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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable HILLARY RODHAM CLINTON, a Senator from the State of New York.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, we praise You for Your faithfulness. Now in this sacred season, we join with Jews all over the world as they light their menorahs and remember Your faithfulness in keeping the eternal light burning in the temple. We gather with Christians around a manger scene and praise You for Your faithfulness in sending the Light of the World to dispel darkness. Your indefatigable love is incredible. You never give up on us. You persistently pursue us, offering us the way of peace to replace our perplexity. You offer Your good will to replace our grim wilfulness. In spite of everything humankind does to break Your heart, You are here, once again sending Your angel to tell us of Your good will, Your pleasure in us just as we are, and for all we were intended to be. Change all of our grim ''bah humbug'' attitudes to humble adoration.

Help us to be as kind to others as You have been to us, to express the same respect and tolerance for the struggles of others as You have expressed to us by turning our struggles into stepping stones, to understand us as we wish to be understood. Help us to shine with Your peace and good will. In the name of the Light of the World. Amen.

PLEDGE OF ALLEGIANCE

The Honorable HILLARY RODHAM CLINTON led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD.)

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, December 12, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HILLARY RODHAM CLINTON, a Senator from the State of New York, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mrs. CLINTON thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. REID. Madam President, this morning we are going to be on the farm bill. There is going to be 50 minutes of debate equally divided and there will be a vote at approximately 10:20 this morning.

The majority leader has asked me to announce that he wants to work into the evening tonight to make significant progress on this bill. It is Wednesday. For those who want to leave Friday or this weekend, it is very clear to everyone we have to make progress on this bill. So I hope everyone will understand there will be no windows. We will have to work right through the evening, working as late as possible, as long as the managers think we are making progress on the bill.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1731, which the clerk will report.

NOTICE

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Michael F. DiMario, *Public Printer*

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

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The legislative clerk read as follows:

A bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

Daschle (for Harkin) Amendment No. 2471, in the nature of a substitute.

Lugar/Domenici Amendment No. 2473 (to Amendment No. 2471), of a perfecting nature.

AMENDMENT NO. 2473

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be 50 minutes of debate equally divided and controlled on the Lugar amendment, No. 2473.

The Senator from Indiana.

Mr. LUGAR. Madam President, I yield to myself the time I may require. Being mindful there are others who may wish to speak on my amendment but seeing none for the moment, let me review the amendment for the benefit of Senators who, perhaps, followed the debate yesterday.

I have offered an amendment which, in essence, changes substantially the ways in which farm families are supported in the United States of America. I have moved to a concept of a safety net in which, essentially, each farm family—regardless of the State, regardless of what products or farm animals or timber or what have you which comes from that farm—has equal standing. I think that amendment ought to be appealing to most States.

As I cited yesterday, just 6 States of the 50 receive about half of the payments under the current system. That would be concentrated further in the bill that now lies before us. That concentration really occurs regardless of State, although many States receive very few benefits at all. If, in fact, 6 States receive about half, the 44 divide the rest and, as I cited yesterday, many States have fewer than 10 percent of their farm families who participate in these payments at all.

I make that point again because I suspect it is not apparent to many Senators, to many people in the public as a whole, who believe we are talking today about the totality of agriculture in our country, farm families of all sizes. Much is said about small farm families, those who are in stress, in danger of losing their farms.

Without being disrespectful of anyone's views on these subjects, I pointed out these small family farms are not likely to gain much sustenance from the subsidies that are being suggested presently. Let me cite, without getting into anyone else's backyard, the situation in the State of Indiana.

The current program targets 16 percent of the payments in Indiana to 1 percent of the farms—1,007 farms. In fact, it becomes equally apparent at the top 2 percent, which gets 26 percent, a quarter of all the farms. By the time you get to the top 10 percent, which now includes 10,000 farms out of roughly 100,000 that received payments from 1996 to 2000, the top 10 percent receive 66 percent of all of the money.

Any way you look at it, the reasons for this are perfectly clear. Essentially, the payments are made on the basis of acreage and yield. Those farmers who are strongest make use of research; they make use of marketing techniques. They, in fact, have costs that are less than the floor, so there are incentives to produce more each time we come along with another farm bill. And that will be the case again. Therefore, the gist of my amendment is we must change.

