

(i) Subparagraph (B) of section 1(g)(7) of such Code is amended by striking "15 percent" in clause (ii)(II) and inserting "10 percent."

(ii) Section 1(h) of such Code is amended—(I) by striking "28 percent" both places it appears in paragraphs (1)(A)(ii)(I) and (1)(B)(i) and inserting "25 percent", and

(II) by striking paragraph (13).

(iii) Section 531 of such Code is amended by striking "equal to" and all that follows and inserting "equal to the product of the highest rate of tax under section 1(c) and the accumulated taxable income."

(iv) Section 541 of such Code is amended by striking "equal to" and all that follows and inserting "equal to the product of the highest rate of tax under section 1(c) and the undistributed personal holding company income."

(v) Section 3402(p)(1)(B) of such Code is amended by striking "7, 15, 28, or 31 percent" and inserting "7 percent, any percentage applicable to any of the 3 lowest income brackets in the table under section 1(c)."

(vi) Section 3402(p)(2) of such Code is amended by striking "15 percent" and inserting "10 percent".

(vii) Section 3402(q)(1) of such Code is amended by striking "equal to 28 percent of such payment" and inserting "equal to the product of the third lowest rate of tax applicable under section 1(c) and such payment".

(viii) Section 3402(r)(3) of such Code is amended by striking "31 percent" and inserting "the fourth lowest rate of tax applicable under section 1(c)".

(ix) Section 3406(a)(1) of such Code is amended by striking "equal to 31 percent of such payment" and inserting "equal to the product of the fourth lowest rate of tax applicable under section 1(c) and such payment".

(x) Section 13273 of the Revenue Reconciliation Act of 1993 is amended by striking "28 percent" and inserting "the third lowest rate of tax applicable under section 1(c) of the Internal Revenue Code of 1986".

(C) EFFECTIVE DATES.—

(i) IN GENERAL.—Except as provided in clause (ii), the amendments made by this paragraph shall apply to taxable years beginning after December 31, 2001.

(ii) AMENDMENTS TO WITHHOLDING PROVISIONS.—The amendments made by clauses (v), (vi), (vii), (viii), (ix), and (x) of subparagraph (B) shall apply to amounts paid after December 31, 2001.

(b) RESERVE FUND FOR DEFENSE AND EDUCATION.—Subtitle B of title II of H. Con. Res. 83 (107th Congress) is amended by inserting at the end the following:

"SEC. 219. STRATEGIC RESERVE FUND FOR DEFENSE AND EDUCATION.

If legislation is reported by the Committee on Appropriations of the Senate or the Committee on Appropriations of the House of Representatives, or an amendment thereto is offered or a conference report thereon is submitted, that would increase funding for defense or education, the chairman of the appropriate Committee on the Budget shall revise the aggregates, functional totals, allocations, and other appropriate levels and limits in this resolution for that measure by not exceeding the amount resulting from the repeal and amendments made by section ___(a) of the Supplemental Appropriations Act, 2001 for fiscal years 2001 and 2002, as long as that measure will not, when taken together with all other previously enacted legislation, reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year provided in this resolution."

SA 874. Mr. REID (for Mr. WELLSTONE) proposed an amendment to

the bill S. 1077, making supplemental appropriations for the fiscal year ending September 30, 2001, and for other purposes; as follows:

On page 11, between lines 8 and 9, insert the following:

(RESCISSIONS)

SEC. 1207. (a)(1) Effective July 31, 2001, of the funds provided to the Secretary of Defense, for fiscal year 2001 administrative expenses, under the Department of Defense Appropriations Act, 2001, the Military Construction Appropriations Act, 2001, and the Energy and Water Development Appropriations Act, 2001, and remaining in Federal appropriations accounts, an amount equal to \$150,000,000 is rescinded.

(2) Such amount shall be rescinded from such Federal appropriations accounts as the Secretary of Defense shall specify before July 31, 2001. In determining the accounts to specify, the Secretary of Defense shall take into consideration the need to promote efficiency, cost-effectiveness, and productivity within the Department of Defense, as well as to maintain readiness and troop quality of life.

(b) Effective August 1, 2001, if the Secretary of Defense has not specified accounts for rescissions under subsection (a), of the funds described in subsection (a)(1) and remaining in Federal appropriations accounts, an amount equal to \$150,000,000 is rescinded through proportional reductions to the portions of such accounts that contain such funds.

On page 36, line 9, strike "\$300,000,000" and insert "\$450,000,000".

SA 875. Mr. REID (for Mr. JOHNSON) proposed an amendment to the bill S. 1077, making supplemental appropriations for the fiscal year ending September 30, 2001, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. __. EXTENSION OF INTEREST RATE PROVISIONS.

