

little time remaining, and the summary will explain in some greater detail the reasons, and also a copy of the proposed amendment which Senator SANTORUM and I are considering offering when the stimulus package comes before the Senate.

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

RECLASSIFICATION OF SCRANTON-WILKES BARRE-HAZLETON, WILLIAMSPORT, AND SHARON METROPOLITAN STATISTICAL AREAS

Many of Northeastern Pennsylvania's hospitals faced operating losses over the last few years, a troubling reality felt all across the country. In addition, the area is one of the most aged communities in the country, therefore the region's hospitals are extremely dependent on Medicare reimbursement.

The region has also seen one of the most rapid and dramatic shifts to managed care in the country: over the last five years, managed care grew from virtually no presence to almost 50% of the commercially insured population and 20% of the Medicare population.

While virtually no hospital in the nation has been left untouched by the cost pressures inflicted by BBA 97 and other factors, hospitals in the Scranton-Wilkes Barre-Hazleton Metropolitan Statistical Area (MSA) and in the Williamsport MSA face a unique situation.

Both of these MSAs contain areas or border on areas from which Geisinger Medical Center, a 437 bed teaching hospital in Montour County, Pennsylvania, draws its patients—and more importantly, its workforce.

Due to the understandably high wage costs of operating its large tertiary care facility, Geisinger has been reclassified to be deemed part of the Harrisburg MSA. (Its original classification was part of the rural area of Pennsylvania.)

Therefore, Geisinger Medical Center is being reimbursed based on a wage index that is currently more than 12% higher than the wage indexes of the Scranton-Wilkes Barre-Hazleton MSA and the Williamsport MSA. This results in unsustainably low Medicare reimbursements within those MSAs, particularly since the costs of living are similar to those in Geisinger's area.

From 11/13/01 Citizen's Voice (Hospitals' Numbers): Medicare Payment per case in Scranton/Wilkes-Barre/Hazleton—\$6,010—compared to: Monroe County: \$7,390; Allentown: \$6,665; and Harrisburg: \$6,359.

The Scranton-Wilkes Barre MSA wage index has been steadily falling, reduced from 0.8578 last fiscal year to 0.8473. The actual wage index for the area is around 0.80, but federal law does not permit an MSA to go below the state's rural rate, which will be 0.8473.

Nursing Shortages Intensifies: the Hospital Association of PA has identified Northeast PA as the area in the state with the worst shortage of nurses. Moreover, other skilled care givers remain in very short supply. These shortages drive up the cost of health care and the need to increase wages—something which these hospitals have done.

Sharon, PA, in the Northwestern part of Pennsylvania, faces similar difficulty hiring skilled workers, due to an unacceptably low reimbursement rate and its need to compete with bordering areas which qualify for higher wage indices.

Sharon Regional Medical Center, UPMC Horizon and United Community Hospital are located in the Sharon MSA. Sharon Regional Medical Center is 1 mile from the Ohio border and 12 miles from Youngstown, OH.

However, further reductions in the wage index will make it impossible for the hos-

pitals to retain or recruit all the caregivers that the communities require. Nearby regions, including Newburgh, Allentown and Harrisburg, continue the Scranton skilled workforce. For Sharon, it must compete with the Erie area to the North and Youngstown to the West.

All of the hospitals in the Sharon MSA compete with Youngstown for nurses, pharmacists, radiology technicians, and other allied health professionals. Youngstown pays nurses \$2-\$3 more per hour than hospitals in Sharon, yet those hospitals receive nearly the lowest area wage index in Pennsylvania (.850). Youngstown is a larger city/region with a much higher area wage index.

An MSA reclassification for Sharon, PA is crucial if its hospitals are to maintain their ability to provide quality health care to its citizens.

A National Solution is Still Years Away: These hospitals cannot afford to wait for this.

The amendment we intend to offer seeks to remedy this disparity. Our language would reclassify for a period of three years the Williamsport MSA to the Harrisburg MSA: all of the counties within Scranton-Wilkes Barre-Hazleton MSA into the Newburgh, NY MSA; and the Sharon MSA into Youngstown, OH.

AMENDMENT NO.—

(Purpose: To provide for the reclassification of certain counties for purposes of reimbursement under the medicare program)

At the end of title IX, add the following:

SEC. —. THREE-YEAR RECLASSIFICATION OF CERTAIN COUNTIES FOR PURPOSES OF REIMBURSEMENT UNDER THE MEDICARE PROGRAM.