The distinguished chairman of the committee, as he responded last evening, said the Lugar amendment contemplates so much change it will be shocking to country bankers; it will be shocking to farmers generally. When you knock the props out of all kinds of layers of programs that have been built up year after year, one subsidy on top of another, even if it only touched 40 percent of farm families generally with 60 percent not touched at all, certainly there will be an impact on the 40 percent.

My point is the 40 percent overstates it. The real impact will be upon the 1's, the 2's, the very top numbers in terms of people who have very large enterprises. I think that is not the will of the Senate. But the effect of the policies has been this, as detailed State by State by the Environmental Working Group Web site. Any Senator, prior to a vote on this amendment, can go to that Web site and find out, person by person, every farm that has received subsidies during the last 5-year period that is covered, plus the summary I have cited.

The change I am suggesting is one that is still a generous amount of taxpayer money. Yesterday Investor Daily editorialized about the debate we are having and commended my bill as the best of the lot but suggested it is still a lot of money from some taxpayers in America to farmers. Indeed, it is to the extent that I am suggesting a farmer receive a voucher worth 6 percent of all that he or she produces on the farm and that it not be simply curtailed to wheat, corn, cotton, rice, and soybeans but to livestock, to fruits and vegetables, to wool, to whatever comes from that entity—all things added up on the Federal tax return that arrive at a total farm revenue picture.

I used the hypothetical farmer yesterday who received, say, $100,000 of total receipts from all sources getting a voucher for $6,000, enough to pay for a full farm insurance policy that guarantees 80 percent of the revenue based on the last 5 years.

There are very few businesses, if any, in America that could purchase this kind of revenue assurance that would guarantee—given the ups and downs of our economy—at least 80 percent of the revenue would be available come hell or high water, including bad weather, bad trade policies, and whatever. This $6,000 voucher would not be paid for by the farmer. It is by virtue of the production indicated on the tax returns that he or she submits. It is possible, because we already have a generous crop insurance program as I pointed out that undergirds agriculture now, that not all farmers will take advantage of that, which is too bad. The educational process must continue so farmers understand how much insurance and assurance they could obtain under current legislation.

My point is, we ought to be providing a safety net that has equality for all States, all crops, all conditions, and all sizes of farms and that genuinely meet the needs of a safety net as opposed to a haphazard disaster relief bill here or there on the appropriations of agriculture, and the perennial summer debates about supplemental assistance, that somehow there are shortfalls, even though this year we are having a record net income for all of agriculture—$61 billion. It has never been higher.

Yet this debate proceeds as if the totality of American agriculture were in crisis. The 10-year bill suggested by the House of Representatives suggests the crisis inevitably goes on for 10 years adding one subsidy on top of another throughout that period of time.

That is what my amendment tries to stop. I appreciate that for many Senators the problem of explaining all of this to their constituents may be difficult. The easier course may be simply to say: I did my best for you.

As I witnessed the debate thus far, I have an impression that many Senators have come into that mode as they approach the distinguished chairman of the committee, or me, or other Members who have been involved in the debate. The question is not that overlayers of subsidies on top of subsidies is good for the country, good for farmers generally, good for the deficit, or good for whatever. The question is, what is in this bill for me, or my farmers, or the political support I can gain from the person to whom I can write that I was in there fighting for the last dollar for you.

I must admit that the bill which has been laid down before us by the Agriculture Committee has a lot of money in it. The disillusionment will come that 60 percent of farmers will find there is nothing in the bill for them—nothing. I hope they understand that before we conclude the debate.

In my State of Indiana, two-thirds of the farmers will find out very rapidly that there was very little left for them after the top 10 percent took the money. That will come as a disillusion, perhaps. But hope springs eternal, perhaps. A trickle-down theory might occur even in farm subsidy bills.

Let me point out that there is an opportunity here for both a safety net for farmers and finally a turnaround from a policy that came in a long time ago with deep origins in the row crops coming out of the Depression but less and

less relevant to the actualities of farming in America today and what people actually do.

The 2 million farms that are listed by the census in most cases do not have active farmers on the farm. The most rapidly rising source of new farms in the country are persons who are professionals, doctors, lawyers, teachers, and others who purchase 50 acres, or sometimes more within a reasonable driving distance of their urban offices, or locations, because they like some space. If they produce on that entity of 50 acreas or 100 or whatever the acreage may be, at least $20,000 in sales of anything agricultural, they are classified under USDA standards as a farmer. So the 2 million are made up principally of persons who gain some income from the farm.

