communications Commission, with experience in 1 or more of the following fields:

(A) Grant and investment management.

(B) Advanced communications technology.

(C) Rural communications services.

(D) Community-based economic development.

(2) FUNCTIONS.—The board shall—

(A) establish reasonable and prudent criteria for the selection of grant recipients under this section;

(B) determine the amount of grants awarded to such recipients; and

(C) review the use of grant funds by such recipients.

(3) COMPENSATION PROHIBITED; EXPENSES PROVIDED.—The members of the board shall serve without compensation, but may, from appropriated funds available for the administrative expenses of the Federal Communications Commission, receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(c) PURPOSE AND ACTIVITIES OF THE FUND.—

(1) GRANT PURPOSES.—In order to achieve the objectives and carry out the purposes of this section, the Office of Broadband Access is authorized to make grants, from amounts deposited pursuant to subsection (a)(2) and from the interest or other income derived from the Fund—

(A) to study the lack of affordable broadband communications services in particular unserved regions of the nation, particularly in rural areas; and

(B) to take steps toward providing such services to such regions.

(2) GRANT PREFERENCE.—In making grants from the Fund, the Office of Broadband Access shall give preference to eligible individuals or entities that are proposing rural or community-based partnerships to encourage economic development in unserved regions of the nation, particularly in rural areas.

(3) GRANT AVAILABILITY.—Grants from the Fund shall be made available on a single or multi-year basis to facilitate long term planning.

(d) ELIGIBLE ENTITIES.—

(1) IN GENERAL.—The following organizations and entities are eligible to apply for funds under this section:

(A) An agency or instrumentality of a State or local unit of government (including an agency or instrumentality of a territory or possession of the United States).

(B) A nonprofit agency or organization that is exempt from taxes under section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)).

(C) An institution of higher education.

(D) Any legally organized incorporated organization or other legal entity, including a cooperative, a private corporation, or a limited liability company.

(2) PREFERENCE.—

(A) NONLICENSED ENTITIES.—In determining which legally organized incorporated organizations or other legal entities shall receive grants from the Fund, the Office of Broadband Access shall give preference to those organizations and entities that are not already licensed by the Federal Communications Commission to provide voice, data, video, or other communications or information services.

(B) SECONDARY PRIORITY FOR ALREADY LICENSED ENTITIES.—The Office of Broadband Access shall only award grants from the Fund to those organizations and entities that are already licensed by the Federal Communications Commission to provide voice, data, video, or other communications or information services only after all applications by nonlicensed organizations described in subparagraph (A) have been considered.

(e) PERMISSIBLE USES OF FUNDS.—Amounts made available by grants from the Fund under this section may be used by eligible entities for conducting feasibility studies, mapping, economic analysis, and other activities done to determine—

(1) the reasons for the lack of affordable broadband communications services in particular unserved regions of the nation, particularly in rural areas; and

(2) the scale, scope, and type of broadband services most suitable for each particular unserved area.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Fund $10,000,000 for fiscal year 2007 and each of the 5 succeeding fiscal years.

(g) REPORTS.—

(1) BY GRANT RECIPIENTS.—Each grant recipient shall submit to the Federal Communications Commission and the board a report on the use of the funds provided by the grant.

(2) BY FCC.—

(A) IN GENERAL.—The Federal Communications Commission shall annually submit to Congress a report on the operations of the Fund and the grants made by the Fund.

(B) REQUIRED CONTENT.—The report required under subparagraph (A) shall include—

(i) an identification of the grants made, the recipients thereof, and the planned uses of the amounts made available;

(ii) a financial report on the operations and condition of the Fund; and

(iii) a description of the results of the use of funds provided by grants under this section, including the status of broadband availability in the regions covered by such grants.

(C) INFORMATION REQUIRED.—

(i) IN GENERAL.—The Federal Communications Commission shall revise FCC Form 477 reporting requirements not later than 180 days after the date of enactment of this Act to require broadband service providers to report the following information:

(I) Identification of location where the provider provides broadband service to customers, identified by zip code plus 4 digit location (referred to in this subparagraph as ''service area'').

(II) Percentage of residential households and businesses in each service area that are offered broadband service by the provider, and the percentage of such residential households and businesses that subscribe to each service plan offered.

(III) The average price per megabit of download speed and upload speed in each service area.

(IV) Identification by service area of the provider's broadband service's actual average throughput, and contention ratio of the number of users sharing the same line.

(ii) EXCEPTION.—The Federal Communications Commission may exempt a broadband service provider from the requirements of this subparagraph if the Federal Communications Commission determines that a provider's compliance with the reporting requirements is cost prohibitive, as defined by the Federal Communications Commission.

(D) REPORT.—The Federal Communications Commission shall provide to Congress on an annual basis a report, using available Census Bureau data, containing the following information for each service area that is not served by any broadband service provider;

(i) Population.

(ii) Population density.

(iii) Average per capita income.

(h) REGULATIONS.—The Federal Communications Commission may prescribe such regulations as may be necessary and appropriate to carry out this section.

(i) DEFINITIONS.—As used in this section—

(1) the term ''the Fund'' means the Broadband Access Trust Fund established pursuant to subsection (a); and

(2) the term ''the board'' means the board of directors established pursuant to subsection (b).

SEC. 5. USDA BROADBAND PROGRAM REFORMS.

(a) REAUTHORIZATION.—Section 601(k) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(k)) is amended by striking ''2007'' and inserting ''2012''.

(b) CLARIFICATION OF ELIGIBLE RURAL COMMUNITY.—Section 601(b)(2) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(b)(2)) is amended to read as follows:

''(2) ELIGIBLE RURAL COMMUNITY.—The term 'eligible rural community' means any area of the United States that is not—

''(A) included within the boundaries of any incorporated city, village, borough, or town with a population in excess of 25,000 inhabitants;

''(B) located within 10 miles of any such city, village, borough, or town; and

''(C) an area where a majority of its residential customers have access to broadband service offered at a price per megabit of download speed and upload speed comparable to the nearest urban area.''.

(c) ADDITIONAL REQUIREMENTS FOR ELIGIBLE ENTITIES.—Section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) is amended—

(1) in subsection (c)—

(A) in paragraph (1), by striking ''(1) IN GENERAL.—''; and

(B) by striking paragraph (2); and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking ''; and'' and inserting a semicolon;

(B) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(C) demonstrate that any loan or loan guarantee obtained under this section will be used only to furnish, improve, or extend broadband service to those eligible rural communities.''.

(d) COMMUNITY CONNECT GRANT PROGRAM.—Title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.) is amended by adding at the end the following:

''SEC. 602. COMMUNITY CONNECT GRANT PROGRAM.

''(a) PURPOSES.—The purposes of this section are—

''(1) to provide financial assistance in the form of grants to eligible applicants that will provide, on a community-oriented connectivity basis, broadband service that fosters economic growth and delivers enhanced educational, health care, and public safety services; and

''(2) to ensure the deployment of broadband service to extremely rural, lower-income communities on a community-oriented connectivity basis.

''(b) GRANTS AUTHORIZED.—

''(1) IN GENERAL.—The Secretary may award a grant to any eligible applicant to provide broadband services in accordance with the provisions of this section.

''(2) AWARD BASIS.—The Secretary shall award grants under this section on a competitive basis.

''(c) ELIGIBLE APPLICANT.—To be eligible to obtain a grant under this section, an applicant shall—

''(1) be—

''(A) legally organized as an incorporated organization;

''(B) an Indian tribe or tribal organization, as defined in subsections (b) and (c) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(b) and (c));

''(C) a State or local unit of government;

''(D) an institution of higher education; or

''(E) any other legal entity, including a cooperative, a private corporation, or a limited liability company organized on a for-profit or not-for-profit basis;

''(2) have the legal capacity and authority to—

''(A) own and operate the broadband facilities proposed in its application;

''(B) enter into contracts; and

''(C) otherwise comply with applicable Federal statutes and regulations; and

''(3) develop a project that—

''(A) serves an eligible rural community;

''(B) deploys basic broadband service, free of all charges for at least 2 years, to all critical community facilities located within a proposed service area;

''(C) offers basic broadband service to residential and business customers within a proposed service area; and

''(D) provides—

''(i) a community center with at least 10 computer access points within a proposed service area; and

''(ii) broadband service to such centers free of charge for at least 2 years.

''(d) APPLICATION.—

''(1) SUBMISSION.—Each applicant seeking a grant under this section shall submit an application containing—

''(A) any information or documentation required under section 1739.15 of title 7, Code of Federal Regulations; and

''(B) such other information or documentation that the Secretary may require.

''(2) REVIEW AND SCORING OF APPLICATIONS.—The Secretary shall review and score any applications received under this section using the same methods, and in the same manner, as described in sections 1739.16 and 1739.17 of title 7, Code of Federal Regulations.

''(e) USE OF FUNDS.—A grant awarded to an eligible applicant pursuant to this section may be used to—

''(1) construct, acquire, or lease facilities, including spectrum, to deploy broadband service to all participating critical community facilities and all required facilities needed to offer such service to residential and business customers located within a proposed service area;

''(2) improve, expand, construct, or acquire a community center that furnishes free access to broadband service, provided that such community center is open and accessible to area residents before, during, and after normal working hours and on Saturday or Sunday;

''(3) purchase any end user equipment needed to carry out the project of the applicant described in subsection (c)(3);

''(4) pay the operating expenses incurred in providing—

''(A) broadband service to critical community facilities for the first 2 years of operation; and

''(B) training and instruction on how to use such services; and

''(5) purchase any land, building, or building construction needed to carry out the project of the applicant described in subsection (c)(3).

''(f) MATCHING REQUIREMENT.—

''(1) IN GENERAL.—Each eligible applicant shall contribute not less than 15 percent of the grant amount requested in any application.

''(2) FORM.—The matching contribution described in paragraph (1) may be in the following form:

''(A) Cash for eligible grant purposes.

''(B) In-kind contributions for purposes that could have been financed with grant funds under this section. In-kind contributions shall be new or non-depreciated assets with established monetary values. Manufacturers' or service providers' discounts shall not be considered a matching contribution.

''(C) The rental value of space provided within an existing community center, provided that such space is provided free of charge to such applicant, for the first 2 years of operation.

''(D) Salary expenses incurred for any individual operating the community center, for the first 2 years of operation.

''(E) Expenses incurred in operating a community center, for the first 2 years of operation.

''(3) PRIOR COSTS.—Costs incurred by an applicant, or by others on behalf of an applicant, for facilities, installed equipment, or other services rendered prior to submission of a completed application shall not be considered an acceptable use of grant funds under subsection (e) or a matching contribution.

''(4) RENTAL VALUES.—Rental values of space provided, as described in paragraph (1)(C), shall be substantiated by rental agreements documenting the cost of space of a similar size in a similar location.

''(5) REASONABLENESS REVIEW.—Rental values, salaries, and other expenses incurred in operating a community center shall be subject to review by the Secretary for reasonableness in relation to the scope of the applicant's project described in subsection (c)(3).

''(6) OTHER ASSISTANCE.—Any financial assistance from any other Federal source shall not be considered a matching contribution under this section unless there is a Federal statutory exception specifically authorizing the Federal financial assistance to be considered as such.

''(g) OTHER REQUIREMENTS.—Each applicant shall comply with the reporting, oversight, and auditing requirements described in sections 1739.19 and 1739.20 of title 7, Code of Federal Regulations.

''(h) DEFINITIONS.—As used in this section:

''(1) BASIC BROADBAND SERVICE.—The term 'basic broadband service' means the broadband service level provided by an applicant at the lowest rate or service package level for residential or business customers, as appropriate, provided that such service meets the requirements of this section.

''(2) BROADBAND SERVICE.—The term 'broadband service' means providing an information-rate equivalent to at least 200 kilobits/second in the consumer's connection to the network, both from the provider to the consumer (downstream) and from the consumer to the provider (upstream).

''(3) COMMUNITY CENTER.—The term 'community center'—

''(A) means a public building, or a section of a public building with at least 10 computer access points, that is used for the purposes of providing free access to or instruction in the use of broadband service, and is of the appropriate size to accommodate this purpose; and

''(B) may include schools, libraries, or a city hall.

''(4) COMPUTER ACCESS POINT.—The term 'computer access point' means a computer terminal with access to basic broadband service.

''(5) CRITICAL COMMUNITY FACILITIES.—The term 'critical community facilities' means any public school or education center, public library, public medical clinic, public hospital, community college, public university, or any law enforcement, fire, or ambulance station in a proposed service area.

''(6) END USER EQUIPMENT.—The term 'end user equipment' means computer hardware and software, audio or video equipment, computer network components, telecommunications terminal equipment, inside wiring, interactive video equipment, or other facilities required for the provision and use of broadband service.

''(7) RURAL AREA.—The term 'rural area' means any area of the United States that is not—

''(A) included within the boundaries of any incorporated or unincorporated city, village, borough, or town with a population in excess of 25,000 inhabitants; and

''(B) located within 10 miles of any such city, village, borough, or town.

''(8) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

''(9) SERVICE AREA.—The term 'service area' means a single community, and may include the unincorporated areas or locally recognized communities, not recognized in the most recent decennial census performed by the Bureau of the Census, located outside and contiguous to the boundaries of such community, in which the applicant proposes to provide broadband service.

''(10) SPECTRUM.—The term 'spectrum' means a defined band of frequencies that will accommodate broadband service.''.

SEC. 6. USDA RULEMAKING.

The Secretary of Agriculture shall initiate and complete a rulemaking to—

(1) consider and adopt, as necessary in the discretion of the Secretary, the recommendations set forth in audit report 09601-4-Te, issued in September 2005, entitled ''Rural Utilities Service Broadband Grant and Loan Programs'' by the Inspector General of the United States Department of Agriculture; and

(2) review and propose recommendations as to how to best coordinate the application process of the broadband loan and loan guarantee program under section 601 of the Rural Electrification Act of 1936 and the Community Connect Grant program under section 602 of such Act, as added by section 2 of this Act.

SEC. 7. UNLICENSED DEVICES FOR RURAL WIRELESS BROADBAND.

(a) COMPLETION OF ORDER.—Not later than 18 months after date of enactment of this Act, the Federal Communications Commission shall issue a final order in the matter of Unlicensed Operation in TV Broadcast Bands, ET Docket No. 04–186.

(b) CONDITIONS.—In completing the final order described in subsection (a), the Federal Communications Commission shall—

(1) permit certified unlicensed devices to use, in non-exclusive terms, unassigned, non-licensed television broadcast channels between 54 MHz and 698 MHz in rural areas;

(2) protect incumbent certified low power auxiliary stations from harmful interference by requiring certification of unlicensed devices prior to permitting such devices to access or use unassigned, non-licensed television broadcast channels between 54 MHz and 698 MHz in rural areas, and including in the certification proof of successful completion of laboratory and field testing by an independent laboratory demonstrating that unlicensed devices do not cause harmful interference to incumbent certified low power auxiliary stations;

(3) protect incumbent certified low power auxiliary stations from harmful interference by prohibiting certified unlicensed devices from operating on any television broadcast channel between 54 MHz and 698 MHz in rural areas already in use by an incumbent certified low power auxiliary station; and

(4) consider additional ways to protect incumbent certified low power auxiliary stations from harmful interference, such as reserving certain television broadcast channels for exclusive use by incumbent certified low power auxiliary stations.

(c) DEFINITIONS.—As used in this section:

(1) CERTIFIED UNLICENSED DEVICE.—The term ''certified unlicensed device'' means any unlicensed device certified under subsection (b)(2)(D) operating in a fixed location, whose primary purpose is to provide broadband service to rural areas.

(2) INCUMBENT CERTIFIED LOW POWER AUXILIARY STATION.—The term ''incumbent certified low power auxiliary station'' means any certified low power wireless microphone, personal wireless monitor, or other audio auxiliary equipment operating on television broadcast channels between 54 MHz and 698 MHz, used for entertainment, religious, news-gathering, governmental, business, or personal consumer purposes to provide real-time, high-quality audio transmissions over distances of approximately 100 meters.

(3) RURAL AREA.—The term ''rural area'' means any rural service area or rural statistical area, as defined by the Federal Communications Commission.

SEC. 8. SPECTRUM AUCTION FOR RURAL WIRELESS BROADBAND.

Not later than February 1, 2007, the Federal Communications Commission shall initiate a proceeding—

(1) to reevaluate and reconfigure its band plans for the upper 700 MHz band (currently designated Auction 31) and for the unauctioned portions of the lower 700 MHz band (currently designated as Channel Blocks A, B, and E) so as to designate up to 12 MHz of paired recovered analog spectrum (as defined in section 309(j)(15)(C)(vi) of the Communications Act of 1934 (47 U.S.C. 309(j)(15)(C)(vi))); and

(2) to reconfigure its band plans to include spectrum to be licensed for small geographic license areas, taking into consideration the desire to promote infrastructure build-out and service to rural and insular areas and the competitive benefits, unique characteristics, and special needs of rural, regional, and smaller wireless carriers.

SEC. 9. PUBLIC-PRIVATE TASK FORCE ON BROADBAND INITIATIVES.

(a) ESTABLISHMENT.—There is established a task force to be known as the ''Rural Broadband Access Task Force'' (referred to in this section as the ''Task Force'').

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Task Force established under this section shall be composed of 11 members, of whom—

(A) 3 shall be appointed by the President;

(B) 2 shall be appointed by the Majority Leader of the Senate;

(C) 2 shall be appointed by the minority Leader of the Senate;

(D) 2 shall be appointed by the Speaker of the House of Representatives; and

(E) 2 shall be appointed by the minority Leader of the House of Representatives.

(2) QUALIFICATIONS.—The membership of the Task Force established under this section shall include—

(A) at least 6 members of whom—

(i) all shall be recognized experts in the field of communications;

(ii) 2 shall be employees of the Federal Government;

(iii) 2 shall be employees of State governments; and

(iv) 2 shall be employees of local governments;

(B) at least 1 member who shall be a representative of a consumer or public interest organization;

(C) at least 1 member who shall be a representative of interested trade associations;

(D) at least 1 member who shall be a representative of interested academic institutions; and

(E) at least 2 members all of whom shall be especially qualified to serve on the Task Force by virtue of their education, training, or experience, particularly in the field of rural communications access issues.

(3) CHAIRPERSON.—Each year, the Task Force shall elect a Chairperson from among its members.

(4) VICE CHAIR.—Each year, the Task Force shall elect a Vice Chair from among its members.

(c) DUTIES.—The Task Force shall—

(1) conduct a comprehensive survey of legislative, regulatory, or administrative policies or programs adopted by States to encourage rapid deployment of broadband services;

(2) study policies or programs that have been successful in providing incentives for communications carriers to deploy or expand services in areas that lacked such services before the introduction of such incentives; and

(3) study traditional incentives, such as tax credits or financial subsidies, as well as innovative efforts, including public and private partnership programs and best practices that have worked well in encouraging communications carriers to deploy or expand services in areas that lacked such services, particularly in those States with large unserved rural areas.

(d) REPORT.—Not later than 6 months after all the members of the Task Force have been appointed under subsection (b), the Task Force shall submit a report to Congress and to the governor of each State detailing a comprehensive list of policies and programs adopted by States that have succeeded in providing incentives for communications carriers to deploy or expand services in areas that lacked such services before the introduction of such incentives.

(e) WORKING GROUPS.—

(1) IN GENERAL.—The Task Force may establish such working groups as the Task Force determines necessary in order to assist the Task Force in carrying out this subsection.

(2) MEMBERSHIP.—Any working group established under paragraph (1) may include such members as the Task Force determines necessary, including individuals who were not appointed as a member of the Task Force under subsection (b).

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

By Ms. COLLINS (for herself, Mrs. FEINSTEIN, Mr. CORNYN, Ms. MIKULSKI, Mr. LEAHY, and Mr. LIEBERMAN):

S. 3821. A bill to authorize certain athletes to be admitted temporarily into the United States to compete or perform in an athletic league, competition, or performance; to the Committee on the Judiciary.

Ms. COLLINS. Mr. President, I rise to introduce the Creating Opportunities for Minor League Professionals, Entertainers and Teams through legal Entry—COMPETE—Act. This bill will level the playing field for minor league sports teams that depend on getting the best athletic talent. I thank Senators FEINSTEIN, CORNYN, LIEBERMAN, MIKULSKI, and LEAHY for joining me in introducing this measure.

The core problem we address is that under current law, minor league players who have to use the H–2B visa category face severe visa shortages, while major league players qualify automatically for plentiful P–1 visas.

The H–2B visas are intended for use by industries facing seasonal demands for labor, such as the hospitality and logging industries. However, this type of visa is also used by many talented, highly competitive foreign athletes who are recruited by U.S. teams.

A chronic H–2B visa shortage over the last few years has posed challenges for all industries using the H–2B visa category. In recent fiscal years, including 2006, the 66,000 visa cap was met early in the year. While we were successful last year in crafting a temporary, 2-year fix for the H–2B shortage, this fix will expire at the end of the current fiscal year.

However, solving this problem goes beyond fixing the H–2B visa cap. Minor league players simply do not belong in the same visa category as seasonal workers. There is no rational basis for automatically qualifying major league players for P–1 visas, which are granted to talented athletes, artists, and entertainers, while denying them to minor league players. My amendment would remedy this unfair situation.

The problem of requiring minor league athletes to use the H–2B visa category has posed a particular challenge to those of us in Maine who enjoy cheering on our sports teams. The MAINEiacs, a Canadian junior hockey league team that plays its games in Lewiston, ME, has faced tremendous difficulties obtaining the H–2B visas necessary for the majority of its players to come to the United States to play in the team's first home games.

Last year, due to uncertainty surrounding the availability of H–2B visas at the end of the fiscal year, the team had to reschedule its season home opener and cancel several early season games. This forced the team to schedule make-up games for those normally played in September. The problems created by the visa situation creates an unnecessary hardship for this team, in addition to threatening the revenue the team generates for the city of Lewiston and businesses in the surrounding area.

The Portland Sea Dogs, a Double-A baseball team affiliated with the Boston Red Sox, is another of the many teams that relies on H–2B visas to bring some of its most skilled players to the United States. Thousands of fans come each year to see this team, and others like it across the country, play one of America's favorite sports. Due to the shortage of H–2B visas, however, Major League Baseball reports that, in 2004 and early 2005, more than 350 talented young, foreign baseball players were prevented from coming to the United States to play for minor league teams. These teams have been a traditional proving ground for athletes hoping to make it to the major leagues and players often move from these teams to major league rosters.

Including these highly skilled athletes in the H–2B visa category seems particularly unusual when you consider that major league athletes are permitted to use an entirely different nonimmigrant visa category—the P–1 visa. This visa is available to athletes who are deemed by the Citizenship and Immigration Services to perform at an ''internationally recognized level of performance.'' Arguably, any foreign athlete whose achievements have earned him a contract with an American team would meet this definition.

CIS, however, has interpreted this category to exclude minor and amateur league athletes. Instead, the P–1 visa is typically reserved for only those athletes who have already been promoted to major league sports. Unfortunately, this creates something of a catch-22 for minor league athletes—if an H–2B visa shortage means that promising athletes are unable to hone their skills and prove themselves in the minor leagues, they are far less likely to earn the major league contract required for a P–1 visa.

A simple, commonsense solution would be to expand the P–1 visa category to include minor league and certain amateur-level athletes who have demonstrated a significant likelihood of graduating to the major leagues. Major League Baseball strongly supports the expansion of the P–1 visa category to include professional minor league baseball players. In correspondence to me, the league has pointed out that making P–1 visas available to this group of athletes, teams would be able to make player development decisions based on the talent of its players, without being constrained by visa quotas. The P–1 category, the league believes, is appropriate for minor league players because these are the players that major league clubs have selected as some of the best baseball prospects in the world.

There is no question that Americans are passionate about sports. We have high expectations for our teams and demand only the best from our athletes. By expanding the P–1 visa category, we will make it possible for athletes to be selected based on fair competition in talent and skill, rather the artificial limits of visa availability. In addition, we would reduce some pressure on the H–2B visa category making more of those visas available to the industries that need them.

Mr. President, the inequity of our current policy is clear. Let us take this simple step toward a more rational visa policy.

Mrs. FEINSTEIN. Mr. President, I am introducing today the COMPETE Act of 2006, along with Senators COLLINS and CORNYN.

This is a bill which amends the Immigration and Nationality Act to allow certain minor league athletes and ice skaters to be admitted temporarily into the United States to compete or perform in an athletic league, competition or performance under the same non-immigrant visa category as professional athletes.

The purpose of this legislation is to level the playing field for minor league sports teams that depend on getting the best athletic talent, regardless of where in the world that talent is discovered.

Under current law, minor league players and ice skaters who use the H–2B temporary visa category face severe visa shortages, while major league players qualify for uncapped P–1 temporary visas.

This unfair discrepancy in the law needs to be remedied, and the bill we are introducing today provides a commonsense solution because it allows minor league athletes—whether in baseball, basketball, hockey, or ice skating—who will perform competitively in the United States to apply for a P–1 temporary visa as opposed to an H–2B visa.

By way of background, The H–2B temporary visa category allows U.S. employers in industries with seasonal or intermittent needs to augment their existing labor force with temporary workers or augment their labor force when necessary due to a one-time occurrence which necessitates a temporary increase in workers.

Typically, H–2B workers fill labor needs in occupational areas such as construction, health care, landscaping, lumber, manufacturing, food service and processing, and resort and hospitality services.

Additionally, and perhaps what people do not know, is that not only is the

H–2B visa category used by loggers, lifeguards, crab pickers, amusement park employees, hotel and restaurant employees, but it is also used by many talented, highly competitive foreign athletes who are recruited by U.S. teams and theatrical ice skating productions.

A chronic H–28 visa shortage over the last 3 years has posed challenges for all industries using the H–2B visa category. In fiscal years 2004, 2005, and 2006, the 66,000 visa cap has been reached, leaving American teams and the athletes they are recruiting out in the cold.

The COMPETE Act is a solution that not only helps professional American teams, but it also relieves the stress on the H–2B visa program added by a misclassified group.

The reality is that minor league athletes do not belong in the same visa category as seasonal workers. There is no reason major league athletes can't and shouldn't qualify for P–1 visas, which are granted to talented athletes, artists, and entertainers. The COMPETE Act would remedy this unfair situation.

What follows are some examples of how classifying minor leaguers and ice skaters as H–2B workers harms American sports and how it would be better that they be reclassified as other athletes for temporary P–1 visas.

Disney on Ice has seven domestic tours per year, bringing approximately $400,000 to each of the 150 to 170 U.S. cities in which it stops. There are not enough U.S. skaters to fill the roles each production requires, thus the organization relies on foreign skaters to supplement its cast. As the cap on H–28 visas has been consistently reached before the commencement of their training period—(August in Florida—and subsequent touring seasons—September through February or March—they are often short of ice skaters for their productions.

Major League Baseball was unable to bring 350 baseball players to the United States in the 2004 and 2005 seasons as a result of the H–28 visa cap having been met. Promotions of promising young players to the U.S. Minor League affiliates could not be made. Due to the unavailability of visas, signings of Canadian players drafted in baseball's June first-year player draft have declined by 80 percent. Furthermore, clubs who have already signed talented non-U.S. citizens have been prevented from bringing these players to the United States given that the H–2B cap has been reached in past years.

National Hockey League recruits from independent minor league teams, such as the American Hockey League, Central Hockey League, and the East Coast Hockey League, for foreign players to fill its ranks. Most minor hockey league teams' rosters are filled with a majority of foreign national professional athletes. This is evident by the number of slots that are requested each year by the minor leagues on their temporary labor certification applications filed with the Labor Department. For instance, the AHL requests approximately 21 player slots out of a roster of approximately 26 players; the other leagues are similarly situated where the number of requests for slots on temporary labor certifications is usually in the ballpark of 80 percent of the roster.

Further, hockey leagues usually have a few if not more clubs that are located in Canada. Of course these players do not need H–2Bs to play for a Canadian team, but in the event that they are traded during the season to a U.S. team, the acquiring team would have to file an H–2B. This frequently presents problems when the numbers have been exhausted as the trade becomes dependent upon the availability of a visa number and not the professional needs of the team. In addition, players are signed throughout the season; this can also prevent teams from signing players if the numbers have been exhausted. This is particularly true at the end of the season—usually March or April 1—when the numbers have been exhausted and the need to sign players for playoffs and finals increases.

National Basketball Association created a developmental league in 2001. The NBA Development League, or D-League, has functioned both as a feeder system for the NBA, whose teams annually call up players to fill out NBA rosters beginning in January and, commencing with the 2005–06 season, as a place where inexperienced NBA Players, within their first two seasons, may be assigned to get additional playing time. The D-League, currently comprised of 12 teams across the country, signs and recruits the best basketball athletes from around the world who are not playing in the NBA. On average, international players comprise approximately 10 percent of active D-League rosters, which currently stand at 10 players per team. The H–2B cap has prevented the D-League from being able to sign a significant number of qualified international players during each of the past two seasons.

So a simple, commonsense solution would be to expand the P–1 visa category to include minor league and certain amateur-level athletes who have demonstrated a significant likelihood of graduating to the major leagues. This is what the COMPETE Act would do.

Major League Baseball, the National Basketball Association, the National Hockey League, and Feld Entertainment, which owns Disney on Ice, all support the expansion of the P–1 visa category to include minor league players and ice skaters.

Americans love their sports teams and want to see the highest caliber athletes competing or performing. By expanding the P–1 visa category, we will make it possible for athletes to be selected based on talent and skill rather than visa availability.

In addition, we would reduce some pressure on the H–28 visa category making more of those visas available to the industries that need them.

I am pleased to be joined by Senators COLLINS and CORNYN, as well as MIKULSKI, LEAHY, and LIEBERMAN, in introducing the COMPETE Act of 2006.

By Mr. OBAMA:

S. 3822. A bill to improve access to and appropriate utilization of valid, reliable and accurate molecular genetic tests by all populations thus helping to secure the promise of personalized medicine for all Americans; to the Committee on Finance.

Mr. OBAMA. Mr. President, I rise today to introduce the Genomics and Personalized Medicine Act of 2006. This bill will expand and accelerate scientific advancement in the field of genomics, which is already beginning to change the paradigm of medical practice as we know it and will have profound implications for health and health care in this Nation.

Almost 150 years ago, Gregor Mendel made history when he established the Laws of Heredity, which detailed his early knowledge about the fundamentals of inheritance. As has happened so many times throughout history, Mr. Mendel's fellow scientists didn't fully understand, support or necessarily agree with his hypotheses on genes, specifically how they are transmitted from one generation to the next, and how they help to define who we are. But he persevered—growing, observing and experimenting on 10,000 pea plants for almost a decade—and we know now that his ideas were right.

I mention Mr. Mendel not just because he was an early pioneer in the field of genetics, and is considered by many to be the father of genetics, but also because he had vision, intellectual curiosity, courage to think independently and question the status quo, and of course tenacity, all of which ultimately opened the door to a scientific revolution.

Since that time, our knowledge about genetics has dramatically increased. We have unlocked many of the mysteries about DNA and RNA, their structure and function, and how their code is translated into the proteins that make up the tissues and organs of the human body. Researchers have also made discoveries about DNA replication, and genetic recombination and regulation, just to name a few, and have developed the necessary technologies to do all of this work.

This knowledge isn't just sitting in books on the shelf. We have used these research findings to pinpoint the causes of many diseases, such as sickle cell anemia, cystic fibrosis, and chronic myelogenous leukemia. Moreover, scientists have used genetic information to develop several treatments and therapies.

We have made so many achievements and come a long way in our understanding and application of genetics

knowledge. And yet we are just beginning to realize the full potential of this science to predict the onset of disease, diagnose earlier, and develop therapies that can treat or cure Americans from so many afflictions.

Just 3 years ago, scientists at the National Institutes of Health and the Department of Energy reached another major landmark, with the completion of the sequencing of the entire human genome, described by many as the Holy Grail of biology.

The completion of the Human Genome Project, HGP, has paved the way for a more sophisticated understanding of disease causation. HGP has expanded focus from the science of genetics, which refers to study of single genes, to genomics, which describes the study of all the genes in an individual, as well as the interactions of those genes with each other and with that person's environment.

We know that all human beings are 99.9 percent identical in genetic makeup, but differences in the remaining 0.1 percent hold important clues about the causes of disease and response to drugs. Simply put, the study of genomics will help us learn why some people get sick and others do not and will allow us to use this information to better prevent and treat disease.

The relatively new field of genomics is the key to the practice of personalized medicine. Personalized medicine is the use of genomic and molecular data to better target the delivery of health care, facilitate the discovery and clinical testing of new products, and help determine a patient's predisposition to a particular disease or condition. Personalized medicine represents a revolutionary and exciting change in the fundamental approach and practice of medicine

Pharmacogenomics—the study of how genes affect a person's response to drugs—is a critical component of personalized medicine. Even so-called blockbuster drugs are typically effective in only 40 to 60 percent of patients who take them. Other studies have found that up to 15 percent of hospitalized patients experience a serious adverse drug reaction, resulting in more than 100,000 deaths each year. Pharmacogenomics has the potential to dramatically increase the effectiveness and safety of drugs, both of which are major health care concerns.

We have a few examples already of how pharmacogenomics research has helped to save lives. For example, the chemotherapy Purinethol is a lifesaver for kids with leukemia, but in 11 percent of cases, patients suffer severe, sometimes fatal, side effects. In the 1990s, researchers identified the gene variant that prevents affected patients from properly breaking down Purinethol, allowing doctors to screen patients and adjust dosages for safer use of the drug.

Herceptin is a breast cancer drug that initially failed in clinical trials. However, researchers discovered that 1 in 4 breast cancers have too many copies of a certain gene that helps cells grow, divide, and repair themselves. Extra copies of this gene cause uncontrolled and rapid tumor growth. As it turns out, Herceptin is an effective drug for patients with this type of cancer, with significantly improved survival for affected women.

Our Federal agencies have shown leadership in this area, as have many of our private sector partners. I have introduced the Genomics and Personalized Medicine Act today to support their efforts and to encourage them to do even more and do it faster. Realizing the promise of personalized medicine will require: continued Federal leadership and agency collaboration; expansion and acceleration of genomics research; a capable genomics workforce; incentives to encourage development of genomic tests and therapies; and greater attention to the quality of genetic tests, direct-to-consumer advertising, and use of personal genomic information.

The Genomics and Personalized Medicine Act of 2006 will address each of these issues. The bill requires the Secretary of Health and Human Services to establish the Genomics and Personalized Medicine Interagency Working Group to expand and accelerate genomics research, and application of findings from such research, through enhanced communication, collaboration and integration of relevant activities.

Genetic and genomics research will be expanded to increase the collection of data that will advance both fields. The Secretary will also develop a plan for a national biobanking research initiative and a national distributed database, and provide support for local biobanking initiatives.

This bill requests that the Administrator of the Health Resources and Services Administration support efforts to recruit and retain health professionals in the genomics workforce through educational and research opportunities, financial incentives, and modernization of training programs. In addition, the Secretary will promote initiatives to increase the integration of genetics and genomics into all aspects of medical and public health practice, with specific focus on training and guideline development for providers without expertise or experience in the field of genomics.

A financial incentive is included to encourage the development of companion diagnostic tests. Specifically, this Act provides a 100-percent tax credit for research and development costs associated with companion diagnostic tests. This bill also requests the National Academies of Science to formally study this issue in order to provide expert guidance about the level of incentives and potential approaches to really move this area forward.

The safety, efficacy, and availability of information about genetic tests, including pharmacogenetic and pharmacogenomics tests, is another focus of this bill. The Secretary will contract with the Institute of Medicine to conduct a study and make recommendations regarding Federal oversight and regulation of genetic tests. After this study is complete, the Secretary will develop a decision matrix to help determine which types of tests require review and the level of review needed for such tests as well as the responsible agency. The Secretary will also establish a specialty area for molecular and biochemical genetics tests at CMS and direct a review the practice of direct-to-consumer marketing.

Last but not least, the bill includes a sense of the Senate regarding genetic nondiscrimination and privacy. The Genetic Information Nondiscrimination Act of 2005, which passed the Senate with a vote of 98 to 0 in February of 2005, contained a number of important provisions to protect the use of personal genetic information and prevent discrimination based on such information. This section reaffirms the importance and the necessity of that act for the responsible advancement of personalized medicine.

Mr. President, we stand at this new frontier of personalized medicine, and like Gregor Mendel, we must explore and test the hypotheses and innovations in the area of genomics that can protect and promote our health. Genomics holds unparalleled promise for public health and for medicine, and the Genomics and Personalized Medicine Act of 2006 will help us to fulfill this promise. I urge my colleagues to support me in passing this critical legislation.

By Mr. DEWINE:

S. 3823. A bill to amend the Americans with Disabilities Act of 1990 and the Age Discrimination in Employment Act of 1967 to provide a means to combat discrimination on the basis of age or disability, by conditioning a State's receipt or use of Federal financial assistance on the State's waiver of immunity from suit for violations under such acts; to the Committee on Health, Education, Labor, and Pensions.

Mr. DEWINE. Mr. President, I am pleased to introduce the Civil Rights Restoration Act of 2006. Today, there is a serious loophole in our Nation's civil rights laws. If you are the victim of age or disability discrimination and you work in the private sector, you can sue your employer in Federal court for money damages. If, however, you work for one of the States, you cannot sue in Federal court for money damages under either the Age Discrimination in Employment Act, ADEA, or the Americans with Disabilities Act, ADA.

This loophole is not the result of anything that we have done in Congress. In fact, when we passed the ADEA and the ADA, we clearly provided that the States, just like private entities, cannot discriminate on the basis of age or disability. And, we said that if they do, they can be sued for

money damages in Federal court. In our view, the right of an individual to be free from discrimination on the basis of age or disability did not depend on where one works.

Instead, this loophole was created by the Supreme Court. In several recent decisions, the Supreme Court has reinterpreted the 11th amendment to the Constitution and severely limited Congress's power to subject States to lawsuits under section 5 of the 14th amendment. In Kimel v. Florida Board of Regents, 528 U.S. 62, 2000, for instance, the Court held that Congress lacks the power to subject States to suit for money damages under the ADEA. In Board of Trustees of the University of Alabama v. Garrett, 531 U.S. 356, 2001, the Court again held that Congress lacked the power to subject States to suit for money damages, this time under title I of the ADA.

Although individuals can still sue the States for injunctive relief, the Supreme Court's restriction on suits for money damages has taken away an essential tool for the victims of discrimination. As one witness explained during hearings on the ADA, ''civil rights laws depend heavily on private enforcement.'' ''[D]amages are essential to provide private citizens a meaningful opportunity to vindicate their rights. Attempts to weaken the remedies available under the ADA are attacks on the ADA itself, and their success would make the ADA an empty promise of equality.''

Unfortunately, by restricting the ability of individuals to sue for money damages, the Garrett and Kimel decisions have severely limited the ''promise of equality'' guaranteed by the ADA and the ADEA. Lawsuits for money damages are the primary means for private individuals to obtain redress for discrimination. They promote deterrence and provide an important way for the Federal Government to enforce antidiscrimination laws. By eliminating the ability of State employees to sue their employers for such damages, the Supreme Court's decisions in Kimel and Garrett have made enforcement of these civil rights laws more difficult.

In addition, the Garrett and Kimel decisions have created a legal regime that gives State employees fewer rights than other employees covered by the ADA and the ADEA. At present, employees of local governments and employees in the private sector are entitled to sue in Federal court for money damages for violations of the ADA or the ADEA. For the more than 2,500,000 individuals who work for the States, however, such relief is no longer available.

Finally, the Garrett and Kimel decisions themselves are hardly a model of clarity. In fact, several scholars have said that they find them to be inconsistent with prior case law, at odds with the clear language of the Constitution, disrespectful of Congress's role in our system of government, and insensitive to the plight of those who are the victims of discrimination.

In my opinion, Chairman SPECTER of the Judiciary Committee put it well when he referred to these cases as ''inexplicable decisions.'' During the confirmation hearing for Chief Justice Roberts, Chairman SPECTER said that the test that emerges from these Supreme Court decisions ''has no grounding in the Constitution, no grounding in the Federalist Papers, no grounding in the history of the country, [and] comes out of thin air[.]''

I happen to agree with him. In my view, Garrett and Kimel were wrongly decided. And, they should be overturned.

My bill will do just that. The Civil Rights Restoration Act of 2006 would provide that any State that receives Federal financial assistance must allow plaintiffs the ability to sue the State for money damages in Federal court if that State violates the terms of the ADEA or the ADA. Of course, those plaintiffs must meet all the other requirements to bring such a suit. My bill does not otherwise change the substance of the ADA or ADEA, and it does not guarantee an outcome. It merely gives the victims of discrimination access to federal courts so that they may seek the relief to which they are otherwise entitled. In other words, it will give the victims of age and disability discrimination the same rights that we intended to give them when we first passed the ADEA and the ADA.

This is a simple bill with a simple purpose: it closes a loophole created by the Supreme Court; it re-establishes the original intent of the ADA and the ADEA; and it restores to the victims of discrimination the rights to which they have long been entitled. I am proud to introduce the Civil Rights Restoration Act of 2006, and I ask my colleagues to support it.

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. 3823

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 ''Civil Rights Restoration Act of 2006''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) For over 30 years, Congress has outlawed employment discrimination by State employers. In 1974, in the face of pervasive age discrimination by State and other employers, Congress amended the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.) (referred to in this Act as the ''ADEA'') to outlaw age discrimination by such employers. In 1990, Congress passed the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) (referred to in this Act as the ''ADA'') to provide a ''clear and comprehensive national mandate'', as described in section 2(b)(1) of that Act (42 U.S.C. 12101(b)(1)), to eliminate discrimination against individuals with disabilities, even when that discrimination came at the hands of States, including State employers.

(2)(A) Many years have passed since the enactment of those laws, but discrimination on the basis of age or disability remains a serious problem in the United States.

(B) Discrimination has invidious effects on its victims, the workforce, the economy as a whole, and government revenues. Discrimination on the basis of age or disability—

(i) increases the risk of unemployment among older workers or individuals with disabilities, who may, as a result of the discrimination, be forced to depend on government programs;

(ii) adversely affects the morale and productivity of the workforce;

(iii) perpetuates unwarranted stereotypes about the abilities of older workers or individuals with disabilities, thus reducing the effectiveness of government programs promoting nondiscrimination and integration; and

(iv) prevents the best use of both public and private resources.

(3) Since the passage of the ADA and the ADEA, private civil suits by the victims of discrimination have been an essential tool in combating illegal discrimination. As one witness explained during hearings on the legislation that became the ADA, ''civil rights laws depend heavily on private enforcement''. ''[D]amages are essential to provide private citizens a meaningful opportunity to vindicate their rights. Attempts to weaken the remedies available under the ADA are attacks on the ADA itself, and their success would make the ADA an empty promise of equality.''. Field Hearing on Americans with Disabilities Act, Before the Subcommittee on Select Education of the House Committee on Education and Labor, 101st Cong. 68 (1989) (statement of Mr. Howard Wolf).

(4) In recent years, however, the Supreme Court has created a serious loophole in the ADA and the ADEA, weakening their ''promise of equality''. In Kimel v. Florida Board of Regents, 528 U.S. 62 (2000), for instance, the Supreme Court held that Congress lacked the power to subject States to suit for money damages under the ADEA. In Board of Trustees of the University of Alabama v. Garrett, 531 U.S. 356 (2001), the Court again held that Congress lacked the power to subject States to suit for money damages, this time under title I of the ADA (42 U.S.C. 12111 et seq.).

(5) As a result of those decisions, State employees who are victimized by discrimination on the basis of age or disability cannot sue in Federal court for money damages to vindicate their Federal rights. Those decisions have, in turn, had 2 unfortunate consequences.

(6) First, they have undermined the enforcement of the ADA and the ADEA. Lawsuits for money damages are the primary means for private individuals to obtain redress for discrimination. In addition, lawsuits for money damages promote deterrence and provide an important way for the Federal Government to enforce antidiscrimination laws. By eliminating the ability for State employees to sue their employers for such damages, the Supreme Court's Kimel and Garrett decisions have made enforcement of these civil rights laws more difficult.

(7) Second, they have created a legal regime that gives State employees fewer rights than other employees covered by the ADA and the ADEA. At present, employees of local governments and employees in the private sector are entitled to sue in Federal court for money damages for violations of the ADA or the ADEA. For the more than 2,500,000 individuals who work for the States, however, such relief is no longer available.

(8) Although most States have laws in effect that bar discrimination on the basis of age or disability, those laws are insufficient to provide redress for those individuals who are subjected to discrimination by State employers or agencies.

(9) A few States apply the doctrine of sovereign immunity to completely bar State employees from suing in State court for age discrimination. In several States, it is still unclear whether State law claims can proceed in State court for age discrimination or whether those claims are barred by sovereign immunity. Finally, there are many States that severely limit or restrict the kinds of remedies or monetary relief available to State employees who bring suits for discrimination on the basis of age.

(10) The same problems exist with State laws regarding disability discrimination. In fact, one recent analysis has shown that there are significant gaps in the coverage and remedies available under State laws outlawing discrimination.

(11) Thus, while State laws are important in trying to stem discrimination on the basis of age or disability, they are currently inadequate to close the loophole created by the Kimel and Garrett decisions.

(12) In the years since the Kimel and Garrett decisions, many States have also challenged the constitutionality of title II of the ADA (42 U.S.C. 12131 et seq.). These challenges have forced individuals with disabilities into extensive litigation about sovereign immunity when they seek redress for disability discrimination in such fundamental areas as access to the courts, access to community-based services, access to State-sponsored health insurance, access to public transportation, access to handicapped parking, access to mental health services, and access to public education. The Supreme Court has issued several decisions that invite even more litigation. In Tennessee v. Lane, for instance, the Court held that, under the particular facts of that case, a plaintiff could sue the State for money damages under title II of the ADA, even though the Court, in the Garrett case, had barred a claim for such damages under title I of that Act (42 U.S.C. 12111 et seq.) Tennessee v. Lane, 541 U.S. 509 (2004).

(13) After the Lane decision, some claims against States are permitted to proceed under the ADA, while others are not. This has made it extremely difficult for the victims of discrimination, States, and Congress to determine precisely when States are subject to suit under the ADA and when they are not. The confusion has spawned a significant amount of litigation in the lower Federal courts. This jurisprudence has even caused the Chairman of the Committee on the Judiciary of the Senate, Senator Arlen Specter, to condemn the Court's recent decisions as ''inexplicable''.

(14) The Constitution provides Congress with the power to enact legislation—

(A) to clarify that, despite the Supreme Court's decisions in the Kimel and Garrett cases, the States are subject to suit just like other entities when the States violate the ADA and the ADEA; and

(B) to end the confusion created by the Court's decision in the Lane case.

(15) Under section 8 of article I of the Constitution, ''The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States''.

(16) Congress' power under this language, known as the Spending Clause, is well-established. Under this Clause, Congress has the power to require the States to abide by certain conditions in exchange for receiving Federal financial assistance. This authority has been recognized by the Supreme Court repeatedly through the years and reaffirmed recently. United States v. Butler, 297 U.S. 1 (1936) (declaring that Congress may exert authority through its spending power); South Dakota v. Dole, 483 U.S. 203 (1987) (upholding condition requiring the establishment of a drinking age of 21 years in exchange for the receipt of Federal highway dollars). In fact, the Supreme Court has specifically held that Congress may require a State, as a condition of receiving Federal financial assistance, to waive its immunity from suit for violations of Federal law. College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board, 527 U.S. 666 (1999).

(17) Congress has previously used its spending power to require States to waive their immunity from suit in exchange for receiving Federal financial assistance. For instance, the provisions of section 1003 of the Rehabilitation Act Amendments of 1986 (42 U.S.C. 2000d–7) provide that a State shall not be immune from suit under the 11th amendment for violations of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.). At least one court, however, has suggested that those provisions do not apply to the ADA or the ADEA. Brown v. Washington Metro Area Transit Authority, No. DKC 2005–0052, 2005 U.S. Dist. LEXIS 16881 (D. Md. 2005).

(18) By requiring States to waive their immunity from suit under the ADA and the ADEA in exchange for receiving Federal assistance, the Federal government can ensure that Federal dollars are not ''frittered away'' on unlawful discrimination. Such a conditional waiver will help Congress ''protect the integrity of the vast sums of money distributed through Federal programs''. Sabri v. United States, 541 U.S. 600 (2004). ''Simple justice requires that public funds, to which all taxpayers . . . contribute, not be spent in any fashion which encourages, entrenches, subsidizes, or results in . . . discrimination''. Lau v. Nichols, 414 U.S. 563 (1974). This simple principle applies whether the discrimination is based on race, as in the Lau case, or age, or disability, as in Barbour v. Washington Metro Area Transit Authority, 374 F.3d 1161 (D.C. Cir. 2004).

(19) Such a conditional waiver does not coerce a State in any way. The Supreme Court has recognized that a State's voluntary waiver of its 11th amendment right is constitutional. College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board, 527 U.S. 666 (1999) (citing Clark v. Barnard, 108 U.S. 436 (1883)). The Court has explicitly recognized that a State's acceptance of Federal funds constitutes a knowing agreement to a congressionally-imposed condition on the funds. Thus, while Congress may not compel States to waive their immunity granted under the 11th amendment, a voluntary State waiver condition is wholly permissible. Alden v. Maine, 527 U.S. 706 (1999).

(20) The Kimel and Garrett decisions frustrate the ability of the ADA and the ADEA to protect individual rights and remedy violations of Federal law. In the wake of those decisions, and in recognition that State laws may be insufficient to protect against discrimination on the basis of age or disability, it is essential to require that States waive their immunity from suit under the ADA and the ADEA for those programs or activities receiving Federal financial assistance.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to provide to any State employee or person aggrieved by any program or activity that receives Federal financial assistance the right to sue the State for money damages for any violation of the ADA or the ADEA; and

(2) to provide that a State's receipt or use of Federal financial assistance for any program or activity of a State shall constitute a waiver of sovereign immunity, under the 11th amendment to the Constitution or otherwise, to a suit brought by any employee or person aggrieved by that program or activity for any violation of the ADA or the ADEA.

SEC. 4. ABROGATION OF STATE SOVEREIGN IMMUNITY.

(a) AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967.—Section 7 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following:

''(g) WAIVER OF SOVEREIGN IMMUNITY.—

''(1) WAIVER.—A State's receipt or use of Federal financial assistance for any program or activity of a State shall constitute a waiver of sovereign immunity, under the 11th amendment to the Constitution or otherwise, to a suit brought by any employee or person aggrieved by that program or activity for equitable, legal, or other relief authorized by or through this Act.

''(2) ABROGATION FOR CONSTITUTIONAL VIOLATION.—In addition to the abrogation of sovereign immunity already accomplished by this Act, a State's sovereign immunity, under the 11th amendment to the Constitution or otherwise, is abrogated for any suit brought by any employee or person for equitable, legal, or other relief authorized by or through this Act, for conduct that violates the 14th amendment (including the constitutional rights incorporated in the 14th amendment) and that also violates this Act.

''(3) DEFINITIONS.—In this subsection:

''(A) PROGRAM OR ACTIVITY.—

''(i) IN GENERAL.—The term 'program or activity' has the meaning given the term in section 309 of the Age Discrimination Act of 1975 (42 U.S.C. 6107).

''(ii) OPERATIONS INCLUDED.—The term includes any operation carried out, funded, or arranged by an entity described in clause (i) or (ii) of section 309(4)(A) of such Act (42 U.S.C. 6107(4)(A)) that receives Federal financial assistance, even if the entity does not use the Federal financial assistance for the operation.

''(B) RECIPIENT.—A State shall be considered to receive Federal financial assistance for a program or activity if the program or activity—

''(i) receives the assistance from an intermediary; and

''(ii) is the intended recipient under the statutory provision through which the intermediary receives the assistance.

''(C) CONSTRUCTION.—Nothing in this paragraph shall be construed to suggest that, for purposes of this subsection or title III of such Act—

''(i) the term 'program or activity' would not include the operation described in subparagraph (A)(ii), in the absence of this paragraph; or

''(ii) a State described in subparagraph (B) would not be considered to receive Federal financial assistance for a program or activity, in the absence of this paragraph.''.

(b) TITLE I OF THE AMERICANS WITH DISABILITIES ACT OF 1990.—Section 107 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12117) is amended by adding at the end the following:

''(c) WAIVER OF SOVEREIGN IMMUNITY.—

''(1) WAIVER.—A State's receipt or use of Federal financial assistance for any program or activity of a State shall constitute a waiver of sovereign immunity, under the 11th amendment to the Constitution or otherwise, to a suit brought by any employee or

person alleging a violation of this title (including regulations promulgated under section 106) or section 503, or otherwise aggrieved, by that program or activity for equitable, legal, or other relief authorized by or through this Act or section 1977A of the Revised Statutes (42 U.S.C. 1981a).

''(2) ABROGATION FOR CONSTITUTIONAL VIOLATION.—In addition to the abrogation of sovereign immunity already accomplished by section 502, a State's sovereign immunity, under the 11th amendment to the Constitution or otherwise, is abrogated for any suit brought by any employee or person for equitable, legal, or other relief authorized by or through this Act or section 1977A of the Revised Statutes (42 U.S.C. 1981a), for conduct that violates the 14th amendment (including the constitutional rights incorporated in the 14th amendment) and that also violates this title (including regulations promulgated under section 106) or section 503.

''(3) DEFINITIONS.—In this subsection:

''(A) PROGRAM OR ACTIVITY.—

''(i) IN GENERAL.—The term 'program or activity' has the meaning given the term in section 504(b) of the Rehabilitation Act of 1973 (29 U.S.C. 794(b)).

''(ii) OPERATIONS INCLUDED.—The term includes any operation carried out, funded, or arranged by an entity described in subparagraph (A) or (B) of section 504(b)(1) of such Act (29 U.S.C. 794(b)(1)) that receives Federal financial assistance, even if the entity does not use the Federal financial assistance for the operation.

''(B) RECIPIENT.—A State shall be considered to receive Federal financial assistance for a program or activity if the program or activity—

''(i) receives the assistance from an intermediary; and

''(ii) is the intended recipient under the statutory provision through which the intermediary receives the assistance.

''(C) CONSTRUCTION.—Nothing in this paragraph shall be construed to suggest that, for purposes of this subsection or such section 504—

''(i) the term 'program or activity' would not include the operation described in subparagraph (A)(ii), in the absence of this paragraph; or

''(ii) a State described in subparagraph (B) would not be considered to receive Federal financial assistance for a program or activity, in the absence of this paragraph.''.

(c) TITLE II OF THE AMERICANS WITH DISABILITIES ACT OF 1990.—Section 203 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12133) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''The''; and

(2) by adding at the end the following:

''(b) WAIVER OF SOVEREIGN IMMUNITY.—

''(1) WAIVER.—A State's receipt or use of Federal financial assistance for any program or activity of a State shall constitute a waiver of sovereign immunity, under the 11th amendment to the Constitution or otherwise, to a suit brought by any employee or person alleging a violation of this title (including regulations promulgated under section 204, 229, or 244) or section 503, or otherwise aggrieved, by that program or activity for equitable, legal, or other relief authorized by or through this Act.

''(2) ABROGATION FOR CONSTITUTIONAL VIOLATION.—In addition to the abrogation of sovereign immunity already accomplished by section 502, a State's sovereign immunity, under the 11th amendment to the Constitution or otherwise, is abrogated for any suit brought by any employee or person for equitable, legal, or other relief authorized by or through this Act, for conduct that violates the 14th amendment (including the constitutional rights incorporated in the 14th amendment) and that also violates this title (including regulations promulgated under section 204, 229, or 244) or section 503.

''(3) DEFINITIONS.—In this subsection:

''(A) PROGRAM OR ACTIVITY.—

''(i) IN GENERAL.—The term 'program or activity' has the meaning given the term in section 504(b) of the Rehabilitation Act of 1973 (29 U.S.C. 794(b)).

''(ii) OPERATIONS INCLUDED.—The term includes any operation carried out, funded, or arranged by an entity described in subparagraph (A) or (B) of section 504(b)(1) of such Act (29 U.S.C. 794(b)(1)) that receives Federal financial assistance, even if the entity does not use the Federal financial assistance for the operation.

''(B) RECIPIENT.—A State shall be considered to receive Federal financial assistance for a program or activity if the program or activity—

''(i) receives the assistance from an intermediary; and

''(ii) is the intended recipient under the statutory provision through which the intermediary receives the assistance.

''(C) CONSTRUCTION.—Nothing in this paragraph shall be construed to suggest that, for purposes of this subsection or such section 504—

''(i) the term 'program or activity' would not include the operation described in subparagraph (A)(ii), in the absence of this paragraph; or

''(ii) a State described in subparagraph (B) would not be considered to receive Federal financial assistance for a program or activity, in the absence of this paragraph.''.

SEC. 5. EFFECTIVE DATE.

(a) AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967.—

(1) IN GENERAL.—With respect to a particular program or activity, paragraphs (1) and (3) of section 7(g) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626(g)) apply to conduct occurring on or after the day, after the date of enactment of this Act, on which a State first receives or uses Federal financial assistance for that program or activity. Section 7(g)(2) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626(g)(2)) applies to all civil actions pending on that date of enactment or filed thereafter.

(2) PROGRAM OR ACTIVITY; RECEIVES FEDERAL FINANCIAL ASSISTANCE.—The definition and rule specified in subparagraphs (A) and (B) of section 7(g)(3) of such Act (29 U.S.C. 626(g)(2)) shall apply for purposes of this subsection.

(b) AMERICANS WITH DISABILITIES ACT OF 1990.—

(1) IN GENERAL.—With respect to a particular program or activity, paragraphs (1) and (3) of section 107(c) and paragraphs (1) and (3) of section 203(b) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12117(c), 12133(b)) apply to conduct occurring on or after the day, after the date of enactment of this Act, on which a State first receives or uses Federal financial assistance for that program or activity. Sections 107(c)(2) and 203(b)(2) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12117(c)(2), 12133(b)(2)) apply to all civil actions pending on that date of enactment or filed thereafter.

(2) PROGRAM OR ACTIVITY; RECEIVES FEDERAL FINANCIAL ASSISTANCE.—The definition and rule specified in subparagraphs (A) and (B) of section 107(c)(3) of such Act (42 U.S.C. 12117(c)(3)) shall apply for purposes of this subsection.

By Mr. BURNS (for himself, Mr. FRIST, Mr. DEWINE, Mr. ALLARD, Mr. COLEMAN, Mr. SMITH, and Mr. ALLEN):

S. 3825. A bill to end the flow of methamphetamine and precursor chemicals coming across the border of the United States; to the Committee on the Judiciary.

Mr. BURNS. Mr. President, I rise today because, despite the heroic efforts of law enforcement agencies in Montana and elsewhere around the country, the use of methamphetamine continues to rise. In the Senate, we have passed legislation to fund efforts to go after domestic production of meth—from provisions of the USA PATRIOT Act, which restricted the sale of pseudoephedrine, to funds for the cleanup of meth labs. While law enforcement officials report that these efforts are in fact reducing the production of meth within our borders, they also tell me that foreign-produced meth is being imported to fill the supply void.