(a) TECHNICAL CORRECTION.—Paragraph (6) of section 455(b) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)), as redesignated by section 8301(c)(1) of the Transportation Equity Act for the 21st Century (Public Law 105-178; 112 Stat. 498) is redesignated as paragraph (8) and inserted after paragraph (7) of that section.

(b) EXTENSION.—

(1) AMENDMENTS.—Sections 427A(k), 428C(c)(1), 438(b)(2)(I), and 455(b)(6) of such Act (20 U.S.C. 1077a(k), 1078-3(c)(1), 1087-1(b)(2)(I), 1087e(b)(6)) are each amended by striking "and before July 1, 2003," each place it appears.

(2) CONFORMING AMENDMENTS.—

(A) Section 427A(k) of such Act is amended by striking the subsection heading and inserting the following: "INTEREST RATES FOR NEW LOANS ON OR AFTER OCTOBER 1, 1998.—"

(B) Section 438(b)(2)(I) of such Act is amended—

(i) by striking the subparagraph heading and inserting the following: "LOANS DISBURSED ON OR AFTER JANUARY 1, 2000.—"; and

(ii) in clause (i), by striking "2000," and inserting "2000".

(C) Section 455(b)(6) of such Act is amended—

(i) by striking the paragraph heading and inserting the following: "INTEREST RATE PROVISION FOR NEW LOANS ON OR AFTER OCTOBER 1, 1998.—"; and

(ii) in subparagraph (D), by striking "1999," and inserting "1999".

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HARKIN. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry will meet on July 12, 2001, in SR-328A at 8:30 a.m. The purpose of this hearing will be to consider nominations for positions with the United States Department of Agriculture, and to discuss the next Federal farm bill.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. LEVIN. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs will hold a hearing entitled "What Is the U.S. Position on Offshore Tax Havens?" The upcoming hearing will examine past and current U.S. efforts to convince offshore tax havens to cooperate with U.S. efforts to stop tax evasion, the role of the Organization of Economic Cooperation and Development, (OECD), tax haven project in light of U.S. objectives, and the current status of U.S. support for the project, in particular for the core element requiring information exchange.

The hearing will take place on Wednesday, July 18, 2001, at 2 p.m. in room 628 of the Dirksen Senate Office Building. For further information, please contact Linda J. Gustitus of the subcommittee staff at (202) 224-3721.

SUBCOMMITTEE ON NATIONAL PARKS

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on National Parks of the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, July 17, 2001, beginning at 2:30 p.m. in room 366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following bills:

S. 281, to authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial;

S. 386 and H.R. 146, to authorize the Secretary of the Interior to study the suitability and feasibility of designating the Great Falls Historic District in the city of Paterson, New Jersey, as a unit of the National Park System, and for other purposes;

S. 513 and H.R. 182, to amend the Wild and Scenic Rivers Act to designate a segment of the Eightmile River in the State of Connecticut for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes;

S. 921 and H.R. 1000, to adjust the boundary of the William Howard Taft National Historic Site in the State of Ohio, to authorize an exchange of land in connection with the historic site, and for other purposes; and

S. 1097, to authorize the Secretary of the Interior to issue right-of-way permits for natural gas pipelines within

the boundary of the Great Smoky Mountains National Park.

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 Subcommittee on National Parks, Committee on Energy and Natural Resources, U.S. Senate, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact David Brooks of the committee staff at (202) 224-9863.

SUBCOMMITTEE ON NATIONAL PARKS

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on National Parks of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, July 26, 2001, beginning at 2:30 p.m. in room 366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following bills: S. 423, to amend the Act entitled "An Act to provide for the establishment of Fort Clatsop National Memorial in the State of Oregon," and for other purposes;

S. 817, to amend the National Trails System Act to designate the Old Spanish Trail as a National Historic Trail;

S. 941, to revise the boundaries of the Golden Gate National Recreation Area in the State of California, to extend the term of the advisory commission for the recreation area, and for other purposes;

S. 1057, to authorize the addition of lands to Pūuhonua o Hōnaunau National Historical Park in the State of Hawaii, and for other purposes;

S. 1105, to provide for the expeditious completion of the acquisition of State of Wyoming lands within the boundaries of Grand Teton National Park, and for other purposes; and

H.R. 640, to adjust the boundaries of Santa Monica Mountains National Recreation Area, 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 Subcommittee on National Parks, Committee on Energy and Natural Resources, U.S. Senate, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact David Brooks of the committee staff at (202) 224-9863.

BIPARTISAN PATIENT PROTECTION ACT

On June 29, 2001, the Senate passed S. 1052, as follows:

S. 1052

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bipartisan Patient Protection Act".

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

Sec. 1. Short title; table of contents.