(a) **IN GENERAL.**—Notwithstanding any other provision of law, effective for discharges occurring during fiscal years 2002, 2003, and 2004, for purposes of making payments under subsections (d) and (j) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) to hospitals (including rehabilitation hospitals and rehabilitation units under such subsection (j))—

(1) in Columbia, Lackawanna, Luzerne, Wyoming, and Lycoming Counties, Pennsylvania, such counties are deemed to be located in the Newburgh, New York-PA Metropolitan Statistical Area;

(2) in Northumberland County, Pennsylvania, such county is deemed to be located in the Harrisburg-Lebanon-Carlisle, Pennsylvania Metropolitan Statistical Area; and

(3) in Mercer County, Pennsylvania, such county is deemed to be located in the Youngstown-Warren, Ohio Metropolitan Statistical Area.

(b) **RULES.**—The reclassifications made under subsection (a) shall be treated as decisions of the Medicare Geographic Classification Review Board under paragraph (10) of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)), except that payments shall be made under such section to any hospital reclassified into—

(1) the Newburgh, New York-PA Metropolitan Statistical Area as of October 1, 2001, as if the counties described in subsection (a)(1) had not been reclassified into such Area under such subsection;

(2) the Harrisburg-Lebanon-Carlisle, Pennsylvania Metropolitan Statistical Area as of October 1, 2001, as if the county described in subsection (a)(2) had not been reclassified into such Area under such subsection; and

(3) the Youngstown-Warren, Ohio Metropolitan Statistical Area as of October 1, 2001, as if the county described in subsection (a)(3) had not been reclassified into such Area under such subsection.

REHABILITATION, PRESERVATION, AND IMPROVEMENT OF RAILROAD TRACKS

Mr. SPECTER. Mr. President, I wish to make one more point before yielding the floor, and that is another amendment which I am considering offering on the stimulus package. That is an amendment which would add \$350 million for capital grants to be made by the Secretary of Transportation for the rehabilitation, preservation, and improvement of railroad tracks, including bridges, roadbed, and related track structures to short-line railroads.

Legislation has been pending in the House of Representatives on this subject which has more than 100 sponsors. Legislation is pending in the Senate which has 7 sponsors. This would be a tremendous stimulus because it would immediately put many people to work on the reconstruction of the short-line railroads in the short run, providing very extensive jobs, and in the long run, by improving the infrastructure which would be enormously helpful to the economy of Pennsylvania and similarly to other areas where there are short-line railroads.

At my request, the McFarren Group prepared an extensive analysis of proposed railroad costs to be included in the Federal stimulus package. Because of the shortage of time, Mr. President, I ask unanimous consent that a limited portion of this report be printed: The executive summary and the third page of the summary, together with a summary of factors in support of this amendment and a copy of the amendment itself.

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

EXECUTIVE SUMMARY

PROPOSED RAILROAD COSTS TO BE INCLUDED IN THE FEDERAL ECONOMIC STIMULUS PACKAGE, OCTOBER 31, 2001

Background

At the request of Senator Arlen Specter, the Keystone State Railroad Association conducted a survey of member and non-member Pennsylvania railroads to ascertain the degree of infrastructure improvements needed across the Commonwealth's rail system. Respondents were asked to provide information related to project readiness, safety and infrastructure conditions, security and insurance cost estimates, and estimates on the number of jobs that could be created if listed projects were undertaken.

Summary of Findings

Pennsylvania railroads responding to this survey indicate more often than 60% of the short line and regional railroad infrastructure is in need of extensive rehabilitation, including more than 170 bridges. Excluding the Bessemer & Lake Erie and Delaware & Hudson railroads, both of which have heavy load infrastructures, the short line and regional railroads are capable of handling the heavier 286,000-pound loads on only 70% of their infrastructure. The funds needed to upgrade these lines and the related bridge infrastructure will exceed many preliminary cost estimates. Many customers are beginning to demand the use of 315,000-pound cars, which will dramatically escalate funding needed for these rail lines even further.

The cost of most extensive bridge repairs can easily exceed \$1 million each for smaller spans. Short line and regional railroads also indicate that more than 300 rail crossings are in need of serious rehabilitation and repair.

Projects that could be undertaken to address Pennsylvania railroad infrastructure needs total some \$280 million. Of these projects, construction could be initiated on 44% of them, totaling more than \$120 million, in the next six months.

While it may be difficult to quantify, a clear correlation undoubtedly exists between derailments and rail infrastructure conditions. Railroads indicated that more than 350 derailments occurred during the past twelve months resulting in only nine worker injuries. This is a tremendous testament to the railroad industry's excellent safety record. A majority of the derailments occurred at low speeds in yard and switching operations. It is estimated that more than 540,000 carloads of hazardous materials cross Pennsylvania's rail system each year.