For this reason, I have introduced the ''Methamphetamine Trafficking Prevention Act of 2006'' in order to bring additional Federal resources to bear on this problem. I want to thank my colleagues, Senate Majority Leader FRIST, Senator DEWINE, Senator ALLARD, Senator COLEMAN, Senator ALLEN and Senator SMITH for joining me in sponsoring this legislation. The United States shares around 4,000 miles of border with Canada and almost 2,000 miles with Mexico. Controlling what comes across these borders must be a top priority for national security.

A report recently released by the President's Office of National Drug Control Policy, the Department of Justice, and the Department of Health and Human Services had this to say:

> The most urgent priority of the Federal Government toward reducing the supply of methamphetamine in the Untied States will be to tighten the international market for chemical precursors, such as pseudoephedrine and ephedrine, used to produce the drug. Most of the methamphetamine used in America—probably between 75 and 85 percent—is made with chemical precursors that are diverted at some point from the international stream of commerce . . . Although domestic enforcement continues to be a priority, the impact of State laws controlling retail access to precursors, together with Federal, State, and local enforcement efforts, has had a significant impact on the domestic production of methamphetamine. As a result, a larger proportion of the methamphetamine consumed in the United States is now coming across the border as a final product . . .

Meth trafficking has quickly adapted to increased domestic efforts to stem production and the need for an international solution is clear.

This legislation will provide an additional $15 million for the Department of Justice's Meth Hot Spots Program for the creation of ''Border Technology Grants'' to support technology used to detect meth and substances used to make meth on the border through aerial surveillance and to find meth labs around the border with hyperspectral sensors. Another $5 million will be provided to the Drug Enforcement Agency for trace chemical detectors to be used

on U.S. borders. These sensors will also assist in locating explosive devices.

The international nature of meth trafficking makes Federal action necessary, but the United States cannot act alone. This legislation will also coordinate Federal drug enforcement efforts with foreign counterparts in order to devise a strategy to fight meth production across national borders. Officials from the U.S. Trade Representative will discuss meth trafficking with trading partners in multi- and bi-lateral negotiations in order to curb the shipment of this dangerous substance.

The impacts of the meth crisis are felt nationwide. In Montana, I have seen first-hand the consequences of meth addiction on individuals, their families, and communities. Nowhere are these problems more serious than on Indian Reservations. In Montana, there are several reservations on or near the Canadian border. While Montana's law enforcement has done a good job shutting down meth labs in Montana, the flow of meth from Canada and Mexico has more than replaced domestic meth production. This bill would require the Department of Justice to report to Congress the problems faced on these reservations with respect to meth abuse and trafficking.

It is time to take the response to this crisis to a new—international—level and I encourage my colleagues to support these efforts.

By Mr. MENENDEZ:

S. 3826. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income military pay received by a member of a reserve component of the Armed Forces of the United States who is called to active duty; to the Committee on Finance.

Mr. MENENDEZ. Mr. President, over the past few decades, our country has seen a major shift in the way that our Reserve component has been used. Traditionally, National guardsmen and reservists have supplemented our active-duty troops at times of a major war or conflict. But as America faces ever-increasing military challenges, we see these forces now replacing active duty troops in operations around the world.

Since September 11, a large number of our Reserve component has been called to active duty, and it is expected to remain that way for the foreseeable future. Our Nation not only relies on the National Guard during times of war, but during crises and disasters within our borders. In my home State of New Jersey, we have witnessed the critical role the Guard plays in supporting our first responders and assisting with domestic emergencies. The Guard immediately responded to the 9/11 attacks, provided relief in the aftermath of the hurricanes on the gulf coast, and aided New Jerseyans after the flooding in our State.

As our Nation continues to rely on the efforts of National Guard members and reservists, it is imperative that we provide them and their families the support they need at home. Unfortunately, many married Guard members and reservists on active duty lose their income from their civilian jobs when they are activated. It is unconscionable that we would make these soldiers choose between their duty to our country and the financial security of their families.

That is why I am introducing the Citizen Soldier Relief Act, which would exempt from taxation incomes earned by members of the Reserve component that are called to duty outside the traditional 1 weekend per month and 2 weeks per year. My bill would address a current void that exists in tax relief for our National Guard members and reservists who serve in noncombat-related capacities.

By providing tax relief for these hard-working men and women, we can show them that our Nation appreciates their service and their sacrifice. I ask my colleagues to support this important legislation.

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. 3826

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 ''Citizen Soldier Relief Act of 2006''.

SEC. 2. EXCLUSION FROM GROSS INCOME FOR MILITARY PAY RECEIVED BY A MEMBER OF A RESERVE COMPONENT OF THE ARMED FORCES OF THE UNITED STATES CALLED TO ACTIVE DUTY.

(a) IN GENERAL.—Section 112 of the Internal Revenue Code of 1986 (relating to certain combat zone compensation of members of the Armed Services) is amended by adding at the end the following new subsection:

''(e) RESERVE COMPONENTS CALLED TO ACTIVE DUTY.—In the case of an individual—

''(1) who is called or ordered to active duty in the Armed Forces of the United States for a period in excess of 180 days or for an indefinite period, and

''(2) at the time so called or ordered is a member of a reserve component of the Armed Forces of the United States,

gross income shall not include military pay (as defined in section 101(21) of title 37, United States Code) received by such individual on account of such active duty service.''.

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 112 of such Code is amended by inserting before the period ''; **PAY OF MEMBERS OF RESERVE COMPONENTS OF SUCH ARMED FORCES CALLED TO ACTIVE DUTY**''.

(2) The item relating to section 112 in the table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting before the period ''; pay of members of reserve components of such Armed Forces called to active duty''.

(3) Section 3401(a)(1) of such Code is amended by inserting ''; pay of members of reserve components of such Armed Forces called to active duty'' after ''United States''.

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

By Mr. INHOFE:

S. 3828. A bill to amend title 4, United States Code, to declare English as the official language of the Government of the United States, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Mr. INHOFE. Mr. President, there are many things we take for granted that have made our Nation prosperous. The Founding Fathers spent their lives seeking to create a United States of America that could survive against the great powers of England, France, and Spain.

These men knew that America had at least one advantage over the European powers: size. President Jefferson's Louisiana Purchase of 1803 effectively doubled the size of the United States and provided a means by which America's inland farmers would have a guaranteed way to ship their products to market.

Even today, the comparison remains striking when you ask, ''How far will one gallon of fuel move one ton of freight?''

One gallon of fuel can move a ton of freight 59 miles by truck and 386 miles by rail. That same gallon of fuel will move a ton of freight by water 522 miles.

One of the main reasons for the economy of waterborne shipping lies in something physics students know as friction and we pilots know as drag.

The more that friction or drag increase, the more that fuel economy decreases. There is a lot of friction between a road and a truck. There is far less between a ship and a river.

This simple rule led me to lead the fight for the Water Resources Development Act a few days ago. As one of the most fiscally conservative Members of this body, I have long argued that the two most important functions of the Federal Government are to provide for national defense and public infrastructure.

Efficiency and economics require the Government to not only plan but to construct and maintain public infrastructure. Investments in real public infrastructure, like waterways and barge canals, create economies of scale that have made the American economy a wonder of the world.

My determination to stand up in this Chamber at every opportunity on behalf of national defense and public infrastructure is a large part of the reason I am introducing legislation today to make English America's official language.

A common means of communication has created one giant market for goods and labor from Maine to California. A resident of Tulsa can seek work in New Hampshire, Oregon, or Georgia without having to learn a second language. A company based in Oklahoma City can readily sell its products from Portland, ME, to Los Angeles, CA.

In Europe, by contrast, a resident of Berlin cannot look for work in Paris or

Warsaw without surmounting considerable language barriers. A German company cannot easily sell its products in Madrid, again, in part because of the language barrier.

The European Union is an effort to create a United States-like common market in Western Europe, among other things. Europeans are spending billions of euros to try to replicate what we Americans have enjoyed for free these past 230 years.

There are too many signs that we are allowing this great advantage of an American nation united by a common language to slip through our fingers.

President Bill Clinton created the most radical language policy 6 years ago when he signed Executive Order—E.O.—13166 on August 11, 2000.

E.O. 13166 declared that all recipients of Federal funds had to be ready to provide all services in any language anyone wished to speak at any time.

E.O. 13166 means that while Canada has only two official languages and the United Nations just six, the United States now has over 200 official languages.

Efforts to repeal E.O. 13166 have run aground because of a fundamental misunderstanding of what repeal would mean.

After the debate on my official English amendment, S.A. 4064, to the Senate immigration bill, S. 2611, E.J. Dionne, Jr., told readers of the May 23 Washington Post that he was still going to pray over his children in French. I have only one word to say to Mr. Dionne: relax.

Neither my earlier amendment to the immigration legislation nor the legislation I am introducing today will have any impact whatsoever on the prayers of the Dionne family or, for that matter, a dinner table chat in Spanish or a family discussion in Navajo.

Official English laws are not directed at the language people themselves choose to speak but, rather, in what language the Government speaks to the American people.

My bill basically recognizes the practical reality of the role of English as our national language. It states explicitly that English is our national language and provides English a status in law it has not before held.

Making English the official language will clarify that there is no entitlement to receive Federal documents and services in languages other than English. My legislation declares that any rights of a person, as well as services or materials in languages other than English, must be authorized or provided by law. It recognizes the decades of unbroken court opinions that civil rights laws protecting against national origin and discrimination do not create rights to Government services and materials in languages other than English.

If passed, my bill will also repeal all bilingual, or foreign-language, ballot mandates. There is a reason bilingual ballots make so many of my constituents upset. Gathering together at the polling place is one of the few remaining civic rituals we perform as Americans.

I can remember going along with my mother on election day; the American flag behind the table where voters signed in and were verified as eligible; the sound of the ''thunk'' of the levers on the voting machine. I remember thinking even then that voting was a privilege to be approached seriously.

In all too many places these days, the local polling place resembles nothing more than a branch of the Mexican consulate or an outpost of the United Nations—signs in two, three, or even more languages; people yelling at weary poll workers because a Cantonese speaker was summoned to translate for a speaker of Mandarin Chinese.

My constituents ask me all the time how people are supposed to cast an informed vote if they cannot follow the debates, which are in English, and read the campaign literature, also in English. Bilingual ballots strike many of my constituents as an invitation to all kinds of voting fraud.

Of course, when the Government attempts to please everyone by translating important documents into multiple languages, mistakes are inevitable.

To mention just one example out of many, in 1993, the Chinese ballot in New York City had the Chinese characters for the word ''no'' as a translation of the English word ''yes.'' One can only imagine the confusion that ensued.

Official English is popular, even among Hispanics. As I said before during the debate on my amendment, if you look at some of the recent polling data, such as the Zogby poll in 2006, it found 84 percent of Americans, including 77 percent of Hispanics, believed that English should be the national language of government operations. A poll of 91 percent of foreign-born Latino immigrants agreed that learning English is essential to succeed in the United States, according to a 2002 Kaiser Family Foundation survey.

I wish to conclude by saying that I think it would be a tremendous demonstration of good faith by the White House to support my legislation. America has plenty of language problems already.

If the Senate version of the President's immigration proposals should become law, every guest worker and ever recipient of amnesty would arrive on our shores as a little bundle of linguistic entitlements. Local government offices and public schools will be simply overwhelmed by the costly language mandates each of these individuals and their families will trigger.

A nation certain of its language and culture can continue to be a welcoming nation to legal immigrants. A nation with uncontrolled borders and no convictions about what it expects immigrants to do once they arrive will soon become a nation in name only.

Mr. President, my legislation is good for America and good for everyone in America. I urge its speedy passage by my colleagues.

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

S. 3832. A bill to direct the Secretary of the Interior to establish criteria to transfer title to reclamation facilities, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. DOMENICI. Mr. President, since its inception in 1902, the Bureau of Reclamation has constructed numerous facilities which have supplied much of the water and power necessary to populate the Western United States. The National Research Council of the National Academy of Sciences estimates that Reclamation currently owns 673 facilities that are part of 178 major projects. When many of these facilities were constructed, there were few local communities and utilities capable of assuming title to the facilities. However, this is no longer the case. Many project beneficiaries are both willing and able to receive title to Reclamation facilities.

The growth of the environmental movement during the 1970s, explosive population growth in the West, Indian water rights claims, and urbanization transformed Reclamation from an agency that plans, designs, and constructs large projects into one that manages existing Reclamation facilities and allocates water resources in accordance with applicable law. Correspondingly, appropriations for Reclamation have decreased over the past 40 years. As chairman of the Energy and Water Development Appropriations Subcommittee, I have become increasingly concerned that Reclamation lacks adequate resources to fulfill its current mission, particularly in light of increasing nonreimbursable expenditures required for operations, maintenance, and rehabilitation of Reclamation facilities. For this reason, we need to investigate opportunities, including title transfers, to make more money available to Reclamation.

Reclamation project beneficiaries frequently claim that Reclamation services passed on to customers are far more expensive than comparable services in the private sector and that Reclamation ownership of these facilities imposes an unnecessary administrative burden on project beneficiaries. For these reasons, many project beneficiaries who have fulfilled their construction repayment obligations would like to pursue the transfer of title to Reclamation facilities and land. In addition to benefiting project beneficiaries, transfer of title to Reclamation facilities also divests the Federal Government of the liability, operation, maintenance, management, and regulation associated with these facilities. In its framework for transfer of title to Reclamation facilities, Reclamation acknowledged its commitment to a

Federal Government that ''works better and costs less.'' I believe that pursuing title transfers on a widespread basis is consistent with this policy.

While Reclamation currently has an administrative process for determining which uncomplicated transfers should be pursued by Congress, it is my belief that the process is not as aggressive or comprehensive as it should be. The bill I introduce today would direct the Secretary of the Interior to promulgate criteria for the transfer of title to Reclamation facilities and lands, including multipurpose and multibeneficiary projects. The bill also directs the Secretary of the Interior to undertake a study to identify which Reclamation facilities may be appropriate for transfer. Consistent with current policy, Congress would evaluate which of these facilities should be transferred.

I realize that title transfer may not be appropriate for every Reclamation facility. However, I believe that there are a great number of instances in which title transfer would benefit the United States and Reclamation customers.

I thank Senator BINGAMAN, ranking member of the Energy and Natural Resources Committee, for being an original cosponsor of this legislation.

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 orderd to be printed in the RECORD, as follows:

S. 3832

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 ''Reclamation Facility Title Transfer Act of 2006''.

SEC. 2. DEFINITIONS.

In this Act:

(1) INDIAN TRIBE.—The term ''Indian tribe'' means an Indian tribe, band, Nation, or other organized group or community that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(2) PROJECT BENEFICIARY.—The term ''project beneficiary'' means 1 or more contractors or other persons or entities that receive a direct benefit under 1 or more of the authorized purposes for a reclamation facility.

(3) RECLAMATION FACILITY.—

(A) IN GENERAL.—The term ''reclamation facility'' means any single-purpose or multipurpose structure, reservoir, impoundment, ditch, canal, pumping station, or other facility for the storage, diversion, distribution, or conveyance of water—

(i) that is—

(I) authorized by Federal reclamation law; and

(II) constructed by the United States under that law;

(ii) for which the United States holds title; and

(iii) for which any non-Federal construction repayment obligations, as applicable, have been fulfilled.

(B) INCLUSIONS.—The term ''reclamation facility'' includes any land that is appurtenant to, and any administrative buildings associated with, a reclamation facility.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Commissioner of Reclamation.

(5) STAKEHOLDER.—The term ''stakeholder'' means—

(A) a project beneficiary; and

(B) any person that—

(i) receives an indirect benefit from a reclamation facility; or

(ii) may be particularly affected by any transfer of title to a reclamation facility.

SEC. 3. TITLE TRANSFER.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish criteria for the transfer of title to reclamation facilities from the United States to project beneficiaries or an entity approved by project beneficiaries.

(b) INCLUSIONS.—The criteria established under subsection (a) shall include—

(1) criteria requiring that—

(A) project beneficiaries (or an entity approved by the project beneficiaries) be willing to have title to a reclamation facility transferred to the project beneficiaries;

(B) if the project beneficiaries have not yet assumed operations, maintenance, and rehabilitation of the applicable reclamation facility, the project beneficiaries be capable of assuming operations, maintenance, and rehabilitation of the reclamation facility;

(C) if there are multiple project beneficiaries, there is an agreement among multiple project beneficiaries relating to the transfer of title to a reclamation facility; and

(D) project beneficiaries be willing to assume any liability associated with the reclamation facility for which title is proposed to be transferred;

(2) criteria requiring an assessment by the Secretary of—

(A) any effects that the transfer of title would have on the ability of the Federal Government to carry out the trust responsibility of the Federal Government with respect to any Indian tribe;

(B) the cost savings to the United States if title to a reclamation facility is transferred;

(C) the interest of the project beneficiaries in owning the reclamation facility;

(D) any environmental considerations associated with the transfer of title to a reclamation facility;

(E) whether stakeholders will be adversely impacted by the transfer;

(F) the ability of project beneficiaries to meet financial obligations associated with a reclamation facility, including—

(i) transactional costs; and

(ii) costs associated with meeting the compliance requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(G) any legal considerations associated with the transfer of title to a reclamation facility, including any Federal, State, tribal, and local laws, international treaties, and interstate compacts that apply to the transfer of title of a reclamation facility to project beneficiaries; and

(H) the willingness and ability of project beneficiaries to fulfill any legal obligations associated with receiving title to a reclamation facility, including compliance with any Federal, State, tribal, and local laws, international treaties, and interstate compacts that apply to the transfer of title of a reclamation facility to project beneficiaries;

(3) procedures for—

(A) soliciting stakeholder involvement in the transfer of title to a reclamation facility; and

(B) involving appropriate Federal, State, and local entities in evaluating and carrying out the transfer of title to a reclamation facility;

(4) the requirement that the Secretary prepare a comprehensive list of any items that need to be accomplished before the transfer of title to a reclamation facility;

(5) procedures to allow the Secretary to address real property and cultural and historic preservation issues in a more efficient manner; and

(6) any other criteria that the Secretary determines to be appropriate.

(c) USE OF EXISTING CRITERIA.—For purposes of establishing the criteria under subsection (a), the Secretary shall, to the maximum extent practicable and consistent with this Act, incorporate any applicable criteria that are in existence on the date of enactment of this Act, including the criteria for the transfer of title to uncomplicated projects described in the Bureau of Reclamation document entitled ''Framework for the Transfer of Title: Bureau of Reclamation Projects'' and dated August 7, 1995.

SEC. 4. REPORT.

Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a report that includes any recommendations of the Secretary with respect to which reclamation facilities may be appropriate for transfer in accordance with the criteria established under section 3(a).

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act $2,000,000 for the period of fiscal years 2007 through 2010.

SEC. 6. TERMINATION OF AUTHORITY.

The authority of the Secretary to carry out this Act terminates on the date that is 5 years after the date of enactment of this Act.

By Mr. KERRY:

S. 3833. A bill to authorize support for the Armed Forces Support Foundation in assisting members of the National Guard and Reserve and former members of the Armed Forces in securing employment in the private sector, and for other purposes; to the Committee on Armed Services.

Mr. KERRY. Mr. President, today I am introducing the Armed Forces Employment Support Act, AFESA, which will help members of our Armed Forces transition to employment after their military service. My legislation will help the Armed Forces Support Foundation, AFSF, a nonprofit organization that helps military veterans and members of the National Guard and Reserve find jobs in the private sector, create new programs that help veterans obtain jobs after their service to the Nation.

This legislation is necessary to address disproportionate unemployment rates for young veterans, the cost to the Government to provide unemployment insurance, and skilled labor shortages in key industries. For instance, the unemployment rate for veterans aged 22 to 26 is three times the national average. The Government has spent $87 million on unemployment benefits for recently discharged veterans and lost an estimated $50 million in tax revenue. Further, a study sponsored by the Federal Mediation and Conciliation concluded the biggest problem facing the transportation industry is the shortage of skilled labor.

The transportation industry will benefit from this legislation given that many veterans have experience in transportation from their military service.

Specifically, AFESA authorizes $10 million annually through fiscal year 2011 for the National Guard to make grants to AFSF to help it pursue agreements to hire veterans with businesses in industries ranging from transportation to domestic security.

AFSF is modeled on a successful veterans employment transition program, Helmets to Hardhats, which has helped more than 150,000 veterans find jobs in the construction industry and has referred 40,000 veterans into apprenticeship programs. Helmets to Hardhats evaluates each veteran it works with to identify that veteran's experiences. It then takes that information and targets various business within the construction industry that has positions that require similar skills. The agreements it enters into guarantee a long-term partnership that benefit both parties. Helmets to Hardhats has also entered into an agreement with the National Guard to assist with recruiting efforts. In 2005, it helped recruit 396 men and women into the National Guard, which is estimated to have saved the military $3.7 million in recruiting costs.

The success of Helmets to Hardhats has been noted in the media, by the National Guard, the Department of Labor, 17 State Governors, senators, congressmen, and others as an innovative organization that has shown results and truly benefitted the veteran community and the construction industry. AFSF will build upon the success of Helmets to Hardhats by facilitating employment in multiple industries with positions that are applicable to skills veterans acquired in the military.

I can think of few causes more important that helping those who have risked their lives defending our country find good jobs and realize the American dream. Unfortunately, many veterans of the war in Iraq and other theaters are finding it difficult to find a job when they return from service. For instance, at 15.6 percent, the unemployment rate for 20- to 24-year-old veterans is nearly twice that of nonveterans. This is an unacceptable fact that this legislation will help ameliorate. Indeed, I am confident that the success of Helmets to Hardhats in the construction industry will be replicated many times over by AFSF.

Mr. President, this legislation is based on the premise that no one who has served our country in uniform should be left behind when they return to civilian life. AFSF's mission is a worthwhile and important cause that deserves the Government's support. I know that it will help our veterans, and I hope my colleagues will support it.

By Mr. SESSIONS (for himself and Mrs. FEINSTEIN).

S. 3834. A bill to amend the Controlled Substances Act to address online pharmacies; to the Committee on the Judiciary.

Mr. SESSIONS. Mr. President, after working together with Senator FEINSTEIN, I am pleased to introduce the Online Pharmacy Consumer Protection Act of 2006. I have worked to take the lead in protecting consumers specifically as it relates to the sale and distribution of controlled substances and prescription drugs over the Internet and holding liable those who do so via unregistered online pharmacies. I commend Senator FEINSTEIN for her leadership on this issue and look forward to working with her to pass this important piece of legislation.

This bill would prohibit the distribution of controlled substances and prescription drugs by means of the Internet without a valid prescription and provides for the legitimate online distribution of those drugs in certain circumstances. Two weeks ago, Attorney General Gonzalez testified that sale and distribution of ''controlled pharmaceuticals on the Internet is of great concern,'' since it ''gives drug abusers the ability to circumvent the law, as well as sound medical practice.'' This bill would go a long way in addressing the concerns expressed by Attorney General Gonzalez by reigning in a practice that has gone unregulated for far too long.

Recently, there has been an explosion in the number of online pharmacies that provide prescription drugs—both controlled and noncontrolled substances—to users without valid prescriptions. Most illegal drug abuse involving prescription drugs is associated with Internet purchases, where users are given a prescription without ever seeing a doctor. The most prominent abuse occurs with regard to controlled substances such as hydrocodone, Valium, Xanax, OxyContin, and Vicodin. A 2002 study reported that nearly 15 million adults admitted to abusing prescription drugs, with 2.4 million new abusers in 2001 alone. Currently, there is no way to police this illegal activity.

The ease with which consumers may purchase controlled substances and other prescription drugs from online pharmacies without a prescription is shocking. Often consumers can obtain a prescription from physicians employed by the online pharmacy by simply filling out a brief questionnaire on the pharmacy's Web site. Most online pharmacies have no way to verify that the consumer ordering the prescription is actually who they claim to be or that the medical condition the consumer describes actually exists. Thus, drug addicts and minor children can easily order controlled substances and prescription drugs over the Internet simply by providing false identities or describing nonexistent medical conditions.

In 2001, Ryan Haight, a California high school honors student and athlete, died from an overdose of the painkiller hydrocodone that he purchased from an online pharmacy. The doctor prescribing hydrocodone had never met or personally examined Ryan. Ryan simply filled out the pharmacy's online questionnaire and described himself as a 25-year-old male suffering from chronic back pain. Ryan's death could have been avoided.

I believe that Congress is in the best position to help prevent teenagers from purchasing controlled substances and prescription drugs from online rouge pharmacies. I also believe that Congress has the ability to help prevent adult prescription drug abuse by making it harder to purchase these drugs online without a valid prescription.

The Online Pharmacy Consumer Protection Act would provide criminal penalties for those who knowingly or intentionally—unlawfully—dispense controlled substances and prescription drugs over the Internet; give State attorneys general a civil cause of action against anyone who violates the act if they have reason to believe that the violation affects the interests of their State's residents; and allow the Federal Government to take possession of any tangible or intangible property used illegally by online pharmacies.

The Online Pharmacy Consumer Protection Act would also require online pharmacies to file an additional registration statement with the Attorney General and meet additional registration requirements promulgated by him/her; report to the Attorney General any controlled substances or prescription drugs dispensed over the Internet, and comply with licensing and disclosure requirements.

The Online Pharmacy Consumer Protection Act of 2006 takes a substantial step toward plugging a loophole in our drug laws by regulating the practice of distributing controlled substances and prescription drugs via the Internet. By holding unregistered online pharmacies accountable for their activity, we are ensuring that those who seek to purchase prescription drugs by using the Internet are protected from those engaged in reprehensible business practices.

Mr. President, once again I thank Senator FEINSTEIN for her leadership in addressing this serious issue. I commend this bill to my colleagues for study, and I urge them to support this important legislation.

Mrs. FEINSTEIN. Mr. President, I am pleased to join with Senator SESSIONS to introduce the Online Pharmacy Consumer Protection Act. Our legislation protects the safety of consumers who wish to purchase prescription drugs over the Internet, while holding accountable those who operate unregistered pharmacies.

Just a few weeks ago, Attorney General Alberto Gonzales appeared before the Senate Judiciary Committee for a DOJ Oversight hearing. In discussing the Department's priorities, he singled out how ''the purchase of ... controlled pharmaceuticals on the Internet is of

great concern.'' He noted how the Internet's wide accessibility and anonymity ''give drug abusers the ability to circumvent the law, as well as sound medical practice, a[s] they dispense potentially dangerous controlled pharmaceuticals.'' With ''no identifying... information on these Web sites, it is very difficult for law enforcement to track any of the individuals behind them.''

I believe this bill will address many of these problems that the Attorney General has identified.

To understand how many of these Internet pharmacy Web sites exist, just visit any Internet search engine. Type in the name of any controlled substance or prescription drug. Several Web sites will appear, offering to sell you these drugs without a prescription and without a medical examination. Some of these Web sites simply ask patients to send copies of medical records, with no verification of their validity.

Patients use these pharmacies to obtain addictive drugs, like Vicodin and Oxycontin. They can receive prescription medications like Viagra without a doctor performing a physical exam to ensure that an underlying health condition will not cause a dangerous side effect.

At the same time, receiving medications from a legitimate, licensed Internet pharmacy is one of the new conveniences ushered in by the Internet age. This bill preserves the ability of well-run pharmacies and well-intentioned patients to access prescription drugs and controlled substances by means of the Internet.

This legislation imposes basic, commonsense requirements on an industry that presents both promise and peril.

First, this bill establishes disclosure standards for Internet pharmacies.

Second, this bill prohibits an Internet pharmacy from dispensing or selling a prescription drug or controlled substance without an in-person examination by a physician.

Third, it allows a State attorney general to bring a civil action in Federal district court to enjoin a pharmacy operating in violation of the law and to enforce compliance with the provisions of this law.

The disclosure requirements contained in this bill will allow patients to differentiate between shady offshore pharmacies, and legitimate licensed ones. Under this legislation, pharmacies must clearly disclose the name and address of the pharmacy, contact information for the pharmacist-in-charge, and a list of States in which the pharmacy is licensed to operate. They must also clearly post a statement that they comply with the requirements in this legislation.

The bill states pharmacies can dispense to patients only if they have a valid prescription from a practitioner who has performed an in-person examination. This requirement will ensure that doctors can verify the health status of a patient and ensure that the drug he or she will receive from the pharmacy is medically appropriate.

This legislation recognizes that in the case of an emergency, a patient may not always be able to see his or her typical physician. For that reason, it allows a doctor to designate a covering practitioner to write a valid prescription if he or she is not available.

Finally, this bill contains real penalties to hold accountable those who continue to operate pharmacies in violation of these requirements.

First, for Internet sales of prescription drugs and controlled substances, the bill makes clear that such activities are subject to the current Federal laws against illegal distributions and the same penalties applicable to hand-to-hand sales.

Second, the bill increases the penalties for illegal distributions of controlled substances categorized by the DEA as schedule III, IV and V substances, with new penalties if death or serious bodily injury results and longer periods of supervised release available after convictions.

The bill also allows a State's attorney general to file a Federal motion to stop these pharmacies from operating illegally, no matter where the entity is headquartered. Previously, this type of enforcement would require a filing in every State.

I urge my colleagues to join me in supporting this legislation.

By Mr. CORNYN (for himself, Mr. CHAMBLISS, Mr. ALLEN, Mr. KYL, Mr. SESSIONS, Mr. GRAHAM, Mr. INHOFE, and Mr. SANTORUM):

S. 3835. A bill to provide adequate penalties for crimes committed against United States judges and Federal law enforcement officers, to provide appropriate security for judges and law enforcement officers, and for other purposes; to the Committee on the Judiciary.

Mr. CORNYN. Mr. President, I rise today to speak in favor of the Court and Law Enforcement Protection Act of 2006. This bill is designed to address the critical issue of judicial and law enforcement security.

Police officers place their lives on the line every time they put on their uniforms and report for duty. Likewise, the dedicated men and women who work in America's courthouses—from the judges to the court reporters—preside each day over difficult, contentious and at times very emotional legal disputes. And these public servants, like our police, are placed in hams way by the nature of their jobs. These individuals fulfill essential roles that keep our democracy running smoothly, and I have the greatest respect for them.

Unfortunately, violence directed at public servants is on the rise. From escalating violence against police officers to courthouse attacks—including in my home State of Texas—these despicable actions threaten the administration of justice. This Congress has the power—and now must exercise it—to ensure that certain and swift punishment awaits those who engage in these unconscionable acts of violence.

The administration of justice—indeed, the health of American democracy—depends on our ability to attract dedicated public servants, including police officers and judges. And so we must do all that we can to provide adequate security to these dedicated men and women who are too often targeted for violence or harassment simply because of the position they hold.

As a former State attorney general, I had the responsibility of defending sentences on appeal of certain defendants who had been found guilty of violence. So I am acutely aware of the devastating effects criminal acts of violeave have on the victims and their families. And because I also used to be a judge I am fortunate to have a number of close, personal friends who serve in law enforcement and on the bench. I personally know judges and their families who have been victims of violence, and I have grieved with those families. I am outraged that these cowardly and despicable acts continue to occur.

Police officers in this Nation are sworn to protect and to serve their fellow citizens. They selflessly respond to dangerous situations and often must diffuse highly emotional circumstances. And judges, for their part, are impartial umpires of the law. We know that they cannot help but disappoint people in their line of work because, in litigation, there is normally a winning side and a losing one. But judges, witnesses, courthouse personnel and law enforcement must not face threats and violence for doing nothing more than simply carrying out their duties.

The protection of the men and women who compose our judicial system and serve the public in law enforcement are essential to the proper administration of justice in our country. This bill takes steps toward providing additional protections to these dedicated public servants.

First, it increases the punishments, including providing mandatory minimums, against those who retaliate against judges, police officers, or their family members, on account of the performance of their duties. A high-ranking law enforcement official recently told me that detention equals deterrence. What he meant was that those who know that they will face significant incarceration think twice about committing criminal acts. I agree with him, and we should carry out that idea in this legislation.

Importantly, this bill curbs frivolous lawsuits against police officers and streamlines the appellate process for those murderers who receive the death penalty for murdering a judge or a police officer.

It is good policy to place reasonable limits on lawsuits involving police officers by limiting claims to actual damages—unless the defendant purposefully inflicted serious bodily injury on

the plaintiff, in which case the plaintiff may seek an additional $250,000 in damages. And returning the attorney's fees provisions in these cases to the traditional attorney's fees responsibility by requiring each party to bear this burden is likewise good policy.

Placing time constraints on habeas corpus petitions, including the time to file the petitions, the time to hold an evidentiary hearing on the petition, and the time to rule on a petition when the murder of a police officer is involved, is also good policy. This will eliminate extensive and unnecessary delays for the families of victims that occur when those who have victimized their loved ones find ways to delay the imposition of justice.

Finally, this bill makes technical fixes to the law enforcement concealed carry legislation passed in the 108th Congress. Some technical barriers prevent retired officers from carrying a firearm to defend themselves and their loved ones. These technical corrections will facilitate the full implementation of that provision as Congress originally intended.

Mr. President, the Court and Law Enforcement Protection Act of 2006 is an important piece of legislation. It targets those people who would stand in the way of the proper, fair, and efficient administration of justice. The men and women of law enforcement and the judiciary work hard to carry out the duties entrusted to them by their State and the Federal Constitution, and they deserve our support. This bill is a significant step In providing them that much needed support. I look forward to working with my colleagues on this issue and encourage their support of this bill.

Mr. AKAKA (for himself, Mr. INOUYE, Mr. BYRD, Mr. STEVENS, Mr. JEFFORDS, Ms. MURKOWSKI, Mr. KERRY, Mr. COCHRAN, Mr. LIEBERMAN, Mr. DODD, Mr. ROCKEFELLER, Mr. KENNEDY, Mr. LOTT, Mr. BIDEN, Mrs. CLINTON, Mr. REID, Mr. DORGAN, Mr. REED, Mrs. FEINSTEIN, Mr. CONRAD, Mrs. DOLE, Mr. DOMENICI, and Mr. ROBERTS):

S. 3837. A bill to authorize the establishment of the Henry Kuualoha Giugni Kupuna Memorial Archives at the University of Hawaii; to the Committee on Health, Education, Labor, and Pensions.

Mr. AKAKA. Mr. President, I rise with my dear friend, the Senior Senator from Hawaii, DAN INOUYE, and several of our colleagues from both sides of the aisle, to introduce a bill to pay tribute to one of this body's most loyal servants. The Henry Kuualoha Giugni Kupuna Memorial Archives bill honors Henry K. Giugni, our former Sergeant-at-Arms of the U.S. Senate, through the establishment of a Native Hawaiian cultural and historical digital archives. These archives will enable the sharing and perpetuation of the unique culture, collective memory, and history of the people Henry K. Giugni so dearly loved.

As many of my colleagues are aware, Henry K. Giugni was a man full of life and loyalty who served our country with distinction. He enlisted in the U.S. Army at the age of 16 after the attack on Pearl Harbor. During World War II he served in combat at the battle of Guadalcanal. Following World War II, he continued to serve the State of Hawaii and our nation by working as a police officer and firefighter. After nearly a decade of service with Senator INOUYE in the Hawaii territorial legislature, he came to Washington, DC, as the senior senator's Senior Executive Assistant and then Chief of Staff for more than 20 years. Mr. Giugni was appointed Sergeant-at-Arms of the United States Senate in 1987.

Henry K. Giugni also sought to tear down barriers in society. In 1965 it was Mr. Giugni who represented Senator INOUYE's office, thus the people of Hawaii, in the famous 1965 Selma to Montgomery civil rights march led by Dr. Martin Luther King, Jr. As Senator INOUYE's Chief of Staff, Mr. Giugni served as a vital link between the Senator's office and minority groups. In 1987 he was the first person of color and the first Native Hawaiian to be appointed Sergeant-at-Arms of the United States Senate. In this influential position, he sought out capable minorities and women for promotion to ensure that our workforce reflects America. He appointed the first minority, an African American, to lead the Service Department, and was the first to assign women to the Capitol Police plainclothes unit. Being particularly concerned about people with disabilities, Henry K. Giugni enacted a major expansion of the Special Services Office, which now conducts tours of the U.S. Capitol for the blind, deaf, and wheelchair-bound, and publishes Senate maps and documents in Braille.

In his capacity as Sergeant-at-Arms, Mr. Giugni was the chief law enforcement officer of the U.S. Senate and an able manager of a majority of the Senate's support services. He oversaw a budget of nearly $120 million and approximately 2,000 employees. As Sergeant-at-Arms, Mr. Giugni had the opportunity to preside over the inauguration of President George H.W. Bush as well as escort numerous dignitaries, including Nelson Mandela, Margaret Thatcher, and Vaclav Havel when they visited the U.S. Capitol.

Establishing the Henry Kuualoha Giugni Memorial Archives would be a poignant and appropriate way to honor our loyal friend, colleague, and fellow American. Please allow me to explain. In Henry's passing there is a fitting analogy that can be made for the need of establishing these archives. Henry lived a life full of rich experiences and along the way he accumulated a wealth of wisdom. His memory and spirit live on but it is essential to perpetuate his wisdom and experiences so that what he learned and accomplished will not be lost to future generations. This is the primary impetus behind creating these archives. For various reasons there is a dearth of physical archives, museums, or libraries that are devoted to preserving and perpetuating the history, culture, achievements and collective narratives of indigenous peoples, including Native Hawaiians. As one generation passes, a wealth of traditional knowledge may be lost forever. Establishing these archives to perpetuate the traditional knowledge of indigenous peoples such as Henry will ensure that future generations of people have access to that knowledge and, in some sense, are able to learn from the original sources themselves.

The development of the Internet in managing knowledge in electronic format has enabled the most pervasive storing and sharing of information the world has ever seen. An electronic, digital archives would facilitate the sharing, preservation and perpetuation of the unique Native Hawaiian culture, language, tradition and history. These archives will be a source of enduring knowledge, accessible to all, and will contribute to the cultural, social and economic advancement of Native Hawaiians and the State of Hawaii. It will help to ensure that the children of today and tomorrow will not be deprived of the rich culture, history and collective knowledge of Native Hawaiians. These archives will help to guarantee that the experiences, wisdom and knowledge of kupuna, or grandfathers and grandmothers such as Henry K. Giugni, will not be lost to future generations.

The first section of the Henry Kuualoha Giugni Memorial Archives bill authorizes a grant awarded to the University of Hawaii's Academy for Creative Media for the establishment, maintenance and update of the archives which are to be located at the University of Hawaii. These funds shall be used to enable a statewide archival effort which will include the acquisition of a secure, web-accessible repository that will house significant Native Hawaiian historical and cultural information. This information may include oral histories, collective narratives, photographs, video files, journals, creative works and even documentation of practices and customs such as hula and music. The funds will enable this important effort by assisting in the purchasing of equipment, hiring of personnel, creating space for the collection and transfer of media, housing the archives, and creating this in-depth database.

The second section of this bill authorizes the use of these grant funds for several different educational activities, many of which are intended to magnify the effect and resourcefulness of these archives and benefit the student populations who will likely access the archives the most. This includes the development of educational materials from the content of the archives that can be used in educating indigenous students such as Native Hawaiians, Alaska Natives, and Native American Indians. These materials are

meant to enhance the education of all students, even students from non-native backgrounds. This also includes developing outreach initiatives to introduce the archives to elementary and secondary schools as well as enabling schools to access the archives through obtaining computer equipment.

Grant funds can also be used to enable access to a college education to students who otherwise cannot independently afford such an education through scholarship awards. Additionally, funds can be used to address the problem of cultural incongruence in teaching, an issue that impedes effective learning in our Nation's classrooms. Such a lack of congruence exists in a wide range of situations, from rural and underserved communities in remote areas to well-populated urban centers, from my state of Hawaii to areas on the Eastern seaboard. The dynamic I am describing exists along lines of race and ethnicity, socioeconomic strata, age, and many other vectors, which can muddy the effective transmission of knowledge. Many of us, especially those from rural, indigenous, or ethnic minority backgrounds including Henry Giugni, have experienced this problem as we have worked our way through the education system. This bill also seeks to improve student achievement by addressing cultural incongruence between teachers and the student population by providing professional development training to teachers to enable them to teach in a culturally congruent way.

Finally, as financial illiteracy is a growing problem especially among college age youth who are exposed to a variety of financial products, funds can be used to increase the economic and financial literacy of college students through the propagation of proven best practices that have resulted in positive behavioral change in regards to improved debt and credit management and economic decision making. Such activities can help to ensure that students stay in school, graduate in a better financial position, and remain disciplined in effectively managing their finances throughout their working and retirement years.

Henry K. Giugni served amongst us with distinction and honor. I am very grateful to have known him. I encourage all of my colleagues to perpetuate his memory by supporting the Henry Kuualoha Giugni Memorial Archives bill. These archives are the most fitting way we can honor and remember our friend and dear public servant, Henry Kuualoha Giugni.

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

Mr. INOUYE. Mr. President, I rise in support of the Henry Kuualoha Giugni Kupuna Memorial Archives Bill.

Henry Giugni was my dear friend. He was an important part of my life for nearly half a century. He tirelessly and proudly served the people of Hawaii as my chief of staff. After leaving my office, he eagerly and enthusiastically dedicated himself to serving the Senate and the citizens of the United States as the Senate's 30th Sergeant-at-Arms.

In the days following his passing on November 3, 2005, I was deeply touched by the hundreds of people who reached out to me, and shared, through conversations and letters, their memories of Henry. The stories were poignant. They were filled with love and affection for a bear of a man who—while he could be gruff and outrageous at times—could never camouflage his gentle soul and his willingness to help others, especially those who were less fortunate or who were just beginning their careers. The shared memories of Henry revealed that he enriched lives, served as an inspiration, and gave hope.

Similarly, this bill, which bears Henry's name, will not only honor him, but more importantly will serve the people of Hawaii, especially the descendants of the islands' first settlers. It will also help Hawaii's unique native traditions and culture to flourish. By establishing a digital memorial archive at the University of Hawaii's Academy for Creative Media, this bill will enrich the lives of the people of Hawaii and those who live beyond Hawaii's shores. The digital archive will be a 21st-century way of inspiring and giving hope by preserving the invaluable lessons and insights from the collective memory and history of Native Hawaiians.

During the years that Henry was a young boy attending school, the history of Native Hawaiians and Hawaii was rarely—if ever—taught in Hawaii. It was only relatively recently that Hawaiian history became an essential part of the curriculum of Hawaii's schools. Henry was proud that he was part-Hawaiian, and he was proud that someone like him, from humble beginnings, could find success in Washington, in an environment vastly different from his roots in Hawaii. While he became an acquaintance of presidents and kings, his heart was always with the native people of Hawaii, who are still struggling for their moment in the sun.

In addition to creating a digital archive and preserving the traditions and culture of Native Hawaiians, this legislation will support initiatives to develop Web-based media projects from the archive to create educational materials that can be used to enhance the education of indigenous students. It also can serve to inspire higher educational achievement by indigenous students by sharing with them the stories and histories of accomplished individuals with indigenous backgrounds, such as Henry.

So although Henry is no longer with us, his mentoring and sharing spirit will live on through the digital archive created by this bill. Through the archive, Henry will always be the embodiment of the kupuna—the respected elder who has much wisdom and insight to share.

My colleagues, please join me in supporting the Henry Kuualoha Giugni Kupuna Memorial Archives Bill.

By Mr. HATCH (for himself and Mrs. LINCOLN):

S. 3838. A bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes; to the Committee on Finance.

Mr. HATCH. Mr. President, on behalf of myself and my friend and colleague, Senator LINCOLN, I rise today to introduce the S Corporation Reform Act of 2006.

The bill we are introducing today is a continuation of a bipartisan effort that began in the Senate over a decade ago when former Senators Pryor and Danforth, me and six other Senators, introduced the S Corporation Reform Act of 1993. We recognized then, as we do today, that S corporations are a vital and growing part of our economy and that our tax law should reflect the importance of these entities and provide tax rules that allow S corporations to grow and compete with a minimum of complexity and a maximum of flexibility.

According to the latest figures available from the Small Business Administration, there were approximately 3.1 million S corporations in the United States in 2002 with a total of $3.9 trillion in revenue. There were about a half million S corporations in 1980, so the growth of these entities has been striking. Surprisingly, the growth of S corporations has continued even after the advent of the Limited Liability Company, LLC, which offers many of the same benefits, but more flexibility, as S corporations. In fact, S corporations now outnumber both C corporations and partnerships. These are predominantly small businesses in the retail and service sectors. In my home State of Utah, over half the corporations have elected subchapter S treatment.

Subchapter S of the Internal Revenue Code was enacted in 1958 to help remove tax considerations from small business owners' decisions to incorporate. This elective tax treatment has been helpful to millions of small businesses over the years, particularly to those just starting out. Subchapter S provides entrepreneurs the advantage of corporate protection from liability along with the single level of tax enjoyed by partnerships and limited liability companies.

However, Subchapter S in its current state contains a variety of limitations, restrictions, and pitfalls for the unwary. Even though some very important improvements have been made over the years, including many first introduced in the 1993 S Corporation Reform Act I mentioned earlier, more needs to be done to bring the tax treatment of these important businesses into the 21st century. The two biggest constraints that small businesses face are difficulties in getting access to capital and the tax burden. The bill we are

introducing today addresses both of these vital issues.

Small businesses create two-thirds of all new jobs in the economy and account for roughly half of the overall employment in the country. Throughout the 1990s small businesses accounted for sixty to eighty percent of all new jobs. They are especially important in industries where technological innovation is important. According to the Congressional Research Service, small firms account for nearly forty percent of all scientists, engineers, and computer specialists working in the private sector.

During the most recent downturn of 2001–2002, when the state of Utah lost jobs, small businesses actually created jobs and helped soften the blow for many Utahns. Today, as our economy is booming, small businesses continue to generate the bulk of new jobs.

In rural America, the role of small enterprises is even more important. Small businesses account for 90 percent of all rural establishments. In 1998, small companies employed 60 percent of rural workers and provided half of rural payrolls.

Perhaps the biggest challenge facing many American businesses, but especially smaller ones, is attracting adequate capital. Unfortunately, subchapter S is currently a hindrance, rather than a help, for many corporations facing this challenge. For example, current law allows for only one class of stock for S corporations. Further, S corporations are not currently allowed to issue convertible debt, nor are they allowed to have a nonresident alien as a shareholder.

Several of the provisions of the S Corporation Reform Act of 2006 are designed to alleviate these restrictions on S corporations and help them attract capital. With these changes, S corporations will be more competitive with other small enterprises doing business as partnerships or limited liability companies that do not face such barriers.

Even though electing subchapter S currently offers significant tax relief to a small corporation by eliminating the corporate level of taxation, S corporations still face some significant tax burdens and a myriad of potential pitfalls and tax traps for the unwary. Some of these impediments exist in the requirements of elective S corporation status, and others are in the rules governing the day-to-day operations of the entities. In either case, these provisions can stifle growth and impede job creation.

Most of the provisions in our bill aim to eliminate these barriers and make it easier for companies to elect subchapter S and to operate in this status once the election is made.

The Small Business Job Protection Act of 1996 made many important changes to subchapter S. One of the most significant was to allow, for the first time, small banks to elect to be S corporations. This opened the door for many small community banks to become more competitive with other financial institutions operating in towns and neighborhoods throughout the country. The availability of Subchapter S has been a positive development in increasing the profitability and competitiveness of many community banks. Some 2,300 banks have chosen to be S corporations, representing 25 percent of all banks. However, some of the operating rules under subchapter S remain unduly inflexible, complex, and harsh on banks.

The bill we introduce today attempts to address many of these challenges by clarifying and relaxing some of the operational rules that apply to S corporations. These changes are designed to make it significantly easier for community banks to take advantage of the benefits of subchapter S. In my opinion, businesses should be allowed to focus on meeting their customers' needs and maximizing their shareholders' profits, and not preoccupied with conforming to Byzantine government rules.

While the corporate structure of an S corporation would not generally make sense for larger companies, the tax structure applied to S corporations is quite sensible and can serve as a model for other companies. Economists hail the single level of taxation of profits in the S corporation law as a much more efficient approach, and something that would be desirable for all enterprises.

The S Corporation Reform Act of 2006 enjoys the support of a broad range of associations and trade groups, many of which have worked with us in crafting the bill.

I urge my colleagues to take a close look at this bill, and to support it. Thousands of small and growing businesses in every state will benefit from the improvements included in the bill. Its enactment will lead to an increased ability of these enterprises to attract capital and create new jobs.

I ask unanimous consent that the text of the bill and section-by-section explanation of the bill be printed in the RECORD.

S. 3838

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

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

SECTION 1. SHORT TITLE; REFERENCE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''S Corporation Reform Act of 2006''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title; reference; table of contents.

TITLE I—ELIGIBLE SHAREHOLDERS OF AN S CORPORATION

Sec. 101. Nonresident aliens allowed to be shareholders.

Sec. 102. Expansion of S corporation eligible shareholders to include IRAS.

TITLE II—QUALIFICATION AND ELIGIBILITY REQUIREMENTS OF S CORPORATIONS

Sec. 201. Issuance of preferred stock permitted.

Sec. 202. Safe harbor expanded to include convertible debt.

Sec. 203. Repeal of excessive passive investment income as a termination event.

Sec. 204. Modifications to passive income rules.

Sec. 205. Adjustment to basis of s corporation stock for certain charitable contributions.

TITLE III—TREATMENT OF S CORPORATION SHAREHOLDERS

Sec. 301. Treatment of losses to shareholders.

Sec. 302. Deductibility of interest expense incurred by an electing small business trust to acquire S corporation stock.

Sec. 303. Back to back loans as indebtedness.

TITLE IV—EXPANSION OF S CORPORATION ELIGIBILITY FOR BANKS

Sec. 401. Treatment of qualifying director shares.

Sec. 402. Recapture of bad debt reserves.

TITLE V—QUALIFIED SUBCHAPTER S SUBSIDIARIES

Sec. 501. Treatment of the sale of interest in a qualified subchapter S subsidiary.

TITLE VI—ADDITIONAL PROVISIONS

Sec. 601. Elimination of all earnings and profits attributable to pre-1983 years.

Sec. 602. Repeal of LIFO recapture tax.

Sec. 603. Expansion of post-termination transition period.

Sec. 604. Reduction in tax rate on excess net passive income.

Sec. 605. Increase in cap on qualified small issue bonds.

Sec. 606. Special rules of application.

TITLE I—ELIGIBLE SHAREHOLDERS OF AN S CORPORATION

SEC. 101. NONRESIDENT ALIENS ALLOWED TO BE SHAREHOLDERS.

(a) NONRESIDENT ALIENS ALLOWED TO BE SHAREHOLDERS.—

(1) IN GENERAL.—Paragraph (1) of section 1361(b) (defining small business corporation) is amended—

(A) by adding ''and'' at the end of subparagraph (B),

(B) by striking subparagraph (C), and

(C) by redesignating subparagraph (D) as subparagraph (C).

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (4) and (5)(A) of section 1361(c) (relating to special rules for applying subsection (b)) are each amended by striking ''subsection (b)(1)(D)'' and inserting ''subsection (b)(1)(C)''.

(B) Clause (i) of section 280G(b)(5)(A) (relating to general rule for exemption for small business corporations, etc.) is amended by striking ''but without regard to paragraph (1)(C) thereof''.

(b) NONRESIDENT ALIEN SHAREHOLDER TREATED AS ENGAGED IN TRADE OR BUSINESS WITHIN UNITED STATES.—

(1) IN GENERAL.—Section 875 is amended—

(A) by striking ''and'' at the end of paragraph (1),

(B) by striking the period at the end of paragraph (2) and inserting '', and'', and

(C) by adding at the end the following new paragraph:

''(3) a nonresident alien individual shall be considered as being engaged in a trade or business within the United States if the S corporation of which such individual is a shareholder is so engaged.''.

(2) PRO RATA SHARE OF S CORPORATION INCOME.—The last sentence of section 1441(b) (relating to income items) is amended to read as follows: ''In the case of a nonresident alien individual who is a member of a domestic partnership or a shareholder of an S corporation, the items of income referred to in subsection (a) shall be treated as referring to items specified in this subsection included in his distributive share of the income of such partnership or in his pro rata share of the income of such S corporation.''.

(3) APPLICATION OF WITHHOLDING TAX ON NONRESIDENT ALIEN SHAREHOLDERS.—Section 1446 (relating to withholding tax on foreign partners' share of effectively connected income) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) S CORPORATION TREATED AS PARTNERSHIP, ETC.—For purposes of this section—

''(1) an S corporation shall be treated as a partnership,

''(2) the shareholders of such corporation shall be treated as partners of such partnership,

''(3) any reference to section 704 shall be treated as a reference to section 1366, and

''(4) no withholding tax under subsection (a) shall be required in the case of any income realized by such corporation and allocable to a shareholder which is an electing small business trust (as defined in section 1361(e)).''.

(4) CONFORMING AMENDMENTS.—

(A) The heading of section 875 is amended to read as follows:

''SEC. 875. PARTNERSHIPS; BENEFICIARIES OF ESTATES AND TRUSTS; S CORPORATIONS.''.

(B) The heading of section 1446 is amended to read as follows:

''SEC. 1446. WITHHOLDING TAX ON FOREIGN PARTNERS' AND S CORPORATION SHAREHOLDERS' SHARE OF EFFECTIVELY CONNECTED INCOME.''.

(5) CLERICAL AMENDMENTS.—

(A) The item relating to section 875 in the table of sections for subpart A of part II of subchapter N of chapter 1 is amended to read as follows:

''Sec. 875. Partnerships; beneficiaries of estates and trusts; S corporations.''.

(B) The item relating to section 1446 in the table of sections for subchapter A of chapter 3 is amended to read as follows:

''Sec. 1446 Withholding tax on foreign partners' and S corporation shareholders' share of effectively connected income.''.

(C) PERMANENT ESTABLISHMENT OF PARTNERS AND S CORPORATION SHAREHOLDERS.—Section 894 (relating to income affected by treaty) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

''(c) PERMANENT ESTABLISHMENT OF PARTNERS AND S CORPORATION SHAREHOLDERS.—If a partnership or S corporation has a permanent establishment in the United States (within the meaning of a treaty to which the United States is a party) at any time during a taxable year of such entity, a nonresident alien individual or foreign corporation which is a partner in such partnership, or a nonresident alien individual who is a shareholder in such S corporation, shall be treated as having a permanent establishment in the United States for purposes of such treaty.''.

(c) APPLICATION OF OTHER WITHHOLDING TAX RULES ON NONRESIDENT ALIEN SHAREHOLDERS.—

(1) SECTION 1441.—Section 1441 (relating to withholding of tax on nonresident aliens) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

''(g) S CORPORATION TREATED AS PARTNERSHIP, ETC.—For purposes of this section—

''(1) an S corporation shall be treated as a partnership,

''(2) the shareholders of such corporation shall be treated as partners of such partnership, and

''(3) no deduction or withholding under subsection (a) shall be required in the case of any item of income realized by such corporation and allocable to a shareholder which is an electing small business trust (as defined in section 1361(e)).''.

(2) SECTION 1445.—Section 1445(e) (relating to special rules relating to distributions, etc., by corporations, partnerships, trusts, or estates) is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

''(6) S CORPORATION TREATED AS PARTNERSHIP, ETC.—For purposes of this section—

''(A) an S corporation shall be treated as a partnership, and

''(B) the shareholders of such corporation shall be treated as partners of such partnership, and

''(C) no deduction or withholding under subsection (a) shall be required in the case of any gain realized by such corporation and allocable to a shareholder which is an electing small business trust (as defined in section 1361(e)).''.

(d) ADDITIONAL CONFORMING AMENDMENTS.—

(1) Section 1361(c)(2)(A)(i) is amended by striking ''who is a citizen or resident of the United States''.

(2) Section 1361(d)(3)(B) is amended by striking ''who is a citizen or resident of the United States''.

(3) Section 1361(e)(2) is amended by inserting ''(including a nonresident alien)'' after ''person'' the first place it appears.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 102. EXPANSION OF S CORPORATION ELIGIBLE SHAREHOLDERS TO INCLUDE IRAS.

(a) IN GENERAL.—Clause (vi) of section 1361(c)(2)(A) (relating to certain trusts permitted as shareholders) is amended to read as follows:

''(vi) A trust which constitutes an individual retirement account under section 408(a), including one designated as a Roth IRA under section 408A.''.

(b) SALE OF STOCK IN IRA RELATING TO S CORPORATION ELECTION EXEMPT FROM PROHIBITED TRANSACTION RULES.—Paragraph (16) of section 4975(d) (relating to exemptions) is amended to read as follows:

''(16) a sale of stock held by a trust which constitutes an individual retirement account under section 408(a) to the individual for whose benefit such account is established if

''(A) such sale is pursuant to an election under section 1362(a) by the issuer of such stock,

''(B) such sale is for fair market value at the time of sale (as established by an independent appraiser) and the terms of the sale are otherwise at least as favorable to such trust as the terms that would apply on a sale to an unrelated party,

''(C) such trust does not pay any commissions, costs, or other expenses in connection with the sale, and

''(D) the stock is sold in a single transaction for cash not later than 120 days after the S corporation election is made.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

TITLE II—QUALIFICATION AND ELIGIBILITY REQUIREMENTS OF S CORPORATIONS

SEC. 201. ISSUANCE OF PREFERRED STOCK PERMITTED.

(a) IN GENERAL.—Section 1361 (defining S corporation) is amended by adding at the end the following new subsection:

''(f) TREATMENT OF QUALIFIED PREFERRED STOCK.—

''(1) IN GENERAL.—For purposes of this subchapter—

''(A) qualified preferred stock shall not be treated as a second class of stock, and

''(B) no person shall be treated as a shareholder of the corporation by reason of holding qualified preferred stock.

''(2) QUALIFIED PREFERRED STOCK DEFINED.—For purposes of this subsection, the term 'qualified preferred stock' means stock which meets the requirements of subparagraphs (A), (B), and (C) of section 1504(a)(4). Stock shall not fail to be treated as qualified preferred stock merely because it is convertible into other stock.

''(3) DISTRIBUTIONS.—A distribution (not in part or full payment in exchange for stock) made by the corporation with respect to qualified preferred stock shall be includible as ordinary income of the holder and deductible to the corporation as an expense in computing taxable income under section 1363(b) in the year such distribution is received.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 1361(b) is amended by inserting '', except as provided in subsection (f),'' before ''which does not''.

(2) Subsection (a) of section 1366 is amended by adding at the end the following new paragraph:

''(3) ALLOCATION WITH RESPECT TO QUALIFIED PREFERRED STOCK.—The holders of qualified preferred stock (as defined in section 1361(f)) shall not, with respect to such stock, be allocated any of the items described in paragraph (1).''.

(3) So much of clause (ii) of section 354(a)(2)(C) as precedes subclause (II) is amended to read as follows:

''(ii) RECAPITALIZATION OF FAMILY-OWNED CORPORATIONS AND S CORPORATIONS.—

''(I) IN GENERAL.—Clause (i) shall not apply in the case of a recapitalization under section 368(a)(I)(E) of a family-owned corporation or S corporation.''.