The only persons who gain the bulk of their income from the farm are commercial farmers in America. Most of them have 1,000 acres or more. They comprise roughly 10 percent to 15 percent of all of the entities. Even on those farms it is usual that one member of the family has a day job in the city or somewhere else.

That is the nature of the business. I mention this because, in an attempt to have a comprehensive farm bill, it is virtually impossible to target and to find 2 million people. I think my bill does this the best because it simply says whether you produce $20,000, and you are in fact a lawyer, you still qualify as a farm so that there is at least something more than a casual interest in the farm. If you have $20,000 in sales of any sort, you are eligible for the 6 percent voucher.

My bill is not excessively generous as you rise in income because after the first $250,000 total revenue the voucher percentage drops to 4 percent to the next $250,000. After $500,000 to $1 million in revenue, it is 1 percent. Then sales on your farm over $1 million would not have the voucher. Thus, there is a limit effectively of about $30,000 for a farm family coming from this program.

The distribution to all farm families in America in all States means that the money that is finally provided in my bill is spread even over a 10-year stretch. We are talking about a 5-year bill. Because many of these bills have been scored for 10, it is still less than the bill before us. But the cost of my bill in the 5 years we are talking about is dramatically less in large part because, although a lot of money is going to all the farm families at the rate of 6 percent of everything they are doing, essentially we are winding up the target prices, the loans, and the other subsidies on top of another. Therefore, as you subtract those savings, OMB has scored this 5-year experience in the commodity section of the Lugar bill of only $5 billion as opposed to, as I recall, the $27 billion for 5 years in the bill before us now. That is substantial money.

Let me point out that in addition there are some important aspects in the second section of my bill. The distinguished chairman of the committee, as he responded yesterday, pointed out that the committee bill has much more generous provisions for the nutrition section. I applaud that. I worked with the chairman to make certain we had very strong bipartisan support for doing more in the food stamp area, in the WIC Program, in the School Lunch Program, and in the feeding of people wherever they may be in America.

But there is a difference between the two bills—my bill, essentially, is the amendment before the Senate now—with some of the savings that come from this remarkable difference between $5 billion for commodities in my bill and $27 billion in Senator HARKIN's bill. My bill provides $3.7 billion for nutrition in the first 5 years and the Harkin substitute $1.6 billion. That is a substantial difference.

Yesterday, I detailed the extraordinary efforts of hunger groups throughout our country, of advocates not only for the poor but for better nutrition, of people involved in the School Lunch Program who regularly testified before our committee, as well as those who have been advocates for full coverage of the Women, Infants, and Children Program—the WIC Program—to fulfill those objectives.

My bill allocates $3.7 billion in the next 5 years. If it were scored over 10 years, it would be up to $11.9 billion. The Harkin substitute has $1.6 billion in the first 5 years, scoring $5.6 billion in the 10-year period, with less than half the nutrition impact. That is not by chance.

For Senators who believe one of the major points of a farm bill that comes from Agriculture, Nutrition, and Forestry ought to be the feeding of all Americans, in addition to targeted benefits for very few Americans on the production side, I hope they will find my amendment appealing. It was meant to be that way. The priorities are significant.

For the moment, Madam President, I will yield the floor so I will have a few moments, perhaps, at the end of the debate to refresh memories of Senators who may not have heard all of this presentation today and may be preparing for their votes.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LUGAR. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LUGAR. Madam President, I ask unanimous consent that the time in the quorum call I am about to propound be charged equally against the two sides.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. LUGAR. Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HARKIN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARKIN. Madam President, as I understand, again, for the benefit of all Senators, we are under an hour of debate evenly divided on the Lugar amendment regarding nutrition with a vote to occur at 10:30; is that correct?

The ACTING PRESIDENT pro tempore. Under the previous order, there is to be a 50-minute debate equally divided and controlled with the vote to occur at 10:25.

Mr. HARKIN. I understand I must have about 25 minutes.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. HARKIN. I thank the Presiding Officer.