In the aftermath of the tragic events of September 11, business and government are taking a much harder look at ways to improve the security of the nation's transportation system. A group of Class I railroads has already met to discuss a series of security measures. Any efforts undertaken by Class I railroads will also need to be addressed by regional and short line railroad systems. The costs of augmenting manpower at critical points along the system can be extremely prohibitive to many small and medium-sized operations.

The September 11 disaster has already escalated insurance costs in most sectors. Several railroads have been warned that their risks and their rates will be re-evaluated. Some railroads may not even qualify for any affordable insurance coverage. It is conceivable that railroads receiving funding for infrastructure projects will be forced to spend an equivalent amount in additional security and insurance costs in coming years. An addendum provides an overview of current insurance conditions, as it relates to the railroad industry.

There is no doubt that investment in the nation's railroad infrastructure is warranted. The American Short Line and Regional Railroad Association (ASLRRRA) recently surveyed members nationwide and reported that the nation's short line and regional railroads could invest \$1.2 billion in infrastructure upgrades in the next six months if the financial resources were available. KSRRA's findings in Pennsylvania certainly bear this out. The most modest forecasts for the movement of freight by the Federal Highway Administration (FHWA) indicate that increases of up to 70% can be expected in the Northeast over the next ten years. A fraction of this type of growth would severely congest the national transportation network unless investments are made today. Railroads remain the safest and most viable mode for transporting hazardous materials, coal, industrial raw materials and large quantities of goods. It is clear that an investment in an improved rail infrastructure is an investment in the country's economic future.

The funding of railroad infrastructure projects also creates powerful economic stimuli as more than 650 new construction and maintenance jobs could be directly created if the attached projects were funded. This does not include the hundreds of additional jobs that would need to be added by railroad tie manufacturers, steel rail manufacturers, the stone industry and other additional suppliers. Typically, a multiplier of four is applied to measure the overall economic impact. These infrastructure projects would also be of tremendous benefit to the

nation's steel industry since new rail would be purchased from domestic steel sources, as required in most government funded projects. Pennsylvania railroads responding to this survey have painted a compelling picture for investment in rail infrastructure.

Attached is a detailed listing of projects that Pennsylvania railroads are prepared to undertake, as well as an addendum pertaining to railroad security.

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Any economic stimulus package should include expenditures that will initiate further economic activity and that will produce a long-term economic benefit. Any such stimulus must be timely and result in meaningful product development rather than merely being an additional burden on future government spending patterns.

Many transportation authorities have continually pointed to the dramatic need to invest in our major transportation infrastructure. These improvements in most cases are already part of the strategic transportation plan. The projects, which we have analyzed and produced for your consideration, have already been engineered and prioritized by the respective railroad companies. These projects can be initiated with very short notice and the economic stimulus will be immediate. The additional employment will be needed immediately.

From a national security perspective, railroads are one of the best ways to produce a more secure system for transporting dangerous or hazardous products. By further improving the infrastructure, the overall railroad operating system can become even safer and more difficult to disrupt by any terrorist group. These needed changes and the additional security measures will add substantial costs to industry operations but the changes and improvements are long lasting and a fraction of the cost incurred in other areas.

Transportation is the centerpiece of industrial production and energy generation. Railroads transport more than 60% of coal used by generating facilities and some 70% of motor vehicles from the factory to a regional distribution facility. Some 30,000 miles of the railroad network is part of the strategic national defense corridor system. The regional and short line railroads are the feeders and supporting players in this overall transportation network. The network is only as strong as its weakest link. Therefore, the \$280 million of projects for Pennsylvania short line and regional railroads is an absolute priority in any national economic stimulus package.

FACTS IN SUPPORT OF PROPOSED SPECTER-SANTORUM AMENDMENT

GENERAL POINTS

The amendment would provide \$350 million in track rehabilitation funds for short line railroads. It would be distributed based on the criteria established in S. 1220, pending legislation that would authorize this expenditure. This legislation was moving quickly through the process prior to September 11th. It was passed unanimously by the House T&I Committee and awaiting floor action. It has strong bipartisan support in the Senate including sponsorship by the Chairman and Ranking Member of the Senate authorizing subcommittee of jurisdiction. It is supported by the Class I railroads and by rail labor.

There are over 500 Class II and III railroads that together operate approximately 50,000 miles of track, or just under one third of America's railroad route mileage, and employing approximately 25,000 people.

The short line industry keeps the less populated areas of the country connected to the national railroad main line network. It does so over track that was very marginal in the

Class I system because it never generated enough traffic to justify sufficient investment. With a lower cost structure and more flexible service, short line companies that purchased the track have been able to keep these lines going. However, the revenue is still not high enough to make up for past years of neglect.