(4) Subsection (a) of section 1373 is amended by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting '', and'', and by adding at the end the following new paragraph:

''(3) no amount of an expense deductible under this subchapter by reason of section 1361(f)(3) shall be apportioned or allocated to such income.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 202. SAFE HARBOR EXPANDED TO INCLUDE CONVERTIBLE DEBT.

(a) IN GENERAL.—Subparagraph (B) of section 1361(c)(5) (defining straight debt) is amended by striking clauses (ii) and (iii) and inserting the following new clauses:

''(ii) in any case in which the terms of such promise include a provision under which the obligation to pay may be converted (directly or indirectly) into stock of the corporation, such terms, taken as a whole, are substantially the same as the terms which could have been obtained on the effective date of the promise from a person which is not a related person (within the meaning of section

465(b)(3)(C)) to the S corporation or its shareholders, and

''(iii) the creditor is—

''(I) an individual,

''(II) an estate,

''(III) a trust described in paragraph (2),

''(IV) an exempt organization described in paragraph (6), or

''(V) a person which is actively and regularly engaged in the business of lending money.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 203. REPEAL OF EXCESSIVE PASSIVE INVESTMENT INCOME AS A TERMINATION EVENT.

(a) IN GENERAL.—Section 1362(d) (relating to termination) is amended by striking paragraph (3).

(b) CONFORMING AMENDMENTS.—

(1) Section 1362(f)(1) is amended by striking ''or (3)''.

(2) Clause (i) of section 1042(c)(4)(A) is amended by striking ''section 1362(d)(3)(C)'' and inserting ''section 1375(b)(3)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 204. MODIFICATIONS TO PASSIVE INCOME RULES.

(a) INCREASED LIMIT.—

(1) IN GENERAL.—Subsection (a)(2) of section 1375 (relating to tax imposed when passive investment income of corporation having accumulated earnings and profits exceeds 25 percent of gross receipts) is amended by striking ''25 percent'' and inserting ''60 percent''.

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (J) of section 26(b)(2) is amended by striking ''25 percent'' and inserting ''60 percent''.

(B) Clause (i) of section 1375(b)(1)(A) is amended by striking ''25 percent'' and inserting ''60 percent''.

(C) The heading for section 1375 is amended by striking ''**25 PERCENT**'' and inserting ''**60 PERCENT**''.

(D) The table of sections for part III of subchapter S of chapter 1 is amended by striking ''25 percent'' in the item relating to section 1375 and inserting ''60 percent''.

(b) REPEAL OF PASSIVE INCOME CAPITAL GAIN CATEGORY.—

(1) IN GENERAL.—Subsection (b) of section 1375 (relating to tax imposed when passive investment income of corporation having accumulated earnings and profits exceeds 60 percent of gross receipts), as amended by subsection (a), is amended by striking paragraphs (3) and (4) and inserting the following new paragraph:

''(3) PASSIVE INVESTMENT INCOME DEFINED.—

''(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term 'passive investment income' means gross receipts derived from royalties, rents, dividends, interest, and annuities.

''(B) EXCEPTION FOR INTEREST ON NOTES FROM SALES OF INVENTORY.—The term 'passive investment income' shall not include interest on any obligation acquired in the ordinary course of the corporation's trade or business from its sale of property described in section 1221(a)(1).

''(C) TREATMENT OF CERTAIN LENDING OR FINANCE COMPANIES.—If the S corporation meets the requirements of section 542(c)(6) for the taxable year, the term 'passive investment income' shall not include gross receipts for the taxable year which are derived directly from the active and regular conduct of a lending or finance business (as defined in section 542(d)(1)).

''(D) TREATMENT OF CERTAIN DIVIDENDS.—If an S corporation holds stock in a C corporation meeting the requirements of section 1504(a)(2), the term 'passive investment income' shall not include dividends from such C corporation to the extent such dividends are attributable to the earnings and profits of such C corporation derived from the active conduct of a trade or business.

''(E) COORDINATION WITH SECTION 1374.—The amount of passive investment income shall be determined by not taking into account any recognized built-in gain or loss of the S corporation for any taxable year in the recognition period. Terms used in the preceding sentence shall have the same respective meaning as when used in section 1374.''.

(2) CONFORMING AMENDMENTS.—Section 1375(d) is amended by striking ''subchapter C'' both places it appears and inserting ''accumulated''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 205. ADJUSTMENT TO BASIS OF S CORPORATION STOCK FOR CERTAIN CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Paragraph (1) of section 1367(a) (relating to adjustments to basis of stock of shareholders, etc.) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by adding at the end the following new subparagraph:

''(D) the excess of the amount of the shareholder's proportionate share of any charitable contribution made by the S corporation over the shareholder's proportionate share of the adjusted basis of the property contributed.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

TITLE III—TREATMENT OF S CORPORATION SHAREHOLDERS

SEC. 301. TREATMENT OF LOSSES TO SHAREHOLDERS.

(a) LIQUIDATIONS.—Section 331 (relating to gain or loss to shareholders in corporate liquidations) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

''(c) LOSS ON LIQUIDATIONS OF S CORPORATION.—

''(1) IN GENERAL.—The portion of any net loss recognized by a shareholder of an S corporation (as defined in section 1361(a)(1))—

''(A) on amounts received by such shareholder in a distribution in complete liquidation of such S corporation, or

''(B) on an installment obligation received by such shareholder with respect to a sale or exchange by the corporation during the 12-month period beginning on the date a plan of complete liquidation is adopted if the liquidation is completed during such 12-month period, which does not exceed the ordinary income basis of stock of such S corporation in the hands of such shareholder shall not be treated as a loss from the sale or exchange of a capital asset but shall be treated as an ordinary loss.

''(2) ORDINARY INCOME BASIS.—For purposes of this subsection, the ordinary income basis of stock of an S corporation in the hands of a shareholder of such S corporation shall be an amount equal to the portion of such shareholder's basis in such stock which is equal to the aggregate increases in such basis under section 1367(a)(1) resulting from such shareholder's pro rata share of ordinary income of such S corporation attributable to the complete liquidation.''.

(b) SUSPENDED PASSIVE ACTIVITY LOSSES.—Paragraph (3) of section 1371(b) is amended to read as follows:

''(3) TREATMENT OF S YEAR AS ELAPSED YEAR; PASSIVE LOSSES.—Nothing in paragraphs (1) and (2) shall prevent treating a taxable year for which a corporation is an S corporation as a taxable year for purposes of determining the number of taxable years to which an item may be carried back or carried forward nor prevent the allowance of a passive activity loss deduction to the extent provided by section 469(g).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 302. DEDUCTIBILITY OF INTEREST EXPENSE INCURRED BY AN ELECTING SMALL BUSINESS TRUST TO ACQUIRE S CORPORATION STOCK.

(a) IN GENERAL.—Subparagraph (C) of section 641(c)(2) (relating to modifications) is amended by inserting after clause (iii) the following new clause:

''(iv) Any interest expense incurred to acquire stock in an S corporation.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 303. BACK TO BACK LOANS AS INDEBTEDNESS.

(a) IN GENERAL.—Section 1366(d) (relating to special rules for losses and deductions) is amended by adding at the end the following new paragraph:

''(4) LOANS INCLUDED IN INDEBTEDNESS OF AN S CORPORATION.—For purposes of subsection (d), the indebtedness of an S corporation to the shareholder shall include any loans made or acquired (by purchase, gift, or distribution from another person) by a shareholder to the S corporation, regardless of whether the funds loaned by the shareholder to the S corporation were obtained by the shareholder by means of a recourse loan from another person (whether related or unrelated to the shareholder).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

TITLE IV—EXPANSION OF S CORPORATION ELIGIBILITY FOR BANKS

SEC. 401. TREATMENT OF QUALIFYING DIRECTOR SHARES.

(a) IN GENERAL.—Section 1361 (defining S corporation), as amended by section 201(a), is amended by adding at the end the following new subsection:

''(g) TREATMENT OF QUALIFYING DIRECTOR SHARES.—

''(1) IN GENERAL.—For purposes of this subchapter—

''(A) qualifying director shares shall not be treated as a second class of stock, and

''(B) no person shall be treated as a shareholder of the corporation by reason of holding qualifying director shares.

''(2) QUALIFYING DIRECTOR SHARES DEFINED.—For purposes of this subsection, the term 'qualifying director shares' means any shares of stock in a bank (as defined in section 581) or in a bank holding company registered as such with the Federal Reserve System—

''(A) which are held by an individual solely by reason of status as a director of such bank or company or its controlled subsidiary; and

''(B) which are subject to an agreement pursuant to which the holder is required to dispose of the shares of stock upon termination of the holder's status as a director at the same price as the individual acquired such shares of stock.

''(3) DISTRIBUTIONS.—A distribution (not in part or full payment in exchange for stock) made by the corporation with respect to qualifying director shares shall be includible as ordinary income of the holder and deductible to the corporation as an expense in computing taxable income under section 1363(b) in the year such distribution is received.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1361(b)(1), as amended by section 201(b), is amended by striking ''subsection (f)'' and inserting ''subsections (f) and (g)''.

(2) Section 1366(a), as amended by section 201(b), is amended by adding at the end the following new paragraph:

''(4) ALLOCATION WITH RESPECT TO QUALIFYING DIRECTOR SHARES.—The holders of qualifying director shares (as defined in section 1361(g)) shall not, with respect to such shares of stock, be allocated any of the items described in paragraph (1).''.

(3) Section 1373(a), as amended by section 201(b), is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and adding at the end the following new paragraph:

''(4) no amount of an expense deductible under this subchapter by reason of section 1361(g)(3) shall be apportioned or allocated to such income.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 402. RECAPTURE OF BAD DEBT RESERVES.

Notwithstanding section 481 of the Internal Revenue Code of 1986, with respect to any S corporation election made by any bank in taxable years beginning after December 31, 1996, such bank may recognize built-in gains from changing its accounting method for recognizing bad debts from the reserve method under section 585 or 593 of such Code to the charge-off method under section 166 of such Code either in the taxable year ending with or beginning with such an election.

TITLE V—QUALIFIED SUBCHAPTER S SUBSIDIARIES

SEC. 501. TREATMENT OF THE SALE OF INTEREST IN A QUALIFIED SUBCHAPTER S SUBSIDIARY.

(a) IN GENERAL.—Section 1361(b)(3) (relating to treatment of certain wholly owned subsidiaries) is amended by adding at the end the following new subparagraph:

''(F) SPECIAL RULE ON TERMINATION.—The tax treatment of the disposition of the stock of the qualified subchapter S subsidiary shall be determined as if such disposition were—

''(i) a sale of the undivided interest in the subsidiary's assets based on the percentage of the stock transferred, and

''(ii) followed by a deemed contribution by the S corporation and the transferee in a section 351 transaction.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1996.

TITLE VI—ADDITIONAL PROVISIONS

SEC. 601. ELIMINATION OF ALL EARNINGS AND PROFITS ATTRIBUTABLE TO PRE-1983 YEARS.

(a) IN GENERAL.—Subsection (a) of section 1311 of the Small Business Job Protection Act of 1996 is amended to read as follows:

''(a) IN GENERAL.—If a corporation was an electing small business corporation under subchapter S of chapter 1 of the Internal Revenue Code of 1986 for any taxable year beginning before January 1, 1983, the amount of such corporation's accumulated earnings and profits (as of the beginning of any taxable year beginning after December 31, 1982) shall be reduced by an amount equal to the portion (if any) of such accumulated earnings and profits which were accumulated in any taxable year beginning before January 1, 1983, for which such corporation was an electing small business corporation under such subchapter S.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 602. REPEAL OF LIFO RECAPTURE TAX.

(a) IN GENERAL.—Section 1363 (relating to effect on election on corporations) is amended by striking subsection (d).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to elections made after the date of the enactment of this Act.

SEC. 603. EXPANSION OF POST-TERMINATION TRANSITION PERIOD.

(a) IN GENERAL.—Clause (ii) of section 1377(b)(1)(A) (defining post-termination transition period) is amended to read as follows:

''(ii) the date on which any refund or credit of any overpayment of tax with respect to the return for such last year as an S corporation is prevented by the operation of any law or rule of law (including res judicata),''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to periods beginning after the date of the enactment of this Act.

SEC. 604. REDUCTION IN TAX RATE ON EXCESS NET PASSIVE INCOME.

(a) IN GENERAL.—Section 1375(a) (relating to tax imposed when passive investment income of corporation having accumulated earnings and profits exceeds 25 percent of gross receipts) is amended by striking ''computed by multiplying the excess net passive income by the highest rate of tax specified in section 11(b)'' and inserting ''15 percent of the excess net passive income''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 605. INCREASE IN CAP ON QUALIFIED SMALL ISSUE BONDS.

(a) IN GENERAL.—Section 144(a)(4)(A)(i) (relating to general rule for $10,000,000 limit in certain cases) is amended by striking ''$10,000,000'' and inserting ''$10,000,000($30,000,000 in the case of any bank (as defined in section 581) or any depository institution holding company (as defined in section 3(w)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1)) which is an S corporation)''.

(b) ADJUSTMENT OF CAP FOR INFLATION.—Section 144(a) (relating to qualified small issue bond) is amended—

(1) by redesignating paragraph (12) as paragraph (13); and

(2) by inserting after paragraph (11) the following new paragraph:

''(12) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any calendar year after 2006, the $30,000,000 amount contained in paragraph (4)(A)(i) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2005' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—Any increase under subparagraph (A) which is not a multiple of $100,000 shall be rounded to the next lowest multiple of $100,000.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) obligations issued after the date of the enactment of this Act; and

(2) capital expenditures made after such date with respect to obligations issued on or before such date.

SEC. 606. SPECIAL RULES OF APPLICATION.

(a) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the application of any amendment made by this Act is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claimed therefor is filed before the close of such period.

(b) TREATMENT OF CERTAIN ELECTIONS UNDER PRIOR LAW.—For purposes of section 1362(g) of the Internal Revenue Code of 1986 (relating to election after termination), any termination or revocation under section 1362(d) of such Code (as in effect on the day before enactment of this Act) shall not be taken into account.

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

S CORPORATION REFORM ACT OF 2006—SECTION-BY-SECTION DESCRIPTION

The Subchapter S Modernization Act of 2006 includes the following provisions to help improve capital formation opportunities for small business, preserve family-owned businesses, and eliminate unnecessary and unwarranted traps for taxpayers:

TITLE I—Eligible Shareholders of an S Corporation

SECTION 101. NONRESIDENT ALIENS ALLOWED TO BE SHAREHOLDERS

The Act would permit nonresident aliens to be S corporation shareholders. To assure collection of the appropriate amount of tax, the Act requires the S corporation to withhold and pay a tax on effectively-connected income allocable to its nonresident alien shareholders. The provision enhances an S corporation's ability to expand into international markets and expands an S corporation's access to capital.

SECTION 102. EXPANSION OF S CORPORATION ELIGIBLE SHAREHOLDERS TO INCLUDE IRAS

The Act permits Individual Retirement Accounts (IRAs) to hold stock in an S corporation. Currently this is permitted only for S corporations that are banks.

TITLE II—QUALIFICATION AND ELIGIBILITY REQUIREMENTS OF S CORPORATIONS

SECTION 201. ISSUANCE OF PREFERRED STOCK PERMITTED

The Act would permit S corporations to issue qualified preferred stock (''QPS''). QPS generally would be stock that (I) is not entitled to vote, (ii) is limited and preferred as to dividends and does not participate in corporate growth to any significant extent, and (iii) has redemption and liquidation rights which do not exceed the issue price of such stock (except for a reasonable redemption or liquidation premium). Stock would not fail to be treated as QPS merely because it is convertible into other stock. This provision increases access to capital from investors who insist on having a preferential return and facilitates family succession by permitting the older generation of shareholders to relinquish control of the corporation but maintain an equity interest.

SECTION 202. SAFE HARBOR EXPANDED TO INCLUDE CONVERTIBLE DEBT

The Act permits S corporations to issue debt that may be converted into stock of the corporation provided that the terms of the debt are substantially the same as the terms that could have been obtained from an unrelated party. The Act also expands the current law safe-harbor debt provision to permit nonresident alien individuals as creditors. The provision facilitates the raising of investment capital.

SECTION 203. REPEAL OF EXCESSIVE PASSIVE INVESTMENT INCOME AS A TERMINATION EVENT

The Act would repeal the rule that an S corporation would lose its S corporation status if it has excess passive income for three consecutive years. A corporate-level ''sting'' (or double) tax would still apply, as modified

in Sections 204 and 604 below, to excess passive income.

SECTION 204. MODIFICATIONS TO PASSIVE INCOME RULES

The Act would increase the threshold for taxing excess passive income from 25 percent to 60 percent (consistent with a Joint Tax Committee recommendation on simplification measures). In addition, the Act removes gains from the sales or exchanges of stock or securities from the definition of passive investment income for purposes of the sting tax.

SECTION 205. ADJUSTMENT TO BASIS OF S CORPORATION STOCK FOR CERTAIN CHARITABLE CONTRIBUTIONS

Current rules discourage charitable gifts of appreciated property by S corporations. The Act would remedy this problem by providing for an increase in the basis of shareholders' stock in an amount equal to the excess of the value of the contributed property over the basis of the property contributed. This provision conforms the S corporation rules to those applicable to charitable contributions by partnerships.

TITLE III—TREATMENT OF S CORPORATION SHAREHOLDERS

SECTION 301. TREATMENT OF LOSSES TO SHAREHOLDERS

In the case of a liquidation of an S corporation, current law can result in double taxation because of a mismatch of ordinary income (realized at the corporate level and passed through to the shareholder) and a capital loss (recognized at the shareholder level on the liquidating distribution). Although careful tax planning can avoid this result, many S corporations do not have the benefit of sophisticated tax advice. The Act eliminates this potential trap by providing that any portion of any loss recognized by an S corporation shareholder on amounts received by the shareholder in a distribution in complete liquidation of the S corporation would be treated as an ordinary loss to the extent of the shareholder's basis in the S corporation stock.

SECTION 302. DEDUCTIBILITY OF INTEREST EXPENSE INCURRED BY AN ELECTING SMALL BUSINESS TRUST (ESBT) TO ACQUIRE S CORPORATION STOCK

The Act provides that interest expense incurred by an ESBT to acquire S corporation stock is deductible by the S portion of the trust. Current regulations provide that interest expense incurred by an ESBT to acquire stock in an S corporation is allocable to the S portion of the trust, but is not deductible. This result is contrary to the treatment of other taxpayers, who are entitled to deduct interest incurred to acquire an interest in a pass through entity. Further, Congress never intended to place ESBTs at a disadvantage relative to other taxpayers.

SECTION 303. BACK-TO-BACK LOANS AS INDEBTEDNESS

This provision would remove a significant trap for unwary shareholders of unsophisticated S corporations. The amount of a shareholder's pro rata share of corporate losses that may be taken into account are currently limited to the sum of (1) the basis in the stock, plus (2) the basis of any shareholder loans to the S corporation. The debt must run directly to the shareholder for the shareholder to receive basis for this purpose; the creditor may not be a person related to the shareholder. It is not uncommon for the shareholders of an S corporation to own related entities. Often times, loans are made among these related entities. Under current law, it is extremely difficult for the shareholders of an S corporation to restructure these loans in order to create basis in the S corporation against which losses of the S corporation may be claimed. The ability to create loan basis through the restructuring of related party loans has been the subject of numerous court cases and is an area of much uncertainty. The Act will protect these taxpayers from an unfair and unwarranted fate by providing that true indebtedness from an S corporation to a shareholder (funds for which the shareholder is truly obligated to either repay or for which he/she experiences a true economic outlay) increases shareholder debt basis, irrespective of the original source of the funds to the corporation.

TITLE IV—EXPANSION OF S CORPORATION ELIGIBILITY FOR BANKS

SECTION 401. TREATMENT OF QUALIFYING DIRECTOR SHARES

The Act clarifies that qualifying director shares of a bank are not to be treated as a second class of stock. Instead, the qualifying director shares are treated as a liability of the bank and no gain or loss from the S corporation will be allocated to these qualifying director shares. The provision clarifies the law and removes a significant obstacle unique among banks contemplating an S corporation election.

SECTION 402. RECAPTURE OF BAD DEBT RESERVES

The Act permits bank S corporations to recapture up to 100 percent of their bad debt reserves on their first S corporation tax return and/or their last C corporation income tax return prior to the effective date of the S election. Under current law, banks that convert to S corporation status must change from the reserve method of accounting for bad debts to the specific charge-off method. The differential must often be ''recaptured'' into income and is treated as built-in gain subject to tax at both the shareholder and the corporate level. The Act allows banks to accelerate the recapture of bad debt reserves to their last C corporation tax year. The corporate level tax would still be paid on the recapture income, but the recapture would no longer trigger a tax for the bank's shareholders.

TITLE V—QUALIFIED SUBCHAPTER S SUBSIDIARIES

SECTION 501. TREATMENT OF THE SALE OF INTEREST IN A QUALIFIED SUBCHAPTER S SUBSIDIARY (QSUB)

The Act treats the disposition of QSub stock as a sale of the undivided interest in the QSub's assets based on the underlying percentage of stock transferred followed by a deemed contribution by the S corporation and the acquiring party in a nontaxable transaction. Under current law, an S corporation may be required to recognize 100 percent of the gain inherent in a QSub's assets if it sells as little as 21 percent of the QSub's stock. IRS regulations suggest this result can be avoided by merging the QSub into a single member LLC prior to the sale, then selling an interest in the LLC (as opposed to stock in the QSub). The Act achieves this result without any unnecessary merger and thus removes a trap for the unwary.

TITLE VI—ADDITIONAL PROVISIONS

SECTION 601. ELIMINATION OF ALL EARNINGS AND PROFITS ATTRIBUTABLE TO PRE-1983 YEARS

The Small Business Job Protection Act of 1996 eliminated certain pre-1983 earnings and profits of S corporations that had S corporation status for their first tax year beginning after December 31, 1996. The provision should apply to all S corporations with pre-1983 S earnings and profits without regard to when they elect S status. There seems to be no policy reason why the elimination was restricted to corporations with an S election in effect for their first taxable year beginning after December 31, 1996.

SECTION 602. THE REPEAL OF THE LIFO RECAPTURE TAX

Often the most significant hurdle faced by a corporation desiring to elect S corporation status is the LIFO recapture tax. In many cases, this tax makes it cost-prohibitive for a corporation to elect S status. The LIFO recapture tax was enacted in 1987 in response to concerns that a taxpayer using the LIFO method of accounting, upon conversion to S corporation status, could avoid a corporate-level tax on LIFO layers because the S corporation would only be subject to a corporate-level tax on LIFO layers for the first 10 years after conversion instead of indefinitely, as in the case of a C corporation.

These concerns are unfounded. Most corporations, whether S or C, hold base LIFO layers far longer than the 10-year recognition period (often holding them indefinitely). There is no data to suggest that S corporations deplete such layers any faster than their C corporation counterparts (for example, in year 11 of the S election). Accordingly, the making of an S election should not be grounds for a tax on base LIFO layers. The Act would repeal this unwarranted government windfall and properly put S corporations on par with C corporations, which rarely pay tax on the old LIFO layers.

SECTION 603. EXPANSION OF POST-TERMINATION TRANSITION PERIOD

The Act expands the post-termination transition period (PTTP) to include the filing of an amended return for an S year. The granting of the 120-day PTTP should be based on the recognition that legitimate changes to an original return can be made in several ways including through audit or through the filing of a taxpayer-initiated amended return.

SECTION 604. REDUCTION IN TAX RATE ON EXCESS NET PASSIVE INCOME

The Act would bring the punitive nature of the tax on excess passive income closer in form and substance to the personal holding company (PHC) rules by reducing the tax rate on passive investment income to 15 percent as was recently done for PHCs by Section 302(e) of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

SECTION 605. INCREASE IN CAP ON QUALIFIED SMALL ISSUE BONDS

The act would change the maximum size of a bond issuance that would qualify as a ''small issue'' for S corporation banks to $10 million, and $30 million. It also indexes this number for inflation.

SECTION 606. REDUCED RECOGNITION PERIOD FOR BUILT-IN GAINS

The effective recognition period for built-in gains of S corporations is reduced from ten years to seven years.

SECTION 607. SPECIAL RULES OF APPLICATION

If a refund or tax credit resulting from the application of this act is prevented in the first year of its enactment, it may still be taken as long as it is claimed within the year.

By Mr. DODD:

S. 3839. A bill to amend title II of the Social Security Act to provide that the eligibility requirement for disability insurance benefits under which an individual must have 20 quarters of Social Security coverage in the 40 quarters preceding a disability shall not be applicable in the case of a disabled individual suffering from a covered terminal disease; to the Committee on Finance.

Mr. DODD. Mr. President, I ask unanimous consent that the text of the bill, the Claire Collier Social Security Disability Insurance Fairness Act, 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. 3839

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 ''Claire Collier Social Security Disability Insurance Fairness Act''.

SEC. 2. EXCEPTION FROM 20/40 REQUIREMENT FOR DISABILITY INSURANCE BENEFITS FOR INDIVIDUALS SUFFERING FROM A COVERED TERMINAL DISEASE.

(a) EXCEPTION FROM RECENT WORK REQUIREMENT.—

(1) IN GENERAL.—Section 223(c)(1) of the Social Security Act (42 U.S.C. 423(c)(1)) is amended in the flush matter following subparagraph (B)(iii) by inserting ''or suffering from a covered terminal disease'' after ''216(i)(1))''.

(2) CONFORMING AMENDMENT.—Section 216(i)(3) of such Act (42 U.S.C. 416(i)(3)) is amended in the flush matter following subparagraph (B)(iii) by inserting ''or suffering from a covered terminal disease'' after ''paragraph (1))''.

(b) DEFINITION OF COVERED TERMINAL DISEASE.—Not later than 60 days after the date of enactment of this Act, the Commissioner of Social Security shall issue a proposed rule defining the term ''covered terminal disease'' for purposes of sections 216(i)(3) and 223(c)(1) of the Social Security Act (as amended by subsection (a)) that shall include (but not be limited to) those diseases that are incurable, progressive, and terminal, including neurodegenerative and neurological diseases that are likely to cause death within a 5-year period of onset.

(c) INTERIM FINAL AND FINAL RULES.—

(1) INTERIM FINAL RULE.—Not later than 90 days after the date of enactment of this Act, the Commissioner of Social Security shall issue an interim final rule defining the term ''covered terminal disease'' in accordance with the requirements of subsection (b) and shall provide for a period of public comments on such rule.

(2) FINAL RULE.—Not later than 6 months after the date of enactment of this Act, the Commissioner of Social Security shall issue a final rule defining the term ''covered terminal disease'' in accordance with the requirements of subsection (b) and consideration of any public comments received during the period required under paragraph (1).

(d) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of enactment of this Act and shall apply to any applications for disability insurance benefits under title II of the Social Security Act that are pending or filed on or after that date.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 548—EXPRESSING THE SENSE OF THE SENATE REGARDING THE NEED FOR THE UNITED STATES AND THE INTERNATIONAL COMMUNITY TO TAKE CERTAIN ACTIONS WITH RESPECT TO THE HOSTILITIES BETWEEN HEZBOLLAH AND ISRAEL

Mr. DODD (for himself, Mr. LEVIN, Mr. SUNUNU, Ms. STABENOW, Mr. CHAFEE, Mr. KENNEDY, Mr. FEINGOLD, and Mrs. FEINSTEIN) submitted the following resolution; which was considered and agreed to:

S. RES. 548

Whereas, on June 12, 2000, the Government of Lebanon advised the United Nations that it would consider deploying its armed forces throughout southern Lebanon following confirmation by the United Nations Secretary-General that the Government of Israel had fully withdrawn its armed forces from that country in accordance with United Nations Security Council Resolution 425 (1978);

Whereas, on June 16, 2000, the United Nations Security Council endorsed the Secretary-General's conclusion that Israel had withdrawn all of its forces from Lebanon in accordance with United Nations Security Council Resolution 425;

Whereas, notwithstanding the reservations of both Israel and Lebanon regarding the final line determining what constitutes an Israeli withdrawal in accordance with United Nations Security Council Resolution 425, the governments of both countries confirmed that establishing the identifying line was the sole responsibility of the United Nations, and that they would respect the line that the United Nations identified;

Whereas Hezbollah remains an armed terrorist presence in Lebanon and continues to receive material and political support from the Governments of Syria and Iran;

Whereas, as affirmed in Public Law 108–175, the Governments of Syria and Iran have significant influence over Hezbollah;

Whereas United Nations Security Council Resolution 1559 (2004) calls for the withdrawal of all foreign forces and the dismantlement of all independent militias in Lebanon;

Whereas the international community has provided insufficient encouragement and resources to the Government of Lebanon to enable the Government to comply with the relevant provisions of United Nations Security Council Resolution 1559;

Whereas Hezbollah launched an unprovoked attack against Israel on July 12, 2006, killing 7 Israeli soldiers and taking 2 soldiers hostage, its fifth provocative act against Israel since the summer of 2005;

Whereas the Government of Israel, as reaffirmed in S. Res. 534, has the right to defend itself and to take appropriate action to deter aggression by terrorist groups and their state sponsors;

Whereas fighting between Israel and Hezbollah to date has caused significant damage to Lebanon's and Israel's infrastructures that will necessitate the expenditure of significant sums to rebuild;

Whereas more than 400 citizens of Israel and Lebanon have already lost their lives in the ongoing conflict;

Whereas over 14,000 United States citizens have been evacuated from Lebanon at a cost of over $60,000,000;

Whereas more than 1,000,000 Israelis living in northern Israel are under threat of Hezbollah rockets;

Whereas more than 700,000 Lebanese civilians have been displaced by the fighting, and the United Nations Emergency Relief Coordinator is seeking more than $170,000,000 in donations from international donors to pay for food, medicine, water, and sanitation services over the next 3 months;

Whereas the United States Government has pledged $30,000,000 in short-term humanitarian assistance to address the humanitarian crisis in Lebanon;

Whereas the fragile democracy of Lebanon is in jeopardy of collapsing without significant international support to address the humanitarian crisis in the country and to strengthen the capacity of the army and security forces of the Government of Lebanon to gain effective control of all territory in Lebanon; and

Whereas continued fighting between Hezbollah and Israel is a threat to the peace and security of the peoples of Israel and Lebanon:

Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Governments of Syria and Iran should—

(A) end all material and logistical support for Hezbollah, including attempts to replenish Hezbollah's supply of weapons; and

(B) use their significant influence over Hexbollah to disarm the group and release all kidnapped prisoners;

(2) the United States Government and the international community must work urgently with the Governments of Israel and Lebanon—

(A) to attain a cessation in the hostilities between Hezbollah and Israel based on—

(i) effectuating the safe return of Israeli soldiers held in Lebanon;

(ii) the disarmament of Hezbollah, the removal of all Hezbollah forces from southern Lebanon, and the replacement of those forces with army and security forces of the Government of Lebanon; and

(iii) reaching an agreement to fully implement United Nations Security Council Resolution 1559 and to create and deploy an international stabilization force with a clear mandate to enforce a permanent ceasefire;

(B) to organize an international donors conference to solicit and ensure the provision of international resources for the reconstruction of roads, bridges, hospitals, electrical and communications systems, and other civilian infrastructure damaged or destroyed in Lebanon during the hostilities;

(C) to remain engaged to promote sustainable peace and security for Israel and Lebanon and the greater Middle East; and

(D) to assist the Government of Lebanon on its path to democracy by promoting necessary internal political reforms; and

(3) the territorial integrity, sovereignty, unity, and political independence of Lebanon should be strongly supported.

Mr. DODD. Mr. President, I send to the desk a resolution about the current outbreak of violence in Israel and Lebanon. I do so for myself, Senators LEVIN, SUNUNU, STABENOW, CHAFEE, and KENNEDY. I know that all of us here want to see a peaceful conclusion to the current situation—peace for Israelis and for Lebanese. The tragic deaths of 57 Lebanese civilians—37 of them children—in the village of Qana on Sunday highlight the urgency for doing so.

This resolution would express the sense of the Senate that the United

States and international community must work urgently with the Governments of Israel and Lebanon to achieve the following six goals: attaining a cessation in the hostilities between Hezbollah and Israel; effectuating the safe return of Israeli soldiers held in Lebanon; disarming Hezbollah, removing Hezbollah forces from southern Lebanon, and replacing those forces with Lebanese army and security forces; reaching agreement to create and deploy an international stabilization force with a robust mandate to enforce a permanent ceasefire and to fully implement United Nations Security Council Resolution 1559; organizing an international donors conference to solicit and ensure the provision of international resources for the reconstruction of Lebanon; and ensuring that all parties remain engaged to promote peace and security for Israel and Lebanon and the greater Middle East.

I believe that it is important to mention a few points up front. As my colleagues know, the current situation began when two Israeli soldiers were kidnapped by Hezbollah, a terrorist organization that is based in Lebanon but supported by Syria and Iran.

These soldiers were kidnapped from Israeli soil, and during those kidnapping operations, innocent Israelis were killed, and some northern Israeli cities were shelled with rockets.

These facts are very important to remember as we consider the current situation because despite any other frustrations that some people might have with the derailed Israeli-Palestinian peace process, it wasn't Israeli actions which started the cycle of the current bloody situation in which more than 400 Israelis and Lebanese have died.

I would also say unequivocally that I believe that Israel is currently acting in self-defense as a response to attacks on its soil and the kidnapping of its citizens. No country that experienced similar attacks would do anything less—certainly not the United States. And I support fully Israel's right to defend its borders and its citizens.

All violent confrontations, however, must eventually come to an end—including this one. I think what we are all hoping—Americans, Israelis, Lebanese—is that a resolution of this flare-up will come quickly and without any additional loss of innocent civilians in Lebanon or Israel, so that a climate conducive to tackling the many complex problems confronting the region can exist. Clearly, that climate does not exist at the moment while fighting is ongoing.

However, long-term peace necessitates certain actions. First, I believe that an international stabilization force with real teeth to act against Hezbollah militia and any other terrorist elements will eventually need to be deployed in southern Lebanon. On this point, we must learn from the failures of the current United Nations Stabilization Force in Lebanon, UNIFIL, and give any future force the size and mandate to actually fulfill its mission.

Second, long-term peace will require full implementation of U.N. Security Council Resolution 1559, which calls on the Lebanese Army to deploy to protect the southern border, as well as for the disarmament of Hezbollah.

Long-term peace will also require Israel to cease its attacks in Lebanon, consistent with the Lebanese Government and international community's ability and willingness to stop terrorist elements from launching attacks on Israel. I would remind my colleagues that Israel withdrew voluntarily from Lebanon in 2000—a move that was recognized by the United Nations Secretary General and Security Council as fulfilling completely the terms of U.N. Security Council Resolution 425. To that end, I doubt very much whether Israel would like to stay in Lebanon even one day longer than is absolutely necessary to stop the terror and return Israeli citizens to safety.

My belief in the need for a quick cessation of hostilities is rooted in my concern that the current violence between Israel and Hezbollah is greatly strengthening the hands of Iran and Syria. This is true especially with respect to Iran, which wants to divert international attention away from its nuclear program as well as position itself as the leader of the Arab Muslim world.

Indeed, as the body counts rise, we are seeing the gulf between moderate Arab regimes and their citizens widen dramatically. At the same time, Iran's position as the main backer of Hezbollah is giving it a newfound legitimacy in the eyes of many Arabs. It is critical that we avoid these outcomes because current Iranian nuclear and regional ambitions pose a threat to Israel, to moderate Arab regimes, to the United States, and to the international community alike.

Moreover, long-term peace will be impossible unless the international community gets both Iran and Syria to shut off and cut off Hezbollah and other terrorist groups. By ''shut off,'' I mean that Iran and Syria must send a clear signal to Hezbollah to stop its violent terrorist attacks against Israel. By ''cut off,'' I mean that these countries must stop financing, supplying, and providing safe haven to terrorist groups and their operatives. The international community must also send a strong message to Iran and Syria that they need to stop preventing Lebanon from deploying its army to disarm Hezbollah and protect the border.

But the current situation will not begin to wind down unless, first and foremost, the Israeli hostages are released unharmed.

After that, the short-term goals should be the deployment of an international stabilization force with real teeth in the south and some kind of international monitoring of land, sea, and air crossings to ensure that Hezbollah will not be rearmed by Syria and Iran.

The long-term goals are obviously that U.N. Security Council Resolution 1559 is fully implemented. Full implementation of that resolution means, among other things, that an effective Lebanese Army is deployed along that country's southern border and that Hezbollah is disarmed.

It is quite apparent that after decades of operational and financial support from Syria, and especially Iran, Hezbollah's military wing is currently too strong for the relatively weak Lebanese Government to deal with. So to the extent that Israeli actions weaken Hezbollah's capabilities, they also create the possibility of strengthening the Lebanese Government's hand to reign in militias and terrorists. But there might be a point of diminishing returns where Hezbollah is somewhat weakened while Iran and Syria are greatly strengthened—an outcome that it is essential to avoid. Hopefully, the combination of the current attacks against Hezbollah, a quick cessation of hostilities, and the immediate deployment—concurrent with the end of hostilities—of an international force with real teeth will make that the case.

I realize that there are many voices in the Arab world who accuse the U.S. of ignoring the plight of the innocent Lebanese citizens who have been caught in the crossfire because Hezbollah militants have shamefully hidden themselves and their weapons among the civilian population. I do not believe that this is the case. And I think that the U.S. could help to prove this by organizing an international donors' conference as quickly as possible to assist the Lebanese in rebuilding their country.

As I said before, I think we in Congress all share a desire to see peace in the Middle East. I would hope that once all of the steps I have talked about today come into place that the United States would take a lead role in bringing about that peace because U.S. leadership, and our active and high-level engagement, have always been an essential part of the Middle East peace process.

I believe that this resolution will send a strong signal that the world needs to support the Lebanese people, respect Israel's right to defend itself, and be tough with Hezbollah, Iran, and Syria. These are the necessary signals that we need to send in order for there to truly be hope at the end of this tunnel. I urge my colleagues to support this resolution, and I ask that the text of the resolution be printed in the RECORD following my remarks.

SENATE RESOLUTION 549—EXPRESSING THE SENSE OF THE SENATE REGARDING MODERN-DAY SLAVERY

Mr. SANTORUM (for himself, Mr. PRYOR, and Mrs. DOLE) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 549

Whereas the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7101 et seq.) states that the Declaration of Independence recognizes the inherent dignity and worth of all people and states that all men are created equal and are endowed by their Creator with certain unalienable rights, including the right to be free from slavery and involuntary servitude;

Whereas the United States outlawed slavery and involuntary servitude in 1865, recognizing that those evil institutions must be abolished;

Whereas, in the 21st century, as many as 27,000,000 people are suffering as slaves throughout the world and in the United States;

Whereas an estimated 800,000 persons are trafficked across international borders each year;

Whereas an estimated 18,000 to 20,000 victims are trafficked into the United States each year;

Whereas approximately 80 percent of victims are female and an estimated 40 to 50 percent of victims are children;

Whereas many of the victims are trafficked into the international sex trade, which includes sexual exploitation of persons involving activities including prostitution, pornography, sex tourism, and other commercial sexual services;

Whereas modern-day slavery also includes bonded labor, forced labor, forced marriage, chattel slavery, and child labor;

Whereas the Department of Health and Human Services states that human trafficking is the second largest criminal industry worldwide;

Whereas traffickers use threats, intimidation, manipulation, coercion, fraud, shame, and violence to force victims into modern-day slavery;

Whereas a trafficker may be a family friend, someone well-known within the community, someone in law enforcement, or a member of an organized criminal network;

Whereas traffickers capitalize on areas of conflict and post-conflict, transitioning states, sudden political change, economic collapse, civil unrest, internal armed conflict, chronic unemployment, widespread poverty, personal disaster, lack of economic opportunity, and natural disasters;

Whereas traffickers prey upon the vulnerable, ethnic minorities, and people without citizenship;

Whereas modern-day slavery thrives because of its high profitability and minimal risk due to little rule of law, lack of enforcement, and corruption of law enforcement institutions;

Whereas populations vulnerable to trafficking are growing due to the rising numbers of orphans in developing countries due to civil conflicts and the HIV/AIDS pandemic;

Whereas the spread of HIV/AIDS and other sexually-transmitted diseases poses a global threat and creates a particular challenge for victims of modern-day slavery involved in the international sex trade;

Whereas the loss of family-support networks due to modern-day slavery contributes to the breakdown of societies;

Whereas trafficking has a negative impact on the labor market in countries and perpetuates a cycle of poverty;

Whereas trafficking brutalizes men, women, and children, and exposes them to rape, torture, HIV/AIDS and other sexually transmitted diseases, violence, dangerous working conditions, poor nutrition, drug and alcohol addiction, and severe psychological trauma from separation, coercion, sexual abuse, and depression;

Whereas organized criminal groups, gangs, document forgers, brothel owners, and corrupt police or immigration officials funnel trafficking profits into both legitimate and criminal activities;

Whereas modern-day slavery strips human beings of dignity, respect, and hope for their future; and

Whereas no country or people are immune from the effects of modern-day slavery: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the abolition of modern-day slavery should be a priority of the United States foreign and domestic policy;

(2) the United States should continue to bring together governments, international organizations, nongovernmental organizations, and individuals to form a comprehensive coalition to fight modern-day slavery;

(3) the Federal Government should continue to expand protection and legal options for victims of modern-day slavery;

(4) the abolition of modern-day slavery should be prioritized at the 2007 Group of 8 (G-8) Summit in Germany; and

(5) the trade policy of the United States should reflect the commitment of the United States to freedom for all people.

SENATE RESOLUTION 550—DESIGNATING OCTOBER 22 THROUGH OCTOBER 28, 2006, AS ''NATIONAL SAVE FOR RETIREMENT WEEK''

Mr. SMITH (for himself and Mr. CONRAD) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 550

Whereas the cost of retirement continues to rise, in part, because people in the United States are living longer than ever before, the number of employers providing retiree health coverage continues to decline, and retiree health care costs continue to increase at a rapid pace;

Whereas Social Security remains the bedrock of retirement income for the great majority of the people of the United States, but was never intended by Congress to be the sole source of retirement income for families;

Whereas recent data from the Employee Benefit Research Institute indicates that, in the United States, less than ⅔ of workers or their spouses are currently saving for retirement and that the actual amount of retirement savings of workers lags far behind the amount that is realistically needed to adequately fund retirement;

Whereas many employees have available to them through their employers access to defined benefit or defined contribution plans to assist them in preparing for retirement;

Whereas many employees may not be aware of their retirement savings options and may not have focused on the importance of and need for saving for their own retirement;

Whereas many employees may not be taking advantage of workplace defined contribution plans at all or to the full extent allowed by the plans or under Federal law; and

Whereas all workers, including public- and private-sector employees, employees of tax-exempt organizations, and self-employed individuals, can benefit from increased awareness of the need to save for retirement and the availability of tax-advantaged retirement savings vehicles to assist them in saving for retirement: Now, therefore, be it

Resolved, That the Senate—

(1) designates October 22 through October 28, 2006, as ''National Save for Retirement Week'';

(2) supports the goals and ideals of National Save for Retirement Week, including raising public awareness about the importance of adequate retirement savings and the availability of employer-sponsored retirement plans; and

(3) calls on the Federal Government, States, localities, schools, nonprofit organizations, businesses, other entities, and the people of the United States to observe the week with appropriate programs and activities with the goal of increasing the retirement savings of all the people of the United States.

SENATE RESOLUTION 551—EXPRESSING THE SENSE OF THE SENATE THAT ILLEGAL IMMIGRANTS SHOULD NOT RECEIVE SOCIAL SECURITY BENEFITS AND THAT THIS PROHIBITION SHOULD BE STRICTLY ENFORCED

Mr. REID (for himself, Mr. BAUCUS, Ms. STABENOW, Mr. PRYOR, Mrs. CLINTON, Mr. LIEBERMAN, Mr. BINGAMAN, Ms. LANDRIEU, Mrs. LINCOLN, Mr. WYDEN, and Mr. JOHNSON) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 551

Resolved, That it is the sense of the Senate that illegal immigrants should not receive Social Security benefits and that this prohibition should be strictly enforced.

SENATE RESOLUTION 552—DESIGNATING SEPTEMBER 2006 AS ''NATIONAL PROSTATE CANCER AWARENESS MONTH''

Mr. SESSIONS (for himself, Mr. BROWNBACK, Mr. CHAMBLISS, Mr. CRAPO, Mr. GRASSLEY, Mr. INHOFE, Ms. LANDRIEU, Mr. MENENDEZ, Mr. SCHUMER, Mr. SHELBY, and Mr. SPECTER) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 552

Whereas countless families in the United States have a family member that suffers from prostate cancer;

Whereas 1 in 6 men in the United States is diagnosed with prostate cancer;

Whereas throughout the past decade, prostate cancer has been the most commonly diagnosed type of cancer other than skin cancer and the second most common cause of cancer-related deaths among men in the United States;

Whereas, in 2006, more than 234,460 men in the United States will be diagnosed with prostate cancer and 27,350 men in the United States will die of prostate cancer according to estimates from the American Cancer Society;

Whereas 30 percent of the new diagnoses of prostate cancer occur in men under the age of 65;

Whereas a man in the United States turns 50 years old about every 14 seconds, increasing his odds of being diagnosed with prostate cancer;

Whereas African American males suffer from prostate cancer at an incidence rate up to 65 percent higher than white males and at a mortality rate double that of white males;

Whereas obesity is a significant predictor of the severity of prostate cancer and the chance that the disease will lead to death;

Whereas if a man in the United States has 1 family member diagnosed with prostate cancer, he has double the risk of prostate cancer, if he has 2 family members with such diagnosis, he has 5 times the risk, and if he has 3 family members with such diagnosis, he has a 97 percent risk of prostate cancer;

Whereas screening by both a digital rectal examination (DRE) and a prostate specific antigen blood test (PSA) can detect prostate cancer in earlier and more treatable stages and reduce the rate of mortality due to the disease;

Whereas ongoing research promises further improvements in prostate cancer prevention, early detection, and treatments; and

Whereas educating people in the United States, including health care providers, about prostate cancer and early detection strategies is crucial to saving the lives of men and preserving and protecting our families: Now, therefore, be it

Resolved, That the Senate—

(1) designates September 2006 as ''National Prostate Cancer Awareness Month'';

(2) declares that it is critical—

(A) to raise awareness about the importance of screening methods and the treatment of prostate cancer;

(B) to increase research funding to be proportionate with the burden of prostate cancer so that the causes of the disease, improved screening and treatments, and ultimately a cure may be discovered; and

(C) to continue to consider methods to improve both access to and the quality of health care services for detecting and treating prostate cancer; and

(3) calls on the people of the United States, interested groups, and affected persons—

(A) to promote awareness of prostate cancer;

(B) to take an active role in the fight to end the devastating effects of prostate cancer on individuals, their families, and the economy; and

(C) to observe National Prostate Cancer Awareness Month with appropriate ceremonies and activities.

SENATE RESOLUTION 553—EXPRESSING THE SENSE OF THE SENATE THAT THE CITIZENS' STAMP ADVISORY COMMITTEE SHOULD RECOMMEND TO THE POSTMASTER GENERAL THAT A COMMEMORATIVE POSTAGE STAMP BE ISSUED IN HONOR OF VARIAN FRY

Mr. MENENDEZ submitted the following resolution; which was referred to the Committee on Homeland Security and Governmental Affairs:

S. RES. 553

Whereas Varian Mackey Fry, of Ridgewood, New Jersey, embodied the spirit of heroism and demonstrated personal bravery of the highest order during the Holocaust;

Whereas, while serving as a representative of the Emergency Refugee Committee in German-occupied Vichy, France, between 1940 and 1941, Varian Fry helped save the lives of approximately 1,500 Jews and hundreds of other anti-Nazi refugees;

Whereas Varian Fry established a legal French relief organization, the Centre Americain de Secou, as a cover for his heroic but sometimes unlawful actions on behalf of the refugees, including—

(1) securing false visas;

(2) planning daring escape routes through the mountains of Southern France;

(3) illegally chartering ships to transport refugees out of France; and

(4) exchanging funding for these operations on the black market;

Whereas, in order to save thousands of Jews and refugees who were threatened by the Nazis, Varian Fry risked his personal safety, forfeited his employment as a writer with the Foreign Policy Association, and was ultimately expelled from France because his actions contravened the policies of the Vichy French government;

Whereas the efforts of Varian Fry resulted in the rescue of approximately 2,000 persons, including such distinguished artists and intellectuals as Marc Chagall, Max Ernst, Hannah Arendt, Franz Werfel, Jacques Lipchitz, Lion Feuchtwanger, and Heinrich Mann;

Whereas, in 1967, for his heroic actions, Varian Fry received the Croix de Chevalier of the French Legion of Honor, 1 of the highest civilian honors of France; and

Whereas, in 1996, Varian Fry was named ''Righteous Among the Nations'' by Yad Vashem, the Holocaust Heroes and Martyrs Remembrance Authority in Jerusalem, making him the first citizen of the United States to receive the highest honor bestowed by Israel to individuals who worked as rescuers during the Holocaust: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that a commemorative postage stamp be issued in honor of Varian Fry.

Mr. MENENDEZ. Mr. President, today I am submitting a resolution that would honor an unsung hero who saved thousands of people from death during the Holocaust. The world knows the names of Oskar Schindler and Raoul Wallenberg, but few know the work of an American man named Varian Fry. During the Nazi takeover of Europe in World War II, Varian Fry, a resident of my home State of New Jersey, selflessly risked his life to save the lives of some 2,000 Jews and anti-Nazi refugees in Vichy, France. Although not Jewish himself, Fry understood the threat the Nazis posed. Over the course of 13 months, Fry's rescue operation saved some of Europe's most accomplished artists, writers, and intellectuals, such as Marc Chagall, Max Ernst, Jacques Lipschitz, Arthur Koestler, Hannah Arendt, Franz Werfel, Lion Feuchtwanger, and Heinrich Mann.

Few of us can imagine the dangers that Fry encountered and the courage and savvy that he needed to elude the Nazis and transport thousands of refugees from France to safe havens abroad. We remember that Varian Fry sacrificed his job and his personal safety to help others and to stand up for what was right. His work to aid both Jews and anti-Nazis during this perilous time in history makes him a hero for people of all religions and all nations.

Tragically, this man whose bravery and resourcefulness changed the lives of so many died in relative obscurity. It was not until 1991, 24 years after Fry's death, that the U.S. Holocaust Memorial Council became the first American agency to officially recognize his work. It is now time that the country recognize his humanitarian efforts. Fry's hometown of Ridgewood, NJ, has honored him and dedicated a street in his name, but we must do more. Sixty-six years after Varian Fry began his lifesaving work in France, it is time that he earns proper recognition for his noble mission. One measure we can take is to allow Fry to join the ranks of other humanitarians and leaders who have been honored with a commemorative stamp in their name. The U.S. Postal Service has already issued a stamp honoring former U.S. Vice-Consul Horace Bingaman, who aided Fry in his rescue campaign. It is only fitting that Fry be honored with a stamp, as well.

Varian Fry has been honored by France and was the first American to be named Righteous Among the Nations, Yad Vashem's highest honor for those who helped rescue people during the Holocaust. Though Fry passed away many years ago, let us now show his relatives and the world that this Nation—his Nation—also appreciates his sacrifice and commitment to saving lives at a time when the world was turning a blind eye to the evil of the Nazis. I thank my House colleague, STEVE ROTHMAN, for his work on the companion bill to this resolution which he has already introduced in the House of Representatives, and I ask that my fellow Senators join me in supporting this important legislation.

SENATE RESOLUTION 554—AUTHORIZING THE PRINTING WITH ILLUSTRATIONS OF A DOCUMENT ENTITLED ''COMMITTEE ON THE BUDGET, UNITED STATES SENATE, 32ND ANNIVERSARY, 1974–2006''

Mr. GREGG (for himself and Mr. CONRAD) submitted the following resolution; which was considered and agreed to:

S. RES. 554

Resolved, That there be printed with illustrations as a Senate document a compilation of materials entitled ''Committee on the Budget, United States Senate, 32nd Anniversary, 1974–2006'', and that, in addition to the usual number, there be printed not to exceed 500 copies of such document at a cost of not to exceed $1,200 for the use of the Committee on the Budget.

SENATE RESOLUTION 555—TO AUTHORIZE THE PRODUCTION OF RECORDS BY THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS OF THE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. FRIST. (for himself and Mr. REID) submitted the following resolution; which was considered and agreed to:

S. RES. 555

Whereas, the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs has been conducting an investigation into the use of offshore tax havens for abusive tax shelters;

Whereas, the Subcommittee has received a number of requests from law enforcement officials and regulatory agencies, for access to records of the Subcommittee's investigation;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs, acting jointly, are authorized to provide to law enforcement officials, regulatory agencies, and other entities or individuals duly authorized by federal, state, or foreign governments, records of the Subcommittee's investigation into the use of offshore tax havens for abusive tax shelters.

SENATE RESOLUTION 556—SUPPORTING NATIONAL PERIPHERAL ARTERIAL DISEASE AWARENESS WEEK AND EFFORTS TO EDUCATE PEOPLE ABOUT PERIPHERAL ARTERIAL DISEASE

Mr. CRAPO (for himself and Mr. DORGAN) submitted the following resolution; which was submitted and read:

S. RES. 556

Whereas peripheral arterial disease is a vascular disease that occurs when narrowed arteries reduce the blood flow to the limbs;

Whereas peripheral arterial disease is a significant vascular disease that can be as serious as a heart attack or stroke;

Whereas peripheral arterial disease affects approximately 8,000,000 to 12,000,000 Americans;

Whereas patients with peripheral arterial disease are at increased risk of heart attack and stroke and are 6 times more likely to die within 10 years than are patients without peripheral arterial disease;

Whereas the survival rate for individuals with peripheral arterial disease is worse than the outcome for many common cancers;

Whereas peripheral arterial disease is a leading cause of lower limb amputation in the United States;

Whereas many patients with peripheral arterial disease have walking impairment that leads to a diminished quality of life and functional capacity;

Whereas a majority of patients with peripheral arterial disease are asymptomatic and less than half of individuals with peripheral arterial disease are aware of their diagnoses;

Whereas African-American ethnicity is a strong and independent risk factor for peripheral arterial disease, and yet this fact is not well known to those at risk;

Whereas effective treatments are available for people with peripheral arterial disease to reduce heart attacks, strokes, and amputations and to improve quality of life;

Whereas many patients with peripheral arterial disease are still untreated with proven therapies;

Whereas there is a need for comprehensive educational efforts designed to increase awareness of peripheral arterial disease among medical professionals and the greater public in order to promote early detection and proper treatment of this disease to improve quality of life, prevent heart attacks and strokes, and save lives and limbs; and

Whereas September 18 through September 22, 2006, would be an appropriate week to observe National Peripheral Arterial Disease Awareness Week: Now, therefore, be it

Resolved, That the Senate—

(1) supports National Peripheral Arterial Disease Awareness Week and efforts to educate people about peripheral arterial disease;

(2) acknowledges the critical importance of peripheral arterial disease awareness to improve national cardiovascular health;

(3) supports raising awareness of the consequences of undiagnosed and untreated peripheral arterial disease and the need to seek appropriate care as a serious public health issue; and

(4) calls upon the people of the United States to observe the week with appropriate programs and activities.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4851. Mr. BIDEN (for himself and Ms. CANTWELL) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes.

SA 4852. Mr. BIDEN (for himself and Mr. CARPER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4853. Mr. NELSON, of Florida submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4854. Mr. DODD (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4855. Mr. DODD (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4856. Mr. DODD (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4857. Mr. KENNEDY (for himself and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4858. Mrs. BOXER (for herself and Mr. GRAHAM) submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra.

SA 4859. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4860. Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra.

SA 4861. Mr. NELSON, of Florida (for himself, Mr. MARTINEZ, Mr. BINGAMAN, and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4862. Mr. SHELBY submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4863. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4864. Mr. NELSON, of Florida (for himself, Mr. MARTINEZ, Mr. BINGAMAN, and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4865. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4866. Mr. OBAMA (for himself, Mr. DORGAN, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4867. Mr. BYRD (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra.

SA 4868. Mrs. CLINTON (for herself and Mr. SCHUMER) submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra.

SA 4869. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4870. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4871. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4872. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4873. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4874. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4875. Ms. STABENOW (for herself, Mr. REID, Mr. REED, Mr. LEAHY, Mr. LEVIN, Mr. DURBIN, and Mr. KENNEDY) proposed an amendment to the bill H.R. 5631, supra.

SA 4876. Mr. CHAMBLISS submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4877. Mr. SMITH (for himself and Mr. WYDEN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, supra; which was ordered to lie on the table.

SA 4878. Mr. SANTORUM proposed an amendment to the bill S. 843, to amend the Public Health Service Act to combat autism through research, screening, intervention and education.

SA 4879. Mr. FRIST (for Mr. ENZI) proposed an amendment to the bill S. 3534, to amend the Workforce Investment Act of 1998 to provide for a YouthBuild program.

SA 4880. Mr. FRIST (for Mr. MCCAIN (for himself and Mr. DORGAN)) proposed an amendment to the bill S. 1899, to amend the Indian Child Protection and Family Violence Prevention Act to identify and remove barriers to reducing child abuse, to provide for examinations of certain children, and for other purposes.

SA 4881. Mr. FRIST (for Mr. LAUTENBERG (for himself and Mr. STEVENS)) proposed an amendment to the bill H.R. 3858, to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to ensure that State and local emergency preparedness operational plans address the needs of individuals with household pets and service animals following a major disaster or emergency.

TEXT OF AMENDMENTS

SA 4851. Mr. BIDEN (for himself and Ms. CANTWELL) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. None of the funds appropriated or otherwise made available by this Act may be obligated or expended by the United States Government for a purpose as follows:

(1) To establish any military installation or base for the purpose of providing for the permanent stationing of United States Armed Forces in Iraq.

(2) To exercise United States control over any oil resource of Iraq.

SA 4852. Mr. BIDEN (for himself and Mr. CARPER) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title VI under the heading ''DEFENSE HEALTH PROGRAM'', up to $6,000,000 may be available for Vaccine Health Care Centers.

SA 4853. Mr. NELSON of Florida submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On page 238, after line 24, insert the following:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2007, for functions administered by the Secretary of State and for other purposes, namely:

TITLE X

CUBA FUND FOR A DEMOCRATIC FUTURE

SEC. 10001.(a) To promote a transition to a democratic form of government in Cuba, $40,000,000.

(b) The amount provided under this heading is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

(c) The amounts provided under this heading shall be deposited into a fund to be known as the Cuba Fund for a Democratic Future which is hereby established in the Treasury of the United States.