Madam President, now that we have had some opportunity over the evening to look at Senator LUGAR's proposed nutrition title, I would like to discuss a little bit of the difference between his approach and the approach we came out of the committee with, again, keeping in mind that our nutrition title did come out of committee, if I am not mistaken, on a unanimous vote on that title.

Again, like so many other things that have come through any legislative process here, but especially on agriculture, I am sure there were things we might have wanted to do differently in one way or the other. Would we like to put more money in nutrition? Yes. But then we have to balance it with everything else we have. So we tried to come out with a balanced bill, as I said yesterday.

I really believe my colleague's amendment would upset that balance greatly. And even though we might want to do more for nutrition, I believe we have met our responsibilities for nutrition in this bill to meet the nutritional needs of our people. I will go through that shortly.

I did want to correct one thing. I believe my colleague and friend said that on nutrition our spending over 5 years is $1.6 billion. Our data shows that our outlays for 5 years are $2.2 billion. I just wanted to make that correction. I think his is $3.7 billion and we are at $2.2 billion. I do know his outlays are more than ours; at least I believe his budget authority is $3.7 billion. I do not know what the outlays are for 5 years, and perhaps Senator LUGAR could enlighten us on that. But I just want to talk about some of the differences and some of the potential problem areas I see in the title proposed by Senator LUGAR.

I think we have all agreed that the outreach for the Food Stamp Program

is vitally important to make sure that eligible people understand they can participate and to get them to participate. In the past, this has really been a problem. So we put provisions in our bill that would provide for more outreach to go out and make people understand they are eligible for food stamps. That, I believe, is lacking in the Lugar proposal.

Again, this is one area where, if you look at the amount of money we have for nutrition, you have to understand that food stamps are an entitlement; that if the economy goes down, if people are out of work, if they qualify, they get food stamps. That is not included in our bill. That is just an entitlement. What is important is whether or not people know they can get food stamps, whether or not they know they are eligible, and the outreach programs that will bring people into the Food Stamp Program. That is where I believe we have met that obligation. The Lugar proposal does not. It is important to go out and get people to understand they are eligible for the Food Stamp Program. So we included a number of provisions to make sure that information about the Food Stamp Program and the applications are made available to eligible people who are not now participating in the program.

We also include pilot programs, testing different ways to go out and reach people. Those pilot programs are not in the Lugar proposal.

The committee bill also includes provisions that will help able-bodied adults without dependents—subject to time limits under the Food Stamp Program rules—to find jobs. For example, the committee bill allows a rigorous job search activity to count as a work requirement for able-bodied people without dependents. Quite frankly, if people are making an honest effort to find work, if they are in an approved job search program, why should they be penalized? They should be eligible. We have that in our bill. That is not in the Lugar proposal.

In our bill we have also designated funds specifically for employment and training activities for this very group of people. While States should have flexibility to use their employment and training funding as they see fit, they should be able to draw upon a special reserve for people who are subject to a time limit. If there is a time limit, they ought to be able to have some leeway for employment and training activities. Again, we have that in our bill. That is not in the Lugar proposal.

Our bill also acknowledges that people who participate in employment and training activities have certain additional expenses, such as transportation. If they are looking for a job—let's say they are in a training activity. They may have to go clear across town or across the city to this training activity. That costs money. We increase the amount of money available to States to help defray those costs. That is in our bill. That is not in the Lugar proposal.

Another key difference between what is in the committee-passed bill and Senator LUGAR's proposal is that we include a substantial commodity purchase of $780 million over 5 years. At least $50 million of that will go to purchase fruits and vegetables for the School Lunch Program. At least $40 million a year must be used to purchase commodities for the TEFAP Program—The Emergency Food Assistance Program. Again, Senator Lugar's proposal only provides funding for TEFAP commodities, not for the School Lunch Program. Again, if we are talking about low-income families on food stamps who need nutritional help, it is their kids who are in school who get the free meals—free or reduced-price meals; mostly free in this case. So we provide money in the bill to go out and buy apples and to buy oranges and to buy other fruits and other vegetables for the School Lunch Program to meet the free and reduced-price School Lunch Program for these needy kids. That is not in the Lugar proposal. We provide $40 million for the TEFAP Program; Senator LUGAR provides $30 million, $10 million less.