Today, two factors have combined to bring this situation to a head. First, the advent of the heavier 286,000-pound cars that are becoming the standard of the Class I industry require substantially higher investment in the track. Second, as the Class I's put a greater premium on speed and precisely scheduled operations, the short line railroads must meet these higher standards or be cut off from the national system.

Transportation is at the heart of industrial production and energy generation. Railroads transport more than 60% of coal used by generating facilities and are a major mover of automobiles, industrial chemicals and mining products. The short line and regional railroads are the feeders and supporting players in this transportation network and the network is only as strong as its weakest link.

POINTS RELATED TO THE STIMULUS PACKAGE AND SECURITY

Money spent on railroad capital programs can be spent immediately. Replacing rails and ties and rebuilding equipment is an ongoing process for railroads. The engineering and planning were done long ago. Unlike highways, railroads control their rights-of-way and the timing of their traffic. To double or triple the number of rails and ties installed requires virtually no lead-time. The short lines national association surveyed its entire membership following September 11th and found that the short line industry could spend over \$400 million on infrastructure improvements in the next three months and over \$1.2 billion in the next six months. Over 6,000 workers would be directly employed for the three month period and nearly 9,500 workers would be directly employed for the six-month period. These jobs would be in addition to the railroad's in-house work forces and would not include additional workers in the tie and rail supply industry.

A large portion of this investment involves the purchase of rail and in testimony before the Senate Commerce Committee on November 1 the short line association president indicated that the short lines have agreed they will purchase only US made rail with this money.

One of the recommendations being made by security experts in the wake of September 11th is that we find ways to transport hazardous materials around heavily populated areas. The nation's short line railroads offer a ready-made transportation network that bypasses our nation's most heavily populated areas. Today, 20 percent of all short line customers ship hazardous materials.

Keeping America's light density railroad lines connected to the national railroad system is important under any circumstances. Today it is even more important. The events of September 11th have caused major disruptions in all our transportation systems. As we sit here today, the federal government is determining how to best inspect truck cargo and is surveying all of America's railroads to determine the location of critical infrastructure assets such as bridges and tunnels and how and where we move hazardous materials near large population centers. Today, America's entire transportation infrastructure is under duress and we should be concerned that America's entire transportation infrastructure is up to the task.

September 11th has already escalated insurance costs in many sectors. Several railroads have been warned that their risks and

their rates will be re-evaluated. Some railroads may not even qualify for affordable insurance coverage. As small railroads are hit with higher and higher insurance costs, they will have less and less to invest in needed rehabilitation.

POINTS RELATED TO PENNSYLVANIA

Sixty percent of Pennsylvania's short line and regional railroad infrastructure is in need of extensive rehabilitation, including more than 170 bridges. Over 300 rail crossings require significant rehabilitation. Excluding the Bessemer & Lake Erie and Delaware & Hudson railroads, both of which have heavy load infrastructures, almost one third of Pennsylvania's short lines and regionals cannot effectively handle the heavier 286,000-pound cars that are becoming the new standard in the industry.

A recent survey of the state's short lines indicate that infrastructure needs total some \$280 million, and over 40% of those projects could be initiated in the immediate future.

More than 540,000 carloads of hazardous materials cross Pennsylvania's rail system each year.

The most modest forecasts for the movement of freight by the Federal Highway Administration indicate that increases of up to 70% can be expected in the Northeast over the next ten years. This growth will severely congest the national transportation network unless investments are made today. Railroads remain the safest and most viable mode for transporting hazardous materials, coal, industrial raw materials and bulk commodities. Investment in rail infrastructure is an investment in the country's economic future.

AMENDMENT NO.—

(Purpose: To provide additional funding for capital grants for rehabilitation, preservation, or improvement of railroad track of class II and class III railroads)

At the appropriate place, insert the following:

SEC. . There is appropriated to the Department of Transportation for the Federal Railroad Administration for fiscal year 2002, out of any funds in the Treasury not otherwise appropriated, \$350,000,000 for capital grants to be made by the Secretary of Transportation for rehabilitation, preservation, or improvement of railroad track (including roadbed, bridges, and related track structures) of class II and class III railroads. Funds appropriated by the preceding sentence shall remain available until expended.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. We are recessing at 2 p.m. Has the Senator completed his statement?

Mr. SPECTER. I have. I thank the Chair and yield the floor.

Mr. REID. Mr. President, I ask unanimous consent that at 4 p.m. Senator BYRD be recognized to speak in morning business.