(d) The amounts provided under this heading shall be available to the Secretary of State, in consultation with the United States Cuba Transition Coordinator, to carry out activities to empower the people of Cuba and the democratic opposition in Cuba to take advantage of opportunities to promote a transition to a democratic form of government in Cuba, including activities—

(1) to support an independent civil society in Cuba;

(2) to expand international awareness of Cuba's democratic aspirations;

(3) to break the information blockade put in place by the regime of Fidel Castro in Cuba, including activities to promote access to independent information through the Internet and other sources;

(4) to provide for education and exchanges for the people of Cuba, including university training from third countries and scholarships for economically disadvantaged students from Cuba identified by independent nongovernmental entities and civic organizations in United States and third country universities (including historically-black and faith-based institutions); and

(5) to support international efforts to strengthen civil society and in transition planning in Cuba.

(e) If the President determines that there exists either a transition government in Cuba or a democratically elected government in Cuba, as those terms are defined in section 4 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (22 U.S.C. 6023) and submits that determination to Congress in accordance with section 203(c) of that Act (22 U.S.C. 6063), then the funds made available for the Cuba Fund for a Democratic Future may be used, at the discretion of the Secretary of State in accordance with the guidelines set out, respectively, in subsection (b)(2)(A) or (b)(2)(B) of section 202 of that Act (22 U.S.C. 6062).

(f) The Secretary of State shall ensure that none of the funds made available in this section or any assistance carried out with such funds are provided to the Government of Cuba.

(g) Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter until all amounts made available to the Cuba Fund for a Democratic Future are expended, the Secretary of State shall submit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report describing the Secretary's progress in obligating and expending such funds and that such reports may be submitted in a classified form and the Secretary of State shall publish any unclassified portions of each such report.

SA 4854. Mr. DODD (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) COST ANALYSIS OF ENGINE PROGRAM FOR JOINT STRIKE FIGHTER.—The Under Secretary of Defense for Acquisition, Technology, and Logistics shall provide for the conduct, by a federally funded research and development center (FFRDC) with appropriate expertise, of a cost analysis of the engine program for the Joint Strike Fighter (JSF).

(b) ELEMENTS.—The cost analysis conducted under subsection (a) shall address the following:

(1) A comparison of the costs associated with the development of F–135 engines with the costs associated with the development of F–136 engines.

(2) An assessment of the savings to be achieved by eliminating or continuing the development and production of an alternative engine for the Joint Strike Fighter over the life-cycle of the Joint Strike Fighter.

(3) An assessment of the effects on the industrial base of the United States of eliminating or continuing the development and production of an alternative engine for the Joint Strike Fighter over the life-cycle of the Joint Strike Fighter.

(4) Any other matters than the Under Secretary of Defense considers appropriate.

(c) TRANSMITTAL TO CONGRESS.—The cost analysis conducted under subsection (a) shall be submitted to the congressional defense committees not later than March 15, 2007.

SA 4855. Mr. DODD (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading ''RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY'', up to $1,000,000 may be available for Energy Regeneration and Conversion Fuel Cell Systems to address Navy Unmanned Underwater Vehicle requirements.

SA 4856. Mr. DODD (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading ''RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE'', up to $1,500,000 may be available for the development of a field-deployable hydrogen fueling station.

SA 4857. Mr. KENNEDY (for himself and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 160, line 7, strike ''; or'' and insert a semicolon.

On page 160, line 14, strike the period at the end and insert the following: ''; or

(C) offering to such workers a retirement benefit that in any year costs less than the annual retirement cost factor applicable to Department of Defense civilian employees under chapter 84 of title 5, United States Code.

SA 4858. Mrs. BOXER (for herself and Mr. GRAHAM) submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. No funds appropriated or otherwise made available by this Act may be used by the Government of the United States to enter into an agreement with the Government of Iraq that would subject members of the Armed Forces of the United States to the jurisdiction of Iraq criminal courts or punishment under Iraq law.

SA 4859. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Not later than March 31, 2007, the Secretary of Defense shall submit to the congressional defense committees a report setting forth the assessment of the Secretary regarding the implementation of the new health care benefit to help the children of members of the Armed Forces who died on active duty, including—

(1) a statement of the reasons for the delay in implementation of such benefit;

(2) an analysis of the new call centers established to help survivors of such members obtain the benefits to which they are entitled; and

(3) an assessment of whether the various survivor benefit programs under the Department of Defense are adequately staffed to carry out their mission in a timely and efficient manner.

SA 4860. Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8019. Of the amount appropriated or otherwise made available by title III under the heading ''PROCUREMENT, DEFENSE-WIDE'', up to $12,600,000 may be available for the completion of the final phase of the activity described on pages 337 through 339 of Volume II of Book 1 of the Fiscal Year 2007 Congressional Budget Justification Book of a component of the intelligence community.

SA 4861. Mr. NELSON of Florida (for himself, Mr. MARTINEZ, Mr. BINGAMAN, and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. (a) Except as provided in subsection (b), none of the funds appropriated or otherwise made available by this Act may be used to realign or close any developmental or operational test and evaluation installation, activity, facility, laboratory, unit, function, or capability of the Air Force Material Command.

(b) The prohibition under subsection (a) does not apply to realignment and closure activities carried out in accordance with the final recommendations of the Defense Base Closure and Realignment Commission under the 2005 round of defense base closure and realignment.

SA 4862. Mr. SHELBY submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) ADDITIONAL AMOUNT WITHIN RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE, FOR KC–135 TANKER REPLACEMENT FUND.—The amount available in title IV under the heading ''RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE'' for the KC–135 Tanker Replacement Fund is hereby increased by $100,000,000.

(b) REDUCTION OF AMOUNT WITHIN RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE, FOR TRANSFORMATIONAL SATCOM.—The amount available in title IV under the heading ''RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE'' for the Transformational SATCOM (TSAT) program is hereby reduced by $100,000,000.

SA 4863. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading ''OPERATION AND MAINTENANCE, NAVY'', up to $3,000,000 may be available to the Navy to fund improvements to physical security at Navy recruiting stations and to improve data security.

SA 4864. Mr. NELSON of Florida (for himself, Mr. MARTINEZ, Mr. BINGAMAN, and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. (a) Except as provided in subsection (b), the Secretary of the Air Force shall, not later than March 31, 2007, submit to the congressional defense committees a cost-benefit analysis of significant proposed realignments or closures of research and development or test and evaluation installations, activities, facilities, laboratories, units, functions, or capabilities of the Air Force. The analysis shall include an evaluation of missions served and alternatives considered and of the benefits, costs, risks, and other considerations associated with each such proposed realignment or closure.

(b) The prohibition under subsection (a) does not apply to realignment and closure activities carried out in accordance with the final recommendations of the Defense Base Closure and Realignment Commission under the 2005 round of defense base closure and realignment.

SA 4865. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) AVAILABILITY OF OPERATION AND MAINTENANCE, ARMY, FUNDS FOR CERTAIN GRANTS.—Of the amount appropriated or otherwise made available by title II under the heading ''OPERATION AND MAINTENANCE, ARMY'', up to $4,000,000 may be available for grants described in subsection (c).

(b) AVAILABILITY OF OPERATION AND MAINTENANCE, MARINE CORPS, FUNDS FOR CERTAIN GRANTS.—Of the amount appropriated or otherwise made available by title II under the heading ''OPERATION AND MAINTENANCE, MARINE CORPS'', up to $1,000,000 may be available for grants described in subsection (c).

(c) COVERED GRANTS.—Grants described in this subsection are grants to eligible entities to carry out demonstration projects to assess the feasibility and advisability of utilizing community-based settings for the provision of assistance to members of the National Guard and Reserve who serve in Operation Iraqi Freedom and Operation Enduring Freedom and their families on their return from deployment, including—

(1) services to improve the reuniting of such members of the National Guard and Reserve and their families;

(2) education to increase awareness of the physical and mental health conditions that members of the National Guard and Reserve can and may experience on their return from such deployment, including education on—

(A) Post Traumatic Stress Disorder (PTSD) and traumatic brain injury (TBI); and

(B) mechanisms for the referral of such members of the National Guard and Reserve for medical and mental health screening and care when necessary; and

(3) education to increase awareness of the physical and mental health conditions that family members of such members of the National Guard and Reserve can and may experience on the return of such members from such deployment, including education on—

(A) depression, anxiety, and relationship problems; and

(B) mechanisms for medical and mental health screening and care when appropriate.

SA 4866. Mr. OBAMA (for himself, Mr. DORGAN, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. None of the funds appropriated or otherwise made available by this Act may be used to delay or prevent the construction of a windmill turbine project without clear and convincing evidence that the completed project would interfere with military readiness, as determined by the report submitted under section 358 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3208).

SA 4867. Mr. BYRD (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading ''OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD'', up to $7,500,000 may be available to renovate and repair existing barracks at Camp Perry, Port Clinton, Ohio.

SA 4868. Mrs. CLINTON (for herself and Mr. SCHUMER) submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page ____, between lines ____ and ____, insert the following:

SEC. ____. Of the amount appropriated by title IX under the heading ''OPERATION AND MAINTENANCE DEFENSE-WIDE'', up to $5,000,000 may be used for community-based programs that provide mental health and readjustment assistance to members of the National Guard and Reserve and their families on their return from deployment.

SA 4869. Ms. CANTWELL submitted an amendment intended to be proposed

by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, insert the following:

SEC. 8109. (a) REPORTS ON WITHDRAWAL OR DIVERSION OF EQUIPMENT FROM RESERVE UNITS FOR SUPPORT OF RESERVE UNITS BEING MOBILIZED AND OTHER UNITS.—Chapter 1007 of title 10, United States Code, is amended by inserting after section 10208 the following new section:

"§ 10208a. Mobilization: reports on withdrawal or diversion of equipment from Reserve units for support of Reserve units being mobilized and other units

''(a) REPORT REQUIRED ON WITHDRAWAL OR DIVERSION OF EQUIPMENT.—Not later than 90 days after withdrawing or diverting equipment from a unit of the Reserve to a unit of the Reserve being ordered to active duty under section 12301, 12302, or 12304 of this title, or to a unit or units of a regular component of the armed forces, for purposes of the discharge of the mission of such unit or units, the Secretary concerned shall submit to the Secretary of Defense a status report on the withdrawal or diversion of such equipment.

''(b) ELEMENTS.—Each status report under subsection (a) on equipment withdrawn or diverted shall include the following:

''(1) A plan to recapitalize or replace such equipment within the unit from which withdrawn or diverted.

''(2) If such equipment is to remain in a theater of operations while the unit from which withdrawn or diverted returns to the United States, a plan to provide such unit with recapitalized or replacement equipment appropriate to ensure the continuation of the readiness training of such unit.

''(3) A signed memorandum of understanding between the active or reserve component to which withdrawn or diverted and the reserve component from which withdrawn or diverted that specifies—

''(A) how such equipment will be tracked; and

''(B) when such equipment will be returned to the component from which withdrawn or diverted.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1007 of such title is amended by inserting after the item relating to section 10208 the following new item:

''10208a. Mobilization: reports on withdrawal or diversion of equipment from Reserve units for support of Reserve units being mobilized and other units.''.

SA 4870. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. (a) AVAILABILITY OF ASSISTANCE FOR LOCAL EDUCATIONAL AGENCIES.—To assist communities making adjustments resulting from changes in the size of the Armed Forces, the Secretary of Defense shall make payments to eligible local educational agencies that, during the period between the end of the school year preceding the fiscal year for which the payments are authorized and the beginning of the school year immediately preceding that school year, had (as determined by the Secretary of Defense in consultation with the Secretary of Education) an overall increase of—

(1) not less than 5 percent in the average daily attendance of military dependent students enrolled in the schools served by the eligible local educational agencies; or

(2) not less than 250 military dependent students enrolled in the schools served by the eligible local educational agencies.

(b) NOTIFICATION.—Not later than June 30 of each of fiscal years 2007 and 2008, the Secretary of Defense shall notify each eligible local educational agency for such fiscal year—

(1) that the local educational agency is eligible for assistance under this section; and

(2) of the amount of the assistance for which the eligible local educational agency qualifies, as determined under subsection (c).

(c) AMOUNT OF ASSISTANCE.—

(1) IN GENERAL.—The Secretary of Defense shall, in consultation with the Secretary of Education, make assistance available to eligible local educational agencies for a fiscal year on a pro rata basis, as described in paragraph (2).

(2) PRO RATA DISTRIBUTION.—

(A) IN GENERAL.—The amount of the assistance provided under this section to an eligible local educational agency for a fiscal year shall be equal to the product obtained by multiplying—

(i) the per-student rate determined under subparagraph (B) for such fiscal year; by

(ii) the overall increase in the number of military dependent students in the schools served by the eligible local educational agency, as determined under subsection (a).

(B) PER-STUDENT RATE.—For purposes of subparagraph (A), the per-student rate for a fiscal year shall be equal to the dollar amount obtained by dividing—

(i) the amount of funds available for such fiscal year to provide assistance under this section; by

(ii) the sum of the overall increases, as determined under subparagraph (A)(ii), in the number of military dependent students for all eligible local educational agencies for that fiscal year.

(d) DISBURSEMENT OF FUNDS.—The Secretary of Defense shall disburse assistance made available under this section for a fiscal year, not later than 30 days after the date on which the Secretary of Defense notified the eligible local educational agencies under subsection (b) for the fiscal year.

(e) CONSULTATION.—The Secretary of Defense shall carry out this section in consultation with the Secretary of Education.

(f) REPORTS.—

(1) REPORTS REQUIRED.—Not later than May 1 of each of 2007, 2008, and 2009, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the assistance provided under this section during the fiscal year preceding the date of such report.

(2) ELEMENT OF REPORT.—Each report described in paragraph (1) shall include an assessment and description of the current compliance of each eligible local educational agency with the requirements of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

(g) FUNDING.—Of the amount appropriated or otherwise made available by title II under the heading ''OPERATION AND MAINTENANCE, DEFENSE-WIDE'' up to $15,000,000 may be available for the purpose of providing assistance to eligible local educational agencies under this section.

(h) TERMINATION.—The authority of the Secretary of Defense to provide financial assistance under this section shall expire on September 30, 2008.

(i) DEFINITIONS.—In this section:

(1) ELIGIBLE LOCAL EDUCATIONAL AGENCY.—The term ''eligible local educational agency'' means, for a fiscal year, a local educational agency—

(A) for which not less than 20 percent (as rounded to the nearest whole percent) of the students in average daily attendance in the schools served by the local educational agency during the preceding school year were military dependent students that were counted under section 8003(a)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)(1)); and

(B) for which the required overall increase in the number of military dependent students enrolled in schools served by the local educational agency, as described in subsection (a), occurred as a result of the global rebasing plan of the Department of Defense.

(2) LOCAL EDUCATIONAL AGENCY.—The term ''local educational agency'' has the meaning given the term in section 8013 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713).

(3) MILITARY DEPENDENT STUDENT.—The term ''military dependent student'' means—

(A) an elementary school or secondary school student who is a dependent of a member of the Armed Forces; or

(B) an elementary school or secondary school student who is a dependent of a civilian employee of the Department of Defense.

SA 4871. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. There are authorized to be appropriated $1,551,865 exclusively for benefits to a multiemployer pension plan in the New England Fishery for fish lumpers if such plan is undercapitalized due to fishery capacity reduction and fish restrictions.

SA 4872. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, between lines 6 and 7, insert the following:

SEC. 8109. (a) The amount appropriated or otherwise made available by this Act is hereby increased by $1,551,865.

(b) Of the amount appropriated or otherwise made available by this Act, as increased by subsection (a), $1,551,865 shall be used exclusively for benefits to a multiemployer pension plan in the New England Fishery for fish lumpers if such plan is undercapitalized due to fishery capacity reduction and fish restrictions.

(c) The amount made available under subsection (a) is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

SA 4873. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes;

which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. No funds appropriated or otherwise made available for the Department of Defense by this Act may be obligated or expended for the Threat and Local Observation Notice (TALON) Program or any similar program of the Department of Defense for the collection, storage, or analysis of information on United States citizens who pose no threat to the military or its facilities, including United States citizens taking part in non-violent activities protected by the First Amendment to the Constitution of the United States related to protests against United States Government policy on Iraq.

SA 4874. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title IV under the heading ''RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY'', up to $3,000,000 may be available for the development of lightweight munitions through the Aluminum Matrix Composite Technology Partnership.

SA 4875. Ms. STABENOW (for herself, Mr. REID, Mr. REED, Mr. LEAHY, Mr. LEVIN, Mr. DURBIN, and Mr. KENNEDY) proposed an amendment to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; as follows:

On page 238, after line 24, add the following:

SEC. 9012. (a) The amount appropriated or otherwise made available by this title is hereby increased by $200,000,000.

(b) Of the amount appropriated or otherwise made available by this title, as increased by subsection (a), $200,000,000 may be made available for humanitarian assistance, including food, water, cooking fuel, shelter, medicine, and other assistance, for the innocent Lebanese and Israeli civilians who have been affected by the hostilities between Hezbollah and the Government of Israel.

(c) The amount made available under subsection (a) is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 83 (109th Congress), the concurrent resolution on the budget for fiscal year 2007, as made applicable in the Senate by section 7035 of Public Law 109–234.

SA 4876. Mr. CHAMBLISS submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title II under the heading ''OPERATION AND MAINTENANCE, ARMY RESERVE'', up to $500,000 may be available for Advanced Information Technology Battlefield Unit Training.

SA 4877. Mr. SMITH (for himself and Mr. WYDEN) submitted an amendment intended to be proposed by him to the bill H.R. 5631, making appropriations for the Department of Defense for the fiscal year ending September 30, 2007, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:

SEC. 8109. Of the amount appropriated or otherwise made available by title III under the heading ''PROCUREMENT, DEFENSE-WIDE'', up to $2,000,000 may be available for the Forward Osmosis Individual Water Purification System.

SA 4878. Mr. SANTORUM proposed an amendment to the bill S. 843, to amend the Public Health Service Act to combat autism through research, screening, intervention and education; as follows:

''(A) $68,000,000 for fiscal year 2007, $74,500,000 for fiscal year 2008, $81,000,000 for fiscal year 2009, $87,500,000 for fiscal year 2010, and $94,000,000 for fiscal year 2011, to carry out subsections (a), (b), and (d);

''(B) $24,000,000 for fiscal year 2007, $30,500,000 for fiscal year 2008, $37,000,000 for fiscal year 2009, $43,500,000 for fiscal year 2010, and $50,000,000 for fiscal year 2011, to carry out subsection (c)(1); and

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SA 4879. Mr. FRIST (for Mr. ENZI) proposed an amendment to the bill S. 3534, to amend the Workforce Investment Act of 1998 to provide for a YouthBuild program; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''YouthBuild Transfer Act''.

SEC. 2. YOUTHBUILD PROGRAM.

(a) ESTABLISHMENT OF YOUTHBUILD PROGRAM IN THE DEPARTMENT OF LABOR.—Subtitle D of title I of the Workforce Investment Act of 1998 is amended by inserting before section 174 (29 U.S.C. 2919) the following new section:

''SEC. 173A. YOUTHBUILD PROGRAM.

''(a) STATEMENT OF PURPOSE.—The purposes of this section are—

''(1) to enable disadvantaged youth to obtain the education and employment skills necessary to achieve economic self-sufficiency in occupations in demand and post-secondary education and training opportunities;

''(2) to provide disadvantaged youth with opportunities for meaningful work and service to their communities;

''(3) to foster the development of employment and leadership skills and commitment to community development among youth in low-income communities; and

''(4) to expand the supply of permanent affordable housing for homeless individuals and low-income families by utilizing the energies and talents of disadvantaged youth.

''(b) DEFINITIONS.—In this section:

''(1) ADJUSTED INCOME.—The term 'adjusted income' has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

''(2) APPLICANT.—The term 'applicant' means an eligible entity that has submitted an application under subsection (c).

''(3) ELIGIBLE ENTITY.—The term 'eligible entity' means a public or private nonprofit agency or organization (including a consortium of such agencies or organizations), including—

''(A) a community-based organization;

''(B) a faith-based organization;

''(C) an entity carrying out activities under this title, such as a local board;

''(D) a community action agency;

''(E) a State or local housing development agency;

''(F) an Indian tribe or other agency primarily serving Indians;

''(G) a community development corporation;

''(H) a State or local youth service or conservation corps; and

''(I) any other entity eligible to provide education or employment training under a Federal program (other than the program carried out under this section).

''(4) HOMELESS INDIVIDUAL.—The term 'homeless individual' has the meaning given the term in section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).

''(5) HOUSING DEVELOPMENT AGENCY.—The term 'housing development agency' means any agency of a State or local government, or any private nonprofit organization, that is engaged in providing housing for homeless individuals or low-income families.

''(6) INCOME.—The term 'income' has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

''(7) INDIAN; INDIAN TRIBE.—The terms 'Indian' and 'Indian tribe' have the meanings given such terms in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

''(8) INDIVIDUAL OF LIMITED ENGLISH PROFICIENCY.—The term 'individual of limited English proficiency' means an eligible participant under this section who meets the criteria set forth in section 203(10) of the Adult Education and Family Literacy Act (20 U.S.C. 9202(10)).

''(9) LOW-INCOME FAMILY.—The term 'low-income family' means a family described in section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)).

''(10) QUALIFIED NATIONAL NONPROFIT AGENCY.—The term 'qualified national nonprofit agency' means a nonprofit agency that—

''(A) has significant national experience providing services consisting of training, information, technical assistance, and data management to YouthBuild programs or similar projects; and

''(B) has the capacity to provide those services.

''(11) REGISTERED APPRENTICESHIP PROGRAM.—The term 'registered apprenticeship program' means an apprenticeship program—

''(A) registered under the Act of August 16, 1937 (commonly known as the 'National Apprenticeship Act'; 50 Stat. 664, chapter 663; 20 U.S.C. 50 et seq.); and

''(B) that meets such other criteria as may be established by the Secretary under this section.

''(12) TRANSITIONAL HOUSING.—The term 'transitional housing' means housing provided for the purpose of facilitating the movement of homeless individuals to independent living within a reasonable amount of time. The term includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals who are individuals with disabilities or members of families with children.

''(13) YOUTHBUILD PROGRAM.—The term 'YouthBuild program' means any program that receives assistance under this section and provides disadvantaged youth with opportunities for employment, education, leadership development, and training through the rehabilitation or construction of housing for homeless individuals and low-income families, and of public facilities.

''(c) YOUTHBUILD GRANTS.—

''(1) AMOUNTS OF GRANTS.—The Secretary is authorized to make grants to applicants for the purpose of carrying out YouthBuild programs approved under this section.

''(2) ELIGIBLE ACTIVITIES.—An entity that receives a grant under this subsection shall use the funds made available through the grant to carry out a YouthBuild program, which may include the following activities:

''(A) Education and workforce investment activities including—

''(i) work experience and skills training (coordinated, to the maximum extent feasible, with preapprenticeship and registered apprenticeship programs) in the rehabilitation and construction activities described in subparagraphs (B) and (C);

''(ii) occupational skills training;

''(iii) other paid and unpaid work experiences, including internships and job shadowing;

''(iv) services and activities designed to meet the educational needs of participants, including—

''(I) basic skills instruction and remedial education;

''(II) language instruction educational programs for individuals with limited English proficiency;

''(III) secondary education services and activities, including tutoring, study skills training, and dropout prevention activities, designed to lead to the attainment of a secondary school diploma, General Education Development (GED) credential, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities);

''(IV) counseling and assistance in obtaining postsecondary education and required financial aid; and

''(V) alternative secondary school services;

''(v) counseling services and related activities, such as comprehensive guidance and counseling on drug and alcohol abuse and referral;

''(vi) activities designed to develop employment and leadership skills, which may include community service and peer-centered activities encouraging responsibility and other positive social behaviors, and activities related to youth policy committees that participate in decision-making related to the program;

''(vii) supportive services and provision of need-based stipends necessary to enable individuals to participate in the program and supportive services to assist individuals, for a period not to exceed 12 months after the completion of training, in obtaining or retaining employment, or applying for and transitioning to postsecondary education; and

''(viii) job search and assistance.

''(B) Supervision and training for participants in the rehabilitation or construction of housing, including residential housing for homeless individuals or low-income families, or transitional housing for homeless individuals.

''(C) Supervision and training for participants in the rehabilitation or construction of community and other public facilities, except that not more than 10 percent of funds appropriated to carry out this section may be used for such supervision and training.

''(D) Payment of administrative costs of the applicant, except that not more than 15 percent of the amount of assistance provided under this subsection to the grant recipient may be used for such costs.

''(E) Adult mentoring.

''(F) Provision of wages, stipends, or benefits to participants in the program.

''(G) Ongoing training and technical assistance that are related to developing and carrying out the program.

''(H) Follow-up services.

''(3) APPLICATION.—

''(A) FORM AND PROCEDURE.—To be qualified to receive a grant under this subsection, an eligible entity shall submit an application at such time, in such manner, and containing such information as the Secretary may require.

''(B) MINIMUM REQUIREMENTS.—The Secretary shall require that the application contain, at a minimum—

''(i) labor market information for the labor market area where the proposed program will be implemented, including both current data (as of the date of submission of the application) and projections on career opportunities in growing industries;

''(ii) a request for the grant, specifying the amount of the grant requested and its proposed uses;

''(iii) a description of the applicant and a statement of its qualifications, including a description of the applicant's relationship with local boards, one-stop operators, local unions, entities carrying out registered apprenticeship programs, other community groups, and employers, and the applicant's past experience, if any, with rehabilitation or construction of housing or public facilities, and with youth education and employment training programs;

''(iv) a description of the proposed site for the proposed program;

''(v) a description of the educational and job training activities, work opportunities, postsecondary education and training opportunities, and other services that will be provided to participants, and how those activities, opportunities, and services will prepare youth for employment in occupations in demand in the labor market area described in clause (i);

''(vi) a description of the proposed rehabilitation or construction activities to be undertaken under the grant and the anticipated schedule for carrying out such activities;

''(vii) a description of the manner in which eligible youth will be recruited and selected as participants, including a description of arrangements that will be made with local boards, one-stop operators, community- and faith-based organizations, State educational agencies or local educational agencies (including agencies of Indian tribes), public assistance agencies, the courts of jurisdiction, agencies operating shelters for homeless individuals and other agencies that serve youth who are homeless individuals, foster care agencies, and other appropriate public and private agencies;

''(viii) a description of the special outreach efforts that will be undertaken to recruit eligible young women (including young women with dependent children) as participants;

''(ix) a description of the specific role of employers in the proposed program, such as their role in developing the proposed program and assisting in service provision and in placement activities;

''(x) a description of how the proposed program will be coordinated with other Federal, State, and local activities and activities conducted by Indian tribes, such as local workforce investment activities, vocational education programs, adult and language instruction educational programs, activities conducted by public schools, activities, conducted by community colleges, national service programs, and other job training provided with funds available under this title;

''(xi) assurances that there will be a sufficient number of adequately trained supervisory personnel in the proposed program;

''(xii) a description of results to be achieved with respect to common indicators of performance for youth and lifelong learning, as identified by the Secretary;

''(xiii) a description of the applicant's relationship with local building trade unions regarding their involvement in training to be provided through the proposed program, the relationship of the proposed program to established registered apprenticeship programs and employers, and the ability of the applicant to grant industry-recognized skill certification through the program;

''(xiv) a description of activities that will be undertaken to develop the leadership skills of participants;

''(xv) a detailed budget and a description of the system of fiscal controls, and auditing and accountability procedures, that will be used to ensure fiscal soundness for the proposed program;

''(xvi) a description of the commitments for any additional resources (in addition to the funds made available through the grant) to be made available to the proposed program from—

''(I) the applicant;

''(II) recipients of other Federal, State or local housing and community development assistance who will sponsor any part of the rehabilitation, construction, operation and maintenance, or other housing and community development activities undertaken as part of the proposed program; or

''(III) entities carrying out other Federal, State, or local activities or activities conducted by Indian tribes, including vocational education programs, adult and language instruction educational programs, and job training provided with funds available under this title;

''(xvii) information identifying, and a description of, the financing proposed for any—

''(I) rehabilitation of the property involved;

''(II) acquisition of the property; or

''(III) construction of the property;

''(xviii) information identifying, and a description of, the entity that will operate and manage the property;

''(xix) information identifying, and a description of, the data collection systems to be used;

''(xx) a certification, by a public official responsible for the housing strategy for the State or unit of general local government within which the proposed program is located, that the proposed program is consistent with the housing strategy; and

''(xxi) a certification that the applicant will comply with the requirements of the Fair Housing Act (42 U.S.C. 3601 et seq.) and will affirmatively further fair housing.

''(4) SELECTION CRITERIA.—For an applicant to be eligible to receive a grant under this subsection, the applicant and the applicant's proposed program shall meet such selection criteria as the Secretary shall establish under this section, which shall include criteria relating to—

''(A) the qualifications or potential capabilities of an applicant;

''(B) an applicant's potential for developing a successful YouthBuild program;

''(C) the need for an applicant's proposed program, as determined by the degree of economic distress of the community from which participants would be recruited (measured by indicators such as poverty, youth unemployment, and the number of individuals who have dropped out of secondary school) and of the community in which the housing and public facilities proposed to be rehabilitated or constructed is located (measured by indicators such as incidence of homelessness, shortage of affordable housing, and poverty);

''(D) the commitment of an applicant to providing skills training, leadership development, and education to participants;

''(E) the focus of a proposed program on preparing youth for occupations in demand or postsecondary education and training opportunities;

''(F) the extent of an applicant's coordination of activities to be carried out through the proposed program with local boards, one-stop operators, and one-stop partners participating in the operation of the one-stop

delivery system involved, or the extent of the applicant's good faith efforts in achieving such coordination;

''(G) the extent of the applicant's coordination of activities with public education, criminal justice, housing and community development, national service, or postsecondary education or other systems that relate to the goals of the proposed program;

''(H) the extent of an applicant's coordination of activities with employers in the local area involved;

''(I) the extent to which a proposed program provides for inclusion of tenants who were previously homeless individuals in the rental housing provided through the program;

''(J) the commitment of additional resources (in addition to the funds made available through the grant) to a proposed program by—

''(i) an applicant;

''(ii) recipients of other Federal, State, or local housing and community development assistance who will sponsor any part of the rehabilitation, construction, operation and maintenance, or other housing and community development activities undertaken as part of the proposed program; or

''(iii) entities carrying out other Federal, State, or local activities or activities conducted by Indian tribes, including vocational education programs, adult and language instruction educational programs, and job training provided with funds available under this title;

''(K) the applicant's potential to serve different regions, including rural areas and States that have not previously received grants for YouthBuild programs; and

''(L) such other factors as the Secretary determines to be appropriate for purposes of carrying out the proposed program in an effective and efficient manner.

''(5) APPROVAL.—To the extent practicable, the Secretary shall notify each applicant, not later than 5 months after the date of receipt of the application by the Secretary, whether the application is approved or not approved.

''(d) USE OF HOUSING UNITS.—Residential housing units rehabilitated or constructed using funds made available under subsection (c) shall be available solely—

''(1) for rental by, or sale to, homeless individuals or low-income families; or

''(2) for use as transitional or permanent housing, for the purpose of assisting in the movement of homeless individuals to independent living.

''(e) ADDITIONAL PROGRAM REQUIREMENTS.—

''(1) ELIGIBLE PARTICIPANTS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), an individual may participate in a YouthBuild program only if such individual is—

''(i) not less than age 16 and not more than age 24, on the date of enrollment;

''(ii) a member of a low-income family, a youth in foster care (including youth aging out of foster care), a youth offender, a youth who is an individual with a disability, a child of incarcerated parents, or a migrant youth; and

''(iii) a school dropout.

''(B) EXCEPTION FOR INDIVIDUALS NOT MEETING INCOME OR EDUCATIONAL NEED REQUIREMENTS.—Not more than 25 percent of the participants in such program may be individuals who do not meet the requirements of clause (ii) or (iii) of subparagraph (A), but who—

''(i) are basic skills deficient, despite attainment of a secondary school diploma, General Education Development (GED) credential, or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities); or

''(ii) have been referred by a local secondary school for participation in a YouthBuild program leading to the attainment of a secondary school diploma.

''(2) PARTICIPATION LIMITATION.—An eligible individual selected for participation in a YouthBuild program shall be offered full-time participation in the program for a period of not less than 6 months and not more than 24 months.

''(3) MINIMUM TIME DEVOTED TO EDUCATIONAL SERVICES AND ACTIVITIES.—A YouthBuild program receiving assistance under subsection (c) shall be structured so that participants in the program are offered—

''(A) education and related services and activities designed to meet educational needs, such as those specified in clauses (iv) through (vii) of subsection (c)(2)(A), during at least 50 percent of the time during which the participants participate in the program; and

''(B) work and skill development activities such as those specified in clauses (i), (ii), (iii), and (viii) of subsection (c)(2)(A), during at least 40 percent of the time during which the participants participate in the program.

''(4) AUTHORITY RESTRICTION.—No provision of this section may be construed to authorize any agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution (including a school) or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

''(5) STATE AND LOCAL STANDARDS.—All educational programs and activities supported with funds provided under subsection (c) shall be consistent with applicable State and local educational standards. Standards and procedures for the programs and activities that relate to awarding academic credit for and certifying educational attainment in such programs and activities shall be consistent with applicable State and local educational standards.

''(f) MANAGEMENT AND TECHNICAL ASSISTANCE.—

''(1) SECRETARY ASSISTANCE.—The Secretary may enter into contracts with 1 or more entities to provide assistance to the Secretary in the management, supervision, and coordination of the program carried out under this section.

''(2) TECHNICAL ASSISTANCE.—

''(A) CONTRACTS AND GRANTS.—The Secretary shall enter into contracts with or make grants to 1 or more qualified national nonprofit agencies, in order to provide training, information, technical assistance, and data management to recipients of grants under subsection (c).

''(B) RESERVATION OF FUNDS.—Of the amounts available under subsection (h) to carry out this section for a fiscal year, the Secretary shall reserve 5 percent to carry out subparagraph (A).

''(3) CAPACITY BUILDING GRANTS.—

''(A) IN GENERAL.—In each fiscal year, the Secretary may use not more than 3 percent of the amounts available under subsection (h) to award grants to 1 or more qualified national nonprofit agencies to pay for the Federal share of the cost of capacity building activities.

''(B) FEDERAL SHARE.—The Federal share of the cost described in subparagraph (A) shall be 25 percent. The non-Federal share shall be provided from private sources.

''(g) SUBGRANTS AND CONTRACTS.—Each recipient of a grant under subsection (c) to carry out a YouthBuild program shall provide the services and activities described in this section directly or through subgrants, contracts, or other arrangements with local educational agencies, postsecondary educational institutions, State or local housing development agencies, other public agencies, including agencies of Indian tribes, or private organizations.

''(h) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated for each of fiscal years 2007 through 2012 such sums as may be necessary to carry out this section.

''(2) FISCAL YEAR.—Notwithstanding section 189(g), appropriations for any fiscal year for programs and activities carried out under this section shall be available for obligation only on the basis of a fiscal year.''.

(b) CLERICAL AMENDMENT.—Section 1(b) of the Workforce Investment Act of 1998 (relating to the table of contents) is amended by inserting before the item relating to section 174 the following:

''Sec. 173A. YouthBuild program''.

(c) EXCEPTION TO PROGRAM YEAR APPROPRIATION CYCLE REQUIREMENT.—Section 189(g)(1)(A) of the Workforce Investment Act of 1998 (29 U.S.C. 2939(g)(1)(A)) is amended by inserting ''and section 173A'' after ''Except as provided in subparagraph (B)''.

(d) CONFORMING AMENDMENTS.—

(1) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended in paragraphs (1)(B)(iii) and (2)(B) of subsection (c), and paragraphs (1)(B)(iii) and (2)(B) of subsection (d), by striking ''Youthbuild'' and all that follows and inserting ''YouthBuild programs receiving assistance under section 173A of the Workforce Investment Act of 1998.''.

(2) Section 507(b) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4183(b)) is amended by striking ''subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act,''.

(3) Section 402 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12870) is amended by striking the second sentence of subsections (a) and (b).

(e) REPEAL OF PROVISIONS.—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is repealed.

(f) EFFECTIVE DATE.—This section and the amendments made by this section take effect on the earlier of—

(1) the date of enactment of this Act; and

(2) September 30, 2006.

SEC. 3. TRANSFER OF FUNCTIONS AND SAVINGS PROVISIONS.

(a) DEFINITIONS.—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term ''Federal agency'' has the meaning given to the term ''agency'' by section 551(1) of title 5, United States Code;

(2) the term ''function'' means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(3) the term ''office'' includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(b) TRANSFER OF FUNCTIONS.—There are transferred to the Department of Labor all functions which the Secretary of Housing and Urban Development exercised before the effective date of this section (including all related functions of any officer or employee of the Department of Housing and Urban Development) relating to subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.).

(c) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under subsection (b).

(d) PERSONNEL PROVISIONS.—

(1) APPOINTMENTS.—The Secretary of Labor may appoint and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as may be necessary to carry out the respective functions transferred under this section. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Secretary of Labor may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate such experts and consultants for each day (including traveltime) at rates not in excess of the rate of pay for level IV of the Executive Schedule under section 5315 of such title. The Secretary of Labor may pay experts and consultants who are serving away from their homes or regular place of business travel expenses and per diem in lieu of subsistence at rates authorized by sections 5702 and 5703 of such title for persons in Government service employed intermittently.

(e) DELEGATION AND ASSIGNMENT.—Except where otherwise expressly prohibited by law or otherwise provided by this section, the Secretary of Labor may delegate any of the functions transferred to the Secretary of Labor by this section and any function transferred or granted to the Secretary of Labor after the effective date of this section to such officers and employees of the Department of Labor as the Secretary of Labor may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Secretary of Labor under this subsection or under any other provision of this section shall relieve the Secretary of Labor of responsibility for the administration of such functions.

(f) REORGANIZATION.—The Secretary of Labor is authorized to allocate or reallocate any function transferred under subsection (b) among the officers of the Department of Labor, and to establish, consolidate, alter, or discontinue such organizational entities in the Department of Labor as may be necessary or appropriate.

(g) RULES.—The Secretary of Labor is authorized to prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Secretary of Labor determines necessary or appropriate to administer and manage the functions of the Department of Labor.

(h) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS.—Except as otherwise provided in this section, the assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the Department of Labor. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(i) TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, is authorized to make such determinations as may be necessary with regard to the functions transferred by this section, and to make such dispositions of assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds used, held, arising from, available to, or to be made available in connection with such functions, subject to section 1531 of title 31, United States Code, as may be necessary to carry out the provisions of this section. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this section and for such further measures and dispositions as may be necessary to effectuate the purposes of this section.

(j) SAVINGS PROVISIONS.—

(1) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this section; and

(B) which are in effect at the time this section takes effect, or were final before the effective date of this section and are to become effective on or after the effective date of this section,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary of Labor or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) PROCEEDINGS NOT AFFECTED.—The provisions of this section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Department of Housing and Urban Development at the time this section takes effect, with respect to functions transferred by this section but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this paragraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) SUITS NOT AFFECTED.—The provisions of this section shall not affect suits commenced before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(4) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Department of Housing and Urban Development, or by or against any individual in the official capacity of such individual as an officer of the Department of Housing and Urban Development, shall abate by reason of the enactment of this section.

(5) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the Department of Housing and Urban Development relating to a function transferred under this section may be continued by the Department of Labor with the same effect as if this section had not been enacted.

(k) SEPARABILITY.—If a provision of this section or its application to any person or circumstance is held invalid, neither the remainder of this section nor the application of the provision to other persons or circumstances shall be affected.

(l) TRANSITION.—The Secretary of Labor is authorized to utilize—

(1) the services of such officers, employees, and other personnel of the Department of Housing and Urban Development with respect to functions transferred to the Department of Labor by this section; and

(2) funds appropriated to such functions for such period of time,

as may reasonably be needed to facilitate the orderly implementation of this section.

(m) ACCOMPLISHING ORDERLY TRANSFER.—Consistent with the requirements of this section, the Secretary of Labor and the Secretary of Housing and Urban Development shall take such actions as the Secretaries determine are appropriate to accomplish the orderly transfer of functions as described in subsection (b).

(n) ADMINISTRATION OF PRIOR GRANTS.—Notwithstanding any other provision of this Act, grants awarded under subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) with funds appropriated for fiscal year 2006 or a preceding fiscal year shall be subject to the continuing authority of the Secretary of Housing and Urban Development under the provisions of such subtitle, as in effect on the day before the date of enactment of this Act, until the authority to expend applicable funds for the grants, as specified by the Secretary of Housing and Urban Development, has expired and the Secretary has completed the administrative responsibilities associated with the grants.

(o) REFERENCES.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Secretary of Housing and Urban Development with regard to functions transferred under subsection (b), shall be deemed to refer to the Secretary of Labor; and

(2) the Department of Housing and Urban Development with regard to functions transferred under subsection (b), shall be deemed to refer to the Department of Labor.

(p) EFFECTIVE DATE.—This section takes effect on the earlier of—

(1) the date of enactment of this Act; and

(2) September 30, 2006.

SA 4880. Mr. FRIST (for Mr. MCCAIN (for himself and Mr. DORGAN)) proposed an amendment to the bill S. 1899, to amend the Indian Child Protection and Family Violence Prevention Act to identify and remove barriers to reducing child abuse, to provide for examinations of certain children, and for other purposes; as follows:

On page 24, line 4, strike ''extend'' and insert ''extent''.

On page 27, line 16, strike ''or forensic'' and insert ''and forensic''.

On page 28, line 2, strike ''interviews'' and insert ''interviewers''.

On page 29, strike lines 18 through 24 and insert the following:

''(d) EFFECT ON CHILD PLACEMENT.—An Indian tribe that submits a written statement to the applicable State official documenting that the Indian tribe has conducted a background investigation under this section for the placement of an Indian child in a tribally-licensed or tribally-approved foster care or adoptive home, or for another out-of-home placement, shall be considered to have satisfied the background investigation requirements of any Federal or State law requiring such an investigation.''.

On page 32, strike lines 8 through 16 and insert the following:

(A) by striking ''(g)'' and all that follows through ''Indian Child Resource'' and inserting the following:

''(g) APPLICATION OF INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT TO CENTERS.—

''(1) IN GENERAL.—Indian Child Resource'';

(B) in the first sentence, by striking ''Act'' and inserting ''and Education Assistance Act (25 U.S.C. 450 et seq.)'';

(C) by striking the second sentence and inserting the following:

On page 33, line 15, strike ''(C)'' and insert ''(D)''.

On page 34, strike lines 1 through 25.

On page 35, strike lines 6 through 11 and insert the following:

''(a) DEFINITION OF MEDICAL OR BEHAVIORAL HEALTH PROFESSIONAL.—In this section, the term 'medical or behavioral health professional' means an employee or volunteer of an organization that provides a service as part of a comprehensive service program that combines—

''(1) substance abuse (including abuse of alcohol, drugs, inhalants, and tobacco) prevention and treatment; and

''(2) mental health treatment.

''(b) CONTRACTS AND AGREEMENTS.—The Service is authorized to enter into any contract or agreement for the use of telemedicine with a public or private university or facility, including a medical university or facility, or any private medical or behavioral health professional, with experience relating to pediatrics, including the diagnosis and treatment of child abuse, to assist the Service with respect to—

On page 35, line 16, strike ''(b)'' and insert ''(c)''.

On page 35, line 17, strike ''(a)'' and insert ''(b)''.

On page 35, line 25, strike ''(c)'' and insert ''(d)''.

On page 36, lines 1 and 2, strike ''medical universities, facilities, and practitioners described in subsection (a)'' and insert ''universities and facilities, including medical universities and facilities, and medical or behavioral health professionals described in subsection (b)''.

On page 36, line 5, strike ''(d)'' and insert ''(e)''.

On page 36, line 12, strike ''felony child neglect,'' and insert ''felony child abuse, felony child neglect,''.

SA 4881. Mr. FRIST (for Mr. LAUTENBERG (for himself and Mr. STEVENS)) proposed an amendment to the bill H.R. 3858, to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to ensure that State and local emergency preparedness operational plans address the needs of individuals with household pets and service animals following a major disaster or emergency; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Pets Evacuation and Transportation Standards Act of 2006''.

SEC. 2. STANDARDS FOR STATE AND LOCAL EMERGENCY PREPAREDNESS OPERATIONAL PLANS.

Section 613 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196b) is amended—

(1) by redesignating subsection (g) as subsection (h); and

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

''(g) STANDARDS FOR STATE AND LOCAL EMERGENCY PREPAREDNESS OPERATIONAL PLANS.—In approving standards for State and local emergency preparedness operational plans pursuant to subsection (b)(3), the Director shall ensure that such plans take into account the needs of individuals with household pets and service animals prior to, during, and following a major disaster or emergency.''.

SEC. 3. EMERGENCY PREPAREDNESS MEASURES OF THE DIRECTOR.

Section 611 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196) is amended—

(1) in subsection (e)—

(A) in paragraph (2), by striking ''and'' at the end;

(B) in paragraph (3), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(4) plans that take into account the needs of individuals with pets and service animals prior to, during, and following a major disaster or emergency.''; and

(2) in subsection (j)—

(A) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9), respectively; and

(B) by inserting after paragraph (1) the following:

''(2) The Director may make financial contributions, on the basis of programs or projects approved by the Director, to the States and local authorities for animal emergency preparedness purposes, including the procurement, construction, leasing, or renovating of emergency shelter facilities and materials that will accommodate people with pets and service animals.''.

SEC. 4. PROVIDING ESSENTIAL ASSISTANCE TO INDIVIDUALS WITH HOUSEHOLD PETS AND SERVICE ANIMALS FOLLOWING A DISASTER.

Section 403(a)(3) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b(a)(3)) is amended—

(1) in subparagraph (H), by striking ''and'' at the end;

(2) in subparagraph (I), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(J) provision of rescue, care, shelter, and essential needs—

''(i) to individuals with household pets and service animals; and

''(ii) to such pets and animals.''.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will be held on Friday, September 1, 2006, at 1 p.m. in the Student Union Ballroom at the Student Union Building of Montana State University Northern located at 1 SUB Drive in Havre, Montana.

The purpose of the hearing is to receive testimony on S. 3563, to authorize the Secretary of the Interior to conduct studies to determine the feasibility and environmental impact of rehabilitating the St. Mary Diversion and Conveyance Works and the Milk River Project, to authorize the rehabilitation and improvement of the St. Mary Diversion and Conveyance Works, to develop an emergency response plan for use in the case of catastrophic failure of the St. Mary Diversion and Conveyance Works, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150.

For further information, please contact Nate Gentry at (202) 224–2179 or Steve Waskiewicz at (202) 228–6195.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on August 3, 2006, at 9:30 a.m. to receive testimony on Iraq, Afghanistan, and the Global War on Terrorism.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, August 3, 2006, at 10 a.m.

The purpose of this hearing is to receive testimony on S. 2589, to enhance the management and disposal of spent nuclear fuel and high-level radioactive waste, to ensure protection of public health and safety, to ensure the territorial integrity and security of the repository at Yucca Mountain, and for other purposes.

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

COMMITTEE ON FINANCE

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Thursday, August 3, 2006, at 10:30 a.m., in 215 Dirksen Senate Office Building, to hear testimony on ''Kick-Off for Tax Reform: Tackling the Tax Code''.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. FRIST. Mr. President, I ak unanimous consent that the Committee on Foreign Relations be authorized to MEET DURING THE SESSIOn of the Senate on Thursday, August 3, 2006, at 11 a.m. to hold a hearing on nominations.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, August 3, 2006, at

2:30 p.m. to hold a hearing on nominations.

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

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Federal Financial Management, Government Information, and International Security be authorized to meet on Thursday, August 3, 2006, at 2:30 p.m. for a hearing regarding ''Financial Management at the Department of Defense.''

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. FRIST. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on August 3, 2006, at 10 a.m. to hold a closed briefing.

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

SUBCOMMITTEE ON NATIONAL OCEAN POLICY STUDY

Mr. FRIST. Mr. President, I am requesting unaimous consent that the Committee on Commerce, Science, and Transportation Subcommittee on National Ocean Policy Study be able to hold a hearing on the State of the Oceans 2006 on August 3, 2006 at 10 a.m.

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

PRIVILEGES OF THE FLOOR

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the following fellows with the Finance Committee be allowed the privilege of the floor during the Senate's consideration of the tax bills today: Mary Baker and Stuart Sirkin.

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

FOREIGN TRAVEL FINANCIAL REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following reports for standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM JAN. 1 TO MAR. 31, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Drew Willison:									
Netherlands	Euro		968.62						968.62
United States	Dollar				6,242.90		94.39		6,337.29
Scott O'Malia:									
Japan	Yen		2,273.46						2,273.46
United States	Dollar				10,547.36		94.39		10,641.75
Drew Willison:									
Japan	Yen		2,273.46						2,273.46
United States	Dollar				10,547.36		94.39		10,641.75
Nancy Olkewics:									
Japan	Yen		2,273.46						2,273.46
United States	Dollar				10,547.36		94.39.		10,641.75
Josh Manley:									
United Kingdom	Pound		880.00		263.00				1,143.00
Belgium	Euro		842.00						842.00
Italy	Euro		2,022.00		770.75				2,792.75
France	Euro		906.00						906.00
United States	Dollar				8,858.60				8,858.60
Matthew McCardle:									
United Kingdom	Pound		880.00		263.00				1,143.00
Belgium	Euro		842.00						842.00
Italy	Euro		2,022.00		770.75				2,792.75
France	Euro		906.00						906.00
United States	Dollar				8,858.60				8,858.60
Jon Kamarck:									
United Kingdom	Pound		880.00		263.00				1,143.00
Belgium	Euro		842.00						842.00
Italy	Euro		2,022.00		770.75				2,792.75
France	Euro		906.00						906.00
United States	Dollar				8,858.60				8,858.60
Peter Rogoff:									
United Kingdom	Pound		880.00		263.00				1,143.00
Belgium	Euro		842.00						842.00
Italy	Euro		2,022.00		770.75				2,792.75
France	Euro		906.00						906.00
United States	Dollar				8,858.60				8,858.60
Meaghan McCarthy:									
United Kingdom	Pound		880.00		263.00				1,143.00
Belgium	Euro		842.00						842.00
Italy	Euro		2,022.00		770.75				2,792.75
France	Euro		906.00						906.00
United States	Dollar				8,858.60				8,858.60
Rebecca Hammel:									
Netherlands	Euro		968.62						968.62
United States	Dollar				6,242.90				6,242.90
Roger K. Cockrell:									
Netherlands	Euro		1,016.63						1,016.63
United States	Dollar				6,242.90				6,242.90
Senator Wayne Allard:									
Brazil	Real		506.00						506.00
Argentina	Pesos		318.00						318.00
Adam Sharp:									
Netherlands	Euro		1,280.49						1,280.49
United States	Dollar				6,242.90				6,242.90
Senator Mary L. Landrieu:									
Netherlands	Euro		968.62						968.62
United States	Dollar				6,241.51				6,241.51
Herman J. Gesser, III:									
Netherlands	Euro		1,346.03						1,346.03
United States	Dollar				6,242.40				6,242.40
Total			37,443.39		118,559.34		377.56		156,380.29

THAD COCHRAN,
Chairman, Committee on Appropriations, June 26, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM APR. 1 to JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Robert Bennett:									
Belgium	Euro		392.00						392.00
Mark Morrison:									
Belgium	Euro		392.00						392.00
Nathan Graham:									
Belgium	Euro		392.00						392.00
Stewart Holmes:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Paul Grove:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Thomas Hawkins:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Senator Thad Cochran									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Keith Kennedy:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Kay Webber:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Dr. John Eisild:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Mark Keenum:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Senator Judd Gregg:									
Jordan	Dinar		546.00						546.00
Israel	Shekel		167.00						167.00
Italy	Euro		654.00						654.00
Tim Reiser:									
Guatemala	Dollar		330.00				54.00		384.00
United States	Dollar				1,230.00				1,230.00
Colombia	Dollar		100.00				53.00		153.00
Sudip Parikh:									
United Kingdom	Pound		2,565.00				85.00		2,650.00
United States	Dollar				2,460.54				2,460.54
Betty Lou Taylor:									
United Kingdom	Pound		2,565.00				85.00		2,650.00
United States	Dollar				2,460.54				2,460.54
Total			19,039.00		6,151.08		277.00		25,467.08

THAD COCHRAN,
Chairman, Committee on Appropriations, July 5, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Joseph Lieberman:									
United States	Dollar				1,394.00				1,394.00
Israel	Dollar		2,250.00						2,250.00
Frederick M. Downey:									
United States	Dollar				5,819.00				5,819.00
Israel	Dollar		3,980.00						3,980.00
Senator Jack Reed:									
United States	Dollar				2,041.00				2,041.00
Colombia	Dollar						2.00		2.00
Elizabeth King:									
United States	Dollar				2,041.00				2,041.00
Colombia	Dollar						22.00		22.00
Evelyn Farkas:									
United States	Dollar				2,084.00				2,084.00
Colombia	Dollar						22.00		22.00
Senator John McCain:									
United States	Dollar				3,903.55				3,903.55
Belgium	Euro		150.00						150.00
Richard Fontaine:									
United States	Dollar				3,903.55				3,903.55
Belgium	Euro		292.00						292.00
Senator Elizabeth Dole:									
United States	Dollar				8,594.02				5,894.02
Greg Reils:									
United States	Dollar		8,614.02		8,614.02				8,614.02
Kuwait	Dollar		1,218.00						1,218.00
Greg Gross:									
United States	Dollar				8,614.02				8,614.02
Kuwait	Dollar		1,218.00						1,218.00
Total			9,108.00		47,008.16		46.00		56,162.16

JOHN WARNER,
Chairman, Committee on Armed Services, July 28, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM JAN. 1 TO MAR. 31, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John McCain:									
New Zealand	Dollar		1,463.67						1,463.67
Switzerland	Dollar		570.00						570.00
Kuwait	Dollar		259.92						259.92
Jordan	Dollar		269.50						269.50
Senator John Warner:									
Italy	Euro		125.00						125.00
Pakistan	Rupee		100.00						100.00
Kuwait	Dinar		325.00						325.00
United Kingdom	Pound		358.00						358.00
Senator Carl Levin:									
Italy	Euro		125.00						125.00
Pakistan	Rupee		91.00						91.00
Kuwait	Dinar		325.00						325.00
United Kingdom	Pound		228.00						228.00
Richard D. DeBobes:									
Italy	Euro		125.00						125.00
Pakistan	Rupee		50.00						50.00
Kuwait	Dinar		325.00						325.00
Turkey	Lira		90.00						90.00
United Kingdom	Pound		228.00						228.00
Senator John Thune:									
Brazil	Dollar		370.00						370.00
Argentina	Dollar		556.00						556.00
Chile	Dollar		354.00						354.00
Total			6,338.09						6,338.09

JOHN WARNER,
Chairman, Committee on Armed Services, July 28, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Andrew Olmem:									
United States	Dollar				7,461.00				7,461.00
Brazil	Real		300.00						300.00
LouAnn Linehan:									
United States	Dollar				6,177.47				6,177.47
India	Rupee		902.00						902.00
Pakistan	Rupee		593.00						593.00
Senator Richard Shelby:									
Libya	Dinar		1,200.00						1,200.00
Egypt	Pound		288.00						288.00
Ethiopia	Birr		562.00						562.00
South Africa	Rand		923.00						923.00
Argentina	Peso		540.00						540.00
Senator Paul Sarbanes:									
Libya	Dinar		1,200.00						1,200.00
Egypt	Pound		288.00						288.00
Ethiopia	Birr		562.00						562.00
South Africa	Rand		923.00						923.00
Argentina	Peso		540.00						540.00
Kathleen L. Casey:									
Libya	Dinar		1,200.00						1,200.00
Egypt	Pound		288.00						288.00
Ethiopia	Birr		562.00						562.00
South Africa	Rand		923.00						923.00
Argentina	Peso		540.00						540.00
Anne Caldwell:									
Libya	Dinar		1,200.00						1,200.00
Egypt	Pound		288.00						288.00
Ethiopia	Birr		562.00						562.00
South Africa	Rand		923.00						923.00
Argentina	Peso		540.00						540.00
Total			15,847.00		13,638.47				29,485.47

RICHARD SHELBY,
Chairman, Committee on Banking, Housing, and Urban Affairs, June 30, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Debbie Stabenow:									
United States	Dollar				7,342.44				7,342.44
Jordan	Dinar		434.00						434.00
Kevin Bargo:									
United States	Dollar				3,830.07				3,830.07
Austria	Euro		636.00						636.00
Switzerland	Franc		1,236.00						1,236.00
Maureen O'Neill:									
United States	Dollar				6,678.00				6,678.00
Austria	Euro		636.00						636.00
Switzerland	Franc		1,236.00						1,236.00

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total			4,178.00		17,850.51				22,028.51

JUDD GREGG,
Chairman, Committee on U.S. Senate Budget Committee, June 30, 2006.

CONSOLIDATED REPORT OF EXPENDITUE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION, FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Gordon Smith:									
Egypt	Pound		161.62						161.62
United Kingdom	Pound		211.00						211.00
Robert Epplin:									
Egypt	Pound		161.62						161.62
United Kingdom	Pound		211.00						211.00
Todd Bertoson:									
United States	Dollar				1,387.00				1,387.00
St. Kitts & Nevis	Dollar		1,650.00						1,165.00
Stephen Wackowski:									
United States	Dollar				1,387.00				1,387.00
St. Kitts & Nevis	Dollar		1,650.00						1,650.00
Total			4,045.24		2,744.00				6,819.24

TED STEVENS,
Chairman, Committee on Science and Transportation, July 14, 2006.

CONSOLIDATED REPORT OF EXPENDITUE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM JAN. 1, TO MAR. 31, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Max Baucus:									
China	Yuan		1,136.13						1,136.13
Singapore	Dollar		260.00						260.00
India	Rupees		1,230.46						1,230.46
United States	Dollar				9,172.55				9,172.55
*Delegation Expenses							4,010.20		4,010.20
William Dauster:									
China	Yuan		1,233.05						1,233.05
United States	Dollar				9,148.75				9,148.75
Demetrios Marantis:									
China	Yuan		1,136.13						1,136.13
Singapore	Dollar		260.00						260.00
India	Rupees		1,230.46						1,230.46
United States	Dollar				9,133.55				9,133.55
Jim Messina:									
China	Yuan		1,234.59						1,234.59
India	Rupees		1,230.46						1,230.46
United States	Dollar				9,086.72				9,086.72
Brian Pomper:									
China	Yuan		1,136.13						1,136.13
Singapore	Dollar		260.00						260.00
India	Rupees		1,230.46						1,230.46
United States	Dollar				9,133.55				9,133.55
Senator Chuck Schumer:									
China	Dollar		1,286.66						1,286.66
Hong Kong	Dollar		365.84						365.84
Jeff Hamond:									
China	Dollar		1,248.84						1,248.84
Hong Kong	Dollar		346.93						346.93
Risa Heller:									
China	Dollar		1,132.28						1,132.28
Hong Kong	Dollar		288.64						288.64
Senator Charles E. Grassley:									
Brazil	Reals		754.47						754.47
Argentina	Pesos		517.00						517.00
*Delegation Expenses							20,724.00		20,724.00
Senator Mike Crapo:									
Brazil	Reals		754.47						754.47
Argentina	Pesos		517.00						517.00
Gregg Richard:									
Brazil	Reals		490.97						490.97
Argentina	Pesos		253.50						253.50
Elizabeth Pellett:									
Brazil	Reals		414.47						414.47
Argentina	Pesos		177.00						177.00
Kevin Studer:									
Brazil	Reals		647.47						647.47
Argentina	Pesos		437.00						437.00
David Johanson:									
Brazil	Reals		397.97						397.97
Argentina	Pesos		160.50						160.50
Total			21,768.88		45,675.12		24,734.20		92,178.20

CHARLES E. GRASSLEY,
Chairman, Committee on Finance, June 1, 2006.