TITLE I—IMPROVING MANAGED CARE

Subtitle A—Utilization Review; Claims; and Internal and External Appeals

Sec. 101. Utilization review activities.
Sec. 102. Procedures for initial claims for benefits and prior authorization determinations.

Sec. 103. Internal appeals of claims denials.
Sec. 104. Independent external appeals procedures.

Sec. 105. Health care consumer assistance fund.

Subtitle B—Access to Care

Sec. 111. Consumer choice option.
Sec. 112. Choice of health care professional.
Sec. 113. Access to emergency care.
Sec. 114. Timely access to specialists.
Sec. 115. Patient access to obstetrical and gynecological care.

Sec. 116. Access to pediatric care.
Sec. 117. Continuity of care.
Sec. 118. Access to needed prescription drugs.
Sec. 119. Coverage for individuals participating in approved clinical trials.

Sec. 120. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.

Subtitle C—Access to Information

Sec. 121. Patient access to information.
Sec. 122. Genetic information.

Subtitle D—Protecting the Doctor-Patient Relationship

Sec. 131. Prohibition of interference with certain medical communications.
Sec. 132. Prohibition of discrimination against providers based on licensure.
Sec. 133. Prohibition against improper incentive arrangements.
Sec. 134. Payment of claims.
Sec. 135. Protection for patient advocacy.

Subtitle E—Definitions

Sec. 151. Definitions.
Sec. 152. Preemption; State flexibility; construction.
Sec. 153. Exclusions.
Sec. 154. Coverage of limited scope plans.
Sec. 155. Regulations.
Sec. 156. Incorporation into plan or coverage documents.

TITLE II—APPLICATION OF QUALITY CARE STANDARDS TO GROUP HEALTH PLANS AND HEALTH INSURANCE COVERAGE UNDER THE PUBLIC HEALTH SERVICE ACT

Sec. 201. Application to group health plans and group health insurance coverage.

Sec. 202. Application to individual health insurance coverage.

Sec. 203. Cooperation between Federal and State authorities.

Sec. 204. Elimination of option of non-Federal governmental plans to be excepted from requirements concerning genetic information.

TITLE III—APPLICATION OF PATIENT PROTECTION STANDARDS TO FEDERAL HEALTH CARE PROGRAMS

Sec. 301. Application of patient protection standards to Federal health care programs.

TITLE IV—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Sec. 401. Application of patient protection standards to group health plans and group health insurance coverage under the Employee Retirement Income Security Act of 1974.

Sec. 402. Availability of civil remedies.

Sec. 403. Limitation on certain class action litigation.

Sec. 404. Limitations on actions.

Sec. 405. Cooperation between Federal and State authorities.

Sec. 406. Sense of the Senate concerning the importance of certain unpaid services.

TITLE V—EFFECTIVE DATES; COORDINATION IN IMPLEMENTATION

Sec. 501. Effective dates.

Sec. 502. Coordination in implementation.

Sec. 503. Severability.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. No impact on Social Security Trust Fund.

Sec. 602. Customs user fees.

Sec. 603. Fiscal year 2002 medicare payments.

Sec. 604. Sense of Senate with respect to participation in clinical trials and access to specialty care.

Sec. 605. Sense of the Senate regarding fair review process.

Sec. 606. Annual review.

Sec. 607. Definition of born-alive infant.

TITLE I—IMPROVING MANAGED CARE

Subtitle A—Utilization Review; Claims; and Internal and External Appeals

SEC. 101. UTILIZATION REVIEW ACTIVITIES.

(a) COMPLIANCE WITH REQUIREMENTS.—

(1) IN GENERAL.—A group health plan, and a health insurance issuer that provides health insurance coverage, shall conduct utilization review activities in connection with the provision of benefits under such plan or coverage only in accordance with a utilization review program that meets the requirements of this section and section 102.

(2) USE OF OUTSIDE AGENTS.—Nothing in this section shall be construed as preventing a group health plan or health insurance issuer from arranging through a contract or otherwise for persons or entities to conduct utilization review activities on behalf of the plan or issuer, so long as such activities are conducted in accordance with a utilization review program that meets the requirements of this section.

(3) UTILIZATION REVIEW DEFINED.—For purposes of this section, the terms "utilization review" and "utilization review activities" mean procedures used to monitor or evaluate the use or coverage, clinical necessity, appropriateness, efficacy, or efficiency of health care services, procedures or settings, and includes prospective review, concurrent review, second opinions, case management, discharge planning, or retrospective review.

(b) WRITTEN POLICIES AND CRITERIA.—

(1) WRITTEN POLICIES.—A utilization review program shall be conducted consistent with written policies and procedures that govern all aspects of the program.

(2) USE OF WRITTEN CRITERIA.—

(A) IN GENERAL.—Such a program shall utilize written clinical review criteria developed with input from a range of appropriate actively practicing health care professionals,