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

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 4 p.m.

Thereupon, the Senate, at 1:59 p.m., recessed until 3:59 p.m. and reassembled when called to order by the Presiding Officer (Mr. JOHNSON).

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is recognized.

BIOLOGICAL WEAPONS CONVENTION-NUCLEAR ARMS TREATIES

Mr. BYRD. Mr. President, the Nation's attention is focused on the threat of biological weapons. The pernicious nature of these types of weapons has been shown in the anthrax-laced mailings that were sent to the office of the majority leader, TOM DASCHLE, NBC news in New York, and American Media in Florida, which have resulted in contamination of a number of post offices in Washington, D.C., New Jersey, Florida, and perhaps elsewhere.

One question is on all American's minds: how can we defend ourselves against a threat that is literally microscopic? In the days of the Cold War, we became accustomed to being able to quantify the threats posed to the United States: we could count the number of Soviet missiles, bombers, tanks, and soldiers, and respond by increasing the capabilities of our own military.

But now, the threat to our security has changed. We can not quantify this threat and we can not track its movements until it might be too late. Building up our military will not affect our security from biological weapons. We must adjust our thinking on how to deal with these abhorrent weapons of pestilence.

Mr. President, remember that Jesus said: You shall hear of wars and rumors of wars, but the end is not yet. For nation will rise against nation and kingdom against kingdom. There will be famines and pestilences and earthquakes.

Pestilences, that is what I am talking about; germ warfare, viral warfare, anthrax. Building up our military, I said, will not affect our security from these pestilences. We must adjust our thinking, I say again, on how to deal with these abhorrent weapons of pestilence.

We do not yet know for certain whether the anthrax attacks were carried out by foreign or domestic agents, by someone across the seas or someone in our midst. We also do not know when the next biological weapons attack might happen, what type of germs or viruses might be used, or who might be planning it. But the U.S. must take action. The time is right now, in the midst of intensified international condemnation of the use of biological weapons, to form an international regime to eliminate the manipulation of nature for violent purposes.

Over 140 countries have signed the Biological Weapons Convention of 1972. It is one of the simplest arms control treaties in existence. Parties to the treaty agree not to develop or retain any biological toxins or agents that are to be used for other than peaceful purposes. There are no means to verify this binding commitment, but the Convention has succeeded in its limited purpose by confirming among most of the world that biological weapons are abhorrent to all mankind.

Negotiations began in 1995 on how to add a binding protocol to the Biological Weapons Convention to create a regime that would verify compliance with the treaty. Parties to the Convention would thereby submit themselves to the same kinds of inspections that are conducted at nuclear facilities under the Nuclear Non-Proliferation Treaty and chemical facilities under the Chemical Weapons Convention. The purpose of these inspections would be to assure the whole wide world that potentially dangerous microbes, which are needed to conduct scientific and medical research, are handled in a safe manner, and are not being diverted to nefarious purposes.

Representatives at the last conference on the Biological Weapons Convention, which took place in July, hoped to gain consensus on the final text of the protocol, which may open for signature within weeks. The results of that conference were disappointing. Rather than negotiating toward the resolution of many outstanding issues on the protocol, the Bush Administration took the view that no protocol would be preferable to a negotiated protocol. Like much of the world, I was left wondering whether this Administration takes arms control seriously.

I am pleased to see that on November 1, the Administration unveiled a number of proposals to complement the Biological Weapons Convention. These voluntary measures are well-intentioned and they make sense. However, they do not go far enough.

I am wary of addressing our urgent and serious national security concerns simply through voluntary measures by foreign countries. With no formal multilateral protocol to spell out exactly what each country's responsibilities are, I fear that the future of the international ban on biological weapons will be a patchwork quilt of full compliance, non-compliance, half-measures, and more talk and less action. This could ultimately leave us even less secure from these horrific weapons.

There are other important treaty matters before our country. We are closing in on an agreement with Russia for sharp reductions in our nuclear stockpiles, and negotiations will continue on altering the Anti-Ballistic Missile Treaty of 1972 to allow increased national missile defense testing. These deals, if concluded, would be a major development in our relationship with Russia and have a major impact on geopolitics. The strategic arms of the two biggest nuclear powers would be cut to between 1,700 and 2,200 warheads, which is less than a third of our present level. We have not had as few as 2,000 strategic warheads in our nuclear arsenal since 1955.

I am not against reducing the nuclear stockpile. I am not against reducing the number of missiles, the number of warheads. I am not against that. But as important as this agreement would be, I am shocked by the President's view that an agreement on arms reductions need not be on paper. Legally and