*Delegation expenses include interpretation, transportation, security, embassy overtime, reciprocal meals and official functions as well as other expenses in accordance with the responsibilities of the host country.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator George Allen:									
Italy	Euro		382.00				150.00		532.00

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Turkey	Dollar		135.00						135.00
Kuwait	Dinar		300.00						300.00
United States	Dollar				6,074.45				6,074.45
Senator Christopher Dodd:									
Jordan	Dollar		223.00						223.00
Lebanon	Dollar		117.00						117.00
Israel	Dollar		347.00						347.00
Egypt	Dollar		288.00						288.00
Italy	Dollar		467.00						467.00
United States	Dollar				508.50				508.50
Senator Chuck Hagel:									
India	Rupee		1,106.91						1,106.91
Pakistan	Rupee		572.00						572.00
United States	Dollar				7,309.78				7,309.78
Senator George Voinovich:									
Austria	Dollar		358.00						358.00
Serbia	Dollar		183.00						183.00
Macedonia	Dollar		30.00						30.00
Belgium	Dollar		253.00						253.00
United States	Dollar				5,682.54				5,682.54
Senator George Voinovich:									
Belgium	Euro		819.34						819.34
Jay Branegan:									
United Kingdom	Pound		2,377.62						2,377.62
United States	Dollar				7,241.43				7,241.43
Heather Flynn:									
United Kingdom	Pound		450.00						450.00
Nigeria	Naira		435.00						435.00
United States	Dollar				8,505.00				8,505.00
Heather Flynn:									
Equatorial Guinea	CFA		415.00						415.00
United States	Dollar				7,345.00				7,345.00
Grey Frandsen:									
Algeria	Dinar		1,047.46						1,047.46
Mali	Cifa		361.94						361.94
United States	Dollar				7,509.39				7,509.39
Frank Jannuzi:									
China	Yuan		1,164.00						1,164.00
United States	Dollar				6,778.18				6,778.18
Kenneth Myers III:									
Russia	Dollar		900.00						900.00
United States	Dollar				5,592.72				5,592.72
Janice O'Connell:									
Jordan	Dollar		223.00						223.00
Lebanon	Dollar		117.00						117.00
Israel	Dollar		347.00						347.00
Egypt	Dollar		288.00						288.00
Italy	Dollar		467.00						467.00
United States	Dollar				508.50				508.50
Rexon Ryu:									
India	Rupee		956.91						956.91
Pakistan	Rupee		847.00						847.00
United States	Dollar				6,177.47				6,177.47
Jean Siskovic:									
Austria	Dollar		358.00						358.00
Serbia	Dollar		234.00						234.00
Macedonia	Dollar		150.00						150.00
Belgium	Dollar		236.00						236.00
United States	Dollar				7,100.54				7,100.54
Jean Siskovic:									
Belgium	Euro		819.34						819.34
Puneet Talwar:									
Switzerland	Dollar		362.00						362.00
United States	Dollar				6,146.47				6,146.47
Caroline Tess:									
Venezuela	Dollar		1,902.00						1,902.00
United States	Dollar				2,688.80				2,688.80
Caroline Tess:									
Bolivia	Dollar		327.00						327.00
United States	Dollar				4,251.00				4,251.00
Tomicah Tillemann:									
Azerbaijan	Manat		632.00						632.00
Georgia	Lari		520.00						520.00
United States	Dollar				8,463.80				8,463.80
Paul Unger:									
Italy	Euro		463.00						463.00
Turkey	Dollar		141.00						141.00
Kuwait	Dinar		280.00						280.00
United States	Dollar				6,074.45				6,074.45
Total			22,402.52		103,958.02		150.00		126,510.54

RICHARD LUGAR,
Chairman, Committee on Foreign Relations, July 17, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS COMMITTEE FOR TRAVEL FROM JAN. 1 TO MAR. 31, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Susan Collins:									
United States	Dollar				7,561.57				7,561.57
New Zealand	Dollar		738.44						738.44
David Hunter:									
United States	Dollar				7,533.38				7,533.38
New Zealand	Dollar		840.00						840.00
Senator Tom Coburn:									
United States	Dollar				9,974.92				9,974.92
China	Yuan		758.13						758.13

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS COMMITTEE FOR TRAVEL FROM JAN. 1 TO MAR. 31, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total			2,336.57		25,069.87				27,406.44

SUSAN M. COLLINS,
Chairman, Committee on Homeland Security and Governmental Affairs Committee, Mar. 21, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Arlen Specter:									
Colombia	Peso		802.00						802.00
Peru	Sol		542.00						542.00
Brazil	Real		753.00						753.00
Dominican Republic	Dollar		131.00						131.00
Evan Kelly:									
Colombia	Peso		802.00						802.00
Peru	Sol		542.00						542.00
Brazil	Real		753.00						753.00
Dominican Republic	Dollar		131.00						131.00
Total			4,456.00						4,456.00

ARLEN SPECTER,
Chairman, Committee on the Judiciary, July 25, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY FOR TRAVEL FROM OCT. 1 TO DEC. 31, 2005

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Arlen Specter:									
Belgium	Euro		492.25						492.25
Estonia	Kroon		372.23						372.23
Jordan	Dinar		48.72						48.72
Israel	Shekel		125.45						125.45
Germany	Euro		451.70						451.70
Scott J. Hoeflich:									
Belgium	Euro		763.14						763.14
Estonia	Kroon		503.81						503.81
Jordan	Dinar		507.41						507.41
Israel	Shekel		240.23						240.23
Germany	Euro		361.26						361.26
David J. DeBruyn:									
Belgium	Euro		763.14						763.14
Estonia	Kroon		503.81						503.81
Jordan	Dinar		507.41						507.41
Israel	Shekel		240.23						240.23
Germany	Euro		361.26						361.26
Total			6,242.05						6,242.05

ARLEN SPECTER,
Chairman, Committee on the Judiciary, July 25, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON VETERANS AFFAIRS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Larry E. Craig:									
Netherlands	Euro		355.40						355.40
France	Euro		513.00						513.00
Tunisia	Dinar		379.46						379.46
Senator Richard Burr:									
Netherlands	Euro		318.31						318.31
France	Euor		310.56						310.56
Tunisia	Dinar		395.87						395.87
Senator Johnny Isakson:									
Netherlands	Euro		291.13						291.13
France	Euro		203.88						203.88
Tunisia	Dinar		477.93						477.93
Senator Arlen Specter:									
Netherlands	Euro		487.14						487.14
France	Euro		432.93						432.93
Lupe Wissel:									
Netherlands	Euro		252.31						252.31
France	Euro		371.57						371.57
Tunisia	Dinar		288.62						288.62
Jeff Schrade:									
Netherlands	Euro		232.01						232.01
France	Euro		275.92						275.92
Tunisia	Dinar		189.38						189.38

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON VETERANS AFFAIRS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total			5,775.42						5,775.42

LARRY E. CRAIG,
Chairman, Committee on Veterans' Affairs, July 13, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON INTELLIGENCE FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Eric Rosenbach:			1,460.94						1,460.94
United States	Dollar				6,177.47				6,177.47
Senator Orrin Hatch			66.62						66.62
Paul Matulic			291.62						291.62
Total			1,819.18		6,177.47				7,996.65

PAT ROBERTS,
Chairman, Committee on Intelligence, July 19, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON COMMISSION ON SECURITY AND COOPERATION IN EUROPE FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Shelly Han:									
United States	Dollar				5,975.44				5,975.44
Denmark	Krone		628.00						628.00
Erika Schlager:									
United States	Dollar				5,926.58				5,926.58
Romania	Lei		3,682.80						3,682.80
Kyle Parker:									
United States	Dollar				6,038.49				6,038.49
Russia	Rouble		2,768.10						2,768.10
Austria	Euro		562.08						562.08
John Finerty:									
United States	Dollar				5,592.35				5,592.35
Russia	Rouble		2,695.00						2,695.00
Dorothy Taft:									
United States	Dollar				8,420.14				8,420.14
Kazakhstan	Tenge		804.00						804.00
Bob Hand:									
United States	Dollar				6,450.88				6,450.88
Serbia & Montenegro	Euro		1,024.00						1,024.00
Shelly Han:									
United States	Dollar				5,785.06				5,785.06
Czech Republic	Koruna		206.00						206.00
Austria	Euro		562.00						562.00
Knox Thames:									
United States	Dollar				8,406.00				8,406.00
Kazakhstan	Tenge		953.12						953.12
Tajikistan	Sommi		411.22						411.22
Bob Hand:									
United States	Dollar				4,678.46				4,678.46
Austria	Euro		462.00						462.00
Macedonia	Euro		1,896.00						1,896.00
Total			16,654.32		57,273.40				73,927.72

SAM BROWNBACK,
Chairman, Committee on Commission on Security and Cooperation in Europe, July 21, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON PRESIDENT PRO TEMPORE FOR TRAVEL FROM APR. 1 TO JUN. 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Jennifer Lowe:									
China	Yuan		2,617.75						2,617.75
United States	Dollar				8,351.13				8,351.13
Eric Mische:									
China	Yuan		1,492.00						1,492.00
United States	Dollar				7,637.70				7,637.70
Mary Claire Butt:									
China	Yuan		1,380.00						1,380.00
United States	Dollar				7,358.70				7,358.70
Total			5,489.75		23,347.53				28,837.28

TED STEVENS,
Chairman, Committee on President Pro Tempore, July 24, 2006.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL FRIST FOR TRAVEL FROM APR. 7 TO APR. 13, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator William H. Frist:									
Russia	Rouble		670.00						670.00
Poland	Zloty		336.00						336.00

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL FRIST FOR TRAVEL FROM APR. 7 TO APR. 13, 2006—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Senator Judd Gregg:									
Russia	Rouble		785.00						785.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Senator Richard Burr:									
Russia	Rouble		785.00						785.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Emily Reynolds:									
Russia	Rouble		660.00						660.00
Poland	Zloty		211.00						211.00
Georgia	Lari		185.00						185.00
Ukraine	Hryvnia		212.00						212.00
Mark Esper:									
Russia	Rouble		725.00						725.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Amy Call:									
Russia	Rouble		485.00						485.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Jeff McEvoy:									
Russia	Rouble		727.00						727.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Sally Walsh:									
Russia	Rouble		535.00						535.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
Anna Gallagher:									
Russia	Rouble		665.00						665.00
Poland	Zloty		336.00						336.00
Georgia	Lari		310.00						310.00
Ukraine	Hryvnia		337.00						337.00
*Delegation Expenses:									
Russia	Rouble						14,340.45		14,340.45
Poland	Zloty						8,650.26		8,650.26
Georgia	Lari						5,242.76		5,242.76
Ukraine	Hryvnia						4,806.01		4,806.01
Total			14,509.00				33,039.48		47,548.48

WILLIAM H. FRIST,
Majority Leader, June 6, 2006.

*Delegation expenses include payments and reimbursements to the Department of State, and the Department of Defense under the authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179 agreed to May 25, 1977.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), DEMOCRATIC LEADER FOR TRAVEL FROM APR. 1 TO JUNE 30, 2006

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Marcel Lettre:									
United States	Dollar				7,187.00				7,187.00
Israel	Dollar		672.00						672.00
Jordan	Dollar		211.00						211.00
Turkey	Dollar		909.00						909.00
Rahul Verma:									
United States	Dollar				1,193.00				1,193.00
Haiti	Dollar		323.20						323.20
Total			2,115.20		8,380.00				10,495.20

HARRY REID,
Democratic Leader, July 20, 2006.

SENATE SUCCESSES

Mr. FRIST. Mr. President, after a few more moments of gathering papers, in 10 or 15 minutes, we will likely be closing. We are working on some of the final nominations and the nomination process.

Before we leave for the August recess, I will take a moment to reflect on the Senate's tremendous productivity over the last month. We can all be very proud of the progress we made in this Senate over the last 4 weeks. We have had several agenda items.

First, we worked hard to secure our homeland, to secure America's homeland. Specifically, we passed, this month, both the Homeland Security appropriations bill, the spending bill, as well as the Foreign Investment and National Security Act of 2006 which strengthens the Committee on Foreign Investment in the United States, the so-called CFIUS.

Over the past 3 days, we made substantial progress on the Department of Defense appropriations bill. We were unable to finish it today, but we have a glidepath to finish it within 2 days after we return from the recess.

The Senate's productivity this past month goes way beyond securing America's homeland. We have taken action to ensure that the homeland we secure is a homeland we value that is worth securing. We have taken action to secure America's prosperity by passing an important bill, the Water Resources Development Act, an act which focuses on building that infrastructure along the waterways, and by passing the Gulf of Mexico Energy Security

Act, an act we passed just a couple of days ago that addresses opening up an area to deep sea exploration that will have more than a billion barrels of oil and more than 5.5 trillion cubic feet of natural gas—a huge amount of natural gas to increase our supply, enough to supply 6 million homes for 15 years.

In securing America's prosperity, just a few moments ago we passed the pensions bill which will affect millions of Americans. In America, we have a rich history of working hard, of setting ambitious goals, setting that ambitious vision, and doggedly pursuing that vision, pursuing that goal. That tradition of hard work has brought us the prosperity we know today.

In the Senate, we have the responsibility to protect that prosperity. We have the responsibility to ensure that hard work is rewarded just as richly tomorrow as it was yesterday or is rewarded today. Securing America's prosperity is a noble goal toward which we made considerable progress this month.

To enjoy that prosperity, we also have to secure America's health. Again, as we look over the last 4 weeks, just this month we engaged in a thorough debate, a thoughtful debate on the future of stem cell research, a tough issue for many. We have adult stem cells, we have embryonic stem cells; we had to examine and struggle with that nexus of advancing science and ethics and morality—a topic that is comfortable to many, but it is an issue all of us need to be very comfortable with because we will see that topic and topics like that which involve ethics, medicine, and advances in science increasingly over the years ahead.

At the end of that debate, we passed the Stem Cell Therapies Enhancement Act which supports the alternative ways of developing these powerful so-called pluripotential stem cells that give us so much hope for the future. That is progress. On that particular piece of legislation, the House has not yet acted, but I have high hope they will do so in the near future. That bill is broadly supported in the Senate, as well as by the American people.

Finally, this month we also worked hard to secure America's values by passing the Fetus Farming Prohibition Act, by passing a tremendously exciting bill, the Adam Walsh Child Protection and Safety Act, which was billed by the Walsh Family as being probably the most significant piece of child safety and child protection legislation in the last 20 years. In securing America's values, we passed the Child Custody Protection Act, although I have to say I am disappointed that the Democrats have stopped us from going to conference. The House of Representatives has passed it, and it is time for the Senate to go to conference and time to end that obstruction.

This month, we authorized the historic Voting Rights Act, and we confirmed five nominees to Federal judgeships.

Yes, we have been tremendously productive this month, but we will have a lot more to do. We will have a recess that will give us the time to go back to our States and talk to our constituents, to interact, to be with our families, but we have a lot to do when we return in September.

As I look ahead, we will continue to secure America's homeland. The most pressing issues we should address as we look into September include port security, the Homeland Security conference report, complete Defense appropriations, confirm John Bolton, the authorization of military commissions for terrorist combatants, consistent with the Supreme Court's Hamdan decision.

In September, we will work to secure America's prosperity by bringing budget process reform to the Senate—specifically, the line-item rescission veto—and by finalizing a very exciting bipartisan competitiveness agenda package.

We will also work to continue securing America's health by focusing on a bill that has already passed this Senate and has passed the House and is now in conference on health information technology, the health information technology that we know will establish interoperability platforms and the ability to communicate in a seamless way to improve that quality of care for patients and reduce the cost, to eliminate the unnecessary health expenditures, and to eliminate the waste, fraud, and abuse.

I also would like to come back to something we were blocked, once again, by the other side, the small business health plans, the association health plans. Chairman ENZI has done a tremendous job in leading us forward, but we were unsuccessful in the past because we were obstructed. I hope to have the opportunity to bring those back.

Finally, as I look into September, we must continue securing America's values by promoting sound government. That begins with fulfilling our constitutional duty of advice and consent, by bringing more judicial nominations to the Senate for confirmation.

We have a lot on our plate for September. I realize we are not going to be able to get all of that done over those 4 weeks, but we will try. We will move in that direction. I am confident we will use the limited time remaining after the August recess productively and efficiently, and with continued hard work and determination we will keep that ball moving forward.

I thank all of my colleagues for their tremendous efforts to make this past month productive. I am confident that when we do return from our recess we will continue to secure a freer, safer, and healthier future for generations of Americans to come.

Indeed, finally, I extend to our colleagues the wish for a happy, restful, productive, and wonderful August recess.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DEMINT). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

URGING ACTIONS WITH RESPECT TO HOSTILITIES BETWEEN HEZBOLLAH AND ISRAEL

Mr. CRAPO. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of S. Res. 548 submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 548) expressing the sense of the Senate regarding the United States and the international community to take certain actions with respect to hostilities between Hezbollah and Israel.

There being no objection, the Senate proceeded to consider the resolution.

Mr. CRAPO. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, that the motion to reconsider be laid on the table, and that any statements relating thereto be printed in the RECORD.

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

The resolution (S. Res. 548) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 548

Whereas, on June 12, 2000, the Government of Lebanon advised the United Nations that it would consider deploying its armed forces throughout southern Lebanon following confirmation by the United Nations Secretary-General that the Government of Israel had fully withdrawn its armed forces from that country in accordance with United Nations Security Council Resolution 425 (1978);

Whereas, on June 16, 2000, the United Nations Security Council endorsed the Secretary-General's conclusion that Israel had withdrawn all of its forces from Lebanon in accordance with United Nations Security Council Resolution 425;

Whereas, notwithstanding the reservations of both Israel and Lebanon regarding the final line determining what constitutes an Israeli withdrawal in accordance with United Nations Security Council Resolution 425, the governments of both countries confirmed that establishing the identifying line was the sole responsibility of the United Nations, and that they would respect the line that the United Nations identified;

Whereas Hezbollah remains an armed terrorist presence in Lebanon and continues to receive material and political support from the Governments of Syria and Iran;

Whereas, as affirmed in Public Law 108–175, the Governments of Syria and Iran have significant influence over Hezbollah;

Whereas United Nations Security Council Resolution 1559 (2004) calls for the withdrawal of all foreign forces and the dismantlement of all independent militias in Lebanon;

Whereas the international community has provided insufficient encouragement and resources to the Government of Lebanon to enable the Government to comply with the relevant provisions of United Nations Security Council Resolution 1559;

Whereas Hezbollah launched an unprovoked attack against Israel on July 12, 2006, killing 7 Israeli soldiers and taking 2 soldiers hostage, its fifth provocative act against Israel since the summer of 2005;

Whereas the Government of Israel, as reaffirmed in S. Res. 534, has the right to defend itself and to take appropriate action to deter aggression by terrorist groups and their state sponsors;

Whereas fighting between Israel and Hezbollah to date has caused significant damage to Lebanon's and Israel's infrastructures that will necessitate the expenditure of significant sums to rebuild;

Whereas more than 400 citizens of Israel and Lebanon have already lost their lives in the ongoing conflict;

Whereas over 14,000 United States citizens have been evacuated from Lebanon at a cost of over $60,000,000;

Whereas more than 1,000,000 Israelis living in northern Israel are under threat of Hezbollah rockets;

Whereas more than 700,000 Lebanese civilians have been displaced by the fighting, and the United Nations Emergency Relief Coordinator is seeking more than $170,000,000 in donations from international donors to pay for food, medicine, water, and sanitation services over the next 3 months;

Whereas the United States Government has pledged $30,000,000 in short-term humanitarian assistance to address the humanitarian crisis in Lebanon;

Whereas the fragile democracy of Lebanon is in jeopardy of collapsing without significant international support to address the humanitarian crisis in the country and to strengthen the capacity of the army and security forces of the Government of Lebanon to gain effective control of all territory in Lebanon; and

Whereas continued fighting between Hezbollah and Israel is a threat to the peace and security of the peoples of Israel and Lebanon:

Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Governments of Syria and Iran should—

(A) end all material and logistical support for Hezbollah, including attempts to replenish Hezbollah's supply of weapons; and

(B) use their significant influence over Hexbollah to disarm the group and release all kidnapped prisoners;

(2) the United States Government and the international community must work urgently with the Governments of Israel and Lebanon—

(A) to attain a cessation in the hostilities between Hezbollah and Israel based on—

(i) effectuating the safe return of Israeli soldiers held in Lebanon;

(ii) the disarmament of Hezbollah, the removal of all Hezbollah forces from southern Lebanon, and the replacement of those forces with army and security forces of the Government of Lebanon; and

(iii) reaching an agreement to fully implement United Nations Security Council Resolution 1559 and to create and deploy an international stabilization force with a clear mandate to enforce a permanent ceasefire;

(B) to organize an international donors conference to solicit and ensure the provision of international resources for the reconstruction of roads, bridges, hospitals, electrical and communications systems, and other civilian infrastructure damaged or destroyed in Lebanon during the hostilities;

(C) to remain engaged to promote sustainable peace and security for Israel and Lebanon and the greater Middle East; and

(D) to assist the Government of Lebanon on its path to democracy by promoting necessary internal political reforms; and

(3) the territorial integrity, sovereignty, unity, and political independence of Lebanon should be strongly supported.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR NO. 819

Mr. FRIST. Mr. President, I ask unanimous consent that at 4:30 p.m. on Tuesday, September 5, the Senate proceed to executive session and proceed to the immediate consideration of Executive Calendar No. 819, Kimberly Ann Moore, to be U.S. circuit judge, with 1 hour of debate equally divided, to be followed by a vote on confirmation at 5:30 p.m., with no intervening action or debate. Finally, I ask unanimous consent that following that vote the President be immediately notified of the Senate's previous action and the Senate then resume legislative session.

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

YOUTHBUILD TRANSFER ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 472, S. 3534.

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

The legislative clerk read as follows:

A bill (S. 3534) to amend the Workforce Investment Act of 1998 to provide for a YouthBuild program.

There being no objection, the Senate proceeded to consider the bill.

Mr. ENZI. Mr. President, I rise today in support of the passage of the YouthBuild Transfer Act, S. 3534, as amended. I am pleased at the widespread support that this bill has received and want to especially thank Senator KENNEDY, the ranking member of the Health, Education, Labor and Pensions Committee, and Senators DEWINE, KERRY and MURRAY.

This bill transfers the Youth Build program from the Department of Housing and Urban Development to the Department of Labor, as an amendment to the Workforce Investment Act, WIA. YouthBuild was enacted in 1992. It provides programs for young adults aged 16 to 24 to build or rehabilitate housing for homeless or low-income individuals in their communities while they study to earn their high school diploma or GED. These youth gain occupational and technical skills while building their knowledge to help them become and remain productive participants in the workplace.

By transferring YouthBuild to DOL, the program will be more closely aligned with and benefit from collaboration with the larger workforce system at the State and local levels. It will continue to serve those young adults most in need of these services, and enable them to serve their communities by building affordable housing, and assist them in transforming their own lives and roles in society.

YouthBuild assists young adults not currently enrolled in school gain needed education, skills and knowledge. The skill and literacy requirements of today's and tomorrow's workplace cannot be met if we do not provide everyone access to lifelong education, training and retraining.

I am hopeful that this bill will be signed into law quickly so that the YouthBuild program can continue to successfully help young adults across the country acquire the knowledge and skills they need in the 21st century global economy.

Mr. FRIST. Mr. President, I ask unanimous consent that the Enzi amendment at the desk be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The amendment (No. 4879) was agreed to.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

The bill (S. 3534), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

CHILD PROTECTION AND FAMILY VIOLENCE PREVENTION ACT AMENDMENTS OF 2006

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 436, S. 1899.

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

The assistant legislative clerk read as follows:

A bill (S. 1899) to amend the Indian Child Protection and Family Violence Prevention Act to identify and remove barriers to reducing child abuse, to provide for examinations of certain children, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Indian Child Protection and Family Violence Prevention Act Amendments of 2006''.

SEC. 2. FINDINGS AND PURPOSE.

Section 402 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3201) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(ii) by inserting after subparagraph (D) the following:

''(E) the Federal Government and certain State governments are responsible for investigating and prosecuting certain felony crimes, including child abuse, in Indian country, pursuant to chapter 53 of title 18, United States Code;''; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking ''two'' and inserting ''the'';

(ii) in subparagraph (A), by striking ''and'' at the end;

(iii) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(iv) by adding at the end the following:

''(C) identify and remove any impediment to the immediate investigation of incidents of child abuse in Indian country.''; and

(2) in subsection (b)—

(A) by striking paragraph (3) and inserting the following:

''(3) provide for a background investigation for any employee or volunteer who has access to children;''; and

(B) in paragraph (6), by striking ''Area Office'' and inserting ''Regional Office''.

SEC. 3. DEFINITIONS.

Section 403 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3202) is amended—

(1) by redesignating paragraphs (6) through (18) as paragraphs (7) through (19), respectively;

(2) by inserting after paragraph (5) the following:

''(6) 'final conviction' means the final judgment on a verdict or finding of guilty, a plea of guilty, or a plea of nolo contendere, but does not include a final judgment that has been expunged by pardon, reversed, set aside, or otherwise rendered void;'';

(3) in paragraph (13) (as redesignated by paragraph (1)), by striking ''that agency'' and all that follows through ''Indian tribe'' and inserting ''the Federal, State, or tribal agency'';

(4) in paragraph (14) (as redesignated by paragraph (1)), by inserting ''(including a tribal law enforcement agency operating pursuant to a grant, contract, or compact under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.))'' after ''State law enforcement agency'';

(5) in paragraph (18) (as redesignated by paragraph (1)), by striking ''and'' at the end;

(6) in paragraph (19) (as redesignated by paragraph (1)), by striking the period at the end and inserting ''; and''; and

(7) by adding at the end the following:

''(20) 'telemedicine' means a telecommunications link to an end user through the use of eligible equipment that electronically links health professionals or patients and health professionals at separate sites in order to exchange health care information in audio, video, graphic, or other format for the purpose of providing improved health care diagnosis and treatment.''.

SEC. 4. REPORTING PROCEDURES.

Section 404 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3203) is amended—

(1) in subsection (c)—

(A) in paragraph (1), by striking ''(1) Within'' and inserting the following:

''(1) IN GENERAL.—Not later than''; and

(B) in paragraph (2)—

(i) by striking ''(2)(A) Any'' and inserting the following:

''(2) INVESTIGATION OF REPORTS.—

''(A) IN GENERAL.—Any'';

(ii) in subparagraph (B)—

(I) by striking ''(B) Upon'' and inserting the following:

''(B) FINAL WRITTEN REPORT.—On''; and

(II) by inserting ''including any Federal, State, or tribal final conviction, and provide to the Federal Bureau of Investigation a copy of the report'' before the period at the end; and

(iii) by adding at the end the following:

''(C) MAINTENANCE OF FINAL REPORTS.—The Federal Bureau of Investigation shall maintain a record of each written report submitted under this subsection or subsection (b) in a manner in which the report is accessible to—

''(i) a local law enforcement agency that requires the information to carry out an official duty; and

''(ii) any agency requesting the information under section 408.

''(D) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Director of the Federal Bureau of Investigation, in coordination with the Secretary and the Attorney General, shall submit to the Committees on Indian Affairs and the Judiciary of the Senate and the Committees on Resources and the Judiciary of the House of Representatives a report on child abuse in Indian country during the preceding year.

''(E) COLLECTION OF DATA.—Not less frequently than once each year, the Secretary, in consultation with the Secretary of Health and Human Services, the Attorney General, the Director of the Federal Bureau of Investigation, and any Indian tribe, shall—

''(i) collect any information concerning child abuse in Indian country (including reports under subsection (b)), including information relating to, during the preceding calendar year—

''(I) the number of criminal and civil child abuse allegations and investigations in Indian country;

''(II) the number of child abuse prosecutions referred, declined, or deferred in Indian country;

''(III) the number of child victims who are the subject of reports of child abuse in Indian country;

''(IV) sentencing patterns of individuals convicted of child abuse in Indian country; and

''(V) rates of recidivism with respect to child abuse in Indian country; and

''(ii) to the maximum extend practicable, reduce the duplication of information collection under clause (i).''; and

(2) by adding at the end the following:

''(e) CONFIDENTIALITY OF CHILDREN.—No local law enforcement agency or local child protective services agency shall disclose the name of, or information concerning, the child to anyone other than—

''(1) a person who, by reason of the participation of the person in the treatment of the child or the investigation or adjudication of the allegation, needs to know the information in the performance of the duties of the individual; or

''(2) an officer of any other Federal, State, or tribal agency that requires the information to carry out the duties of the officer under section 406.

''(f) REPORT.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Secretary shall submit to the Committees on Indian Affairs and the Judiciary of the Senate and the Committees on Resources and the Judiciary of the House of Representatives a report on child abuse in Indian country during the preceding year.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.''.

SEC. 5. REMOVAL OF IMPEDIMENTS TO REDUCING CHILD ABUSE.

Section 405 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3204) is amended to read as follows:

''SEC. 405. REMOVAL OF IMPEDIMENTS TO REDUCING CHILD ABUSE.

''(a) STUDY.—The Secretary, in consultation with the Attorney General and the Service, shall conduct a study under which the Secretary shall identify any impediment to the reduction of child abuse in Indian country and on Indian reservations.

''(b) INCLUSIONS.—The study under subsection (a) shall include a description of—

''(1) any impediment, or recent progress made with respect to removing impediments, to reporting child abuse in Indian country;

''(2) any impediment, or recent progress made with respect to removing impediments, to Federal, State, and tribal investigations and prosecutions of allegations of child abuse in Indian country; and

''(3) any impediment, or recent progress made with respect to removing impediments, to the treatment of child abuse in Indian country.

''(c) REPORT.—Not later than 18 months after the date of enactment of the Indian Child Protection and Family Violence Prevention Act Amendments of 2006, the Secretary shall submit to the Committees on Indian Affairs and the Judiciary of the Senate, and the Committees on Resources and the Judiciary of the House of Representatives, a report describing—

''(1) the findings of the study under this section; and

''(2) recommendations for legislative actions, if any, to reduce instances of child abuse in Indian country.''.

SEC. 6. CONFIDENTIALITY.

Section 406 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3205) is amended to read as follows:

''SEC. 406. CONFIDENTIALITY.

''(a) IN GENERAL.—Notwithstanding any other provision of law, any Federal, State, or tribal government agency that treats or investigates incidents of child abuse may provide information and records to an officer of any other Federal, State, or tribal government agency that requires the information to carry out the duties of the officer, in accordance with section 552a of title 5, United States Code, section 361 of the Public Health Service Act (42 U.S.C. 264), the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g), part C of title XI of the Social Security Act (42 U.S.C. 1320d et seq.), and other applicable Federal law.

''(b) TREATMENT OF INDIAN TRIBES.—For purposes of this section, an Indian tribal government shall be considered to be an entity of the Federal Government.''.

SEC. 7. WAIVER OF PARENTAL CONSENT.

Section 407 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3206) is amended—

(1) in subsection (a), by inserting ''or forensic'' after ''psychological''; and

(2) by striking subsection (c) and inserting the following:

''(c) PROTECTION OF CHILD.—Any examination or interview of a child who may have been the subject of child abuse shall—

''(1) be conducted under such circumstances and using such safeguards as are necessary to minimize additional trauma to the child;

''(2) avoid, to the maximum extent practicable, subjecting the child to multiple interviews during the examination and interview processes; and

''(3) as time permits, be conducted using advice from, or under the guidance of—

''(A) a local multidisciplinary team established under section 411; or

''(B) if a local multidisciplinary team is not established under section 411, a multidisciplinary team established under section 410.''.

SEC. 8. CHARACTER INVESTIGATIONS.

Section 408 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3207) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by inserting '', including any voluntary positions,'' after ''authorized positions''; and

(ii) by striking the comma at the end and inserting a semicolon; and

(B) in paragraph (2)—

(i) by inserting ''(including in a volunteer capacity)'' after ''considered for employment''; and

(ii) by striking '', and'' and inserting ''; and'';

(2) in subsection (b), by striking ''guilty to'' and all that follows and inserting the following: ''guilty to, any felony offense under Federal, State, or tribal law, or 2 or more misdemeanor offenses under Federal, State, or tribal law, involving—

''(1) a crime of violence;

''(2) sexual assault;

''(3) child abuse;

''(4) molestation;

''(5) child sexual exploitation;

''(6) sexual contact;

''(7) child neglect;

''(8) prostitution; or

''(9) another offense against a child.''; and

(3) by adding at the end the following:

''(d) EFFECT ON CHILD PLACEMENT.—An Indian tribe that certifies that the tribe has conducted an investigation under this section shall be considered to have satisfied the background investigation requirements of any Federal law requiring such an investigation for the placement of an Indian child in a tribally-licensed or tribally-approved foster or adoptive home, or an institution.''.

SEC. 9. INDIAN CHILD ABUSE TREATMENT GRANT PROGRAM.

Section 409 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3208) is amended by striking subsection (e) and inserting the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.''.

SEC. 10. INDIAN CHILD RESOURCE AND FAMILY SERVICES CENTERS.

Section 410 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3209) is amended—

(1) in subsection (a), by striking ''area office'' and inserting ''Regional Office'';

(2) in subsection (b), by striking ''The Secretary'' and all that follows through ''Human Services'' and inserting ''The Secretary, the Secretary of Health and Human Services, and the Attorney General'';

(3) in subsection (d)—

(A) in paragraph (4), by inserting '', State,'' after ''Federal''; and

(B) in paragraph (5), by striking ''agency office'' and inserting ''Regional Office'';

(4) in subsection (e)—

(A) in paragraph (2), by striking the comma at the end and inserting a semicolon;

(B) by striking paragraph (3) and inserting the following:

''(3) adolescent mental and behavioral health (including suicide prevention and treatment);'';

(C) in paragraph (4), by striking the period at the end and inserting ''and sexual assault;''; and

(D) by adding at the end the following:

''(5) criminal prosecution; and

''(6) medicine.'';

(5) in subsection (f)—

(A) in the first sentence, by striking ''The Secretary'' and all that follows through ''Human Services'' and inserting the following:

''(1) ESTABLISHMENT.—The Secretary, in consultation with the Service and the Attorney General'';

(B) in the second sentence—

(i) by striking ''Each'' and inserting the following

''(2) MEMBERSHIP.—Each''; and

(ii) by striking ''shall consist of 7 members'' and inserting ''shall be'';

(C) in the third sentence, by striking ''Members'' and inserting the following:

''(3) COMPENSATION.—Members''; and

(D) in the fourth sentence, by striking ''The advisory'' and inserting the following:

''(4) DUTIES.—Each advisory'';

(6) in subsection (g)—

(A) in the first sentence—

(i) by striking ''Indian Child'' and inserting the following:

''(1) IN GENERAL.—Indian Child''; and

(ii) by striking ''Act'' and inserting ''and Education Assistance Act (25 U.S.C. 450 et seq.)'';

(B) by striking the second sentence and inserting the following:

''(2) CERTAIN REGIONAL OFFICES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), if a Center is located in a Regional Office of the Bureau that serves more than 1 Indian tribe, an application to enter into a grant, contract, or compact under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) to operate the Center shall contain a consent form signed by an official of each Indian tribe to be served under the grant, contract, or compact.

''(B) ALASKA REGION.—Notwithstanding subparagraph (A), for Centers located in the Alaska Region, an application to enter into a grant, contract, or compact described in that subparagraph shall contain a consent form signed by an official of each Indian tribe or tribal consortium that is a member of a grant, contract, or compact relating to an Indian child protection and family violence prevention program under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).''; and

(C) in the third sentence, by striking ''This section'' and inserting the following:

''(3) EFFECT OF SECTION.—This section''; and

(7) by striking subsection (h) and inserting the following:

''(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.''.

SEC. 11. INDIAN CHILD PROTECTION AND FAMILY VIOLENCE PREVENTION PROGRAM.

Section 411 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3210) is amended—

(1) in subsection (c), by striking the subsection heading and inserting ''COORDINATING INVESTIGATION, TREATMENT, AND PREVENTION OF CHILD ABUSE AND FAMILY VIOLENCE'';

(2) in subsection (d)(3)—

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

(B) in subparagraph (B), by striking '', and'' and inserting ''; and''; and

(C) in subparagraph (C), by inserting ''with respect to appropriate safety measures for child protection workers carrying out this Act'' before the semicolon at the end;

(3) by redesignating subsections (f) through (i) as subsections (e) through (h), respectively; and

(4) by striking subsection (h) (as redesignated by paragraph (3)) and inserting the following:

''(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.''.

SEC. 12. USE OF TELEMEDICINE.

The Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3201 et seq.) is amended by adding at the end the following:

''SEC. 412. USE OF TELEMEDICINE.

''(a) CONTRACTS AND AGREEMENTS.—The Service is authorized to enter into any contract or agreement for the use of telemedicine with a public or private medical university or facility, or any private practitioner, with experience relating to pediatrics, including the diagnosis and treatment of child abuse, to assist the Service with respect to—

''(1) the diagnosis and treatment of child abuse; or

''(2) methods of training Service personnel in diagnosing and treating child abuse.

''(b) ADMINISTRATION.—In carrying out subsection (a), the Service shall, to the maximum extent practicable—

''(1) use existing telemedicine infrastructure; and

''(2) give priority to Service units and medical facilities operated pursuant to grants, contracts, or compacts under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) that are located in, or providing service to, remote areas of Indian country.

''(c) INFORMATION AND CONSULTATION.—On receipt of a request, for purposes of this section, the Service may provide to public and private medical universities, facilities, and practitioners described in subsection (a) any information or consultation on the treatment of Indian children who have, or may have, been subject to abuse or neglect.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.''.

SEC. 13. CONFORMING AMENDMENTS.

(a) OFFENSES COMMITTED WITHIN INDIAN COUNTRY.—Section 1153(a) of title 18, United States Code, is amended by inserting ''felony child neglect,'' after ''robbery,''.

(b) REPORTING OF CHILD ABUSE.—Section 1169 of title 18, United States Code, is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (B), by inserting ''or volunteering for'' after ''employed by'';

(B) in subparagraph (D)—

(i) by inserting ''or volunteer'' after ''child day care worker''; and

(ii) by striking ''worker in a group home'' and inserting ''worker or volunteer in a group home'';

(C) in subparagraph (E), by striking ''or psychological assistant,'' and inserting ''psychological or psychiatric assistant, or person employed in the mental or behavioral health profession;'';

(D) in subparagraph (F), by striking ''child'' and inserting ''individual'';

(E) by striking subparagraph (G), and inserting the following:

''(G) foster parent; or''; and

(F) in subparagraph (H), by striking ''law enforcement officer, probation officer'' and inserting ''law enforcement personnel, probation officer, criminal prosecutor''; and

(2) in subsection (c), by striking paragraphs (3) and (4) and inserting the following:

''(3) 'local child protective services agency' has the meaning given the term in section 403 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3202); and

''(4) 'local law enforcement agency' has the meaning given the term in section 403 of that Act.''.

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

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

The amendment (No. 4880) was agreed to, as follows:

On page 24, line 4, strike ''extend'' and insert ''extent''.

On page 27, line 16, strike ''or forensic'' and insert ''and forensic''.

On page 28, line 2, strike ''interviews'' and insert ''interviewers''.

On page 29, strike lines 18 through 24 and insert the following:

''(d) EFFECT ON CHILD PLACEMENT.—An Indian tribe that submits a written statement to the applicable State official documenting that the Indian tribe has conducted a background investigation under this section for the placement of an Indian child in a tribally-licensed or tribally-approved foster care or adoptive home, or for another out-of-home placement, shall be considered to have satisfied the background investigation requirements of any Federal or State law requiring such an investigation.''.

On page 32, strike lines 8 through 16 and insert the following:

(A) by striking ''(g)'' and all that follows through ''Indian Child Resource'' and inserting the following:

''(g) APPLICATION OF INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT TO CENTERS.—

''(1) IN GENERAL.—Indian Child Resource'';

(B) in the first sentence, by striking ''Act'' and inserting ''and Education Assistance Act (25 U.S.C. 450 et seq.)'';

(C) by striking the second sentence and inserting the following:

On page 33, line 15, strike ''(C)'' and insert ''(D)''.

On page 34, strike lines 1 through 25.

On page 35, strike lines 6 through 11 and insert the following:

''(a) DEFINITION OF MEDICAL OR BEHAVIORAL HEALTH PROFESSIONAL.—In this section, the term 'medical or behavioral health professional' means an employee or volunteer of an organization that provides a service as part of a comprehensive service program that combines—

''(1) substance abuse (including abuse of alcohol, drugs, inhalants, and tobacco) prevention and treatment; and

''(2) mental health treatment.

''(b) CONTRACTS AND AGREEMENTS.—The Service is authorized to enter into any contract or agreement for the use of telemedicine with a public or private university or facility, including a medical university or facility, or any private medical or behavioral health professional, with experience relating to pediatrics, including the diagnosis and treatment of child abuse, to assist the Service with respect to—

On page 35, line 16, strike ''(b)'' and insert ''(c)''.

On page 35, line 17, strike ''(a)'' and insert ''(b)''.

On page 35, line 25, strike ''(c)'' and insert ''(d)''.

On page 36, lines 1 and 2, strike ''medical universities, facilities, and practitioners described in subsection (a)'' and insert ''universities and facilities, including medical universities and facilities, and medical or behavioral health professionals described in subsection (b)''.

On page 36, line 5, strike ''(d)'' and insert ''(e)''.

On page 36, line 12, strike ''felony child neglect,'' and insert ''felony child abuse, felony child neglect,''.

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

The bill (S. 1899), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1899

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 ''Indian Child Protection and Family Violence Prevention Act Amendments of 2006''.

SEC. 2. FINDINGS AND PURPOSE.

Section 402 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3201) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(ii) by inserting after subparagraph (D) the following:

''(E) the Federal Government and certain State governments are responsible for investigating and prosecuting certain felony crimes, including child abuse, in Indian country, pursuant to chapter 53 of title 18, United States Code;''; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking ''two'' and inserting ''the'';

(ii) in subparagraph (A), by striking ''and'' at the end;

(iii) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(iv) by adding at the end the following:

''(C) identify and remove any impediment to the immediate investigation of incidents of child abuse in Indian country.''; and

(2) in subsection (b)—

(A) by striking paragraph (3) and inserting the following:

''(3) provide for a background investigation for any employee or volunteer who has access to children;''; and

(B) in paragraph (6), by striking ''Area Office'' and inserting ''Regional Office''.

SEC. 3. DEFINITIONS.

Section 403 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3202) is amended—

(1) by redesignating paragraphs (6) through (18) as paragraphs (7) through (19), respectively;

(2) by inserting after paragraph (5) the following:

''(6) 'final conviction' means the final judgment on a verdict or finding of guilty, a plea of guilty, or a plea of nolo contendere, but does not include a final judgment that has been expunged by pardon, reversed, set aside, or otherwise rendered void;'';

(3) in paragraph (13) (as redesignated by paragraph (1)), by striking ''that agency'' and all that follows through ''Indian tribe'' and inserting ''the Federal, State, or tribal agency'';

(4) in paragraph (14) (as redesignated by paragraph (1)), by inserting ''(including a tribal law enforcement agency operating pursuant to a grant, contract, or compact under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.))'' after ''State law enforcement agency'';

(5) in paragraph (18) (as redesignated by paragraph (1)), by striking ''and'' at the end;

(6) in paragraph (19) (as redesignated by paragraph (1)), by striking the period at the end and inserting ''; and''; and

(7) by adding at the end the following:

''(20) 'telemedicine' means a telecommunications link to an end user through the use of eligible equipment that electronically links health professionals or patients and health professionals at separate sites in order to exchange health care information in audio, video, graphic, or other format for the purpose of providing improved health care diagnosis and treatment.''.

SEC. 4. REPORTING PROCEDURES.

Section 404 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3203) is amended—

(1) in subsection (c)—

(A) in paragraph (1), by striking ''(1) Within'' and inserting the following:

''(1) IN GENERAL.—Not later than''; and

(B) in paragraph (2)—

(i) by striking ''(2)(A) Any'' and inserting the following:

''(2) INVESTIGATION OF REPORTS.—

''(A) IN GENERAL.—Any'';

(ii) in subparagraph (B)—

(I) by striking ''(B) Upon'' and inserting the following:

''(B) FINAL WRITTEN REPORT.—On''; and

(II) by inserting ''including any Federal, State, or tribal final conviction, and provide to the Federal Bureau of Investigation a copy of the report'' before the period at the end; and

(iii) by adding at the end the following:

''(C) MAINTENANCE OF FINAL REPORTS.—The Federal Bureau of Investigation shall maintain a record of each written report submitted under this subsection or subsection (b) in a manner in which the report is accessible to—

''(i) a local law enforcement agency that requires the information to carry out an official duty; and

''(ii) any agency requesting the information under section 408.

''(D) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Director of the Federal Bureau of Investigation, in coordination with the Secretary and the Attorney General, shall submit to the Committees on Indian Affairs and the Judiciary of the Senate and the Committees on Resources and the Judiciary of the House of Representatives a report on child abuse in Indian country during the preceding year.

''(E) COLLECTION OF DATA.—Not less frequently than once each year, the Secretary, in consultation with the Secretary of Health and Human Services, the Attorney General, the Director of the Federal Bureau of Investigation, and any Indian tribe, shall—

''(i) collect any information concerning child abuse in Indian country (including reports under subsection (b)), including information relating to, during the preceding calendar year—

''(I) the number of criminal and civil child abuse allegations and investigations in Indian country;

''(II) the number of child abuse prosecutions referred, declined, or deferred in Indian country;

''(III) the number of child victims who are the subject of reports of child abuse in Indian country;

''(IV) sentencing patterns of individuals convicted of child abuse in Indian country; and

''(V) rates of recidivism with respect to child abuse in Indian country; and

''(ii) to the maximum extent practicable, reduce the duplication of information collection under clause (i).''; and

(2) by adding at the end the following:

''(e) CONFIDENTIALITY OF CHILDREN.—No local law enforcement agency or local child protective services agency shall disclose the name of, or information concerning, the child to anyone other than—

''(1) a person who, by reason of the participation of the person in the treatment of the child or the investigation or adjudication of the allegation, needs to know the information in the performance of the duties of the individual; or

''(2) an officer of any other Federal, State, or tribal agency that requires the information to carry out the duties of the officer under section 406.

''(f) REPORT.—Not later than 1 year after the date of enactment of this subsection, and annually thereafter, the Secretary shall submit to the Committees on Indian Affairs and the Judiciary of the Senate and the Committees on Resources and the Judiciary of the House of Representatives a report on child abuse in Indian country during the preceding year.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.''.

SEC. 5. REMOVAL OF IMPEDIMENTS TO REDUCING CHILD ABUSE.

Section 405 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3204) is amended to read as follows:

"SEC. 405. REMOVAL OF IMPEDIMENTS TO REDUCING CHILD ABUSE.

''(a) STUDY.—The Secretary, in consultation with the Attorney General and the Service, shall conduct a study under which the Secretary shall identify any impediment to the reduction of child abuse in Indian country and on Indian reservations.

''(b) INCLUSIONS.—The study under subsection (a) shall include a description of—

''(1) any impediment, or recent progress made with respect to removing impediments, to reporting child abuse in Indian country;

''(2) any impediment, or recent progress made with respect to removing impediments, to Federal, State, and tribal investigations and prosecutions of allegations of child abuse in Indian country; and

''(3) any impediment, or recent progress made with respect to removing impediments, to the treatment of child abuse in Indian country.

''(c) REPORT.—Not later than 18 months after the date of enactment of the Indian Child Protection and Family Violence Prevention Act Amendments of 2006, the Secretary shall submit to the Committees on Indian Affairs and the Judiciary of the Senate, and the Committees on Resources and the Judiciary of the House of Representatives, a report describing—

''(1) the findings of the study under this section; and

''(2) recommendations for legislative actions, if any, to reduce instances of child abuse in Indian country.''.

SEC. 6. CONFIDENTIALITY.

Section 406 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3205) is amended to read as follows:

"SEC. 406. CONFIDENTIALITY.

''(a) IN GENERAL.—Notwithstanding any other provision of law, any Federal, State, or tribal government agency that treats or investigates incidents of child abuse may provide information and records to an officer of any other Federal, State, or tribal government agency that requires the information to carry out the duties of the officer, in accordance with section 552a of title 5, United States Code, section 361 of the Public Health Service Act (42 U.S.C. 264), the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g), part C of title XI of the Social Security Act (42 U.S.C. 1320d et seq.), and other applicable Federal law.

''(b) TREATMENT OF INDIAN TRIBES.—For purposes of this section, an Indian tribal government shall be considered to be an entity of the Federal Government.''.

SEC. 7. WAIVER OF PARENTAL CONSENT.

Section 407 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3206) is amended—

(1) in subsection (a), by inserting ''and forensic'' after ''psychological''; and

(2) by striking subsection (c) and inserting the following:

''(c) PROTECTION OF CHILD.—Any examination or interview of a child who may have been the subject of child abuse shall—

''(1) be conducted under such circumstances and using such safeguards as are necessary to minimize additional trauma to the child;

''(2) avoid, to the maximum extent practicable, subjecting the child to multiple interviewers during the examination and interview processes; and

''(3) as time permits, be conducted using advice from, or under the guidance of—

''(A) a local multidisciplinary team established under section 411; or

''(B) if a local multidisciplinary team is not established under section 411, a multidisciplinary team established under section 410.''.

SEC. 8. CHARACTER INVESTIGATIONS.

Section 408 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3207) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by inserting '', including any voluntary positions,'' after ''authorized positions''; and

(ii) by striking the comma at the end and inserting a semicolon; and

(B) in paragraph (2)—

(i) by inserting ''(including in a volunteer capacity)'' after ''considered for employment''; and

(ii) by striking '', and'' and inserting ''; and'';

(2) in subsection (b), by striking ''guilty to'' and all that follows and inserting the following: ''guilty to, any felony offense under Federal, State, or tribal law, or 2 or more misdemeanor offenses under Federal, State, or tribal law, involving—

''(1) a crime of violence;

''(2) sexual assault;

''(3) child abuse;

''(4) molestation;

''(5) child sexual exploitation;

''(6) sexual contact;

''(7) child neglect;

''(8) prostitution; or

''(9) another offense against a child.''; and

(3) by adding at the end the following:

''(d) EFFECT ON CHILD PLACEMENT.—An Indian tribe that submits a written statement to the applicable State official documenting that the Indian tribe has conducted a background investigation under this section for the placement of an Indian child in a tribally-licensed or tribally-approved foster care or adoptive home, or for another out-of-home placement, shall be considered to have satisfied the background investigation requirements of any Federal or State law requiring such an investigation.''.

SEC. 9. INDIAN CHILD ABUSE TREATMENT GRANT PROGRAM.

Section 409 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3208) is amended by striking subsection (e) and inserting the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.''.

SEC. 10. INDIAN CHILD RESOURCE AND FAMILY SERVICES CENTERS.

Section 410 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3209) is amended—

(1) in subsection (a), by striking ''area office'' and inserting ''Regional Office'';

(2) in subsection (b), by striking ''The Secretary'' and all that follows through ''Human Services'' and inserting ''The Secretary, the Secretary of Health and Human Services, and the Attorney General'';

(3) in subsection (d)—

(A) in paragraph (4), by inserting '', State,'' after ''Federal''; and

(B) in paragraph (5), by striking ''agency office'' and inserting ''Regional Office'';

(4) in subsection (e)—

(A) in paragraph (2), by striking the comma at the end and inserting a semicolon;

(B) by striking paragraph (3) and inserting the following:

''(3) adolescent mental and behavioral health (including suicide prevention and treatment);'';

(C) in paragraph (4), by striking the period at the end and inserting ''and sexual assault;''; and

(D) by adding at the end the following:

''(5) criminal prosecution; and

''(6) medicine.'';

(5) in subsection (f)—

(A) in the first sentence, by striking ''The Secretary'' and all that follows through ''Human Services'' and inserting the following:

''(1) ESTABLISHMENT.—The Secretary, in consultation with the Service and the Attorney General'';

(B) in the second sentence—

(i) by striking ''Each'' and inserting the following

''(2) MEMBERSHIP.—Each''; and

(ii) by striking ''shall consist of 7 members'' and inserting ''shall be'';

(C) in the third sentence, by striking ''Members'' and inserting the following:

''(3) COMPENSATION.—Members''; and

(D) in the fourth sentence, by striking ''The advisory'' and inserting the following:

''(4) DUTIES.—Each advisory'';

(6) in subsection (g)—

(A) by striking ''(g)'' and all that follows through ''Indian Child Resource'' and inserting the following:

''(g) APPLICATION OF INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT TO CENTERS.—

''(1) IN GENERAL.—Indian Child Resource'';

(B) in the first sentence, by striking ''Act'' and inserting ''and Education Assistance Act (25 U.S.C. 450 et seq.)'';

(C) by striking the second sentence and inserting the following:

''(2) CERTAIN REGIONAL OFFICES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), if a Center is located in a Regional Office of the Bureau that serves more than 1 Indian tribe, an application to enter into a grant, contract, or compact under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) to operate the Center shall contain a consent form signed by an official of each Indian tribe to be served under the grant, contract, or compact.

''(B) ALASKA REGION.—Notwithstanding subparagraph (A), for Centers located in the Alaska Region, an application to enter into a grant, contract, or compact described in that subparagraph shall contain a consent form signed by an official of each Indian tribe or tribal consortium that is a member of a grant, contract, or compact relating to an Indian child protection and family violence prevention program under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).''; and

(D) in the third sentence, by striking ''This section'' and inserting the following:

''(3) EFFECT OF SECTION.—This section''; and

(7) by striking subsection (h) and inserting the following:

''(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.''.

SEC. 11. USE OF TELEMEDICINE.

The Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3201 et seq.) is amended by adding at the end the following:

"SEC. 412. USE OF TELEMEDICINE.

''(a) DEFINITION OF MEDICAL OR BEHAVIORAL HEALTH PROFESSIONAL.—In this section, the term 'medical or behavioral health professional' means an employee or volunteer of an organization that provides a service as part of a comprehensive service program that combines—

''(1) substance abuse (including abuse of alcohol, drugs, inhalants, and tobacco) prevention and treatment; and

''(2) mental health treatment.

''(b) CONTRACTS AND AGREEMENTS.—The Service is authorized to enter into any contract or agreement for the use of telemedicine with a public or private university or facility, including a medical university or facility, or any private medical or behavioral health professional, with experience relating to pediatrics, including the diagnosis and treatment of child abuse, to assist the Service with respect to—

''(1) the diagnosis and treatment of child abuse; or

''(2) methods of training Service personnel in diagnosing and treating child abuse.

''(c) ADMINISTRATION.—In carrying out subsection (b), the Service shall, to the maximum extent practicable—

''(1) use existing telemedicine infrastructure; and

''(2) give priority to Service units and medical facilities operated pursuant to grants, contracts, or compacts under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) that are located in, or providing service to, remote areas of Indian country.

''(d) INFORMATION AND CONSULTATION.—On receipt of a request, for purposes of this section, the Service may provide to public and private universities and facilities, including medical universities and facilities, and medical or behavioral health professionals described in subsection (b) any information or consultation on the treatment of Indian children who have, or may have, been subject to abuse or neglect.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2007 through 2011.''.

SEC. 12. CONFORMING AMENDMENTS.

(a) OFFENSES COMMITTED WITHIN INDIAN COUNTRY.—Section 1153(a) of title 18, United States Code, is amended by inserting ''felony child abuse, felony child neglect,'' after ''robbery,''.

(b) REPORTING OF CHILD ABUSE.—Section 1169 of title 18, United States Code, is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (B), by inserting ''or volunteering for'' after ''employed by'';

(B) in subparagraph (D)—

(i) by inserting ''or volunteer'' after ''child day care worker''; and

(ii) by striking ''worker in a group home'' and inserting ''worker or volunteer in a group home'';

(C) in subparagraph (E), by striking ''or psychological assistant,'' and inserting ''psychological or psychiatric assistant, or person employed in the mental or behavioral health profession;'';

(D) in subparagraph (F), by striking ''child'' and inserting ''individual'';

(E) by striking subparagraph (G), and inserting the following:

''(G) foster parent; or''; and

(F) in subparagraph (H), by striking ''law enforcement officer, probation officer'' and inserting ''law enforcement personnel, probation officer, criminal prosecutor''; and

(2) in subsection (c), by striking paragraphs (3) and (4) and inserting the following:

''(3) 'local child protective services agency' has the meaning given the term in section 403 of the Indian Child Protection and Family Violence Prevention Act (25 U.S.C. 3202); and

''(4) 'local law enforcement agency' has the meaning given the term in section 403 of that Act.''.

PRESERVING EXISTING JUDGESHIPS ON THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 559, S. 2068.

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

The legislative clerk read as follows:

A bill (S. 2068) to preserve existing judgeships on the Superior Court of the District of Columbia.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (S. 2068) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2068

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

SECTION 1. COMPOSITION OF SUPERIOR COURT.

Section 903 of title 11 of the District of Columbia Code is amended by striking ''fifty-eight'' and inserting ''61''.

PETS EVACUATION AND TRANSPORTATION STANDARDS ACT OF 2005

Mr. FRIST. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be discharged from further consideration of H.R. 3858 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3858) to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to ensure that State and local emergency preparedness operational plans address the needs of individuals with household pets and service animals following a major disaster or emergency.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. I ask unanimous consent that the amendment at the desk be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the measure be printed in the RECORD.

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

The amendment (No. 4881) was agreed to, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Pets Evacuation and Transportation Standards Act of 2006''.

SEC. 2. STANDARDS FOR STATE AND LOCAL EMERGENCY PREPAREDNESS OPERATIONAL PLANS.

Section 613 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196b) is amended—

(1) by redesignating subsection (g) as subsection (h); and

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

''(g) STANDARDS FOR STATE AND LOCAL EMERGENCY PREPAREDNESS OPERATIONAL PLANS.—In approving standards for State and local emergency preparedness operational plans pursuant to subsection (b)(3), the Director shall ensure that such plans take into account the needs of individuals with household pets and service animals prior to, during, and following a major disaster or emergency.''.

SEC. 3. EMERGENCY PREPAREDNESS MEASURES OF THE DIRECTOR.

Section 611 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196) is amended—

(1) in subsection (e)—

(A) in paragraph (2), by striking ''and'' at the end;

(B) in paragraph (3), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(4) plans that take into account the needs of individuals with pets and service animals prior to, during, and following a major disaster or emergency.''; and

(2) in subsection (j)—

(A) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9), respectively; and

(B) by inserting after paragraph (1) the following:

''(2) The Director may make financial contributions, on the basis of programs or projects approved by the Director, to the States and local authorities for animal emergency preparedness purposes, including the procurement, construction, leasing, or renovating of emergency shelter facilities and materials that will accommodate people with pets and service animals.''.

SEC. 4. PROVIDING ESSENTIAL ASSISTANCE TO INDIVIDUALS WITH HOUSEHOLD PETS AND SERVICE ANIMALS FOLLOWING A DISASTER.

Section 403(a)(3) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b(a)(3)) is amended—

(1) in subparagraph (H), by striking ''and'' at the end;

(2) in subparagraph (I), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(J) provision of rescue, care, shelter, and essential needs—

''(i) to individuals with household pets and service animals; and

''(ii) to such pets and animals.''.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 3858), as amended, was read the third time and passed.

VETERANS' CHOICE OF REPRESENTATION ACT OF 2006

Mr. FRIST. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 540, S. 2694.

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

The legislative clerk read as follows:

A bill (S. 2694) to amend title 38, United States Code, to remove certain limitations on attorney representation of claimants for veterans benefits in administrative proceedings before the Department of Veterans Affairs, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which

had been reported from the Committee on Veterans' Affairs with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Veterans' Choice of Representation and Benefits Enhancement Act of 2006''.

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

Sec. 1. Short title; table of contents.

TITLE I—VETERANS' REPRESENTATION

Sec. 101. Attorney representation in veterans benefits cases before the Department of Veterans Affairs.

TITLE II—MEMORIAL AFFAIRS

Sec. 201. Eligibility of Indian tribal organizations for grants for the establishment of veterans cemeteries on trust lands.

Sec. 202. Removal of remains of Russell Wayne Wagner from Arlington National Cemetery.

Sec. 203. Provision of government markers for marked graves of veterans at private cemeteries.

TITLE III—EDUCATION MATTERS

Sec. 301. Expansion of education programs eligible for accelerated payment of educational assistance under the Montgomery GI bill.

Sec. 302. Accelerated payment of survivors' and dependents' educational assistance for certain programs of education.

Sec. 303. Reimbursement of expenses for State approving agencies in the administration of educational benefits.

Sec. 304. Modification of requirement for reporting on educational assistance program.

TITLE IV—HEALTH MATTERS

Sec. 401. Parkinson's Disease Research, Education, Clinical Centers, and Multiple Sclerosis Centers of Excellence.

Sec. 402. Repeal of term of office for the Under Secretary for Health and the Under Secretary for Benefits.

Sec. 403. Modifications to existing State home authorities.

Sec. 404. Office of Rural Health.

Sec. 405. Pilot program on improvement of caregiver assistance services.

TITLE V—HOMELESS VETERANS ASSISTANCE

Sec. 501. Reaffirmation of National goal to end homelessness among veterans.

Sec. 502. Sense of Congress on the response of the Federal Government to the needs of homeless veterans.

Sec. 503. Authority to make grants for comprehensive service programs for homeless veterans.

Sec. 504. Extension of treatment and rehabilitation for seriously mentally ill and homeless veterans.

Sec. 505. Extension of authority for transfer of properties obtained through foreclosure of home mortgages.

Sec. 506. Extension of funding for grant program for homeless veterans with special needs.

Sec. 507. Extension of funding for homeless veteran service provider technical assistance program.

Sec. 508. Additional element in annual report on assistance to homeless veterans.

Sec. 509. Advisory committee on homeless veterans.

Sec. 510. Rental assistance vouchers for Veterans Affairs supported housing program.

Sec. 511. Financial assistance for supportive services for very low-income veteran families in permanent housing.

TITLE VI—MISCELLANEOUS BENEFITS

Sec. 601. Residential cooperative housing units.

Sec. 602. Increase in supplemental insurance for totally disabled veterans.

Sec. 603. Reauthorization of use of certain information from other agencies.

Sec. 604. Clarification of correctional facilities covered by certain provisions of law.

TITLE I—VETERANS' REPRESENTATION

SEC. 101. ATTORNEY REPRESENTATION IN VETERANS BENEFITS CASES BEFORE THE DEPARTMENT OF VETERANS AFFAIRS.

(a) QUALIFICATIONS AND STANDARDS OF CONDUCT FOR INDIVIDUALS RECOGNIZED AS AGENTS OR ATTORNEYS.—

(1) ADDITIONAL QUALIFICATIONS AND STANDARDS FOR AGENTS AND ATTORNEYS GENERALLY.—Subsection (a) of section 5904 of title 38, United States Code, is amended—

(A) by inserting ''(1)'' after ''(a)'';

(B) by striking the second sentence; and

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

''(2) The Secretary may prescribe in regulations qualifications and standards of conduct for individuals recognized under this section, including a requirement that, before being recognized, an individual—

''(A) show that such individual is of good moral character and in good repute, is qualified to render claimants valuable service, and is otherwise competent to assist claimants in presenting claims;

''(B) has such level of experience and specialized training as the Secretary shall specify; and

''(C) certifies to the Secretary that the individual has satisfied any qualifications and standards prescribed by the Secretary under this section.

''(3) The Secretary may prescribe in regulations reasonable restrictions on the amount of fees that an agent or attorney may charge a claimant for services rendered in the preparation, presentation, and prosecution of a claim before the Department.

''(4)(A) The Secretary may, on a periodic basis, collect a registration fee from individuals recognized as agents or attorneys under this section.

''(B) The Secretary shall prescribe the amount and frequency of collection of such fees. The amount of such fees may include an amount, as specified by the Secretary, necessary to defray the costs to the Department in recognizing individuals under this section, in administering the collection of such fees, in administering the payment of fees under subsection (d), and in conducting oversight of agents or attorneys.

''(C) Amounts so collected shall be deposited in the account from which amounts for such costs were derived, merged with amounts in such account, and available for the same purpose, and subject to the same conditions and limitations, as amounts in such account.''.

(2) APPLICABILITY TO REPRESENTATIVES OF VETERANS SERVICE ORGANIZATIONS.—Section 5902(b) of such title is amended—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(B) by inserting ''(1)'' after ''(b)''; and

(C) by adding at the end the following new paragraph:

''(2) An individual recognized under this section shall be subject to the provisions of section 5904(b) of this title on the same basis as an individual recognized under section 5904(a) of this title.''.

(3) APPLICABILITY TO INDIVIDUALS RECOGNIZED FOR PARTICULAR CLAIMS.—Section 5903 of such title is amended—

(A) by inserting ''(a) IN GENERAL.—'' before ''The Secretary''; and

(B) by adding at the end the following new subsection:

''(b) SUSPENSION.—An individual recognized under this section shall be subject to the provisions of section 5904(b) of this title on the same basis as an individual recognized under section 5904(a) of this title.''.

(b) ADDITIONAL BASES FOR SUSPENSION OF INDIVIDUALS.—Subsection (b) of section 5904 of such title is amended—

(1) in paragraph (4), by striking ''or'' at the end;

(2) in paragraph (5), by striking the period and inserting a semicolon; and

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

''(6) has presented frivolous claims, issues, or arguments to the Department; or

''(7) has failed to comply with any other condition specified by the Secretary in regulations prescribed by the Secretary for purposes of this subsection.''.

(c) REPEAL OF LIMITATION ON HIRING AGENTS OR ATTORNEYS.—Subsection (c) of section 5904 of such title is amended by striking paragraph (1).

(d) MODIFICATION OF REQUIREMENTS TO FILE ATTORNEY FEE AGREEMENTS.—Such subsection is further amended—

(1) by redesignating paragraph (2) as paragraph (1); and

(2) in that paragraph, as so redesignated—

(A) by striking ''in a case referred to in paragraph (1) of this subsection'';

(B) by striking ''after the Board first makes a final decision in the case'';

(C) by striking ''with the Board at such time as may be specified by the Board'' and inserting ''with the Secretary pursuant to regulations prescribed by the Secretary''; and

(D) by striking the second and third sentences.

(e) ATTORNEY FEES.—Such subsection is further amended by inserting after paragraph (1), as redesignated by subsection (d)(1) of this section, the following new paragraph (2):

''(2)(A) The Secretary, upon the Secretary's own motion or at the request of the claimant, may review a fee agreement filed pursuant to paragraph (1) and may order a reduction in the fee called for in the agreement if the Secretary finds that the fee is excessive or unreasonable.

''(B) A finding or order of the Secretary under subparagraph (A) may be reviewed by the Board of Veterans' Appeals under section 7104 of this title.''.

(f) REPEAL OF PENALTY FOR CERTAIN ACTS.—Section 5905 of such title is amended by striking ''(1)'' and all that follows through ''(2)''.

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect six months after the date of the enactment of this Act.

(2) REGULATIONS.—The Secretary shall prescribe the regulations, if any, to be prescribed under the amendments made by subsection (a) not later than the date specified in paragraph (1).

(3) CLAIMS.—The amendments made by subsections (b), (c), (d), and (e) shall apply to claims submitted on or after the date specified in paragraph (1).

TITLE II—MEMORIAL AFFAIRS

SEC. 201. ELIGIBILITY OF INDIAN TRIBAL ORGANIZATIONS FOR GRANTS FOR THE ESTABLISHMENT OF VETERANS CEMETERIES ON TRUST LANDS.

Section 2408 of title 38, United States Code, is amended by adding at the end the following new subsection:

''(f)(1) The Secretary may make grants under this subsection to any tribal organization to assist the tribal organization in establishing, expanding, or improving veterans' cemeteries on trust land owned by, or held in trust for, the tribal organization.

''(2) Grants under this subsection shall be made in the same manner, and under the same

conditions, as grants to States are made under the preceding provisions of this section.

''(3) In this subsection:

''(A) The term 'tribal organization' has the meaning given that term in section 3765(4) of this title.

''(B) The term 'trust land' has the meaning given that term in section 3765(1) of this title.''.

SEC. 202. REMOVAL OF REMAINS OF RUSSELL WAYNE WAGNER FROM ARLINGTON NATIONAL CEMETERY.

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

(1) Arlington National Cemetery is a National Shrine that memorializes the honorable service of men and women who have defended the freedoms that all the people of the United States enjoy.

(2) The inclusion among the honored dead of the remains of persons who have committed particularly notorious, heinous acts brings dishonor to the deceased and disrespect to their loved ones.

(3) The removal of the remains of a person who has committed a heinous act would not be an act of punishment against that person, but rather an act that would preserve the sacredness of cemetery grounds.

(4) In November of 1997, section 2411 of title 38, United States Code, was enacted to, among other things, deny burial eligibility in Arlington National Cemetery to any person convicted of a State capital crime for which the person was sentenced to death or life imprisonment without parole. In January of 2006, section 2411 of such title was amended by section 662 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163) to remove parole eligibility as a loophole through which convicted capital offenders could retain eligibility for interment at Arlington National Cemetery.

(5) According to Arlington National Cemetery officials, the remains of only one capital offender, Russell Wayne Wagner, have been interred in Arlington National Cemetery since November of 1997.

(b) REMOVAL OF REMAINS.—

(1) REMOVAL.—The Secretary of the Army shall remove the remains of Russell Wayne Wagner from Arlington National Cemetery.

(2) NOTIFICATION OF NEXT-OF-KIN.—The Secretary of the Army shall—

(A) notify the next-of-kin of record for Russell Wayne Wagner of the impending removal of his remains; and

(B) upon removal, relinquish the remains to the next-of-kin of record for Russell Wayne Wagner or, if the next-of-kin of record for Russell Wayne Wagner is unavailable, arrange for an appropriate disposition of the remains.

SEC. 203. PROVISION OF GOVERNMENT MARKERS FOR MARKED GRAVES OF VETERANS AT PRIVATE CEMETERIES.

(a) IN GENERAL.—Section 502(d) of the Veterans Education and Benefits Expansion Act of 2001 (Public Law 107–103; 38 U.S.C. 2306 note), as amended by section 203 of the Veterans Benefits Act of 2002 (Public Law 107–330), is amended by striking ''September 11, 2001'' and inserting ''November 1, 1990''.

(b) REPEAL OF EXPIRATION OF AUTHORITY.—Subsection (d) of section 2306 of title 38, United States Code, is amended by striking paragraph (3).

(c) PROVISION OF HEADSTONE OR MARKER.—

(1) IN GENERAL.—Subsection (d) of such section 2306 is further amended—

(A) in paragraph (1)—

(i) in the first sentence, by striking ''Government marker'' and inserting ''Government headstone or marker''; and

(ii) in the second sentence, by inserting ''headstone or'' before ''marker'' each place it appears; and

(B) in paragraph (2), by inserting ''headstone or'' before ''marker''.

(2) CONFORMING AMENDMENT.—Subsection (g)(3) of such section 2306 is amended by inserting ''headstone or'' before ''marker''.

(d) PLACEMENT OF HEADSTONE OR MARKER.—The second sentence of subsection (d)(1) of such section 2306, as amended by subsection (c)(1)(A)(ii) of this section, is further amended by inserting before the period the following: '', or, if placement on the grave is impossible or impracticable, as close as possible to the grave within the grounds of the cemetery in which the grave is located''.

(e) DELIVERY OF HEADSTONE OR MARKER.—Subsection (d)(2) of such section 2306, as amended by subsection (c)(1)(B) of this section, is further amended by inserting before the period the following: ''or to a receiving agent for delivery to the cemetery''.

(f) REPEAL OF OBSOLETE REPORT REQUIREMENT.—Subsection (d) of such section 2306 is further amended by striking paragraph (4).

(g) SCOPE OF HEADSTONES AND MARKERS FURNISHED.—Subsection (d) of such section 2306 is further amended by inserting after paragraph (2) the following new paragraph (3):

''(3) In furnishing headstones and markers under this subsection, the Secretary shall permit the individual making the request for a headstone or marker to select among any headstone or marker in the complete product line of Government headstones and markers.''.

(h) RETROACTIVE EFFECTIVE DATE.—The amendments made by subsections (a) through (g) shall take effect as if included in the enactment of section 502 of the Veterans Education and Benefits Expansion Act of 2001 (Public Law 107–103; 115 Stat. 976).

TITLE III—EDUCATION MATTERS

SEC. 301. EXPANSION OF EDUCATION PROGRAMS ELIGIBLE FOR ACCELERATED PAYMENT OF EDUCATIONAL ASSISTANCE UNDER THE MONTGOMERY GI BILL.

(a) IN GENERAL.—Subsection (b) of section 3014A of title 38, United States Code, is amended by striking paragraph (1) and inserting the following new paragraph (1):

''(1) enrolled in either—

''(A) an approved program of education that leads to employment in a high technology occupation in a high technology industry (as determined pursuant to regulations prescribed by the Secretary); or

''(B) an approved program of education lasting less than two years that (as so determined) leads to employment in—

''(i) the transportation sector of the economy;

''(ii) the construction sector of the economy;

''(iii) the hospitality sector of the economy; or

''(iv) the energy sector of the economy.''.

(b) CONFORMING AMENDMENTS.—

(1) HEADING AMENDMENT.—The heading of such section is amended to read as follows:

''§ 3014A. Accelerated payment of basic educational assistance''.

(2) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 30 of such title is amended to read as follows:

''3014A. Accelerated payment of basic educational assistance.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2007. Such amendments shall only apply to enrollments that begin on or after such date.

(d) SUNSET.—The amendments made by this section shall expire on September 30, 2011.

SEC. 302. ACCELERATED PAYMENT OF SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE FOR CERTAIN PROGRAMS OF EDUCATION.

(a) IN GENERAL.—Subchapter IV of chapter 35 of title 38, United States Code, is amended by inserting after section 3532 the following new section:

''§ 3532A. Accelerated payment of educational assistance allowance

''(a) The educational assistance allowance payable under section 3531 of this title with respect to an eligible person described in subsection (b) may, upon the election of such eligible person, be paid on an accelerated basis in accordance with this section.

''(b) An eligible person described in this subsection is an individual who is—

''(1) enrolled in either—

''(A) an approved program of education that leads to employment in a high technology occupation in a high technology industry (as determined pursuant to regulations prescribed by the Secretary); or

''(B) an approved program of education lasting less than two years that (as so determined) leads to employment in the—

''(i) transportation sector of the economy;

''(ii) construction sector of the economy;

''(iii) hospitality sector of the economy; or

''(iv) energy sector of the economy; and

''(2) charged tuition and fees for the program of education that, when divided by the number of months (and fractions thereof) in the enrollment period, exceeds the amount equal to 200 percent of the monthly rate of educational assistance allowance otherwise payable with respect to the individual under section 3531 of this title.

''(c)(1) The amount of the accelerated payment of educational assistance payable with respect to an eligible person making an election under subsection (a) for a program of education shall be the lesser of—

''(A) the amount equal to 60 percent of the established charges for the program of education; or

''(B) the aggregate amount of educational assistance allowance to which the individual remains entitled under this chapter at the time of the payment.

''(2) In this subsection, the term 'established charges', in the case of a program of education, means the actual charges (as determined pursuant to regulations prescribed by the Secretary) for tuition and fees which similarly circumstanced nonveterans enrolled in the program of education would be required to pay. Established charges shall be determined on the following basis:

''(A) In the case of an individual enrolled in a program of education offered on a term, quarter, or semester basis, the tuition and fees charged the individual for the term, quarter, or semester.

''(B) In the case of an individual enrolled in a program of education not offered on a term, quarter, or semester basis, the tuition and fees charged the individual for the entire program of education.

''(3) The educational institution providing the program of education for which an accelerated payment of educational assistance allowance is elected by an eligible person under subsection (a) shall certify to the Secretary the amount of the established charges for the program of education.

''(d) An accelerated payment of educational assistance allowance made with respect to an eligible person under this section for a program of education shall be made not later than the last day of the month immediately following the month in which the Secretary receives a certification from the educational institution regarding—

''(1) the person's enrollment in and pursuit of the program of education; and

''(2) the amount of the established charges for the program of education.

''(e)(1) Except as provided in paragraph (2), for each accelerated payment of educational assistance allowance made with respect to an eligible person under this section, the person's entitlement to educational assistance under this chapter shall be charged the number of months (and any fraction thereof) determined by dividing the amount of the accelerated payment by the full-time monthly rate of educational assistance allowance otherwise payable with respect to the person under section 3531 of this title as

of the beginning date of the enrollment period for the program of education for which the accelerated payment is made.

''(2) If the monthly rate of educational assistance allowance otherwise payable with respect to an eligible person under section 3531 of this title increases during the enrollment period of a program of education for which an accelerated payment of educational assistance allowance is made under this section, the charge to the person's entitlement to educational assistance under this chapter shall be determined by prorating the entitlement chargeable, in the manner provided for under paragraph (1), for the periods covered by the initial rate and increased rate, respectively, in accordance with regulations prescribed by the Secretary.

''(f) The Secretary may not make an accelerated payment of educational assistance allowance under this section for a program of education with respect to an eligible person who has received an advance payment under section 3680(d) of this title for the same enrollment period.

''(g) The Secretary shall prescribe regulations to carry out this section. The regulations shall include requirements, conditions, and methods for the request, issuance, delivery, certification of receipt and use, and recovery of overpayment of an accelerated payment of educational assistance allowance under this section. The regulations may include such elements of the regulations prescribed under section 3014A of this title as the Secretary considers appropriate for purposes of this section.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 35 of such title is amended by inserting after the item relating to section 3532 the following new item:

''3532A. Accelerated payment of educational assistance allowance.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2007. Such amendments shall only apply to enrollments that begin on or after such date.

(d) SUNSET.—The amendments made by this section shall expire on September 30, 2011.

SEC. 303. REIMBURSEMENT OF EXPENSES FOR STATE APPROVING AGENCIES IN THE ADMINISTRATION OF EDUCATIONAL BENEFITS.

Section 3674(a) of title 38, United States Code, is amended—

(1) in paragraph (2)(A), by inserting ''and is authorized to make additional payments subject to the availability of appropriations,'' after ''readjustment benefits,''; and

(2) in paragraph (4), by striking the first sentence and inserting ''The total amount authorized and available under this section for any fiscal year may not exceed $19,000,000, except that the total amount made available for purposes of this section from amounts available for the payment of readjustment benefits may not exceed $19,000,000 for fiscal years 2006 and 2007, $13,000,000 for fiscal years 2008 and 2009, $8,000,000 for each of fiscal years 2010 through 2013, and $13,000,000 for fiscal year 2014 and each subsequent fiscal year.''.

SEC. 304. MODIFICATION OF REQUIREMENT FOR REPORTING ON EDUCATIONAL ASSISTANCE PROGRAM.

(a) EXTENSION.—Subsection (d) of section 3036 of title 38, United States Code, is amended by striking ''January 1, 2005'' and inserting ''January 1, 2011''.

(b) DATE OF SUBMITTAL.—Subsection (a) of such section is amended by inserting '', on January 1,'' after ''two years''.

(c) INTERIM REPORT.—The Secretary of Defense and the Secretary of Veterans Affairs shall each submit to Congress a report containing the information required by section 3036 of title 38, United States Code, not later than six months after the date of the enactment of this Act.

TITLE IV—HEALTH MATTERS

SEC. 401. PARKINSON'S DISEASE RESEARCH, EDUCATION, CLINICAL CENTERS, AND MULTIPLE SCLEROSIS CENTERS OF EXCELLENCE.

(a) REQUIREMENT FOR ESTABLISHMENT OF CENTERS.—

(1) IN GENERAL.—Subchapter II of chapter 73 of title 38, United States Code, is amended by adding at the end the following new section:

''§ 7329. Parkinson's disease research, education, and clinical centers and multiple sclerosis centers of excellence

''(a) DESIGNATION.—The Secretary, upon the recommendation of the Under Secretary for Health and pursuant to the provisions of this section, shall—

''(1) designate—

''(A) at least 6 Department health care facilities as the locations for centers of Parkinson's disease research, education, and clinical activities and (subject to the appropriation of sufficient funds for such purpose); and

''(B) at least 2 Department health care facilities as the locations for Multiple Sclerosis Centers of Excellence (subject to the appropriation of sufficient funds for such purpose); and

''(2) establish and operate such centers at such locations in accordance with this section.

''(b) EXISTING FACILITIES; GEOGRAPHIC DISTRIBUTION.—In designating locations for centers under subsection (a), the Secretary, upon the recommendation of the Under Secretary for Health, shall—

''(1) designate each Department health care facility that, as of January 1, 2005, was operating a Parkinson's Disease Research, Education, and Clinical Center or a Multiple Sclerosis Center of Excellence unless the Secretary, on the recommendation of the Under Secretary for Health, determines that such facility—

''(A) does not meet the requirements of subsection (c);

''(B) has not demonstrated effectiveness in carrying out the established purposes of such center; or

''(C) has not demonstrated the potential to carry out such purposes effectively in the reasonably foreseeable future; and

''(2) assure appropriate geographic distribution of such facilities.

''(c) MINIMUM REQUIREMENTS.—The Secretary may not designate a health care facility as a location for a center under subsection (a) unless—

''(1) the peer review panel established under subsection (d) determines that the proposal submitted by such facility is among those proposals which meet the highest competitive standards of scientific and clinical merit; and

''(2) the Secretary, upon the recommendation of the Under Secretary for Health, determines that the facility has (or may reasonably be anticipated to develop)—

''(A) an arrangement with an accredited medical school which provides education and training in neurology and with which such facility is affiliated under which residents receive education and training in innovative diagnosis and treatment of chronic neurodegenerative diseases and movement disorders, including Parkinson's disease, or in the case of Multiple Sclerosis Centers, multiple sclerosis disease;

''(B) the ability to attract the participation of scientists who are capable of ingenuity and creativity in health-care research efforts;

''(C) a policymaking advisory committee composed of consumers and appropriate health care and research representatives of the facility and of the affiliated school or schools to advise the directors of such facility and such center on policy matters pertaining to the activities of such center during the period of the operation of such center;

''(D) the capability to conduct effectively evaluations of the activities of such center;

''(E) the capability to coordinate, as part of an integrated national system, education, clinical, and research activities within all facilities with such centers;

''(F) the capability to jointly develop a consortium of providers with interest in treating neurodegenerative diseases, including Parkinson's disease, and other movement disorders, or multiple sclerosis in the case of Multiple Sclerosis Centers, at facilities without such centers in order to ensure better access to state of the art diagnosis, care, and education for neurodegenerative disorders, or in the case of Multiple Sclerosis Centers, autoimmune disease affecting the central nervous system throughout the health care system; and

''(G) the capability to develop a national repository in the health care system for the collection of data on health services delivered to veterans seeking care for neurodegenerative diseases, including Parkinson's disease, and other movement disorders, or in the case of Multiple Sclerosis Centers, autoimmune disease affecting the central nervous system.

''(d) PANEL.—(1) The Under Secretary for Health shall establish a panel to assess the scientific and clinical merit of proposals that are submitted to the Secretary for the establishment of new centers under this section.

''(2)(A) The membership of the panel shall consist of experts in neurodegenerative diseases, including Parkinson's disease and other movement disorders, and, in the case of Multiple Sclerosis Centers, experts in autoimmune disease affecting the central nervous system.

''(B) Members of the panel shall serve as consultants to the Department for a period of no longer than 2 years except in the case of panelists asked to serve on the initial panel as specified in subparagraph (C).

''(C) In order to ensure panel continuity, half of the members of the first panel shall be appointed for a period of 3 years and half for a period of 2 years.

''(3) The panel shall review each proposal submitted to the panel by the Under Secretary and shall submit its views on the relative scientific and clinical merit of each such proposal to the Under Secretary.

''(4) The panel shall not be subject to the Federal Advisory Committee Act.

''(e) ADEQUATE FUNDING.—Before providing funds for the operation of any such center at a health care facility other than a health care facility designated under subsection (b)(1), the Secretary shall ensure that—

''(1) the Parkinson's disease center at each facility designated under subsection (b)(1) is receiving adequate funding to enable such center to function effectively in the areas of Parkinson's disease research, education, and clinical activities; and

''(2) in the case of a new Multiple Sclerosis Center, that existing centers are receiving adequate funding to enable such centers to function effectively in the areas of multiple sclerosis research, education, and clinical activities.

''(f) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated such sums as may be necessary for the support of the research and education activities of the centers established under subsection (a).

''(2) The Under Secretary for Health shall allocate to such centers from other funds appropriated generally for the Department medical services account and medical and prosthetics research account, as appropriate, such amounts as the Under Secretary for Health determines appropriate.

''(g) FUNDING ELIGIBILITY AND PRIORITY FOR PARKINSON'S DISEASE RESEARCH.—Activities of clinical and scientific investigation at each center established under subsection (a) for Parkinson's disease shall—

''(1) be eligible to compete for the award of funding from funds appropriated for the Department medical and prosthetics research account; and

''(2) receive priority in the award of funding from such account to the extent funds are

awarded to projects for research in Parkinson's disease and other movement disorders.

''(h) FUNDING ELIGIBILITY AND PRIORITY FOR MULTIPLE SCLEROSIS RESEARCH.—Activities of clinical and scientific investigation at each center established under subsection (a) for multiple sclerosis shall—

''(1) be eligible to compete for the award of funding from funds appropriated for the Department medical and prosthetics research account; and

''(2) receive priority in the award of funding from such account to the extent funds are awarded to projects for research in multiple sclerosis and other movement disorders.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 73 of title 38, United States Code, is amended by inserting after the item relating to section 7328 the following new item:

''7329. Parkinson's disease research, education, and clinical centers and multiple sclerosis centers of excellence.''.

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

SEC. 402. REPEAL OF TERM OF OFFICE FOR THE UNDER SECRETARY FOR HEALTH AND THE UNDER SECRETARY FOR BENEFITS.

(a) UNDER SECRETARY FOR HEALTH.—

(1) IN GENERAL.—Section 305 of title 38, United States Code, is amended by striking subsection (c).

(2) CONFORMING AMENDMENT.—Subsection (d) of such section is redesignated as subsection (c).

(b) UNDER SECRETARY FOR BENEFITS.—

(1) IN GENERAL.—Section 306 of title 38, United States Code, is amended by striking subsection (c).

(2) CONFORMING AMENDMENT.—Subsection (d) of such section is redesignated as subsection (c).

SEC. 403. MODIFICATIONS TO EXISTING STATE HOME AUTHORITIES.

(a) NURSING HOME CARE AND PRESCRIPTION MEDICATIONS IN STATE HOMES FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES.—

(1) NURSING HOME CARE.—Subchapter V of chapter 17 of title 38, United States Code, is amended by adding at the end the following new section:

''§ 1745. Nursing home care and medications for veterans with service-connected disabilities

''(a)(1) The Secretary shall pay each State home for nursing home care at the rate determined under paragraph (2), where such care is provided to any veteran as follows:

''(A) Any veteran in need of such care for a service-connected disability.

''(B) Any veteran who—

''(i) has a service-connected disability rated at 70 percent or more; and

''(ii) is in need of such care.

''(2) The rate determined under this paragraph with respect to a State home is the lesser of—

''(A) the applicable or prevailing rate payable in the geographic area in which the State home is located, as determined by the Secretary, for nursing home care furnished in a non-Department nursing home (as that term is defined in section 1720(e)(2)); or

''(B) a rate not to exceed the daily cost of care, as determined by the Secretary, following a report to the Secretary by the director of the State home.

''(3) Payment by the Secretary under paragraph (1) to a State home for nursing home care provided to a veteran described in that paragraph constitutes payment in full to the State home for such care furnished to that veteran.''.

(2) PROVISION OF PRESCRIPTION MEDICINES.—Such section, as so added, is further amended by adding at the end the following new subsection:

''(b) The Secretary shall furnish such drugs and medicines as may be ordered on prescription of a duly licensed physician as specific therapy in the treatment of illness or injury to any veteran as follows:

''(1) Any veteran who—

''(A) is not being provided nursing home care for which payment is payable under subsection (a); and

''(B) is in need of such drugs and medicines for a service-connected disability.

''(2) Any veteran who—

''(A) has a service-connected disability rated at 50 percent or more;

''(B) is not being provided nursing home care for which payment is payable under subsection (a); and

''(C) is in need of such drugs and medicines.''.

(3) CONFORMING AMENDMENTS.—

(A) CRITERIA FOR PAYMENT.—Section 1741(a)(1) of such title is amended by striking ''The'' and inserting ''Except as provided in section 1745 of this title, the''.

(B) ELIGIBILITY FOR NURSING HOME CARE.—Section 1710(a)(4) of such title is amended—

(i) by striking ''and'' before ''the requirement in section 1710B of this title''; and

(ii) by inserting '', and the requirement in section 1745 of this title to provide nursing home care and prescription medicines to veterans with service-connected disabilities in State homes'' after ''a program of extended care services''.

(4) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item relating to section 1744 the following new item:

''1745. Nursing home care and medications for veterans with service-connected disabilities.''.

(5) EFFECTIVE DATE.—The amendments made by this subsection shall take effect 90 days after the date of the enactment of this Act.

(b) IDENTIFICATION OF VETERANS IN STATE HOMES.—Such chapter is further amended—

(1) in section 1745, as added by subsection (a)(1) of this section, by adding at the end the following new subsection:

''(c) Any State home that requests payment or reimbursement for services provided to a veteran under this section shall provide to the Secretary such information as the Secretary considers necessary to identify each individual veteran eligible for payment under such section.''; and

(2) in section 1741, by adding at the end the following new subsection:

''(f) Any State home that requests payment or reimbursement for services provided to a veteran under this section shall provide to the Secretary such information as the Secretary considers necessary to identify each individual veteran eligible for payment under such section.''.

(c) AUTHORITY TO TREAT CERTAIN HEALTH FACILITIES AS STATE HOMES.—

(1) AUTHORITY.—Subchapter III of chapter 81 of title 38, United States Code, is amended by adding at the end the following new section:

''§ 8138. Treatment of certain health facilities as State homes

''(a) The Secretary may treat a health facility, or certain beds in a health facility, as a State home for purposes of subchapter V of chapter 17 of this title if the following requirements are met:

''(1) The facility, or certain beds in such facility, meets the standards for the provision of nursing home care that is applicable to State homes, as prescribed by the Secretary under section 8134(b) of this title, and such other standards relating to the facility, or certain beds in such facility, as the Secretary may require.

''(2) The facility, or certain beds in such facility, is licensed or certified by the appropriate State and local agencies charged with the responsibility of licensing or otherwise regulating or inspecting State home facilities.

''(3) The State demonstrates in an application to the Secretary that, but for the treatment of a facility (or certain beds in such facility), as a State home under this subsection, a substantial number of veterans residing in the geographic area in which the facility is located who require nursing home care will not have access to such care.

''(4) The Secretary determines that the treatment of the facility, or certain beds in such facility, as a State home best meets the needs of veterans for nursing home care in the geographic area in which the facility is located.

''(5) The Secretary approves the application submitted by the State with respect to the facility, or certain beds in such facility.

''(b) The Secretary may not treat a health facility, or certain beds in a health facility, as a State home under subsection (a) if the Secretary determines that such treatment would increase the number of beds allocated to the State in excess of the limit on the number of beds provided for by regulations prescribed under section 8134(a) of this title.

''(c) The number of beds occupied by veterans in a health facility for which payment may be made under subchapter V of chapter 17 of this title by reason of subsection (a) shall not exceed—

''(1) 100 beds in the aggregate for all States; and

''(2) in the case of any State, the difference between—

''(A) the number of veterans authorized to be in beds in State homes in such State under regulations prescribed under section 8134(a) of this title; and

''(B) the number of veterans actually in beds in State homes (other than facilities or certain beds treated as State homes under subsection (a)) in such State under regulations prescribed under such section.

''(d) The number of beds in a health facility in a State that has been treated as a State home under subsection (a) shall be taken into account in determining the unmet need for beds for State homes for the State under section 8134(d)(1) of this title.

''(e) The Secretary may not treat any new health facilities, or any new certain beds in a health facility, as a State home under subsection (a) after September 30, 2009.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 81 of such title is amended by inserting after the item relating to section 8137 the following new item:

''8138. Treatment of certain health facilities as State homes.''.

SEC. 404. OFFICE OF RURAL HEALTH.

(a) ESTABLISHMENT.—There is established in the Department of Veterans Affairs within the Office of the Undersecretary for Health an office to be known as the ''Office of Rural Health'' (in this section referred to as the ''Office'').

(b) HEAD.—The Director of the Office of Rural Health shall be the head of the Office. The Director of the Office of Rural Health shall be appointed by the Under Secretary of Health from among individuals qualified to perform the duties of the position.

(c) FUNCTIONS.—The functions of the Office are as follows:

(1) In cooperation with the medical, rehabilitation, health services, and cooperative studies research programs in the Office of Policy and the Office of Research and Development of the Veterans Health Administration, to assist the Under Secretary for Health in conducting, coordinating, promoting, and disseminating research into issues affecting veterans living in rural areas.

(2) To work with all personnel and offices of the Department of Veterans Affairs to develop, refine, and promulgate policies, best practices, lessons learned, and innovative and successful programs to improve care and services for veterans who reside in rural areas of the United States.

(3) To designate in each Veterans Integrated Service Network (VISN) an individual who shall

consult on and coordinate the discharge in such Network of programs and activities of the Office for veterans who reside in rural areas of the United States.

(4) To assess, in accordance with subsection (d), the effects of the implementation of the fee-basis health care program of the Veterans Health Administration on the delivery of health care services to veterans who reside in rural areas of the United States.

(5) To perform such other functions and duties as the Secretary of Veterans Affairs or the Under Secretary for Health consider appropriate.

(d) ASSESSMENT OF FEE-BASIS HEALTH CARE PROGRAM.—The Director of the Office shall, in consultation with the individuals designated under subsection (c)(3), conduct an assessment of the effects of the implementation of the fee-basis health care program of the Veterans Health Administration on the delivery of health care services to veterans who reside in rural areas of the United States. In conducting the assessment, the Director shall—

(1) evaluate the effects of the fee-basis health care program on the delivery of health care services to veterans who reside in rural areas of the United States;

(2) identify various mechanisms for expanding the program in order to enhance and improve health care services for such veterans and determine the feasibility and advisability of implementing such mechanisms; and

(3) for each mechanism determined under paragraph (2) to be feasible and advisable to implement, make recommendations to the Under Secretary for Health on the implementation of such mechanism.

SEC. 405. PILOT PROGRAM ON IMPROVEMENT OF CAREGIVER ASSISTANCE SERVICES.

(a) IN GENERAL.—Commencing not later than 120 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall carry out a pilot program to assess the feasibility and advisability of various mechanisms to expand and improve caregiver assistance services.

(b) DURATION OF PILOT PROGRAM.—The pilot program required by subsection (a) shall be carried out during the two-year period beginning on the date of the commencement of the pilot program.

(c) CAREGIVER ASSISTANCE SERVICES.—For purposes of this section, the term ''caregiver assistance services'' are services of the Department of Veterans Affairs that assist caregivers of veterans, including veterans of the Global War on Terrorism. Such services including the following:

(1) Adult-day health care services.

(2) Coordination of services needed by veterans, including services for readjustment and rehabilitation.

(3) Transportation services.

(4) Caregiver support services, including education, training, and certification of family members in caregiver activities.

(5) Home care services.

(6) Respite care.

(7) Hospice services.

(8) Any modalities of non-institutional long-term care.

(d) FUNDING.—

(1) SOURCE OF FUNDS.—In carrying out the program required by subsection (a), the Secretary shall identify, from funds available to the Department of Veterans Affairs for medical care, an amount not less than $5,000,000 to be available for the fiscal year that includes the date of the enactment of this Act, to carry out the pilot program and to be allocated to facilities of the Department pursuant to subsection (e). Such amount shall be available without fiscal year limitation.

(2) MINIMUM ALLOCATION OF FUNDS.—In identifying available amounts pursuant to paragraph (1), the Secretary shall ensure that, after the allocation of funds under subsection (e), the total expenditure for programs in support of caregiver assistance services is not less than $5,000,000 in excess of the baseline amount.

(3) BASELINE AMOUNT.—For purposes of paragraph (2), the baseline amount is the amount of the total expenditures on programs in support of caregiver assistance services for veterans for the most recent fiscal year for which final expenditure amounts are known, adjusted to reflect any subsequent increase in applicable costs to support such services through the Veterans Health Administration.

(e) ALLOCATION OF FUNDS TO FACILITIES.—The Secretary shall allocate funds identified pursuant to subsection (d)(1) to individual medical facilities of the Department in such amounts as the Secretary determines appropriate, based upon proposals submitted by such facilities for the use of such funds for improvements to the support of the provision of caregiver assistance services. Special consideration should be given to rural facilities, including those without a long-term care facility of the Department.

(f) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the implementation of this section, including—

(1) a description and assessment of the activities carried out under the pilot program;

(2) information on the allocation of funds to facilities of the Department under subsection (d); and

(3) a description of the improvements made with funds so allocated to the support of the provision of caregiver assistance services.

TITLE V—HOMELESS VETERANS ASSISTANCE

SEC. 501. REAFFIRMATION OF NATIONAL GOAL TO END HOMELESSNESS AMONG VETERANS.

(a) REAFFIRMATION.—Congress reaffirms the national goal to end chronic homelessness among veterans within a decade of the enactment of the Homeless Veterans Comprehensive Assistance Act of 2001 (Public Law 107–95; 115 Stat. 903).

(b) REAFFIRMATION OF ENCOURAGEMENT OF COOPERATIVE EFFORTS.—Congress reaffirms its encouragement, as specified in the Homeless Veterans Comprehensive Assistance Act of 2001 (Public Law 107–95; 115 Stat. 903), that all departments and agencies of the Federal, State, and local governments, quasi-governmental organizations, private and public sector entities, including community-based organizations, faith-based organizations, and individuals, work cooperatively to end chronic homelessness among veterans.

SEC. 502. SENSE OF CONGRESS ON THE RESPONSE OF THE FEDERAL GOVERNMENT TO THE NEEDS OF HOMELESS VETERANS.

It is the sense of Congress that—

(1) homelessness is a significant problem in the veterans community, and veterans are disproportionately represented among the homeless population;

(2) while many effective programs assist homeless veterans to become, once again, productive and self-sufficient members of their communities and society, all the essential services, assistance, and support that homeless veterans require are not currently provided;

(3) federally funded programs for homeless veterans should be held accountable for achieving clearly defined results;

(4) Federal efforts to assist homeless veterans should include prevention of homelessness;

(5) Federal efforts regarding homeless veterans should be particularly vigorous where women veterans have minor children in their care;

(6) Federal agencies, particularly the Department of Veterans Affairs, the Department of Labor, and the Department of Housing and Urban Development, should cooperate more fully to address the problem of homelessness among veterans; and

(7) the programs reauthorized by this title provide important housing and services to homeless veterans.

SEC. 503. AUTHORITY TO MAKE GRANTS FOR COMPREHENSIVE SERVICE PROGRAMS FOR HOMELESS VETERANS.

(a) PERMANENT AUTHORITY.—Section 2011(a) of title 38, United States Code, is amended—

(1) by striking paragraph (2); and

(2) in paragraph (1)—

(A) by striking ''(1)''; and

(B) by redesignating subparagraphs (A) through (D) as paragraphs (1) through (4), respectively.

(b) AUTHORIZATION OF APPROPRIATIONS.—The text of section 2013 of such title is amended to read as follows: ''There is authorized to be appropriated, to carry out this subchapter, $130,000,000 for fiscal year 2007 and each fiscal year thereafter.''.

SEC. 504. EXTENSION OF TREATMENT AND REHABILITATION FOR SERIOUSLY MENTALLY ILL AND HOMELESS VETERANS.

(a) EXTENSION OF AUTHORITY FOR GENERAL TREATMENT.—Section 2031(b) of title 38, United States Code, is amended by striking ''2006'' and inserting ''2011''.

(b) EXTENSION OF AUTHORITY FOR ADDITIONAL SERVICES.—Section 2033(d) of such title is amended by striking ''2006'' and inserting ''2011''.

SEC. 505. EXTENSION OF AUTHORITY FOR TRANSFER OF PROPERTIES OBTAINED THROUGH FORECLOSURE OF HOME MORTGAGES.

Section 2041(c) of title 38, United States Code, is amended by striking ''2008'' and inserting ''2011''.

SEC. 506. EXTENSION OF FUNDING FOR GRANT PROGRAM FOR HOMELESS VETERANS WITH SPECIAL NEEDS.

Section 2061(c)(1) of title 38, United States Code, is amended by striking ''2003, 2004, and 2005, $5,000,000'' and inserting ''2007 through 2011, $7,000,000''.

SEC. 507. EXTENSION OF FUNDING FOR HOMELESS VETERAN SERVICE PROVIDER TECHNICAL ASSISTANCE PROGRAM.

Subsection (b) of section 2064 of title 38, United States Code, is amended to read as follows:

''(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 for each of fiscal years 2007 through 2012 to carry out the program under this section.''.

SEC. 508. ADDITIONAL ELEMENT IN ANNUAL REPORT ON ASSISTANCE TO HOMELESS VETERANS.

Section 2065(b) of title 38, United States Code, is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following new paragraph (5):

''(5) Information on the efforts of the Secretary to coordinate the delivery of housing and services to homeless veterans with other Federal departments and agencies, including—

''(A) the Department of Defense;

''(B) the Department of Health and Human Services;

''(C) the Department of Housing and Urban Development;

''(D) the Department of Justice;

''(E) the Department of Labor;

''(F) the Interagency Council on Homelessness;

''(G) the Social Security Administration; and

''(H) any other Federal department or agency with which the Secretary coordinates the delivery of housing and services to homeless veterans.''.

SEC. 509. ADVISORY COMMITTEE ON HOMELESS VETERANS.

(a) ADDITIONAL EX OFFICIO MEMBERS.—Subsection (a)(3) of section 2066 of title 38, United States Code, is amended by adding at the end the following new subparagraphs:

''(E) The Executive Director of the Interagency Council on Homelessness (or a representative of the Executive Director).

''(F) The Under Secretary for Health (or a representative of the Under Secretary after consultation with the Director of the Office of Homeless Veterans Programs).

''(G) The Under Secretary for Benefits (or a representative of the Under Secretary after consultation with the Director of the Office of Homeless Veterans Programs).''.

(b) EXTENSION.—Subsection (d) of such section is amended by striking ''December 31, 2006'' and inserting ''September 30, 2011''.

SEC. 510. RENTAL ASSISTANCE VOUCHERS FOR VETERANS AFFAIRS SUPPORTED HOUSING PROGRAM.

(a) FUNDING FOR VOUCHERS.—Section (8)(o)(19)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)(B)) is amended to read as follows:

''(B) AMOUNT.—The amount specified in this subparagraph is—

''(i) for fiscal year 2007, the amount necessary to provide 500 vouchers for rental assistance under this subsection;

''(ii) for fiscal year 2008, the amount necessary to provide 1,000 vouchers for rental assistance under this subsection;

''(iii) for fiscal year 2009, the amount necessary to provide 1,500 vouchers for rental assistance under this subsection;

''(iv) for fiscal year 2010, the amount necessary to provide 2,000 vouchers for rental assistance under this subsection; and

''(v) for fiscal year 2011, the amount necessary to provide 2,500 vouchers for rental assistance under this subsection.''.

(b) ELIMINATION OF FUNDING THROUGH INCREMENTAL ASSISTANCE.—Subparagraph (C) of section 8(o)(19) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)(C)) is repealed.

(c) STUDY OF EFFECTIVENESS OF VOUCHERS.—

(1) IN GENERAL.—For fiscal years 2007 and 2008, the Secretary of Veterans Affairs shall conduct a study of the effectiveness of the voucher program under section (8)(o)(19)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)(B)), as amended by subsection (a), in meeting the housing and case management needs of homeless veterans who—

(A) have a chronic mental illnesses or chronic substance use disorder; and

(B) are participating in continuing treatment for such mental illness or substance use disorder as a condition of receipt of such rental assistance.

(2) COMPARISON.—As part of the study required by paragraph (1) the Secretary shall compare the results of the program described in that paragraph with other programs as follows:

(A) Programs in which the Department of Veterans Affairs coordinates the delivery of housing and services to homeless veterans.

(B) Programs for the provision of grants or per diem payments to providers of services that are designed to meet the needs of homeless veterans.

(3) CRITERIA.—In conducting the comparison required by paragraph (2), the Secretary shall examine the following:

(A) The satisfaction of veterans targeted by the programs described in paragraph (2).

(B) The health status of such veterans.

(C) For programs that address substance use disorders, the reduction in severity of such disorders in such veterans.

(D) The housing provided such veterans under such programs.

(E) The degree to which such veterans are encouraged to productive activity by such programs.

(4) REPORT.—Not later than March 31, 2009, the Secretary shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the results of the study required by paragraph (1).

SEC. 511. FINANCIAL ASSISTANCE FOR SUPPORTIVE SERVICES FOR VERY LOW-INCOME VETERAN FAMILIES IN PERMANENT HOUSING.

(a) PURPOSE.—The purpose of this section is to facilitate the provision of supportive services for very low-income veteran families in permanent housing.

(b) FINANCIAL ASSISTANCE.—

(1) IN GENERAL.—Subchapter V of chapter 20 of title 38, United States Code, is amended by adding at the end the following new section:

''§2044. Financial assistance for supportive services for very low-income veteran families in permanent housing

''(a) DISTRIBUTION OF FINANCIAL ASSISTANCE.—(1) The Secretary shall provide financial assistance to eligible entities approved under this section to provide and coordinate the provision of supportive services described in subsection (b) for very low-income veteran families occupying permanent housing.

''(2) Financial assistance under this section shall consist of per diem payments for each such family for which an approved eligible entity is providing or coordinating the provision of supportive services.

''(3)(A) Subject to the availability of appropriations provided for such purpose, the Secretary shall provide to each family for which an approved eligible entity is providing or coordinating the provision of supportive services per diem payments in the amount of the daily cost of care estimated by such eligible entity (as adjusted by the Secretary under subparagraph (C)).

''(B) In no case may the amount of per diem paid under this paragraph exceed the rate of per diem authorized for State homes for domiciliary care under subsection (a)(1)(A) of section 1741 of this title, as adjusted by the Secretary under subsection (c) of such section.

''(C) The Secretary may adjust the daily cost of care estimated by an eligible entity for purposes of this paragraph to exclude other sources of income described in subparagraph (E) that the eligible entity certifies to be correct.

''(D) Each eligible entity shall provide to the Secretary such information with respect to other sources of income as the Secretary may require to make the adjustment under subparagraph (C).

''(E) The other sources of income referred to in subparagraphs (C) and (D) are payments to the eligible entity for furnishing services to homeless veterans under programs other than under this subchapter, including payments and grants from other departments and agencies of the Federal Government, from departments or agencies of State or local government, and from private entities or organizations.

''(4) In providing financial assistance under paragraph (1), the Secretary shall give preference to entities providing or coordinating the provision of supportive services for very low-income veteran families who are transitioning from homelessness to permanent housing.

''(5) The Secretary shall ensure that, to the extent practicable, financial assistance under this subsection is equitably distributed across geographic regions, including rural communities and tribal lands.

''(6) Each entity receiving financial assistance under this section to provide supportive services to a very low-income veteran family shall notify that family that such services are being paid for, in whole or in part, by the Department.

''(7) The Secretary may require entities receiving financial assistance under this section to submit a report to the Secretary that describes the projects carried out with such financial assistance.

''(b) SUPPORTIVE SERVICES.—The supportive services referred to in subsection (a) are the following:

''(1) Services provided by an eligible entity or subcontractors that address the needs of very low-income veteran families occupying permanent housing, including—

''(A) outreach services;

''(B) health care services, including diagnosis, treatment, and counseling for mental health and substance abuse disorders and for post-traumatic stress disorder, if such services are not readily available through the Department medical center serving the geographic area in which the veteran family is housed;

''(C) habilitation and rehabilitation services;

''(D) case management services;

''(E) daily living services;

''(F) personal financial planning;

''(G) transportation services;

''(H) vocational counseling;

''(I) employment and training;

''(J) educational services;

''(K) assistance in obtaining veterans benefits and other public benefits, including health care provided by the Department;

''(L) assistance in obtaining income support;

''(M) assistance in obtaining health insurance;

''(N) fiduciary and representative payee services;

''(O) legal services to assist the veteran family with reconsiderations or appeals of veterans and public benefit claim denials and to resolve outstanding warrants that interfere with the family's ability to obtain or retain housing or supportive services;

''(P) child care;

''(Q) housing counseling;

''(R) other services necessary for maintaining independent living; and

''(S) coordination of services under this paragraph.

''(2) Services described in paragraph (1) that are delivered to very low-income veteran families who are homeless and who are scheduled to become residents of permanent housing within 90 days pending the location or development of housing suitable for permanent housing.

''(3) Services described in paragraph (1) for very low-income veteran families who have voluntarily chosen to seek other housing after a period of tenancy in permanent housing, that are provided, for a period of 90 days after such families exit permanent housing or until such families commence receipt of other housing services adequate to meet their current needs, but only to the extent that services under this paragraph are designed to support such families in their choice to transition into housing that is responsive to their individual needs and preferences.

''(c) APPLICATION FOR FINANCIAL ASSISTANCE.—(1) An eligible entity seeking financial assistance under subsection (a) shall submit an application to the Secretary in such form, in such manner, and containing such commitments and information as the Secretary determines to be necessary to carry out this section.

''(2) Each application submitted by an eligible entity under paragraph (1) shall contain—

''(A) a description of the supportive services proposed to be provided by the eligible entity;

''(B) a description of the types of very low-income veteran families proposed to be provided such services;

''(C) an estimate of the number of very low-income veteran families proposed to be provided such services;

''(D) evidence of the experience of the eligible entity in providing supportive services to very low-income veteran families; and

''(E) a description of the managerial capacity of the eligible entity to—

''(i) coordinate the provision of supportive services with the provision of permanent housing, by the eligible entity or by other organizations;

''(ii) continuously assess the needs of very low-income veteran families for supportive services;

''(iii) coordinate the provision of supportive services with the services of the Department;

''(iv) tailor supportive services to the needs of very low-income veteran families; and

''(v) continuously seek new sources of assistance to ensure the long-term provision of supportive services to very low-income veteran families.

''(3) The Secretary shall establish criteria for the selection of eligible entities to be provided financial assistance under this section.

''(d) TECHNICAL ASSISTANCE.—(1) The Secretary shall provide training and technical assistance to participating eligible entities regarding the planning, development, and provision of supportive services to very low-income veteran families occupying permanent housing.

''(2) The Secretary may provide the training described in paragraph (1) directly or through grants or contracts with appropriate public or nonprofit private entities.

''(e) FUNDING.—(1) From amounts appropriated to the Department for Medical Care, there shall be available to carry out this section amounts as follows:

''(A) $15,000,000 for fiscal year 2007.

''(B) $20,000,000 for fiscal year 2008.

''(C) $25,000,000 for fiscal year 2009.

''(2) Not more than $750,000 may be available under paragraph (1) in any fiscal year to provide technical assistance under subsection (d).

''(f) DEFINITIONS.—In this section:

''(1) The term 'consumer cooperative' has the meaning given such term in section 202 of the Housing Act of 1959 (12 U.S.C. 1701q).

''(2) The term 'eligible entity' means—

''(A) a private nonprofit organization; or

''(B) a consumer cooperative.

''(3) The term 'homeless' has the meaning given that term in section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).

''(4) The term 'permanent housing' means community-based housing without a designated length of stay.

''(5) The term 'private nonprofit organization' means any of the following:

''(A) Any incorporated private institution or foundation—

''(i) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

''(ii) which has a governing board that is responsible for the operation of the supportive services provided under this section; and

''(iii) which is approved by the Secretary as to financial responsibility;

''(B) A for-profit limited partnership, the sole general partner of which is an organization meeting the requirements of clauses (i), (ii), and (iii) of subparagraph (A).

''(C) A corporation wholly owned and controlled by an organization meeting the requirements of clauses (i), (ii), and (iii) of subparagraph (A).

''(D) A tribally designated housing entity (as defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103)).

''(6)(A) Subject to subparagraphs (B) and (C), the term 'very low-income veteran family' means a veteran family whose income does not exceed 50 percent of the median income for the area, as determined by the Secretary in accordance with this paragraph.

''(B) The Secretary shall make appropriate adjustments to the income requirement under subparagraph (A) based on family size.

''(C) The Secretary may establish an income ceiling higher or lower than 50 percent of the median income for an area if the Secretary determines that such variations are necessary because the area has unusually high or low construction costs, fair market rents (as determined under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f)), or family incomes.

''(7) The term 'veteran family' includes a veteran who is a single person and a family in which the head of household or the spouse of the head of household is a veteran.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 20 of such title is amended by inserting after the item relating to section 2043 the following new item:

''2044. Financial assistance for supportive services for very low-income veteran families in permanent housing.''.

(c) STUDY OF EFFECTIVENESS OF PERMANENT HOUSING PROGRAM.—

(1) IN GENERAL.—For fiscal years 2007 and 2008, the Secretary shall conduct a study of the effectiveness of the permanent housing program under section 2044 of title 38, United States Code, as amended by subsection (b), in meeting the needs of very low-income veteran families, as that term is defined in that section.

(2) COMPARISON.—In the study required by paragraph (1), the Secretary shall compare the results of the program referred to in that subsection with other programs of the Department of Veterans Affairs dedicated to the delivery of housing and services to veterans.

(3) CRITERIA.—In making the comparison required in paragraph (2), the Secretary shall examine the following:

(A) The satisfaction of veterans targeted by the programs described in paragraph (2).

(B) The health status of such veterans.

(C) The housing provided such veterans under such programs.

(D) The degree to which such veterans are encouraged to productive activity by such programs.

(4) REPORT.—Not later than March 31, 2009, the Secretary shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the results of the study required by paragraph (1).

TITLE VI—MISCELLANEOUS BENEFITS

SEC. 601. RESIDENTIAL COOPERATIVE HOUSING UNITS.

(a) HOUSING BENEFITS FOR COOPERATIVE APARTMENT UNITS.—Subsection (a) of section 3710 of title 38, United States Code, is amended by inserting after paragraph (11) the following new paragraph:

''(12) To purchase stock or membership in a cooperative housing corporation for the purpose of entitling the veteran to occupy for dwelling purposes a single family residential unit in a development, project, or structure owned or leased by such corporation, in accordance with subsection (h).''.

(b) CONDITIONS OF HOUSING BENEFITS FOR COOPERATIVE APARTMENT UNITS.—Such section is further amended by adding at the end the following new subsection:

''(h)(1) A loan may not be guaranteed under subsection (a)(12) unless—

''(A) the development, project, or structure of the cooperative housing corporation complies with such criteria as the Secretary prescribes in regulations; and

''(B) the dwelling unit that the purchase of stock or membership in the development, project, or structure of the cooperative housing corporation entitles the purchaser to occupy is a single family residential unit.

''(2) In this subsection, the term 'cooperative housing corporation' has the same meaning given such term in section 216(b)(1) of the Internal Revenue Code of 1986.

''(3) When applying the term 'value of the property' to a loan guaranteed under subsection (a)(12), such term means the appraised value of the stock or membership entitling the purchaser to the permanent occupancy of the dwelling unit in the development, project, or structure of the cooperative housing corporation.''.

SEC. 602. INCREASE IN SUPPLEMENTAL INSURANCE FOR TOTALLY DISABLED VETERANS.

Section 1922A(a) of title 38, United States Code, is amended by striking ''$20,000'' and inserting ''$30,000, during the period beginning on October 1, 2007, and ending on September 31, 2011, or $20,000 at any other time''.

SEC. 603. REAUTHORIZATION OF USE OF CERTAIN INFORMATION FROM OTHER AGENCIES.

(a) INFORMATION FROM SECRETARY OF THE TREASURY OR COMMISSIONER OF SOCIAL SECURITY.—Section 5317(g) of title 38, United States Code, is amended by striking ''September 30, 2008'' and inserting ''September 30, 2011''.

(b) TAX RETURNS AND TAX RETURN INFORMATION.—The last sentence of section 6103(l)(7) of the Internal Revenue Code of 1986 is amended by striking ''September 30, 2008'' and inserting ''September 30, 2011''.

SEC. 604. CLARIFICATION OF CORRECTIONAL FACILITIES COVERED BY CERTAIN PROVISIONS OF LAW.

(a) PAYMENT OF PENSION DURING CONFINEMENT IN PENAL INSTITUTIONS.—Section 1505(a) of title 38, United States Code, is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(b) ALLOWANCES FOR TRAINING AND REHABILITATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES.—Section 3108(g)(1) of such title is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(c) EDUCATIONAL ASSISTANCE BENEFITS FOR POST-VIETNAM ERA VETERANS.—Section 3231(d)(1) of such title is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(d) COMPUTATION OF EDUCATIONAL ASSISTANCE ALLOWANCES FOR VETERANS GENERALLY.—Section 3482(g)(1) of such title is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(e) COMPUTATION OF EDUCATIONAL ASSISTANCE ALLOWANCE FOR SURVIVORS AND DEPENDENTS.—Section 3532(e) of such title is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(f) LIMITATION ON PAYMENT OF COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.—Section 5313 of such title is amended—

(1) in subsection (a)(1), by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility'';

(2) in subsection (b)(3), by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''; and

(3) in subsection (c), by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(g) LIMITATION ON PAYMENT OF CLOTHING ALLOWANCE.—Section 5313A of such title is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

Amend the title so as to read: ''To amend title 38, United States Code, to remove certain limitations on attorney representation of claimants for veterans benefits in administrative proceedings before the Department of Veterans Affairs, to make certain improvements in the area of memorial affairs, and for other purposes.''.

Mr. CRAIG. Mr. President, I have sought recognition to comment on comprehensive, bipartisan legislation reported from the Committee on Veterans' Affairs and now awaiting full Senate approval. S. 2694, the Veterans' Choice of Representation and Benefits Enhancement Act of 2006, contains 28 provisions representing the collective

work of 44 Senators who either sponsored or cosponsored bills that were incorporated into this important legislation.

S. 2694 includes provisions that would improve educational assistance benefits for veterans and their survivors; reauthorize and enhance various programs of assistance for homeless veterans; reduce nursing home and prescription medication costs for service-disabled veterans residing in State veterans' nursing homes; enhance memorial affairs benefits and preserve the character of Arlington National Cemetery as a shrine for our honored dead; and, as the bill's title suggests, provide veterans with the freedom to hire attorneys to represent them during the VA claims process. I will take a few minutes to describe the sections of the bill that I sponsored, none I am more proud of than the choice of representation provision. For a full accounting of all of S. 2694's provisions, I ask my colleagues to read Senate Report 109–297.

Currently, veterans and other claimants seeking veterans' benefits may not hire an attorney until the VA administrative proceedings have been completed a process that often takes several years. That law flows from a Civil War era policy intended to protect veterans from unscrupulous attorneys. That policy arose at a time—unlike today—when attending law school was not required to become a lawyer and there was no effective professional oversight of lawyers.

In recent months, it has become abundantly clear that many veterans and their survivors want the option of hiring an attorney to help them navigate the increasingly complex VA system. In fact, the prohibition against veterans hiring attorneys is considered to be unfair and outdated by a broad spectrum of individuals and organizations, including veterans' organizations, veterans' advocates, judges, law professors, and bar associations.

For these reasons, I joined with Senator LINDSEY GRAHAM in introducing legislation to end the outdated, paternalistic restriction on the freedoms of veterans. Section 101 of S. 2694 would repeal the existing prohibition against veterans hiring attorneys to help them obtain benefits from VA. I am delighted that we are closer to doing away with this outdated law and allowing veterans like all other adults in this Nation—to have the assistance of counsel if they so choose.

Title V of S. 2694 represents the first effort in 5 years to enact comprehensive homeless veterans' assistance legislation. Five years ago, Congress set an ambitious goal to end homelessness among veterans by 2011. I am not one who sets goals lightly, especially one so important. Therefore, I joined with Senators AKAKA, BURR AND OBAMA to craft the provisions in title V which will both improve services for homeless veterans, and help prevent chronic homelessness among our servicemen and women returning from the war on terror. Among other things, this measure would extend the authorization of appropriations for comprehensive services for homeless veterans, reauthorize a grant program for homeless veterans with special needs, and extend the authority of the Advisory Committee on Homeless Veterans. It would also extend the authority of VA to transfer properties it obtains after foreclosures on homes financed with VA-guaranteed loans to organizations which assist homeless veterans and their families in acquiring shelter. Finally, the bill would authorize appropriations for a program designed to prevent homelessness by providing financial assistance to eligible entities to provide and coordinate the provision of supportive services for very low-income veteran families occupying permanent housing.

I want to be clear, however, that I will be monitoring whether these programs are having the effect we expect them to. In March, I held a hearing on the needs of homeless veterans, at which VA, its Federal partners, and community-based service providers to the homeless testified about what is working, what isn't, what duplication might be eliminated, and where deficiencies exist that must be addressed. We learned that more than a half dozen Federal agencies will devote over $2 billion to homelessness. VA alone will spend upward of $221 million on grants, housing and treatment of underlying conditions. In fact, the fiscal year 2007 budget for VA will support a record level of funding for the sixth straight year for targeted programs for homeless veterans. Plainly stated, we cannot afford to waste any money. We must ensure that our resources are invested carefully so that homeless veterans can resume their self-sufficiency and independence.

Section 402 of S. 2694 is derived from legislation I introduced that would remove the four-year limit on the terms for the positions of Under Secretary for Health and Under Secretary for Benefits at VA. When the term limits were originally created, I think we all hoped that they would allow the two officials to serve four consecutive years without any political considerations, regardless of whether the service was in different administrations or under different VA leadership. History, however, has shown us that new administrations or even new VA leadership within the same administration often bring new people at all levels of government, including the two Under Secretary positions. In fact, the last three Under Secretaries for Health and the previous Under Secretary for Benefits did not complete a full 4-year term. Therefore, this provision would eliminate what are, in effect, limits on terms that serve no useful purpose.

The last of the provisions I sponsored touches on a subject that most of my colleagues likely remember. Last summer, we learned that the remains of a brutal murderer—Russell Wayne Wagner—were placed in the Nation's preeminent military cemetery, Arlington National Cemetery. I was appalled to discover that the law enacted in 1997 to deny capital offenders from burial in national cemeteries did not apply to Wagner. While we moved swiftly to close the loophole that permitted Wagner's burial in the first place, the question remained: should his remains continue to be included among the scores of honored dead in Arlington? For me and Senator MIKULSKI, the answer was ''no.'' That is why we sponsored legislation now contained in section 202 of S. 2694 which would direct the Secretary of the Army to remove Wagner's remains from Arlington. As I stated last summer, we must not dishonor the sacrifices made by those memorialized at our Nation's military cemeteries by including among them individuals who, through their own heinous acts, have grievously dishonored themselves.

Mr. President, I want to thank all of the members of the committee and other Senators who worked so diligently on this bill. In particular, I commend the committee's anking member, Senator AKAKA. I have said it before and I'll repeat it today, Hawaii's veterans are fortunate to have Senator AKAKA as their advocate. It is been a pleasure working with him.

In closing, I ask for the support of the Senate in adopting S. 2694. It is an important, historic piece of legislation that will respect the freedoms won by our veterans on the battlefield, and will improve benefits available to them when they return home from it.

Mr. AKAKA. Mr. President, as ranking member of the Committee on Veterans' Affairs, I am pleased that the Senate on S. 2694, an omnibus veterans bill. This timely piece of legislation includes a number of important provisions that will improve the health care and benefits that our Nation's veterans deserve. I will highlight a few sections in which I have a particular interest.

This legislation specifically seeks to improve the way VA responds to the present and future demand for long-term care. As the veteran population ages, the demand for long-term care continues to rise, a trend that will only continue as Vietnam-era veterans get older.

With the goal of encouraging and supporting alternatives to institutional long-term care, the pending legislation includes provisions derived from S. 2753, a bill I introduced that was designed to promote assistance to those who look after veterans, especially in noninstitutional, home-based settings. The provision in the bill as it comes before the Senate today would authorize VA to carry out a pilot program to improve assistance services to these caregivers. Caregivers, particularly those who live in rural and geographically remote areas, would receive a helping hand through services such as adult-day care and respite care.

The pending measure also seeks to ensure more appropriate payment for the cost of longterm care provided to

certain seriously disabled veterans who are receiving care in State veterans' homes. Earlier this year, the Committee held field hearings in my home state of Hawaii. Tom Driskill, the President and CEO of Hawaii Health Systems Corporation, testified about the soon-to-be-built State home in Hilo. He said, ''The synergy of a combined Federal and State funding of the home has been the catalyst for making this dream a reality.'' The adjustments this legislation would make to the current cost-sharing arrangement between VA and the States, which are derived from S. 2762, legislation I introduced, may help ensure a high quality of care in State homes not only in Hawaii, but across the entire Nation.

Currently, care is provided at no cost to the veteran when VA provides institutional, long-term care services to those with service-connected disabilities rated 70 percent or higher in a VA nursing home or a private nursing care facility with which VA contracts. However, when the care is provided in a State veterans' home, VA pays only a per diem to the State, which then may bill the veteran for the remaining costs. I believe this to be unfair, and this legislation would provide for the same payment to State veterans' homes that is provided to community nursing homes which are furnishing care to these seriously disabled veterans.

I am gratified that this legislation includes extensive provisions to reauthorize, improve and enhance services for homeless veterans. I commend Senators OBAMA and BURR, both members of the Veterans' Affairs Committee, for their dedication to ensuring that comprehensive services are provided to homeless veterans. I fully support these efforts and stand with my colleagues in the battle to end homelessness among veterans.

This bill also includes a provision from a bill I introduced, S. 1537, that would authorize VA to designate at least two Multiple Sclerosis Centers of Excellence and six Parkinson's Disease Research, Education and Clinical Centers. VA centers of excellence have been the model of innovation in the delivery of highly specialized healthcare and research for chronic disease in the veteran population. Providing a statutory basis for these centers will ensure continued research and development of progressive treatments to help reduce symptoms and improve the quality of life for veterans battling with these neurological diseases.

The bill also includes a provision that would allow VA to extend eligibility of VA's State Cemetery Grants Program to tribal organizations. This change, derived from my bill, S. 2659, would allow for the establishment, expansion, and improvement of veterans' cemeteries on trust lands. If enacted, it will enable veterans living on trust lands to have an option for burial much closer to their family members and other loved ones.

This bill also includes a $10,000 increase in the amount of supplemental insurance available to totally disabled veterans through the Service-Disabled Veterans' Insurance program. Totally disabled veterans would benefit greatly from the availability of higher supplemental coverage amounts because the current aggregate S–DVI coverage, $30,000, is insufficient to meet disabled veterans' life insurance needs. This provision, which I authored, would increase the financial security of disabled veterans and. their families.

In conclusion, I thank the Coalition to Salute America's Heroes, the National Multiple Sclerosis Society, the Parkinson's Action Network, and the National Association of State Veterans Homes for their hard work and support of provisions in this legislation.

I am pleased that our committee continues its tradition of bipartisanship. The effort that produced the final version of this legislation, vital to the continued provision of quality health care and benefits to our Nation's veterans, is just the latest example of that spirit.

I thank my colleagues in the Senate for their support of this measure.

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

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

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

The bill (S. 2694), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

The title amendment was agreed to.

2005 DISTRICT OF COLUMBIA OMNIBUS AUTHORIZATION ACT

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

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

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

The bill (H.R. 3508), as amended, was ordered to be engrossed for a third reading, was read the third time and passed.

H.R. 3508

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''2005 District of Columbia Omnibus Authorization Act''.

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

Sec. 1. Short title; table of contents.

TITLE I—GOVERNANCE OF DISTRICT OF COLUMBIA

Subtitle A—General District of Columbia Governance

Sec. 101. Budget flexibility.
Sec. 102. Additional Authority to allocate amounts in Reserve Funds.
Sec. 103. Permitting General Services Administration to obtain space and services on behalf of District of Columbia Public Defender Service.
Sec. 104. Authority to enter into Interstate Insurance Product Regulation Compact.
Sec. 105. Metered taxicabs in the District of Columbia.

Subtitle B—District of Columbia Courts

Sec. 111. Modernization of Office of Register of Wills.
Sec. 112. Increase in cap on rates of pay for nonjudicial employees.
Sec. 113. Clarification of rate for individuals providing services to indigent defendants.
Sec. 114. Authority of Courts to conduct proceedings outside of District of Columbia during emergencies.
Sec. 115. Authority of Court Services and Offender Supervision Agency to use services of volunteers.
Sec. 116. Technical corrections relating to courts.
Sec. 117. Inclusion of court employees in enhanced dental and vision benefit program.

Subtitle C—Other Miscellaneous Technical Corrections

Sec. 121. 2004 District of Columbia Omnibus Authorization Act.
Sec. 122. District of Columbia Appropriations Act, 2005.
Sec. 123. Technical and conforming amendments relating to banks operating under the Code of Law for the District of Columbia.
Sec. 124. District of Columbia Schools fiscal year.
Sec. 125. Gifts to libraries.

TITLE II—INDEPENDENCE OF THE CHIEF FINANCIAL OFFICER

Sec. 201. Promoting independence of Chief Financial Officer.
Sec. 202. Personnel Authority.
Sec. 203. Procurement Authority.
Sec. 204. Fiscal impact statements.

TITLE III—AUTHORIZATION OF CERTAIN GENERAL APPROPRIATIONS PROVISIONS

Sec. 301. Acceptance of gifts by Court Services and Offender Supervision Agency.
Sec. 302. Evaluation process for public school employees.
Sec. 303. Clarification of application of pay provisions of Merit Personnel System to all District employees.
Sec. 304. Criteria for renewing or extending sole source contracts.
Sec. 305. Acceptance of grant amounts not included in annual budget.
Sec. 306. Standards for annual independent audit.
Sec. 307. Use of fines imposed for violation of traffic alcohol laws for enforcement and prosecution of laws.
Sec. 308. Certifications for attorneys in cases brought under Individuals With Disabilities Education Act.

TITLE I—GOVERNANCE OF DISTRICT OF COLUMBIA

Subtitle A—General District of Columbia Governance

SEC. 101. BUDGET FLEXIBILITY.

(a) PERMITTING INCREASE IN AMOUNT APPROPRIATED AS LOCAL FUNDS DURING A FISCAL YEAR.—Subpart 1 of part D of title IV of the

District of Columbia Home Rule Act (sec. 1–204.41 et seq., D.C. Official Code) is amended by inserting after section 446 the following new section:

''PERMITTING INCREASE IN AMOUNT APPROPRIATED AS LOCAL FUNDS DURING A FISCAL YEAR

''SEC. 446A. (a) IN GENERAL.—Notwithstanding the fourth sentence of section 446, to account for an unanticipated growth of revenue collections, the amount appropriated as District of Columbia funds under budget approved by Act of Congress as provided in such section may be increased—

''(1) by an aggregate amount of not more than 25 percent, in the case of amounts allocated under the budget as 'Other-Type Funds'; and

''(2) by an aggregate amount of not more than 6 percent, in the case of any other amounts allocated under the budget.

''(b) CONDITIONS.—The District of Columbia may obligate and expend any increase in the amount of funds authorized under this section only in accordance with the following conditions:

''(1) The Chief Financial Officer of the District of Columbia shall certify—

''(A) the increase in revenue; and

''(B) that the use of the amounts is not anticipated to have a negative impact on the long-term financial, fiscal, or economic health of the District.

''(2) The amounts shall be obligated and expended in accordance with laws enacted by the Council of the District of Columbia in support of each such obligation and expenditure, consistent with any other requirements under law.

''(3) The amounts may not be used to fund any agencies of the District government operating under court-ordered receivership.

''(4) The amounts may not be obligated or expended unless the Mayor has notified the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate not fewer than 30 days in advance of the obligation or expenditure.

''(c) EFFECTIVE DATE.—This section shall apply with respect to fiscal years 2006 through 2007.''.

(b) CONFORMING AMENDMENT.—The fourth sentence of section 446 of such Act (sec. 1–204.46, D.C. Official Code) is amended by inserting ''section 446A,''after ''section 445A(b),''.

(c) CLERICAL AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 446 the following new item:

''Sec. 446A. Permitting increase in amount appropriated as local funds during a fiscal year.''.

SEC. 102. ADDITIONAL AUTHORITY TO ALLOCATE AMOUNTS IN RESERVE FUNDS.

(a) IN GENERAL.—Section 450A of the District of Columbia Home Rule Act (sec. 1–204.50A, D.C. Official Code) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

''(c) ADDITIONAL AUTHORITY TO ALLOCATE AMOUNTS.—

''(1) IN GENERAL.—Notwithstanding any other provision of this section, in addition to the authority provided under this section to allocate and use amounts from the emergency reserve fund under subsection (a) and the contingency reserve fund under subsection (b), the District of Columbia may allocate amounts from such funds during a fiscal year and use such amounts for cash flow management purposes.

''(2) LIMITS ON AMOUNT ALLOCATED.—

''(A) AMOUNT OF INDIVIDUAL ALLOCATION.—The amount of an allocation made from the emergency reserve fund or the contingency reserve fund pursuant to the authority of this subsection may not exceed 50 percent of the balance of the fund involved at the time the allocation is made.

''(B) AGGREGATE AMOUNT ALLOCATED.—The aggregate amount allocated from the emergency reserve fund or the contingency reserve fund pursuant to the authority of this subsection during a fiscal year may not exceed 50 percent of the balance of the fund involved as of the first day of such fiscal year.

''(3) REPLENISHMENT.—If the District of Columbia allocates any amounts from a reserve fund pursuant to the authority of this subsection during a fiscal year, the District shall fully replenish the fund for the amounts allocated not later than the earlier of—

''(A) the expiration of the 9-month period which begins on the date the allocation is made; or

''(B) the last day of the fiscal year.

''(4) EFFECTIVE DATE.—This subsection shall apply with respect to fiscal years 2006 through 2007.''.

(b) SPECIAL RULE FOR TIMING OF REPLENISHMENT AFTER SUBSEQUENT ALLOCATION.—

(1) EMERGENCY RESERVE FUND.—Section 450A(a)(7) of such Act (sec. 1–204.50A(a)(7), D.C. Official Code) is amended—

(A) by striking ''(7) REPLENISHMENT.—'' and inserting the following:

''(7) REPLENISHMENT.—

''(A) IN GENERAL.—The District of Columbia''; and

(B) by adding at the end the following new subparagraph:

''(B) SPECIAL RULE FOR REPLENISHMENT AFTER ALLOCATION FOR CASH FLOW MANAGEMENT.—

''(i) IN GENERAL.—If the District allocates amounts from the emergency reserve fund during a fiscal year for cash flow management purposes pursuant to the authority of subsection (c) and at any time afterwards during the year makes a subsequent allocation from the fund for purposes of this subsection, and if as a result of the subsequent allocation the balance of the fund is reduced to an amount which is less than 50 percent of the balance of the fund as of the first day of the fiscal year, the District shall replenish the fund by such amount as may be required to restore the balance to an amount which is equal to 50 percent of the balance of the fund as of the first day of the fiscal year.

''(ii) DEADLINE.—The District shall carry out any replenishment required under clause (i) as a result of a subsequent allocation described in such clause not later than the expiration of the 60-day period which begins on the date of the subsequent allocation.''.

(2) CONTINGENCY RESERVE FUND.—Section 450A(b)(6) of such Act (sec. 1–204.50A(b)(6), D.C. Official Code) is amended—

(A) by striking ''(6) REPLENISHMENT.—'' and inserting the following:

''(6) REPLENISHMENT.—

''(A) IN GENERAL.—The District of Columbia''; and

(B) by adding at the end the following new subparagraph:

''(B) SPECIAL RULE FOR REPLENISHMENT AFTER ALLOCATION FOR CASH FLOW MANAGEMENT.—

''(i) IN GENERAL.—If the District allocates amounts from the contingency reserve fund during a fiscal year for cash flow management purposes pursuant to the authority of subsection (c) and at any time afterwards during the year makes a subsequent allocation from the fund for purposes of this subsection, and if as a result of the subsequent allocation the balance of the fund is reduced to an amount which is less than 50 percent of the balance of the fund as of the first day of the fiscal year, the District shall replenish the fund by such amount as may be required to restore the balance to an amount which is equal to 50 percent of the balance of the fund as of the first day of the fiscal year.

''(ii) DEADLINE.—The District shall carry out any replenishment required under clause (i) as a result of a subsequent allocation described in such clause not later than the expiration of the 60-day period which begins on the date of the subsequent allocation.''.

SEC. 103. PERMITTING GENERAL SERVICES ADMINISTRATION TO OBTAIN SPACE AND SERVICES ON BEHALF OF DISTRICT OF COLUMBIA PUBLIC DEFENDER SERVICE.

(a) AUTHORITY TO OBTAIN SPACE AND SERVICES.—At the request of the Director of the District of Columbia Public Defender Service, the Administrator of General Services may furnish space and services on behalf of the Service (either directly by providing space and services in buildings owned or occupied by the Federal Government or indirectly by entering into leases with non-Federal entities) in the same manner, and under the same terms and conditions, as the Administrator may furnish space and services on behalf of an agency of the Federal Government.

(b) EFFECTIVE DATE.—This section shall apply with respect to fiscal year 2006 and each succeeding fiscal year.

SEC. 104. AUTHORITY TO ENTER INTO INTERSTATE INSURANCE PRODUCT REGULATION COMPACT.

(a) IN GENERAL.—The District of Columbia is authorized to enter into an interstate compact to establish a joint state commission as an instrumentality of the District of Columbia for the purpose of establishing uniform insurance product regulations among the participating states.

(b) DELEGATION.—Any insurance product regulation compact that the Council of the District of Columbia authorizes the Mayor to execute on behalf of the District may contain provisions that delegate the requisite power and authority to the joint state commission to achieve the purposes for which the interstate compact is established.

SEC. 105. METERED TAXICABS IN THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Except as provided in subsection (b) and not later than 1 year after the date of enactment of this Act, the District of Columbia shall require all taxicabs licensed in the District of Columbia to charge fares by a metered system.

(b) DISTRICT OF COLUMBIA OPT OUT.—The Mayor of the District of Columbia may exempt the District of Columbia from the requirement under subsection (a) by issuing an executive order that specifically states that the District of Columbia opts out of the requirement to implement a metered fare system for taxicabs.

Subtitle B—District of Columbia Courts

SEC. 111. MODERNIZATION OF OFFICE OF REGISTER OF WILLS.

(a) REVISION OF DUTIES.—Section 11–2104(b), District of Columbia Official Code, is amended to read as follows:

''(b) In matters over which the Superior Court has probate jurisdiction or powers, the Register of Wills shall—

''(1) make full and fair entries, in separate records, of the proceedings of the court;

''(2) record in electronic or other format all wills proved before the Register of Wills or the court and other matters required by law to be recorded in the court;

''(3) lodge in places of safety designated by the court original papers filed with the Register of Wills;

''(4) make out and issue every summons, process, and order of the court;

''(5) prepare and submit to the Executive Officer of the District of Columbia courts such reports as may be required; and

''(6) in every respect, act under the control and direction of the court.''.

(b) REPEAL OF PENALTIES.—

(1) IN GENERAL.—Section 11–2104, District of Columbia Code, is amended—

*(A) in the heading, by striking ''**; penalties**''; and*

(B) by striking subsections (d) and (e).

(2) CLERICAL AMENDMENT.—The item relating to section 11–2104 in the table of sections for chapter 21 of title 11, District of Columbia Official Code, is amended by striking ''; penalties''.

(c) RECORD OF CLAIMS AGAINST NONRESIDENT DECEDENTS.—Section 20–343(d), District of Columbia Official Code, is amended by striking the second sentence and inserting the following: ''The Register shall record all such claims and releases.''.

SEC. 112. INCREASE IN CAP ON RATES OF PAY FOR NONJUDICIAL EMPLOYEES.

(a) IN GENERAL.—The second sentence of section 11–1726(a), District of Columbia Official Code, is amended by striking ''pay fixed by administrative action in section 5373'' and inserting ''maximum pay in section 5382(a)''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to pay periods beginning on or after the date of the enactment of this Act.

SEC. 113. CLARIFICATION OF RATE FOR INDIVIDUALS PROVIDING SERVICES TO INDIGENT DEFENDANTS.

(a) IN GENERAL.—Section 11–2605, District of Columbia Official Code, is amended—

(1) by striking subsection (b);

(2) in subsection (c), by inserting after ''United States Code,'' the following: ''(or, in the case of investigative services, a fixed rate of $25 per hour)'';

(3) in subsection (d), by inserting after ''United States Code,'' the following: ''(or, in the case of investigative services, a fixed rate of $25 per hour)''; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c).

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to services provided on or after the date of the enactment of this Act.

SEC. 114. AUTHORITY OF COURTS TO CONDUCT PROCEEDINGS OUTSIDE OF DISTRICT OF COLUMBIA DURING EMERGENCIES.

(a) DISTRICT OF COLUMBIA COURT OF APPEALS.—

(1) IN GENERAL.—Subchapter I of chapter 7 of title 11, District of Columbia Official Code, is amended by adding at the end the following new section:

''§ 11–710. Emergency Authority to conduct proceedings outside District of Columbia

''(a) IN GENERAL.—The court may hold special sessions at any place within the United States outside the District of Columbia as the nature of the business may require and upon such notice as the court orders, upon a finding by either the chief judge of the court (or, if the chief judge is absent or disabled, the judge designated under section 11–706(a)) or the Joint Committee on Judicial Administration in the District of Columbia that, because of emergency conditions, no location within the District of Columbia is reasonably available where such special sessions could be held. The court may transact any business at a special session authorized pursuant to this section which it has the authority to transact at a regular session.

''(b) NOTICE REQUIREMENTS.—If the Court of Appeals issues an order exercising its authority under subsection (a), the court—

''(1) through the Joint Committee on Judicial Administration in the District of Columbia, shall send notice of such order, including the reasons for the issuance of such order, to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives; and

''(2) shall provide reasonable notice to the United States Marshals Service before the commencement of any special session held pursuant to such order.''.

(2) CLERICAL AMENDMENT.—The table of contents of chapter 7 of title 11, District of Columbia Official Code, is amended by adding at the end of the items relating to subchapter I the following:

''11–710. Emergency authority to conduct proceedings outside District of Columbia.''.

(b) SUPERIOR COURT OF THE DISTRICT OF COLUMBIA.—

(1) IN GENERAL.—Subchapter I of chapter 9 of title 11, District of Columbia Official Code, is amended by adding at the end the following new section:

''§ 11–911. Emergency Authority to conduct proceedings outside District of Columbia

''(a) IN GENERAL.—The Superior Court may hold special sessions at any place within the United States outside the District of Columbia as the nature of the business may require and upon such notice as the Superior Court orders, upon a finding by either the chief judge of the Superior Court (or, if the chief judge is absent or disabled, the judge designated under section 11–907(a)) or the Joint Committee on Judicial Administration in the District of Columbia that, because of emergency conditions, no location within the District of Columbia is reasonably available where such special sessions could be held.

''(b) BUSINESS TRANSACTED.—The Superior Court may transact any business at a special session outside the District of Columbia authorized pursuant to this section which it has the authority to transact at a regular session, except that a criminal trial may not be conducted at such a special session without the consent of the defendant.

''(c) SUMMONING OF JURORS.—Notwithstanding any other provision of law, in any case in which special sessions are conducted pursuant to this section, the Superior Court may summon jurors—

''(1) in civil proceedings, from any part of the District of Columbia or, if jurors are not readily available from the District of Columbia, the jurisdiction in which it is holding the special session; and

''(2) in criminal trials, from any part of the District of Columbia or, if jurors are not readily available from the District of Columbia and if the defendant so consents, the jurisdiction in which it is holding the special session.

''(d) NOTICE REQUIREMENTS.—If the Superior Court issues an order exercising its authority under subsection (a), the Court—

''(1) through the Joint Committee on Judicial Administration in the District of Columbia, shall send notice of such order, including the reasons for the issuance of such order, to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives; and

''(2) shall provide reasonable notice to the United States Marshals Service before the commencement of any special session held pursuant to such order.''.

(2) CLERICAL AMENDMENT.—The table of contents of chapter 9 of title 11, District of Columbia Official Code, is amended by adding at the end of the items relating to subchapter I the following:

''11–911. Emergency authority to conduct proceedings outside District of Columbia.''.

SEC. 115. AUTHORITY OF COURT SERVICES AND OFFENDER SUPERVISION AGENCY TO USE SERVICES OF VOLUNTEERS.

Section 11233 of the National Capital Revitalization and Self-Government Improvement Act of 1997 (sec. 24–133, D.C. Official Code) is amended by adding at the end the following new subsection:

''(g) AUTHORITY TO USE SERVICES OF VOLUNTEERS.—

''(1) IN GENERAL.—The Agency (including any independent entity within the Agency) may accept the services of volunteers and provide for their incidental expenses to carry out any activity of the Agency except policy-making.

''(2) APPLICABILITY OF WORKER'S COMPENSATION RULES TO VOLUNTEERS.—Any volunteer whose services are accepted pursuant to this subsection shall be considered an employee of the United States Government in providing the services for purposes of chapter 81 of title 5, United States Code (relating to compensation for work injuries) and chapter 11 of title 18, United States Code, relating to corruption and conflicts of interest.''.

SEC. 116. TECHNICAL CORRECTIONS RELATING TO COURTS.

(a) IN GENERAL.—Section 329 of the District of Columbia Appropriations Act, 2005 (Public Law 108–335; 118 Stat. 1345), is amended to read as follows:

''SEC. 329. (a) APPROVAL OF BONDS BY JOINT COMMITTEE ON JUDICIAL ADMINISTRATION.—Section 11–1701(b), District of Columbia Official Code, is amended by striking paragraph (5).

''(b) EXECUTIVE OFFICER.—

''(1) IN GENERAL.—Section 11–1704, District of Columbia Official Code, is amended to read as follows:

'OATH OF EXECUTIVE OFFICER

'SEC. 11–1704.

'The Executive Officer shall take an oath or affirmation for the faithful and impartial discharge of the duties of that office.'.

''(2) CLERICAL AMENDMENT.—The table of sections for chapter 17 of title 11, District of Columbia Official Code, is amended by amending the item relating to section 11–1704 to read as follows:

'11–1704. Oath of Executive Officer.'.

''(c) FISCAL OFFICER.—Section 11–1723, District of Columbia Official Code, is amended—

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

''(2) by striking subsection (b); and

''(3) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (b) and (c).

''(d) AUDITOR-MASTER.—Section 11–1724, District of Columbia Official Code, is amended by striking the second and third sentences.

''(e) REGISTER OF WILLS.—

''(1) IN GENERAL.—Section 11–2102, District of Columbia Official Code, is amended—

''(A) in the heading, by striking '**bond;**';

''(B) in subsection (a)(2), by striking 'give bond,'and all that follows through 'seasonably to record' and inserting 'seasonably record'; and

''(C) by striking the third sentence of subsection (a).

''(2) CLERICAL AMENDMENT.—The item relating to section 11–2102 in the table of sections for chapter 21 of title 11, District of Columbia Official Code, is amended by striking 'bond;'.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 17 of title 11, District of Columbia Official Code, is amended by amending the item relating to section 11–1728 to read as follows:

''11–1728. Recruitment and training of personnel; travel.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the District of Columbia Appropriations Act, 2005.

SEC. 117. INCLUSION OF COURT EMPLOYEES IN ENHANCED DENTAL AND VISION BENEFIT PROGRAM.

(a) UNITED STATES CODE.—Title 5 of the United States Code is amended—

(1) in section 8951(1) by adding at the end the following: ''and an employee of the District of Columbia courts'';

(2) in section 8981(1) by adding at the end the following: ''and an employee of the District of Columbia courts''; and

(3) in section 9001(1) is amended—

(A) in subparagraph (C), by striking ''and'';

(B) in subparagraph (D), by striking the period and inserting a semicolon and ''and''; and

(C) by adding at the end the following: ''(E) an employee of the District of Columbia courts.''.

(b) D.C. CODE.—Section 11–1726, District of Columbia Code, is amended—

(1) in subsection (b)(1), by striking subparagraph (F) and inserting the following:

''(F) Chapter 89A (relating to enhanced dental benefits).

''(G) Chapter 89B (relating to enhanced vision benefits).

''(H) Chapter 90 (relating to long-term care insurance).''; and

(2) in subsection (c)(1), by striking subparagraph (D) and inserting the following:

''(D) Chapter 89A (relating to enhanced dental benefits).

''(E) Chapter 89B (relating to enhanced vision benefits).

''(F) Chapter 90 (relating to long-term care insurance).''.

Subtitle C—Other Miscellaneous Technical Corrections

SEC. 121. 2004 DISTRICT OF COLUMBIA OMNIBUS AUTHORIZATION ACT.

(a) IN GENERAL.—The first sentence of section 446(a) of the District of Columbia Home Rule Act (sec. 1–204.46(a), D.C. Official Code) is amended by striking ''The Council,''and all that follows through ''from the Mayor,''and inserting ''The Council, within 56 calendar days after receipt of the budget proposal from the Mayor,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the 2004 District of Columbia Omnibus Authorization Act.

SEC. 122. DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2005.

(a) IN GENERAL.—Section 450A of the District of Columbia Home Rule Act (sec. 1–204.50A, D.C. Official Code), as amended by section 332 of the District of Columbia Appropriations Act, 2005 (Public Law 108–335; 118 Stat. 1346), is amended—

(1) in the heading of subsection (a)(2), by striking ''IN GENERAL''and inserting ''OPERATING EXPENDITURES DEFINED''; and

(2) in the heading of subsection (b)(2), by striking ''IN GENERAL'' and inserting ''OPERATING EXPENDITURES DEFINED''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if included in the enactment of the District of Columbia Appropriations Act, 2005.

SEC. 123. TECHNICAL AND CONFORMING AMENDMENTS RELATING TO BANKS OPERATING UNDER THE CODE OF LAW FOR THE DISTRICT OF COLUMBIA.

(a) FEDERAL RESERVE ACT.—

(1) The second undesignated paragraph of the first section of the Federal Reserve Act(12 U.S.C. 221) is amended by adding at the end the following: ''For purposes of this Act, a State bank includes any bank which is operating under the Code of Law for the District of Columbia.''.

(2) The first sentence of the first undesignated paragraph of section 9 of the Federal Reserve Act(12 U.S.C. 321) is amended by striking ''incorporated by special law of any State, or'' and inserting ''incorporated by special law of any State, operating under the Code of Law for the District of Columbia, or''.

(b) BANK CONSERVATION ACT.—Section 202 of the Bank Conservation Act(12 U.S.C. 202) is amended—

(1) by striking ''means (1) any national'' and inserting ''means any national''; and

(2) by striking '', and (2) any bank or trust company located in the District of Columbia and operating under the supervision of the Comptroller of the Currency''.

(c) DEPOSITORY INSTITUTION DEREGULATION AND MONETARY CONTROL ACT OF 1980.—Part C of title VII of the Depository Institution Deregulation and Monetary Control Act of 1980 is amended—

(1) in paragraph (1) of section 731 (12 U.S.C. 216(1)) by striking ''and closed banks in the District of Columbia''; and

(2) in paragraph (2) of section 732 (12 U.S.C. 216a(2)) by striking ''or closed banks in the District of Columbia''.

(d) FEDERAL DEPOSIT INSURANCE ACT.—Section 3(a)(2)(B) of the Federal Deposit Insurance Act(12 U.S.C. 1813(a)(2)(B)) is amended by striking ''(except a national bank)''.

(e) NATIONAL BANK CONSOLIDATION AND MERGER ACT.—Section 7(1) of the National Bank Consolidation and Merger Act(12 U.S.C. 215b(1)) is amended by striking ''(except a national banking association located in the District of Columbia)''.

(f) AN ACT OF AUGUST 17, 1950.—Section 1(a) of the Act entitled ''An Act to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes'' and approved August 17, 1950 (12 U.S.C. 214(a)) is amended by striking ''(except a national banking association)''.

(g) FEDERAL TRADE COMMISSION ACT.—Section 18(f)(2) of the Federal Trade Commission Act(15 U.S.C. 57a(f)(2)) is amended—

(1) in subparagraph (A), by striking '', banks operating under the code of law for the District of Columbia,''; and

(2) in subparagraph (B), by striking ''and banks operating under the code of law for the District of Columbia''.

SEC. 124. DISTRICT OF COLUMBIA SCHOOLS FISCAL YEAR.

Section 441(b)(2) of the District of Columbia Home Rule Act (section 1–204.41, D.C. Official Code) is amended by striking ''shall begin'' and inserting ''may begin''.

SEC. 125. GIFTS TO LIBRARIES.

Section 115(c) of title III of division C of Public Law 108–7 in amended by inserting ''and the District of Columbia Public Libraries'' before the period.

TITLE II—INDEPENDENCE OF THE CHIEF FINANCIAL OFFICER

SEC. 201. PROMOTING INDEPENDENCE OF CHIEF FINANCIAL OFFICER.

(a) IN GENERAL.—Section 424 of the District of Columbia Home Rule Act (sec. 1–204.24a et seq., D.C. Official Code) is amended to read as follows:

''CHIEF FINANCIAL OFFICER OF THE DISTRICT OF COLUMBIA

''SEC. 424. (a) IN GENERAL.—

''(1) ESTABLISHMENT.—There is hereby established within the executive branch of the government of the District of Columbia an Office of the Chief Financial Officer of the District of Columbia (hereafter referred to as the 'Office'), which shall be headed by the Chief Financial Officer of the District of Columbia (hereafter referred to as the 'Chief Financial Officer').

''(2) ORGANIZATIONAL ANALYSIS.—

''(A) OFFICE OF BUDGET AND PLANNING.—The name of the Office of Budget and Management, established by Commissioner's Order 69–96, issued March 7, 1969, is changed to the Office of Budget and Planning.

''(B) OFFICE OF TAX AND REVENUE.—The name of the Department of Finance and Revenue, established by Commissioner's Order 69–96, issued March 7, 1969, is changed to the Office of Tax and Revenue.

''(C) OFFICE OF FINANCE AND TREASURY.—The name of the Office of Treasurer, established by Mayor's Order 89–244, dated October 23, 1989, is changed to the Office of Finance and Treasury.

''(D) OFFICE OF FINANCIAL OPERATIONS AND SYSTEMS.—The Office of the Controller, established by Mayor's Order 89–243, dated October 23, 1989, and the Office of Financial Information Services, established by Mayor's Order 89–244, dated October 23, 1989, are consolidated into the Office of Financial Operations and Systems.

''(3) TRANSFERS.—Effective with the appointment of the first Chief Financial Officer under subsection (b), the functions and personnel of the following offices are established as subordinate offices within the Office:

''(A) The Office of Budget and Planning, headed by the Deputy Chief Financial Officer for the Office of Budget and Planning.

''(B) The Office of Tax and Revenue, headed by the Deputy Chief Financial Officer for the Office of Tax and Revenue.

''(C) The Office of Research and Analysis, headed by the Deputy Chief Financial Officer for the Office of Research and Analysis.

''(D) The Office of Financial Operations and Systems, headed by the Deputy Chief Financial Officer for the Office of Financial Operations and Systems.

''(E) The Office of Finance and Treasury, headed by the District of Columbia Treasurer.

''(F) The Lottery and Charitable Games Control Board, established by the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3–172; D.C. Official Code § 3–1301 et seq.).

''(4) SUPERVISOR.—The heads of the offices listed in paragraph (3) of this section shall serve at the pleasure of the Chief Financial Officer.

''(5) APPOINTMENT AND REMOVAL OF OFFICE EMPLOYEES.—The Chief Financial Officer shall appoint the heads of the subordinate offices designated in paragraph (3), after consultation with the Mayor and the Council. The Chief Financial Officer may remove the heads of the offices designated in paragraph (3), after consultation with the Mayor and the Council.

''(6) ANNUAL BUDGET SUBMISSION.—The Chief Financial Officer shall prepare and annually submit to the Mayor of the District of Columbia, for inclusion in the annual budget of the District of Columbia government for a fiscal year, annual estimates of the expenditures and appropriations necessary for the year for the operation of the Office and all other District of Columbia accounting, budget, and financial management personnel (including personnel of executive branch independent agencies) that report to the Office pursuant to this Act.

''(b) APPOINTMENT OF THE CHIEF FINANCIAL OFFICER.—

''(1) APPOINTMENT.—

''(A) IN GENERAL.—The Chief Financial Officer shall be appointed by the Mayor with the advice and consent, by resolution, of the Council. Upon confirmation by the Council, the name of the Chief Financial Officer shall be submitted to the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate for a 30-day period of review and comment before the appointment takes effect.

''(B) SPECIAL RULE FOR CONTROL YEARS.—During a control year, the Chief Financial Officer shall be appointed by the Mayor as follows:

''(i) Prior to the appointment, the Authority may submit recommendations for the appointment to the Mayor.

''(ii) In consultation with the Authority and the Council, the Mayor shall nominate an individual for appointment and notify the Council of the nomination.

''(iii) After the expiration of the 7-day period which begins on the date the Mayor notifies the Council of the nomination under clause (ii), the Mayor shall notify the Authority of the nomination.

''(iv) The nomination shall be effective subject to approval by a majority vote of the Authority.

''(2) TERM.—

''(A) IN GENERAL.—All appointments made after June 30, 2007, shall be for a term of 5 years, except for appointments made for the remainder of unexpired terms. The appointments shall have an anniversary date of July 1.

''(B) TRANSITION.—For purposes of this section, the individual serving as Chief Financial Officer as of the date of enactment of the 2005 District of Columbia Omnibus Authorization Act shall be deemed to have been appointed under this subsection, except that such individual's initial term of office shall begin upon such date and shall end on June 30, 2007.

''(C) CONTINUANCE.—Any Chief Financial Officer may continue to serve beyond his term until a successor takes office.

''(D) VACANCIES.—Any vacancy in the Office of Chief Financial Officer shall be filled in the same manner as the original appointment under paragraph (1).

''(E) PAY.—The Chief Financial Officer shall be paid at an annual rate equal to the rate of basic pay payable for level I of the Executive Schedule.

''(c) REMOVAL OF THE CHIEF FINANCIAL OFFICER.—

''(1) IN GENERAL.—The Chief Financial Officer may only be removed for cause by the Mayor, subject to the approval of the Council by a resolution approved by not fewer than ⅔ of the members of the Council. After approval of the resolution by the Council, notice of the removal shall be submitted to the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate for a 30-day period of review and comment before the removal takes effect.

''(2) SPECIAL RULE FOR CONTROL YEARS.—During a control year, the Chief Financial Officer may be removed for cause by the Authority or by the Mayor with the approval of the Authority.

''(d) DUTIES OF THE CHIEF FINANCIAL OFFICER.—Notwithstanding any provisions of this Act which grant authority to other entities of the District government, the Chief Financial Officer shall have the following duties and shall take such steps as are necessary to perform these duties:

''(1) During a control year, preparing the financial plan and the budget for the use of the Mayor for purposes of subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

''(2) Preparing the budgets of the District of Columbia for the year for the use of the Mayor for purposes of part D and preparing the 5-year financial plan based upon the adopted budget for submission with the District of Columbia budget by the Mayor to Congress.

''(3) During a control year, assuring that all financial information presented by the Mayor is presented in a manner, and is otherwise consistent with, the requirements of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

''(4) Implementing appropriate procedures and instituting such programs, systems, and personnel policies within the Chief Financial Officer's authority, to ensure that budget, accounting, and personnel control systems and structures are synchronized for budgeting and control purposes on a continuing basis and to ensure that appropriations are not exceeded.

''(5) Preparing and submitting to the Mayor and the Council, with the approval of the Authority during a control year, and making public—

''(A) annual estimates of all revenues of the District of Columbia (without regard to the source of such revenues), including proposed revenues, which shall be binding on the Mayor and the Council for purposes of preparing and submitting the budget of the District government for the year under part D of this title, except that the Mayor and the Council may prepare the budget based on estimates of revenues which are lower than those prepared by the Chief Financial Officer; and

''(B) quarterly re-estimates of the revenues of the District of Columbia during the year.

''(6) Supervising and assuming responsibility for financial transactions to ensure adequate control of revenues and resources.

''(7) Maintaining systems of accounting and internal control designed to provide—

''(A) full disclosure of the financial impact of the activities of the District government;

''(B) adequate financial information needed by the District government for management purposes;

''(C) effective control over, and accountability for, all funds, property, and other assets of the District of Columbia; and

''(D) reliable accounting results to serve as the basis for preparing and supporting agency budget requests and controlling the execution of the budget.

''(8) Submitting to the Council a financial statement of the District government, containing such details and at such times as the Council may specify.

''(9) Supervising and assuming responsibility for the assessment of all property subject to assessment and special assessments within the corporate limits of the District of Columbia for taxation, preparing tax maps, and providing such notice of taxes and special assessments (as may be required by law).

''(10) Supervising and assuming responsibility for the levying and collection of all taxes, special assessments, licensing fees, and other revenues of the District of Columbia (as may be required by law), and receiving all amounts paid to the District of Columbia from any source (including the Authority).

''(11) Maintaining custody of all public funds belonging to or under the control of the District government (or any department or agency of the District government), and depositing all amounts paid in such depositories and under such terms and conditions as may be designated by the Council (or by the Authority during a control year).

''(12) Maintaining custody of all investment and invested funds of the District government or in possession of the District government in a fiduciary capacity, and maintaining the safekeeping of all bonds and notes of the District government and the receipt and delivery of District government bonds and notes for transfer, registration, or exchange.

''(13) Apportioning the total of all appropriations and funds made available during the year for obligation so as to prevent obligation or expenditure in a manner which would result in a deficiency or a need for supplemental appropriations during the year, and (with respect to appropriations and funds available for an indefinite period and all authorizations to create obligations by contract in advance of appropriations) apportioning the total of such appropriations, funds, or authorizations in the most effective and economical manner.

''(14) Certifying all contracts and leases (whether directly or through delegation) prior to execution as to the availability of funds to meet the obligations expected to be incurred by the District government under such contracts and leases during the year.

''(15) Prescribing the forms of receipts, vouchers, bills, and claims to be used by all agencies, offices, and instrumentalities of the District government.

''(16) Certifying and approving prior to payment of all bills, invoices, payrolls, and other evidences of claims, demands, or charges against the District government, and determining the regularity, legality, and correctness of such bills, invoices, payrolls, claims, demands, or charges.

''(17) In coordination with the Inspector General of the District of Columbia, performing internal audits of accounts and operations and records of the District government, including the examination of any accounts or records of financial transactions, giving due consideration to the effectiveness of accounting systems, internal control, and related administrative practices of the departments and agencies of the District government.

''(18) Exercising responsibility for the administration and supervision of the District of Columbia Treasurer.

''(19) Supervising and administering all borrowing programs for the issuance of long-term and short-term indebtedness, as well as other financing-related programs of the District government.

''(20) Administering the cash management program of the District government, including the investment of surplus funds in governmental and non-governmental interest-bearing securities and accounts.

''(21) Administering the centralized District government payroll and retirement systems (other than the retirement system for police officers, fire fighters, and teachers).

''(22) Governing the accounting policies and systems applicable to the District government.

''(23) Preparing appropriate annual, quarterly, and monthly financial reports of the accounting and financial operations of the District government.

''(24) Not later than 120 days after the end of each fiscal year, preparing the complete financial statement and report on the activities of the District government for such fiscal year, for the use of the Mayor under section 448(a)(4).

''(25) Preparing fiscal impact statements on regulations, multiyear contracts, contracts over $1,000,000 and on legislation, as required by section 4a of the General Legislative Procedures Act of 1975.

''(26) Preparing under the direction of the Mayor, who has the specific responsibility for formulating budget policy using Chief Financial Officer technical and human resources, the budget for submission by the Mayor to the Council and to the public and upon final adoption to Congress and to the public.

''(27) Certifying all collective bargaining agreements and nonunion pay proposals prior to submission to the Council for approval as to the availability of funds to meet the obligations expected to be incurred by the District government under such collective bargaining agreements and nonunion pay proposals during the year.

''(e) FUNCTIONS OF TREASURER.—At all times, the Treasurer shall have the following duties:

''(1) Assisting the Chief Financial Officer in reporting revenues received by the District government, including submitting annual and quarterly reports concerning the cash position of the District government not later than 60 days after the last day of the quarter (or year) involved. Each such report shall include the following:

''(A) Comparative reports of revenue and other receipts by source, including tax, nontax, and Federal revenues, grants and reimbursements, capital program loans, and advances. Each source shall be broken down into specific components.

''(B) Statements of the cash flow of the District government for the preceding quarter or year, including receipts, disbursements, net changes in cash inclusive of the beginning balance, cash and investment, and the ending balance, inclusive of cash and investment. Such statements shall reflect the actual, planned, better or worse dollar amounts and the percentage change with respect to the current quarter, year-to-date, and fiscal year.

''(C) Quarterly cash flow forecast for the quarter or year involved, reflecting receipts, disbursements, net change in cash inclusive of the beginning balance, cash and investment, and the ending balance, inclusive of cash and investment with respect to the actual dollar amounts for the quarter or year, and projected dollar amounts for each of the 3 succeeding quarters.

''(D) Monthly reports reflecting a detailed summary analysis of all District of Columbia government investments, including—

''(i) the total of long-term and short-term investments;

''(ii) a detailed summary analysis of investments by type and amount, including purchases, sales (maturities), and interest;

''(iii) an analysis of investment portfolio mix by type and amount, including liquidity, quality/risk of each security, and similar information;

''(iv) an analysis of investment strategy, including near-term strategic plans and projects of

investment activity, as well as forecasts of future investment strategies based on anticipated market conditions, and similar information; and

''(v) an analysis of cash utilization, including—

''(I) comparisons of budgeted percentages of total cash to be invested with actual percentages of cash invested and the dollar amounts;

''(II) comparisons of the next return on invested cash expressed in percentages (yield) with comparable market indicators and established District of Columbia government yield objectives; and

''(III) comparisons of estimated dollar return against actual dollar yield.

''(E) Monthly reports reflecting a detailed summary analysis of long-term and short-term borrowings inclusive of debt as authorized by section 603, in the current fiscal year and the amount of debt for each succeeding fiscal year not to exceed 5 years. All such reports shall reflect—

''(i) the amount of debt outstanding by type of instrument;

''(ii) the amount of authorized and unissued debt, including availability of short-term lines of credit, United States Treasury borrowings, and similar information;

''(iii) a maturity schedule of the debt;

''(iv) the rate of interest payable upon the debt; and

''(v) the amount of debt service requirements and related debt service reserves.

''(2) Such other functions assigned to the Chief Financial Officer under subsection (d) as the Chief Financial Officer may delegate.

''(f) DEFINITIONS.—For purposes of this section (and sections 424a and 424b)—

''(1) the term 'Authority' means the District of Columbia Financial Responsibility and Management Assistance Authority established under section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995;

''(2) the term 'control year' has the meaning given such term under section 305(4) of such Act; and

''(3) the term 'District government' has the meaning given such term under section 305(5) of such Act.''.

(b) CLARIFICATION OF DUTIES OF CHIEF FINANCIAL OFFICER AND MAYOR.—

(1) RELATION TO FINANCIAL DUTIES OF MAYOR.—Section 448(a) of such Act (section 1–204.48(a), D.C. Official Code) is amended by striking ''section 603,''and inserting ''section 603 and except to the extent provided under section 424(d),''.

(2) RELATION TO MAYOR'S DUTIES REGARDING ACCOUNTING SUPERVISION AND CONTROL.—Section 449 of such Act (section 1–204.49, D.C. Official Code) is amended by striking ''The Mayor'' and inserting ''Except to the extent provided under section 424(d), the Mayor''.

SEC. 202. PERSONNEL AUTHORITY.

(a) PROVIDING INDEPENDENT PERSONNEL AUTHORITY.—

(1) IN GENERAL.—Part B of title IV of the District of Columbia Home Rule Act is amended by adding at the end the following new section:

''AUTHORITY OF CHIEF FINANCIAL OFFICER OVER PERSONNEL OF OFFICE AND OTHER FINANCIAL PERSONNEL

''SEC. 424. (a) IN GENERAL.—Notwithstanding any provision of law or regulation (including any law or regulation providing for collective bargaining or the enforcement of any collective bargaining agreement), employees of the Office of the Chief Financial Officer of the District of Columbia, including personnel described in subsection (b), shall be appointed by, shall serve at the pleasure of, and shall act under the direction and control of the Chief Financial Officer of the District of Columbia, and shall be considered at-will employees not covered by the District of Columbia Merit Personnel Act of 1978, except that nothing in this section may be construed to prohibit the Chief Financial Officer from entering into a collective bargaining agreement governing such employees and personnel or to prohibit the enforcement of such an agreement as entered into by the Chief Financial Officer.

''(b) PERSONNEL.—The personnel described in this subsection are as follows:

''(1) The General Counsel to the Chief Financial Officer and all other attorneys in the Office of the General Counsel within the Office of the Chief Financial Officer of the District of Columbia, together with all other personnel of the Office.

''(2) All other individuals hired or retained as attorneys by the Chief Financial Officer or any office under the personnel authority of the Chief Financial Officer, each of whom shall act under the direction and control of the General Counsel to the Chief Financial Officer.

''(3) The heads and all personnel of the subordinate offices of the Office (as described in section 424(a)(2) and established as subordinate offices in section 424(a)(3)) and the Chief Financial Officers, Agency Fiscal Officers, and Associate Chief Financial Officers of all District of Columbia executive branch subordinate and independent agencies (in accordance with subsection (c)), together with all other District of Columbia accounting, budget, and financial management personnel (including personnel of executive branch independent agencies, but not including personnel of the legislative or judicial branches of the District government).

''(c) APPOINTMENT OF CERTAIN EXECUTIVE BRANCH AGENCY CHIEF FINANCIAL OFFICERS.—

''(1) IN GENERAL.—The Chief Financial Officers and Associate Chief Financial Officers of all District of Columbia executive branch subordinate and independent agencies (other than those of a subordinate office of the Office) shall be appointed by the Chief Financial Officer, in consultation with the agency head, where applicable. The appointment shall be made from a list of qualified candidates developed by the Chief Financial Officer.

''(2) TRANSITION.—Any executive branch agency Chief Financial Officer appointed prior to the date of enactment of the 2005 District of Columbia Omnibus Authorization Act may continue to serve in that capacity without reappointment.

''(d) INDEPENDENT AUTHORITY OVER LEGAL PERSONNEL.—Title VIII–B of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (sec. 1–608.51 et seq., D.C. Official Code) shall not apply to the Office of the Chief Financial Officer or to attorneys employed by the Office.''

(2) CLERICAL AMENDMENT.—The table of contents of part B of title IV of the District of Columbia Home Rule Act is amended by adding at the end the following new item:

''Sec. 424a. Authority of Chief Financial Officer over personnel of Office and other financial personnel.''.

(b) CONFORMING AMENDMENT.—Section 862 of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2–260; D.C. Official Code §1–608.62) is amended by striking paragraph (2).

SEC. 203. PROCUREMENT AUTHORITY.

(a) PROVIDING INDEPENDENT AUTHORITY TO PROCURE GOODS AND SERVICES.—

(1) IN GENERAL.—Part B of title IV of the District of Columbia Home Rule Act, as amended by section 203(a)(1), is further amended by adding at the end the following new section:

''PROCUREMENT AUTHORITY OF THE CHIEF FINANCIAL OFFICER

''SEC. 424b. The Chief Financial Officer shall carry out procurement of goods and services for the Office of the Chief Financial Officer through a procurement office or division which shall operate independently of, and shall not be governed by, the Office of Contracting and Procurement established under the District of Columbia Procurement Practices Act of 1986 or any successor office, except the provisions applicable under such Act to procurement carried out by the Chief Procurement Officer established by section 105 of such Act or any successor office shall apply with respect to the procurement carried out by the Chief Financial Officer's procurement office or division.''.

(2) CLERICAL AMENDMENT.—The table of contents of part B of title IV of the District of Columbia Home Rule Act, as amended by section 203(a)(2), is further amended by adding at the end following new item:

''Sec. 424b. Procurement authority of the Chief Financial Officer.''.

(b) CONFORMING AMENDMENTS.—

(1) PROCUREMENT PRACTICES ACT.—Section 104 of the District of Columbia Procurement Practices Act of 1985 (sec. 2–301.04, D.C. Official Code) is amended—

(A) in subsection (a), by striking '', and the District of Columbia Financial Responsibility and Management Assistance Authority'' and inserting the following: ''the District of Columbia Financial Responsibility and Management Assistance Authority, and (to the extent described in section 424b of the District of Columbia Home Rule Act) the Office of the Chief Financial Officer of the District of Columbia''; and

(B) in subsection (c), by striking the second and third sentences.

(2) OTHER CONFORMING AMENDMENT.—Section 132 of the District of Columbia Appropriations Act, 2006 (Public Law 109–115) is hereby repealed.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect 6 months after the date of enactment of this Act.

SEC. 204. FISCAL IMPACT STATEMENTS.

The General Legislative Procedures Act of 1975 (sec. 1–301.45 et seq., D.C. Official Code) is amended by adding at the end the following new section:

''FISCAL IMPACT STATEMENTS

''SEC. 4. (a) BILLS AND RESOLUTIONS.—

''(1) IN GENERAL.—Notwithstanding any other law, except as provided in subsection (c), all permanent bills and resolutions shall be accompanied by a fiscal impact statement before final adoption by the Council.

''(2) CONTENTS.—The fiscal impact statement shall include the estimate of the costs which will be incurred by the District as a result of the enactment of the measure in the current and each of the first four fiscal years for which the act or resolution is in effect, together with a statement of the basis for such estimate.

''(b) APPROPRIATIONS.—Permanent and emergency acts which are accompanied by fiscal impact statements which reflect unbudgeted costs, shall be subject to appropriations prior to becoming effective.

''(c) APPLICABILITY.—Subsection (a) shall not apply to emergency declaration, ceremonial, confirmation, and sense of the Council resolutions.''.

TITLE III—AUTHORIZATION OF CERTAIN GENERAL APPROPRIATIONS PROVISIONS

SEC. 301. ACCEPTANCE OF GIFTS BY COURT SERVICES AND OFFENDER SUPERVISION AGENCY.

(a) AUTHORITY TO ACCEPT GIFTS.—Section 11233(b) of the National Capital Revitalization and Self-Government Improvement Act of 1997 (sec. 24–133(b), D.C. Official Code) is amended by adding at the end the following new paragraphs:

''(3) ACCEPTANCE OF GIFTS.—

''(A) AUTHORITY TO ACCEPT GIFTS.—During fiscal years 2006 through 2008, the Director may accept and use gifts in the form of—

''(i) in-kind contributions of space and hospitality to support offender and defendant programs; and

''(ii) equipment and vocational training services to educate and train offenders and defendants.

''(B) RECORDS.—The Director shall keep accurate and detailed records of the acceptance and use of any gifts under subparagraph (A), and shall make such records available for audit and public inspection.

''(4) REIMBURSEMENT FROM DISTRICT GOVERNMENT.—During fiscal years 2006 through 2008, the Director may accept and use reimbursement from the District government for space and services provided, on a cost reimbursable basis.''.

(b) AUTHORITY OF PUBLIC DEFENDER SERVICE TO CHARGE FEES FOR EVENT MATERIALS.—Section 307 of the District of Columbia Court Reform and Criminal Procedure Act of 1970 (sec. 2–1607, D.C. Official Code) is amended by adding at the end the following new subsection:

''(d) During fiscal years 2006 through 2008, the Service may charge fees to cover the costs of materials distributed to attendees of educational events, including conferences, sponsored by the Service. Notwithstanding section 3302 of title 31, United States Code, any amounts received as fees under this subsection shall be credited to the Service and available for use without further appropriation.''.

SEC. 302. EVALUATION PROCESS FOR PUBLIC SCHOOL EMPLOYEES.

Title XVII of the District of Columbia Merit Personnel Act of 1978 (sec. 1–617.01 et seq., D.C. Official Code) is amended by adding at the end the following new section:

''SEC. 1718. EVALUATION PROCESS FOR PUBLIC SCHOOL EMPLOYEES.

''Notwithstanding any other provision of law, rule, or regulation, during fiscal year 2006 and each succeeding fiscal year the evaluation process and instruments for evaluating District of Columbia Public Schools employees shall be a non-negotiable item for collective bargaining purposes.''.

SEC. 303. CLARIFICATION OF APPLICATION OF PAY PROVISIONS OF MERIT PERSONNEL SYSTEM TO ALL DISTRICT EMPLOYEES.

(a) DISTRICT OF COLUMBIA HOME RULE ACT.—The fourth sentence of section 422(3) of the District of Columbia Home Rule Act (sec. 1–204.42(3), D.C. Official Code) is amended by striking ''The system may provide'' and inserting the following: ''The system shall apply with respect to the compensation of employees of the District government during fiscal year 2006 and each succeeding fiscal year, except that the system may provide''.

(b) TITLE 5, UNITED STATES CODE.—Section 5102 of title 5, United States Code, is amended by adding at the end the following new subsection:

''(e) Except as may be specifically provided, this chapter does not apply for pay purposes to any employee of the government of the District of Columbia during fiscal year 2006 or any succeeding fiscal year.''.

SEC. 304. CRITERIA FOR RENEWING OR EXTENDING SOLE SOURCE CONTRACTS.

Section 305 of the District of Columbia Procurement Practices Act of 1985 (sec. 2–303.05, D.C. Official Code) is amended by adding at the end the following new subsection:

''(b) During fiscal years 2006 through 2008, a procurement contract awarded through noncompetitive negotiations in accordance with subsection (a) may be renewed or extended only if the Chief Financial Officer of the District of Columbia reviews the contract and certifies that the contract was renewed or extended in accordance with duly promulgated rules and procedures.''.

SEC. 305. ACCEPTANCE OF GRANT AMOUNTS NOT INCLUDED IN ANNUAL BUDGET.

(a) AUTHORITY TO ACCEPT, OBLIGATE, AND EXPEND AMOUNTS.—Subpart 1 of part D of title IV of the District of Columbia Home Rule Act (sec. 1–204.41 et seq., D.C. Official Code), as amended by section 101(a), is amended by inserting after section 446A the following new section:

''ACCEPTANCE OF GRANT AMOUNTS NOT INCLUDED IN ANNUAL BUDGET

''SEC. 446B. (a) AUTHORITY TO ACCEPT, OBLIGATE, AND EXPEND AMOUNTS.—Notwithstanding the fourth sentence of section 446, the Mayor, in consultation with the Chief Financial Officer of the District of Columbia may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the budget approved by Act of Congress as provided in such section.

''(b) CONDITIONS.—

''(1) ROLE OF CHIEF FINANCIAL OFFICER; APPROVAL BY COUNCIL.—No Federal, private, or other grant may be accepted, obligated, or expended pursuant to subsection (a) until—

''(A) the Chief Financial Officer submits to the Council a report setting forth detailed information regarding such grant; and

''(B) the Council has reviewed and approved the acceptance, obligation, and expenditure of such grant.

''(2) DEEMED APPROVAL BY COUNCIL.—For purposes of paragraph (1)(B), the Council shall be deemed to have reviewed and approved the acceptance, obligation, and expenditure of a grant if—

''(A) no written notice of disapproval is filed with the Secretary of the Council within 14 calendar days of the receipt of the report from the Chief Financial Officer under paragraph (1)(A); or

''(B) if such a notice of disapproval is filed within such deadline, the Council does not by resolution disapprove the acceptance, obligation, or expenditure of the grant within 30 calendar days of the initial receipt of the report from the Chief Financial Officer under paragraph (1)(A).

''(c) NO OBLIGATION OR EXPENDITURE PERMITTED IN ANTICIPATION OF RECEIPT OR APPROVAL.—No amount may be obligated or expended from the general fund or other funds of the District of Columbia government in anticipation of the approval or receipt of a grant under subsection (b)(2) or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such subsection.

''(d) ADJUSTMENTS TO ANNUAL BUDGET.—The Chief Financial Officer may adjust the budget for Federal, private, and other grants received by the District government reflected in the amounts provided in the budget approved by Act of Congress under section 446, or approved and received under subsection (b)(2) to reflect a change in the actual amount of the grant.

''(e) REPORTS.—The Chief Financial Officer shall prepare a quarterly report setting forth detailed information regarding all Federal, private, and other grants subject to this section. Each such report shall be submitted to the Council and to the Committees on Appropriations of the House of Representatives and Senate not later than 15 days after the end of the quarter covered by the report.

''(f) EFFECTIVE DATE.—This section shall apply with respect to fiscal years 2006 through 2008.''.

(b) CONFORMING AMENDMENT.—The fourth sentence of section 446 of such Act (sec. 1–204.46, D.C. Official Code), as amended by section 101(b), is amended by inserting ''section 446B,'' after ''section 446A,''.

(c) CLERICAL AMENDMENT.—The table of contents of such Act, as amended by section 101(c), is amended by inserting after the item relating to section 446A the following new item:

''Sec. 446B. Acceptance of grant amounts not included in annual budget.''.

SEC. 306. STANDARDS FOR ANNUAL INDEPENDENT AUDIT.

Section 448 of the District of Columbia Home Rule Act (sec. 1–204.48, D.C. Official Code) is amended—

(1) in subsection (a)(4), by striking the semicolon at the end and inserting the following: '', as audited by the Inspector General of the District of Columbia in accordance with subsection (c) in the case of fiscal years 2006 through 2008;''; and

(2) by adding at the end the following new subsection:

''(c) The financial statement and report for a fiscal year prepared and submitted for purposes of subsection (a)(4) shall be audited by the Inspector General of the District of Columbia (in coordination with the Chief Financial Officer of the District of Columbia) pursuant to section 208(a)(4) of the District of Columbia Procurement Practices Act of 1985, and shall include as a basic financial statement a comparison of audited actual year-end results with the revenues submitted in the budget document for such year and the appropriations enacted into law for such year using the format, terminology, and classifications contained in the law making the appropriations for the year and its legislative history.''.

SEC. 307. USE OF FINES IMPOSED FOR VIOLATION OF TRAFFIC ALCOHOL LAWS FOR ENFORCEMENT AND PROSECUTION OF LAWS.

Section 10(b)(3) of the District of Columbia Traffic Act, 1925 (sec. 50–2201.05(b)(3), D.C. Official Code) is amended to read as follows:

''(3) Notwithstanding any other provision of law, all fines imposed and collected pursuant to this subsection during fiscal year 2006 and each succeeding fiscal year shall be transferred to the General Fund of the District of Columbia, shall be used by the District of Columbia exclusively for the enforcement and prosecution of the District traffic alcohol laws, and shall remain available until expended.''.

SEC. 308. CERTIFICATIONS FOR ATTORNEYS IN CASES BROUGHT UNDER INDIVIDUALS WITH DISABILITIES EDUCATION ACT.

(a) RESPONSIBILITIES OF CHIEF FINANCIAL OFFICER.—Section 424(d) of the District of Columbia Home Rule Act (sec. 1–204.24(d), D.C. Official Code), as amended by section 201(a), is amended by adding at the end the following new paragraph:

''(28) With respect to attorneys in special education cases brought under the Individuals with Disabilities Education Act in the District of Columbia during fiscal year 2006 and each succeeding fiscal year—

''(A) requiring such attorneys to certify in writing that the attorney or representative of the attorney rendered any and all services for which the attorney received an award in such a case, including those received under a settlement agreement or as part of an administrative proceeding, from the District of Columbia;

''(B) requiring such attorneys, as part of the certification under subparagraph (A), to disclose any financial, corporate, legal, membership on boards of directors, or other relationships with any special education diagnostic services, schools, or other special education service providers to which the attorneys have referred any clients in any such cases; and

''(C) preparing and submitting quarterly reports to the Committees on Appropriations of the House of Representatives and Senate on the certification of and the amount paid by the government of the District of Columbia, including the District of Columbia Public Schools, to such attorneys.''.

(b) INVESTIGATIONS BY INSPECTOR GENERAL.—Section 208(a)(3) of the District of Columbia Procurement Practices Act of 1985 (sec. 2–302.08(a)(3), D.C. Official Code) is amended by adding at the end the following new subparagraph:

''(J) During fiscal year 2006 and each succeeding fiscal year, conduct investigations to determine the accuracy of certifications made to the Chief Financial Officer of the District of Columbia under section 424(d)(28) of the District of Columbia Home Rule Act of attorneys in special education cases brought under the Individuals with Disabilities Education Act in the District of Columbia.''.

AUTHORIZING PRINTING OF A DOCUMENT ENTITLED ''COMMITTEE ON THE BUDGET, U.S. SENATE, 32ND ANNIVERSARY, 1974 THROUGH 2006''

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 554, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 554) authorizing printing for illustration of a document entitled ''Committee on the Budget, U.S. Senate, 32nd anniversary, 1974 through 2006.''

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 554) was agreed to, as follows:

S. RES. 554

Resolved, That there be printed with illustrations as a Senate document a compilation of materials entitled ''Committee on the Budget, United States Senate, 32nd Anniversary, 1974–2006'', and that, in addition to the usual number, there be printed not to exceed 500 copies of such document at a cost of not to exceed $1,200 for the use of the Committee on the Budget.

AUTHORIZING THE PRODUCTION OF RECORDS BY THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 555, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 555) to authorize the production of records by the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST, Mr. President, the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs has received requests from various law enforcement and regulatory agencies seeking access to records that the subcommittee obtained during its recent investigation into the use of offshore tax havens for abusive tax shelters.

This resolution would authorize the chairman and ranking minority member of the Permanent Subcommittee on Investigations, acting jointly, to provide records, obtained by the Subcommittee in the course of its investigation, in response to these requests.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 555) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas, the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs has been conducting an investigation into the use of offshore tax havens for abusive tax shelters;

Whereas, the Subcommittee has received a number of requests from law enforcement officials, and regulatory agencies, for access to records of the Subcommittee's investigation;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations of the Committee on Homeland Security and Governmental Affairs, acting jointly, are authorized to provide to law enforcement officials, regulatory agencies, and other entities or individuals duly authorized by federal, state, or foreign governments, records of the Subcommittee's investigation into the use of offshore tax havens for abusive tax shelters.

SUPPORTING THE CONTINUED ADMINISTRATION OF CHANNEL ISLANDS NATIONAL PARK, INCLUDING SANTA ROSA ISLAND

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 553, S. Res. 468.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 468) supporting the continued administration of Channel Islands National Park, including Santa Rosa Island, in accordance with the laws (including regulations) and policies of the National Park Service.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 468) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 468

Whereas Channel Islands National Monument was designated in 1938 by President Franklin D. Roosevelt under the authority of the Act of June 8, 1906 (16 U.S.C. 431 note);

Whereas the Monument was expanded to include additional islands and redesignated as Channel Islands National Park in 1980 to protect the nationally significant natural, scenic, wildlife, marine, ecological, archaeological, cultural, and scientific values of the Channel Islands in California;

Whereas Santa Rosa Island was acquired by the United States in 1986 for approximately $29,500,000 for the purpose of restoring the native ecology of the Island and making the Island available to the public for recreational uses;

Whereas Santa Rosa Island contains numerous prehistoric and historic artifacts and provides important habitat for several threatened and endangered species;

Whereas under a court-approved settlement, the nonnative elk and deer populations are scheduled to be removed from the Park by 2011 and the Island is to be restored to management consistent with other National Parks; and

Whereas there have been recent proposals to remove Santa Rosa Island from the administration of the National Park Service or to direct the management of the Island in a manner inconsistent with existing legal requirements and the sound management of Park resources: Now, therefore, be it

Resolved, That—

(1) Channel Islands National Park, including Santa Rosa Island, should continue to be administered by the National Park Service in accordance with the National Park Service Organic Act (16 U.S.C. 1 et seq.) and other applicable laws;

(2) the National Park Service should manage Santa Rosa Island in a manner that ensures that—

(A) the natural, scenic, and cultural resources of the Island are properly protected, restored, and interpreted for the public; and

(B) visitors to the Park are provided with a safe and enjoyable Park experience; and

(3) the National Park Service should not be directed to manage Santa Rosa Island in a manner—

(A) that would result in the public being denied access to significant portions of the Island; or

(B) that is inconsistent with the responsibility of the National Park Service to protect native resources within the Park, including threatened and endangered species.

REAUTHORIZING THE UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 3836, introduced earlier today.

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

The legislative clerk read as follows:

A bill (S. 3836) to reauthorize the United States Advisory Commission on Public Diplomacy.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (S. 3836) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3836

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 ''United States Advisory Commission on Public Diplomacy Reauthorization Act of 2006''.

SEC. 2. REAUTHORIZATION OF UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY.

Section 1334 of the Foreign Affairs Reform and Restructuring Act of 1998 (22 U.S.C. 6553), as amended by section 410 of the Department of State and Related Agency Appropriations Act, 2006 (Public Law 109–108; 119 Stat. 2327), is amended by striking ''October 1, 2006'' and inserting ''October 1, 2009''.

EXECUTIVE SESSION

CONVENTION ON SUPPLEMENTARY COMPENSATION ON NUCLEAR DAMAGE

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following treaty on today's Executive Calendar: No. 15. I further ask unanimous consent that the treaty be considered as having passed through its various parliamentary stages, up to and including the presentation of the resolution of ratification; that any committee conditions, declarations, or reservations be agreed to, as applicable; that any statements be printed in the CONGRESSIONAL RECORD, as if read; further, that when the resolution of ratification is voted on, the motion to reconsider be laid upon the table, and the President be notified of the Senate's action.

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

Mr. FRIST. Mr. President, I ask for a division vote on the resolution of ratification.

The PRESIDING OFFICER. A division has been requested. Senators in favor of the resolution of ratification will rise and stand until counted.

Those opposed will rise and stand until counted.

On a division, two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

The resolution of ratification reads as follows:

Resolved, (two-thirds of the Senators resent concurring therein),

SECTION 1. SENATE ADVICE AND CONSENT SUBJECT TO DECLARATION AND CONDITION.

The Senate advises and consents to the ratification of the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997 (Treaty Doc. 107–21), subject to the declaration in section 2, and the condition in section 3.

SECTION 2. DECLARATION.

The advice and consent of the Senate under section 1 is subject to the following declaration, which shall be included in the United States instrument of ratification:

As provided for in paragraph 3 of Article XVI, the United States of America declares that it does not consider itself bound by either of the dispute settlement procedures provided for in paragraph 2 of that Article, but reserves the right in a particular case to agree to follow the dispute settlement procedures of the Convention or any other procedures.

SECTION 3. CONDITION.

The advice and consent of the Senate under section 1 is subject to the following condition:

Not later than 180 days after entry into force of the Convention for the United States, and annually thereafter for four additional years, the Secretary of State shall submit a report to the Committees on Energy and Natural Resources and Foreign Relations of the Senate, and the Committees on Energy and Commerce and International Relations of the House of Representatives that includes the following:

(a) RATIFICATION.—A list of countries that have become a Contracting Party to the Convention and the dates of entry into force for each country.

(b) DOMESTIC LEGISLATION.—A description of the domestic laws enacted by each Contracting Party to the Convention that implement the obligations under Article III of the Convention.

(c) U.S. DIPLOMACY.—A description of United States diplomatic efforts to encourage other nations to become Contracting Parties to the Convention, particularly those nations that have signed it.

COUNCIL OF EUROPE CONVENTION ON CYBERCRIME

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the following treaty on today's Executive Calendar: No. 5. I further ask unanimous consent that the treaty be considered as having passed through its various parliamentary stages, up to and including the presentation of the resolution of ratification; that any committee conditions, declarations, or reservations be agreed to, as applicable; that any statements be printed in the CONGRESSIONAL RECORD as if read; further, that when the resolution of ratification is voted on, the motion to reconsider be laid upon the table, the President be notified of the Senate's action, and that following disposition of the treaty, the Senate return to legislative session.

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

Mr. FRIST. Mr. President, I ask for a division vote on the resolution of ratification.

The PRESIDING OFFICER. A division has been requested. Senators in favor of the resolution of ratification will rise and stand until counted.

Those opposed will rise and stand until counted.

On a division, two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

The resolution of ratification reads as follows:

Resolved (two-thirds of the Senators present concurring therein),

SECTION 1. SENATE ADVICE AND CONSENT SUBJECT TO RESERVATIONS AND DECLARATIONS

The Senate advises and consents to the ratification of the Council of Europe Convention on Cybercrime (''the Convention''), signed by the United States on November 23, 2001 (T. Doc. 108 11), subject to the reservations of section 2, and the declarations of section 3.

SECTION 2. RESERVATIONS

The advice and consent of the Senate under section 1 is subject to the following reservations, which shall be included in the United States instrument of ratification:

(1) The United States of America, pursuant to Articles 4 and 42, reserves the right to require that the conduct result in serious harm, which shall be determined in accordance with applicable United States federal law.

(2) The United States of America, pursuant to Articles 6 and 42, reserves the right not to apply paragraphs (1)(a)(i) and (1)(b) of Article 6 (''Misuse of devices'') with respect to devices designed or adapted primarily for the purpose of committing the offenses established in Article 4 (''Data interference'') and Article 5 (''System interference'').

(3) The United States of America, pursuant to Articles 9 and 42, reserves the right to apply paragraphs (2)(b) and (c) of Article 9 only to the extent consistent with the Constitution of the United States as interpreted by the United States and as provided for under its federal law, which includes, for example, crimes of distribution of material considered to be obscene under applicable United States standards.

(4) The United States of America, pursuant to Articles 10 and 42, reserves the right to impose other effective remedies in lieu of criminal liability under paragraphs 1 and 2 of Article 10 (''Offenses related to infringement of copyright and related rights'') with respect to infringements of certain rental rights to the extent the criminalization of such infringements is not required pursuant to the obligations the United States has undertaken under the agreements referenced in paragraphs 1 and 2.

(5) The United States of America, pursuant to Articles 22 and 42, reserves the right not to apply in part paragraphs (1)(b), (c) and (d) of Article 22 (''Jurisdiction''). The United States does not provide for plenary jurisdiction over offenses that are committed outside its territory by its citizens or on board ships flying its flag or aircraft registered under its laws. However, United States law does provide for jurisdiction over a number of offenses to be established under the Convention that are committed abroad by United States nationals in circumstances implicating particular federal interests, as well as over a number of such offenses committed on board United States-flagged ships or aircraft registered under United States law. Accordingly, the United States will implement paragraph (1)(b), (c) and (d) to the extent provided for under its federal law,

(6) The United States of America, pursuant to Articles 41 and 42, reserves the right to assume obligations under Chapter II of the Convention in a manner consistent with its fundamental principles of federalism.

SECTION 3. DECLARATIONS

(1) The advice and consent of the Senate under section 1 is subject to the following declarations, which shall be included in the United States instrument of ratification:

(a) The United States of America declares, pursuant to Articles 2 and 40, that under United States law, the offense set forth in Article 2 (''Illegal access'') includes an additional requirement of intent to obtain computer data.

(b) The United States of America declares, pursuant to Articles 6 and 40, that under United States law, the offense set forth in paragraph (1)(b) of Article 6 (''Misuse of devices'') includes a requirement that a minimum number of items be possessed. The

minimum number shall be the same as that provided for by applicable United States federal law.

(c) The United States of America declares, pursuant to Articles 7 and 40, that under United States law, the offense set forth in Article 7 (''Computer-related forgery'') includes a requirement of intent to defraud.

(d) The United States of America declares, pursuant to Articles 27 and 40, that requests made to the United States of America under paragraph 9(e) of Article 27 (''Procedures pertaining to mutual assistance requests in the absence of applicable international agreements'') are to be addressed to its central authority for mutual assistance.

(2) The advice and consent of the Senate under section 1 is also subject to the following declaration:

The United States of America declares that, in view of its reservation pursuant to Article 41 of the Convention, current United States federal law fulfills the obligations of Chapter II of the Convention for the United States. Accordingly, the United States does not intend to enact new legislation to fulfill its obligations under Chapter II.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

UNANIMOUS CONSENT AGREEMENT—S. 1516

Mr. FRIST. Mr. President, I ask unanimous consent that at a time to be determined by the majority leader, with concurrence of the Democratic leader, the Senate proceed to the immediate consideration of Calendar No. 235, S. 1516. I ask unanimous consent that the committee-reported substitute be withdrawn, and the managers' amendment at the desk be agreed to as original text for the purposes of further amendment, the Harkin amendment at the desk be agreed to, and that the only other amendments in order be the following, the text of which is at the desk: McCain on rail security, Sununu on long distance trains, Sununu on competition, and Sessions on Amtrak debt.

I further ask that there be 1 hour equally divided on each of the amendments, and 1 hour of general debate on the bill, and that following the disposition of amendments and the use or yielding back of time, the managers' substitute as amended, if amended, be agreed to; the bill, as amended, be read a third time, and the Senate proceed to a vote on passage without any intervening action or debate. I further ask that no points of order be waived by virtue of this agreement.

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

MEASURES READ THE FIRST TIME EN BLOC

Mr. FRIST. Mr. President, I understand there are three bills at the desk, and I ask for their first reading en bloc.

The PRESIDING OFFICER. The clerk will report the bills by title.

The legislative clerk read as follows:

A bill (H.R. 4157), to promote a better health information system.

A bill (H.R. 4761), to provide for exploration, development, and production activities for mineral resources on the Outer Continental Shelf, and for other purposes.

A bill (H.R. 4890), to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed rescissions of budget authority, and for other purposes.

Mr. FRIST. Mr. President, I now ask for a second reading, and in order to place the bills on the calendar under the provisions of rule XIV, I object to my own request, all en bloc.

The PRESIDING OFFICER. Objection is heard.

Mr. FRIST. Mr. President, it is getting late. It is now after midnight, and we have a little bit more work to do. While we gather the papers for that work, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

NATIONAL PERIPHERAL ARTERIAL DISEASE AWARENESS WEEK

Mr. FRIST. Mr. President, I ask unanimous consent the Senate now proceed to consideration of S. Res. 556, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 556) supporting National Peripheral Arterial Disease Awareness Week and efforts to educate people about peripheral arterial disease.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 556) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 556

Whereas peripheral arterial disease is a vascular disease that occurs when narrowed arteries reduce the blood flow to the limbs;

Whereas peripheral arterial disease is a significant vascular disease that can be as serious as a heart attack or stroke;

Whereas peripheral arterial disease affects approximately 8,000,000 to 12,000,000 Americans;

Whereas patients with peripheral arterial disease are at increased risk of heart attack and stroke and are 6 times more likely to die within 10 years than are patients without peripheral arterial disease;

Whereas the survival rate for individuals with peripheral arterial disease is worse than the outcome for many common cancers;

Whereas peripheral arterial disease is a leading cause of lower limb amputation in the United States;

Whereas many patients with peripheral arterial disease have walking impairment that leads to a diminished quality of life and functional capacity;

Whereas a majority of patients with peripheral arterial disease are asymptomatic and less than half of individuals with peripheral arterial disease are aware of their diagnoses;

Whereas African-American ethnicity is a strong and independent risk factor for peripheral arterial disease, and yet this fact is not well known to those at risk;

Whereas effective treatments are available for people with peripheral arterial disease to reduce heart attacks, strokes, and amputations and to improve quality of life;

Whereas many patients with peripheral arterial disease are still untreated with proven therapies;

Whereas there is a need for comprehensive educational efforts designed to increase awareness of peripheral arterial disease among medical professionals and the greater public in order to promote early detection and proper treatment of this disease to improve quality of life, prevent heart attacks and strokes, and save lives and limbs; and

Whereas September 18 through September 22, 2006, would be an appropriate week to observe National Peripheral Arterial Disease Awareness Week: Now, therefore, be it

Resolved, That the Senate—

(1) supports National Peripheral Arterial Disease Awareness Week and efforts to educate people about peripheral arterial disease;

(2) acknowledges the critical importance of peripheral arterial disease awareness to improve national cardiovascular health;

(3) supports raising awareness of the consequences of undiagnosed and untreated peripheral arterial disease and the need to seek appropriate care as a serious public health issue; and

(4) calls upon the people of the United States to observe the week with appropriate programs and activities.

ENCOURAGING CHILDREN TO REACH THEIR POTENTIAL

Mr. FRIST. I ask unanimous consent the HELP Committee be discharged from further consideration and the Senate now proceed to S. Res. 532.

The PRESIDING OFFICER. Without, objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A resolution (S. Res. 532) encouraging adults of the United States to support, listen to, and encourage children so that they may reach their potential.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 532) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 532

Whereas research shows that spending time together as a family is critical to raising strong and resilient children;

Whereas strong, healthy families improve the quality of life and the development of children;

Whereas it is essential to celebrate and reflect upon the important role that all families play in the lives of children and their positive effect for the future of the United States; and

Whereas the greatest natural resource of the United States is its children: Now, therefore, be it

Resolved, That the Senate supports the goals and ideals of National Children and Families Day—

(1) to encourage adults to support, listen to, and encourage children throughout the United States;

(2) to reflect upon the important role that all families play in the lives of children; and

(3) to recognize that strong, healthy families improve the quality of life and the development of children.

RECOGNIZING THE ACHIEVEMENTS OF WILL KEITH KELLOGG

Mr. FRIST. I ask unanimous consent the Judiciary Committee be discharged from further consideration of S. Res. 545, and the Senate then proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A resolution (S. Res. 545) recognizing the life and achievements of Will Keith Kellogg.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements be printed in the RECORD.

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

The resolution (S. Res. 545) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 545

Whereas Will Keith Kellogg was born on April 7, 1860, and died at the age of 91 on October 6, 1951;

Whereas W.K. Kellogg believed that—

(1) a proper diet plays an important role in maintaining a healthy lifestyle; and

(2) breakfast is the most important meal of the day;

Whereas W.K. Kellogg developed the now world-famous Kellogg's Corn Flakes cereal in his Battle Creek, Michigan, production facility on April 1, 1906;

Whereas, for 100 years, the Kellogg Company has provided citizens of the United States and countries around the world with nutritious food products;

Whereas, throughout its development, the Kellogg Company has set milestones in consumer awareness of proper nutrition by—

(1) becoming the first company to include a nutrition facts label on its ever-changing and innovative packaging; and

(2) adhering to the strict values of quality and health consciousness that W.K. Kellogg had always valued;

Whereas, while the citizens of the United States struggled during the time of economic depression and stagnation during the 1930s, W.K. Kellogg famously announced ''I'll invest my money in people.'';

Whereas W.K. Kellogg started the W.K. Kellogg Foundation to operate separately from the Kellogg Company, and led the foundation by adhering to the guiding principle of ''helping people to help themselves'';

Whereas today, the W.K. Kellogg Foundation is 1 of the largest philanthropic institutions in the world, funding projects throughout the world in—

(1) health;

(2) education;

(3) agriculture;

(4) leadership; and

(5) youth development;

Whereas the assets of the W.K. Kellogg Foundation were nearly $6,000,000,000 when the foundation approached its 75th Anniversary in 2005;

Whereas, during those 75 years of service, the foundation donated more than $3,000,000,000 to help people help themselves;

Whereas, during the Second World War, the production facilities of the Kellogg Company were used to assist the Armed Forces in many engineering efforts;

Whereas, during that time, the products of the Kellogg Company became a common item in packages sent by families to soldiers serving overseas;

Whereas W.K. Kellogg was later awarded the Army-Navy ''E'' Flag for Excellence for his valuable contributions to the United States during the Second World War;

Whereas, throughout its history, the Kellogg Company introduced many of their most famous and successful cereals and characters, including—

(1) Tony the Tiger; and

(2) Snap, Crackle, and Pop;

Whereas, in 1969, astronauts on board the Apollo 11 breakfasted on cereal produced by the Kellogg Company during their successful mission to the moon, thereby making it the first breakfast cereal ever to reach outer space;

Whereas the Kellogg Company opened a new headquarters facility in Battle Creek;

Whereas, throughout the 1980s and 1990s, the Kellogg Company continued its commitment to social responsibility by supporting numerous organizations, including—

(1) the United Negro College Fund;

(2) the Statue of Liberty-Ellis Island renewal project; and

(3) organizations that sought to end the policy of apartheid that was enforced by the Government of South Africa;

Whereas today, the Kellogg Company produces more than 40 different cereals on 6 continents, and markets the products of the company in more than 180 countries;

Whereas the Kellogg Company employs 25,000 people throughout the world; and

Whereas the Kellogg Company currently has production facilities in 13 states, including—

(1) California;

(2) Georgia;

(3) Illinois;

(4) Kansas;

(5) Kentucky;

(6) Michigan;

(7) Nebraska;

(8) New Jersey;

(9) North Carolina;

(10) Ohio;

(11) Pennsylvania;

(12) Tennessee; and

(13) Washington: Now, therefore, be it

Resolved, That the Senate recognizes—

(1) the great contributions of Will Keith Kellogg to—

(A) the citizens of the United States; and

(B) the people of the world;

(2) the 100th anniversary of the creation of the first flaked breakfast cereal, which occurred on April 1, 2006; and

(3) the achievements of W.K. Kellogg and the benefits enjoyed by all those touched by his life.

MEASURE PLACED ON THE CALENDAR—H. CON. RES. 456

Mr. FRIST. I ask unanimous consent that H. Con. Res. 456 be placed on the Senate calendar.

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

ORDER AUTHORIZING APPOINTMENTS

Mr. FRIST. Mr. President, I ask unanimous consent notwithstanding the upcoming recess or adjournment of the Senate, the President pro tempore and the majority and minority leaders be authorized to make appointments to the commissions, committees, boards, conferences, or interparliamentary conferences authorized by law, by concurrent actions of the two Houses, or by order of the Senate.

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

ORDER AUTHORIZING COMMITTEES TO REPORT

Mr. FRIST. I ask unanimous consent that notwithstanding the Senate's adjournment, committees be authorized to report legislative and executive matters on Wednesday, August 30, from 10 a.m. to 12 noon.

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

PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES AND A CONDITIONAL RECESS OR ADJOURNMENT OF THE SENATE

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H. Con. Res. 467, the adjournment resolution, provided that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table.

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

The concurrent resolution (H. Con. Res. 467) was agreed to, as follows:

H. CON RES. 467

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on any day from Wednesday, August 2, 2006, through Tuesday, August 8, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Wednesday, September 6, 2006, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on any day from Thursday, August 3, 2006, through Tuesday, August 8, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Tuesday, September 5, 2006, or such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, or their respective designees, acting jointly after consultation with the Minority Leader of the

House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

ORDER FOR SIGNING AUTHORIZATION

Mr. FRIST. Mr. President, I ask unanimous consent that during the adjournment of the Senate, the majority leader, majority whip, and senior Senator from New Mexico be authorized to sign duly enrolled bills or joint resolutions.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR AND NOMINATIONS DISCHARGED

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar: Calendar Nos. 622, 760, 770, 773, 812, 813, 814, 815, 816, 817, 818, 820, 822, 824, 825, 826, 827, 828, 829, 832, 833, 834, 835, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 883, 884, 885, 886, and all nominations on the Secretary's desk.

Provided further that the following committees be discharged from the nominations listed and they be considered en bloc:

Agriculture Committee, Margo McKay, PN1665; Nancy Montanez-Johner, PN1693 and PN1695; Michael Dunn, PN1694; Bruce Knight, PN1763 and PN1764; Charles Christopherson, Jr., PN1865;

HELP Committee, Camilla Benbow, PN1709;

Homeland Security, James Bilbray, PN1873.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

POSTAL RATE COMMISSION

Mark D. Anton, of Kentucky, to be a Commissioners of the Postal Rate Commission for a term expiring October 14, 2010.

DEPARTMENT OF TRANSPORTATION

James S. Simpson, of New York to be Federal Transit Administrator.

NATIONAL TRANSPORTATION SAFETY BOARD

Mark V. Rosenker, of Maryland, to be Chairman of the National Transportation Safety Board for a term of two years.

DEPARTMENT OF TRANSPORTATION

John H. Hill, of Indiana, to be Administrator of the Federal Motor Carrier Safety Administration.

THE JUDICIARY

Jennifer M. Anderson, of the District of Columbia, to be an Associated Judge of the Superior Court of the District of Columbia for the term of fifteen years.

Anna Blackburne-Rigsby, of the District of Columbia, to be Associated Judge of the District of Columbia Court of Appeals for the term of fifteen years.

Phyllis D. Thompson, of the District of Columbia, to be Associated Judge of the District of Columbia Court of Appeals for the term of fifteen years.

UNITED STATES POSTAL SERVICE

Mickey D. Barnett, of New Mexico, to be a Governor of the United States Postal service for a term expiring December 8, 2013.

Katherine C. Tobin, of New York, to be a Governor of the Untied States Postal Service for a term expiring December 8, 2012.

Ellen C. Williams, of Kentucky, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 2007.

EXECUTIVE OFFICE OF THE PRESIDENT

Paul A. Denett, of Virginia, to be Administrator for Federal Procurement Policy.

DEPARTMENT OF JUSTICE

R. Alexander Acosta, of Florida, to be United States Attorney for the Southern District of Florida for the term of four years.

DEPARTMENT OF VETERANS AFFAIRS

Patrick W. Dunne, of New York, to be an Assistant Secretary of Veterans Affairs (Policy and Planning).

DEPARTMENT OF STATE

Mark R. Dybul, of Florida, to be Coordinator of United Sates Government Activities to Combat HIV/AIDS Globally, with the rank of Ambassador.

INTERNATIONAL BANKS

Henry M. Paulson, Jr., of New York, to be United States Governor of the International Monetary Fund for a term of five years; United States Governor of the International Bank for Reconstruction and Development for a term of five years; United States Governor of the Inter-American Development Bank for a term of five years; United States Governor of the African Development Bank for a term of five years; United States Governor of the Asian Development Bank; United States Governor of the African Development Fund; United States Governor of the European Bank for Reconstruction and Development.

DEPARTMENT OF STATE

Christina B. Rocca, of Virginia, for the rank of Ambassador during her tenure of service as U.S. Representative to the Conference on Disarmament.

Philip S. Goldberg, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bolivia.

Richard W. Graber, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czech Republic.

Karen B. Stewart, of Florida, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Belarus.

DEPARTMENT OF DEFENSE

Benedict S. Cohen, of the District of Columbia, to be General Counsel of the Department of the Army.

DEPARTMENT OF ENERGY

William H. Tobey, of Connecticut, to be Deputy Administrator for Defense Nuclear Nonproliferation, National Nuclear Security Administration.

DEPARTMENT OF DEFENSE

C. Thomas Yarington, Jr., of Washington, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 2011.

Colleen Conway-Welch, of Tennessee, to be a Member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring May 1, 2011.

DEPARTMENT OF TRANSPORTATION

Charles D. Nottingham, of Virginia, to be a Member of the Surface Transportation Board for a term expiring December 31, 2010.

NATIONAL TRANSPORTATION SAFETY BOARD

Robert L. Sumwalt III, of South Carolina, to be a Member of the National Transportation Safety Board for the remainder of the term expiring December 31, 2006.

Robert L. Sumwalt III, of South Carolina, to be a Member of the National Transportation Safety Board for a term expiring December 31, 2011.

DEPARTMENT OF TRANSPORTATION

Sean T. Connaughton, of Virginia, to be Administrator of the Maritime Administration.

DEPARTMENT OF HOMELAND SECURITY

Jay M. Cohen, of New York, to be Under Secretary for Science and Technology, Department of Homeland Security.

DEPARTMENT OF COMMERCE

Nathaniel F. Wienecke, of New York, to be an Assistant Secretary of Commerce.

NATIONAL LABOR RELATIONS BOARD

Peter Schaumber, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2010, to which position he was appointed during the recess of the Senate from July 29, 2005, to September 1, 2005.

Ronald E. Meisburg, of Virginia, to be General Counsel of the National Labor Relations Board for a term of four years.

Wilma B. Liebman, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2011.

NATIONAL INSTITUTE FOR LITERACY

Timothy Shanahan, of Illinois, to be a Member of the National Institute for Literacy Advisory Board for a term expiring November 25, 2007.

Carmel Borders, of Kentucky, to be a Member of the National Institute for Literacy Advisory Board for a term expiring November 25, 2008.

Donald D. Deshler, of Kansas, to be a Member of the National Institute for Literacy Advisory Board for a term expiring January 30, 2008.

NATIONAL COUNCIL ON DISABILITY

Victoria Ray Carlson, of Iowa, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

Chad Colley, of Florida, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

Lisa Mattheiss, of Tennessee, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

John R. Vaughn, of Florida, to be a Member of the National Council on Disability for a term expiring September 17, 2007.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

Keven Owen Starr, of California, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2009.

Katherine M. B. Berger, of Virginia, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2010.

Karen Brosius, of South Carolina, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2011.

Ioannis N. Miaoulis, of Massachusetts, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2010.

Christina Orr-Cahall, of Florida, to be a member of the National Museum and Library Services Board for a term expiring December 6, 2010.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Kenneth R. Weinstein, of the District of Columbia, to be a member of the National Council on the Humanities for a term expiring January 26, 2012.

Jay Winik, of Maryland, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

Josiah Bunting III, of Rhode Island, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

Wilfred M. McClay, of Tennessee, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

Mary Habeck, of Maryland, to be Member of the National Council on the Humanities for a expiring January 26, 2012.

NATIONAL SCIENCE FOUNDATION

Karl Hess, of Illinois, to be a Member of the National Science Board, National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 2008.

Thomas N. Taylor, of Kansas, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

Richard F. Thompson, of California, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

Mark R. Abbott, of Oregon, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

John T. Bruer, of Missouri, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

Patricia D. Galloway, of Washington, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

Jose-Marie Griffiths, of Pennsylvania, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

FEDERAL MEDIATION AND CONCILIATION SERVICE

Arthur F. Rosenfeld, of Virginia, to be Federal Mediation and Conciliation Director.

DEPARTMENT OF STATE

Randall M. Fort, of Virginia, to be an Assistant Secretary of State (Intelligence and Research).

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Manfredi Piccolomini, of New York, to be a Member of the National Council on the Humanities for a term expiring January 26, 2012.

NATIONAL LABOR RELATIONS BOARD

Ronald E. Meisburg, of Virginia, to be General Counsel of the National Labor Relations Board for a term of four years.

Peter Schaumber, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2010.

FEDERAL MEDIATION AND CONCILIATION SERVICE

Arthur F. Rosenfeld, of Virginia, to be Federal Mediation and Conciliation Director.

FEDERAL ENERGY REGULATORY COMMISSION

Drue Pearce, of Alaska, to be Federal Coordinator for Alaska Natural Gas Transportation Projects for the term prescribed by law.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

Karen Brosius, of South Carolina, to be a Member of the national Museum and Library Services Board for the remainder of the term expiring December 6, 2006.

THE JUDICIARY

Frances Marie Tydingco-Gatewood, of Guam, to be Judge for the District Court of Guam for the term of ten years.

DEPARTMENT OF JUSTICE

Troy A. Eid, of Colorado, to be United States Attorney for the District of Colorado for the term of four years.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

FOREIGN SERVICE

PN1713 FOREIGN SERVICE nominations (223) beginning James C. Charlifue, and ending Barbara Matthews, which nominations were received by the Senate and appeared in the Congressional Record of June 16, 2006.

PN1785 FOREIGN SERVICE nominations (130) beginning M. Suzanne Archuleta, and ending John D. Lavelle Jr., which nominations were received by the Senate and appeared in the Congressional Record of July 12, 2006.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

PN1786 NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION nominations (4) beginning Wade J. Blake, and ending Christopher S. Moore, which nominations were received by the Senate and appeared in the Congressional Record of July 12, 2006.

DEPARTMENT OF AGRICULTURE

Margo M. McKay, of Virginia, to be an Assistant Secretary of Agriculture.

DEPARTMENT OF AGRICULTURE

Nancy Montanez-Johner, of Nebraska, to be Under Secretary of Agriculture for Food, Nutrition, and Consumer Services.

COMMODITY CREDIT CORPORATION

Nancy Montanez-Johner, of Nebraska, to be a Member of the Board of Directors of the Commodity Credit Corporation.

COMMODITY FUTURES TRADING COMMISSION

Michael V. Dunn, of Iowa, to be a Commissioner of the Commodity Futures Trading Commission for a term expiring June 19, 2011.

DEPARTMENT OF AGRICULTURE

Bruce I. Knight, of South Dakota, to be Under Secretary of Agriculture for Marketing and Regulatory Programs.

COMMODITY CREDIT CORPORATION

Bruce I. Knight, of South Dakota, to be a Member of the Board of Directors of the Commodity Credit Corporation.

COMMODITY CREDIT CORPORATION

Charles R. Christopherson, Jr., of Texas, to be a Member of the Board of Directors of the Commodity Credit Corporation.

NATIONAL SCIENCE FOUNDATION

Camilla Persson Benbow, of Tennessee, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2012.

UNITED STATES POSTAL SERVICE

James H. Bilbray, of Nevada, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 2006.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE NOMINATIONS

Mr. FRIST. As in executive session, I ask unanimous consent that all nominations received by the Senate during the 109th Congress remain in status quo, notwithstanding the August 4, 2006, adjournment of the Senate and the provisions of rule XXXI, paragraph 6, of the Standing Rules of the Senate, with the following exceptions: Calendar Nos. 37, 169, 553, 614, 624, 572, 881, 882; in committees, PNs 719, 1315, 193, 1297, 778.

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

Mr. FRIST. Mr. President, a number of the nominations we just went through were sent back. For clarification, they were sent back based on objections from the minority. So it is clear, they are not coming from me as the reason they are being sent back.

ORDERS FOR TUESDAY, SEPTEMBER 5, 2006

Mr. FRIST. I ask unanimous consent that when the Senate completes its business today, it stand in adjournment under the provisions of H. Con. Res. 467 until 11 a.m. on Tuesday, September 5. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate then resume consideration of H.R. 5631, the Defense appropriations bill. I further ask that at 4:30 p.m., the Senate proceed to Executive Calendar No. 819, Kimberly Ann Moore, as under the previous order.

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

PROGRAM

Mr. FRIST. Mr. President, we have had a very full day today addressing the Family Prosperity Act, the Pension Protection Act, and the Department of Defense appropriations bill. We will complete the Department of Defense appropriations funding bill in September. Senators STEVENS and INOUYE have worked very hard in getting us this far on the bill, and we have a commitment from the Democratic leader to finish this bill by Wednesday when we return. Members should be prepared for a busy start of the week and should note that the first vote of the week will be on Tuesday, September 5, at 5:30 for a circuit court nomination.

APPRECIATION TO COLLEAGUES AND STAFF

Mr. FRIST. Today has been a long day. I thank my colleagues for their cooperation. I also wish everyone a safe and restful break. We had a lot of highlights over the course of the day. We had a lot of passion and some emotion on the floor.

I thank all of the people who are here tonight, the clerks, the pages who are here always until very late at night, the security personnel throughout whom we will say goodbye to as we leave the Capitol tonight. When you are here at 12:42 in the morning, having been here all day, you have a little appreciation for what it takes to make the Capitol click, the infrastructure, the people, the dedication. As Senators come and go over the course of the day, there are a lot of people here who dedicate themselves and sacrifice a lot of their own personal lives to make things happen. We appreciate that.

AUTISM

Mr. FRIST. Mr. President, I had a bill I had worked on for about 6 years, the autism bill that was passed tonight. A lot of us made statements earlier in the night, but it is a real pleasure, in part as a physician who is at least sensitive to the real challenges we have in terms of addressing issues such as autism, which has had a rapid increase in incidence over the last two decades.

We have no idea why. It makes you very humble to realize our lack of understanding. But what is exciting is that by pulling together the very best of the public and private sectors, physicians, doctors, families, parents, and communities all gathering together, we can make some real headway in figuring out the etiology of autism and manifestations, about understanding that and improving treatment and ultimately a cure.

I am very proud of this body and especially Senator SANTORUM for his tremendous leadership in that regard.

ADJOURNMENT UNTIL TUESDAY, SEPTEMBER 5, 2006, AT 11 A.M.

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the provisions of H. Con. Res 467.

There being no objection, the Senate, at 12:43 a.m., adjourned until Tuesday, September 5, 2006, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate August 3, 2006:

DEPARTMENT OF COMMERCE

CYNTHIA A. GLASSMAN, OF VIRGINIA, TO BE UNDER SECRETARY OF COMMERCE FOR ECONOMIC AFFAIRS, VICE KATHLEEN B. COOPER, RESIGNED.

MISSISSIPPI RIVER COMMISSION

BRIGADIER GENERAL BRUCE ARLAN BERWICK, UNITED STATES ARMY, TO BE A MEMBER OF THE MISSISSIPPI RIVER COMMISSION.

COLONEL GREGG F. MARTIN, UNITED STATES ARMY, TO BE A MEMBER OF THE MISSISSIPPI RIVER COMMISSION.

BRIGADIER GENERAL ROBERT CREAR, UNITED STATES ARMY, TO BE A MEMBER AND PRESIDENT OF THE MISSISSIPPI RIVER COMMISSION.

REAR ADMIRAL SAMUEL P. DE BOW, JR., NOAA, TO BE A MEMBER OF THE MISSISSIPPI RIVER COMMISSION.

TENNESSEE VALLEY AUTHORITY

WILLIAM H. GRAVES, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE TENNESSEE VALLEY AUTHORITY FOR A TERM EXPIRING MAY 18, 2007. (NEW POSITION)

EXECUTIVE OFFICE OF THE PRESIDENT

JOHN K. VERONEAU, OF VIRGINIA, TO BE A DEPUTY UNITED STATES TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR, VICE SUSAN C. SCHWAB, RESIGNED.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

GERALD WALPIN, OF NEW YORK, TO BE INSPECTOR GENERAL, CORPORATION FOR NATIONAL AND COMMUNITY SERVICE, VICE J. RUSSELL GEORGE.

DEPARTMENT OF JUSTICE

RACHEL K. PAULOSE, OF MINNESOTA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF MINNESOTA FOR THE TERM OF FOUR YEARS, VICE THOMAS B. HEFFELFINGER, RESIGNED.

DEPARTMENT OF DEFENSE

NELSON M. FORD, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE ARMY, VICE VALERIE LYNN BALDWIN.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. SIMEON G. TROMBITAS, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED INDIVIDUALS TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

GARY J. CONNOR, 0000
ALAN C. DICKERSON, 0000
KATHLEEN A. MCGOWAN, 0000
EFREN E. RECTO, 0000

THE FOLLOWING NAMED INDIVIDUALS IN THE GRADES INDICATED IN THE REGULAR AIR FORCE UNDER TITLE 10, U.S.C., SECTION 531(A):

To be colonel

DENNIS R. HAYSE, 0000
RODNEY PHOENIX, 0000

To be lieutenant colonel

WILLIAM BEYERS, 0000
JAMES H. BURDEN, JR., 0000
AMY L. LITTLEFIELD, 0000
MICHAEL D. SCHAUBER, 0000

To be major

CRAIG R. BARE, 0000
JOSE J. BERNAL, 0000
ARIF A. CHOWDHURY, 0000
MATT J. COWAN, 0000
ANITA C. FOUNTAIN, 0000
YVETTE GUZMAN, 0000
CHRIS HOWELL, 0000
WILLIAM HUNT, 0000
CHAD E. JACKSON, 0000
PHILIP M. KRUEGER, 0000
GEORGE A. LEE, 0000
MARK J. MACYSZYN, 0000
ROBERT P. MANESES, 0000
ANTHONY W. MAYFIELD, 0000
JOSE W. MORALESRODRIGUEZ, 0000
JAMES A. ROSS, 0000
KRISTINA R. SAUNDERS, 0000
DAVID J. SIMMONS, 0000
ROMMELL SINGH, 0000
TROY THOMPSON, 0000
TODD M. TOMLIN, 0000
JOHN W. WOLTZ, 0000

IN THE NAVY

THE FOLLOWING NAMED INDIVIDUALS IN THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant commander

LORI J. CICCI, 0000
JOHN M. POAGE, 0000

CONFIRMATIONS

Executive nominations confirmed by the Senate Thursday, August 3, 2006:

POSTAL RATE COMMISSION

MARK D. ACTON, OF KENTUCKY, TO BE A COMMISSIONER OF THE POSTAL RATE COMMISSION FOR A TERM EXPIRING OCTOBER 14, 2010.

DEPARTMENT OF TRANSPORTATION

JAMES S. SIMPSON, OF NEW YORK, TO BE FEDERAL TRANSIT ADMINISTRATOR.

NATIONAL TRANSPORTATION SAFETY BOARD

MARK V. ROSENKER, OF MARYLAND, TO BE CHAIRMAN OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR A TERM OF TWO YEARS.

DEPARTMENT OF TRANSPORTATION

JOHN H. HILL, OF INDIANA, TO BE ADMINISTRATOR OF THE FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION.

THE JUDICIARY

JENNIFER M. ANDERSON, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS.

ANNA BLACKBURNE-RIGSBY, OF THE DISTRICT OF COLUMBIA, TO BE ASSOCIATE JUDGE OF THE DISTRICT OF COLUMBIA COURT OF APPEALS FOR THE TERM OF FIFTEEN YEARS.

PHYLLIS D. THOMPSON, OF THE DISTRICT OF COLUMBIA, TO BE ASSOCIATE JUDGE OF THE DISTRICT OF COLUMBIA COURT OF APPEALS FOR THE TERM OF FIFTEEN YEARS.

UNITED STATES POSTAL SERVICE

MICKEY D. BARNETT, OF NEW MEXICO, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR A TERM EXPIRING DECEMBER 8, 2013.

KATHERINE C. TOBIN, OF NEW YORK, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR A TERM EXPIRING DECEMBER 8, 2012.

ELLEN C. WILLIAMS, OF KENTUCKY, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 8, 2007.

EXECUTIVE OFFICE OF THE PRESIDENT

PAUL A. DENETT, OF VIRGINIA, TO BE ADMINISTRATOR FOR FEDERAL PROCUREMENT POLICY.

DEPARTMENT OF VETERANS AFFAIRS

PATRICK W. DUNNE, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (POLICY AND PLANNING).

DEPARTMENT OF STATE

MARK R. DYBUL, OF FLORIDA, TO BE COORDINATOR OF UNITED STATES GOVERNMENT ACTIVITIES TO COMBAT HIV/AIDS GLOBALLY, WITH THE RANK OF AMBASSADOR.

INTERNATIONAL BANKS

HENRY M. PAULSON, JR., OF NEW YORK, TO BE UNITED STATES GOVERNOR OF THE INTERNATIONAL MONETARY FUND FOR A TERM OF FIVE YEARS; UNITED STATES GOVERNOR OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT FOR A TERM OF FIVE YEARS; UNITED STATES GOVERNOR OF THE INTER-AMERICAN DEVELOPMENT BANK FOR A TERM OF FIVE YEARS; UNITED STATES GOVERNOR OF THE AFRICAN DEVELOPMENT BANK FOR A TERM OF FIVE YEARS; UNITED STATES GOVERNOR OF THE ASIAN DEVELOPMENT BANK; UNITED STATES GOVERNOR OF THE AFRICAN DEVELOPMENT FUND; UNITED STATES GOVERNOR OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT.

DEPARTMENT OF STATE

CHRISTINA B. ROCCA, OF VIRGINIA, FOR THE RANK OF AMBASSADOR DURING HER TENURE OF SERVICE AS U. S. REPRESENTATIVE TO THE CONFERENCE ON DISARMAMENT.

PHILIP S. GOLDBERG, OF MASSACHUSETTS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BOLIVIA.

RICHARD W. GRABER, OF WISCONSIN, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CZECH REPUBLIC.

KAREN B. STEWART, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BELARUS.

DEPARTMENT OF DEFENSE

BENEDICT S. COHEN, OF THE DISTRICT OF COLUMBIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF THE ARMY.

DEPARTMENT OF ENERGY

WILLIAM H. TOBEY, OF CONNECTICUT, TO BE DEPUTY ADMINISTRATOR FOR DEFENSE NUCLEAR NONPROLIFERATION, NATIONAL NUCLEAR SECURITY ADMINISTRATION.

DEPARTMENT OF DEFENSE

C. THOMAS YARINGTON, JR., OF WASHINGTON, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING MAY 1, 2011.

COLLEEN CONWAY-WELCH, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING MAY 1, 2011.

DEPARTMENT OF TRANSPORTATION

CHARLES D. NOTTINGHAM, OF VIRGINIA, TO BE A MEMBER OF THE SURFACE TRANSPORTATION BOARD FOR A TERM EXPIRING DECEMBER 31, 2010.

NATIONAL TRANSPORTATION SAFETY BOARD

ROBERT L. SUMWALT III, OF SOUTH CAROLINA, TO BE A MEMBER OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 31, 2006.

ROBERT L. SUMWALT III, OF SOUTH CAROLINA, TO BE A MEMBER OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR A TERM EXPIRING DECEMBER 31, 2011.

DEPARTMENT OF TRANSPORTATION

SEAN T. CONNAUGHTON, OF VIRGINIA, TO BE ADMINISTRATOR OF THE MARITIME ADMINISTRATION.

DEPARTMENT OF HOMELAND SECURITY

JAY M. COHEN, OF NEW YORK, TO BE UNDER SECRETARY FOR SCIENCE AND TECHNOLOGY, DEPARTMENT OF HOMELAND SECURITY.

DEPARTMENT OF COMMERCE

NATHANIEL F. WIENECKE, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

NATIONAL LABOR RELATIONS BOARD

PETER SCHAUMBER, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2010, TO WHICH POSITION HE WAS APPOINTED DURING THE RECESS OF THE SENATE FROM JULY 29, 2005, TO SEPTEMBER 1, 2005.

RONALD E. MEISBURG, OF VIRGINIA, TO BE GENERAL COUNSEL OF THE NATIONAL LABOR RELATIONS BOARD FOR A TERM OF FOUR YEARS, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

WILMA B. LIEBMAN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2011.

NATIONAL INSTITUTE FOR LITERACY

TIMOTHY SHANAHAN, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING NOVEMBER 25, 2007.

CARMEL BORDERS, OF KENTUCKY, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING NOVEMBER 25, 2008.

DONALD D. DESHLER, OF KANSAS, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING JANUARY 30, 2008.

NATIONAL COUNCIL ON DISABILITY

VICTORIA RAY CARLSON, OF IOWA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2007.

CHAD COLLEY, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2007.

LISA MATTHEISS, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2007.

JOHN R. VAUGHN, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2007.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

KEVIN OWEN STARR, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2009.

KATHERINE M. B. BERGER, OF VIRGINIA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2010.

KAREN BROSIUS, OF SOUTH CAROLINA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2011.

IOANNIS N. MIAOULIS, OF MASSACHUSETTS, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2010.

CHRISTINA ORR-CAHALL, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2010.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

KENNETH R. WEINSTEIN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

JAY WINIK, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

JOSIAH BUNTING III, OF RHODE ISLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

WILFRED M. MCCLAY, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

MARY HABECK, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

NATIONAL SCIENCE FOUNDATION

KARL HESS, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR THE REMAINDER OF THE TERM EXPIRING MAY 10, 2008.

THOMAS N. TAYLOR, OF KANSAS, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

RICHARD F. THOMPSON, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

MARK R. ABBOTT, OF OREGON, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

JOHN T. BRUER, OF MISSOURI, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

PATRICIA D. GALLOWAY, OF WASHINGTON, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

JOSE-MARIE GRIFFITHS, OF PENNSYLVANIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

FEDERAL MEDIATION AND CONCILIATION SERVICE

ARTHUR F. ROSENFELD, OF VIRGINIA, TO BE FEDERAL MEDIATION AND CONCILIATION DIRECTOR, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DEPARTMENT OF STATE

RANDALL M. FOR, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF STATE (INTELLIGENCE AND RESEARCH).

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

MANFREDI PICCOLOMINI, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2012.

NATIONAL LABOR RELATIONS BOARD

RONALD E. MEISBURG, OF VIRGINIA, TO BE GENERAL COUNSEL OF THE NATIONAL LABOR RELATIONS BOARD FOR A TERM OF FOUR YEARS.

PETER SCHAUMBER, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2010.

FEDERAL MEDIATION AND CONCILIATION SERVICE

ARTHUR F. ROSENFELD, OF VIRGINIA, TO BE FEDERAL MEDIATION AND CONCILIATION DIRECTOR.

FEDERAL ENERGY REGULATORY COMMISSION

DRUE PEARCE, OF ALASKA, TO BE FEDERAL COORDINATOR FOR ALASKA NATURAL GAS TRANSPORTATION PROJECTS FOR THE TERM PRESCRIBED BY LAW.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

KAREN BROSIUS, OF SOUTH CAROLINA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 6, 2006.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

COMMODITY FUTURES TRADING COMMISSION

MICHAEL V. DUNN, OF IOWA, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR A TERM EXPIRING JUNE 19, 2011.

DEPARTMENT OF AGRICULTURE

MARGO M. MCKAY, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF AGRICULTURE.

NANCY MONTANEZ-JOHNER, OF NEBRASKA, TO BE UNDER SECRETARY OF AGRICULTURE FOR FOOD, NUTRITION, AND CONSUMER SERVICES.

NANCY MONTANEZ-JOHNER, OF NEBRASKA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

BRUCE I. KNIGHT, OF SOUTH DAKOTA, TO BE UNDER SECRETARY OF AGRICULTURE FOR MARKETING AND REGULATORY PROGRAMS.

BRUCE I. KNIGHT, OF SOUTH DAKOTA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

CHARLES R. CHRISTOPHERSON, JR., OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

NATIONAL SCIENCE FOUNDATION

CAMILLA PERSSON BENBOW, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2012.

UNITED STATES POSTAL SERVICE

JAMES H. BILBRAY, OF NEVADA, TO BE A GOVERNOR OF THE UNITED STATES POSTAL SERVICE FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 8, 2006.

DEPARTMENT OF JUSTICE

R. ALEXANDER ACOSTA, OF FLORIDA, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF FLORIDA FOR THE TERM OF FOUR YEARS.

THE JUDICIARY

FRANCES MARIE TYDINGCO-GATEWOOD, OF GUAM, TO BE JUDGE FOR THE DISTRICT COURT OF GUAM FOR THE TERM OF TEN YEARS.

DEPARTMENT OF JUSTICE

TROY A. EID, OF COLORADO, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF COLORADO FOR THE TERM OF FOUR YEARS.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING WITH JAMES C. CHARLIFUE AND ENDING WITH BARBARA MATTHEWS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 16, 2006.

FOREIGN SERVICE NOMINATIONS BEGINNING WITH M. SUZANNE ARCHULETA AND ENDING WITH JOHN D. LAVELLE, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 12, 2006.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION NOMINATIONS BEGINNING WITH WADE J. BLAKE AND ENDING WITH CHRISTOPHER S. MOORE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 12, 2006.