We also included a pilot program. This may seem insignificant, but I don't think so. We included a pilot program to test in public schools in four States to see whether or not distributing free fruits and vegetables is beneficial and whether students would take advantage of that. In other words, the idea is, if a student is in a public school, rather than going to the vending machine and putting in their 75 cents or a dollar now and getting a candy bar or something like that—usually in the vending machines there is candy, and then down at the bottom there is usually an apple at the same price—the kid is not going to buy the apple.

Let's say you provided in the school lunchroom free apples, free oranges. Let's say a student has a hunger pain. They can go to that vending machine and put in their $1 or 75 cents or they can go to the lunchroom and pick up a free apple. We provide for that pilot program in four States. That is not in the Lugar proposal. This would also be a proposal beneficial to our fruit and vegetable growers. Certain vegetables we are talking about—carrots, broccoli, whatever, celery, different things such as that—that kids could get free under this pilot program, it is not included in the Lugar proposal.

We also in our bill include a provision to strengthen nutrition education efforts in the Food Stamp Program. A lot of people in the Food Stamp Program use their food stamps and they buy Twinkies and potato chips and fat-filled kinds of food. It may not be very nutritious. We need more nutrition education in the Food Stamp Program. We include a provision to strengthen that. I do not believe that is in the Lugar proposal.

There is one other point I want to make, and that is in terms of whether or not people who are in certain programs, who rely on certain programs for noncash assistance, such as the Temporary Assistance to Needy Families—if you are getting child care and things such as that, if you are in that category, basically we are saying you should be eligible for the Food Stamp Program. You should not have to go back and qualify for this, qualify for that, and go through all the redtape. Senator LUGAR includes a provision that would have the effect of making people who rely on this noncash assistance ineligible for the Food Stamp Program. Again, a lot of times these people use the Food Stamp Program as a boost to help get back on the road to self-sufficiency.

Last year we worked to give States the option of liberalizing the food stamp vehicle. A number of States have already done this. They have changed their policies on the value of a car you can have. I wonder if it is going a bit far, as Senator LUGAR does, to require that all States exclude all vehicles from consideration in determining food stamp eligibility. We want to liberalize it. I think my State is way too low. When you have a State that says you can only have a car worth $3,500, these are the people who need transportation to go back and forth to work. That is the kind of car that breaks down all the time. These rules ought to be raised. Some States are much higher.

I stand to be corrected, but I think Utah, for example, is several thousand—maybe more than that—higher in an automobile. It just makes sense to allow a person to have a decent car that doesn't break down all the time.

Senator LUGAR says we will require all the States to exclude all vehicles, as I read the amendment. I could be corrected on that, but that is the way I read it. That is going a bit far. We ought to let the States rate the eligibility, but to require them to exclude all vehicles may be loosening it up too much.

The restoration of the immigrant benefits provision is very controversial to some people. We tried to take a targeted approach where benefits are restored to the most needy legal immigrants; that is, children, the disabled, refugees, asylum seekers. We say the kids who are of legal immigrants should not have to wait to get food stamps. Again, this is in line with our thinking that if you are a child, you ought to get nutrition because it saves on health care. We know that children who receive nutrition learn better. They will be better students. As far as kids go, we are saying: If you are a child of a legal immigrant, you should get food stamps now.

As I read the Lugar amendment, he says they have to wait 5 years—all immigrants who have been in the United States for at least 5 years. Under the committee-passed bill, we don't wait 5 years to restore benefits to children. We do it immediately, not 5 years from today.

Again, there are some significant differences between what Senator LUGAR is proposing and what we have done in the committee. It is true, I admit quite frankly, that Senator LUGAR puts more money into nutrition than we do. That is true. But I still will say that in terms of the program that most needy people rely on to meet their nutritional needs—that is, the Food Stamp Program—the most critical part of that is outreach, information, and support to people who are not now applying but who are eligible to get into the Food Stamp Program. That is what we do. That doesn't cost a lot of money. And if it does get people into the program, and they get food stamps, that is not counted. That is not counted on our ledger sheet.

I believe our bill actually will provide more nutritional support to people than the Lugar proposal, even though it doesn't show up on the balance sheet as such.

The other part is simply the fact that where Senator LUGAR is getting the money for this really does upset the balance we had in our commodity programs. I don't think this is the time to demolish farm commodity programs in order to adopt a wholly untested voucher system as a total replacement. That is the other side of this amendment. Farm programs are not perfect. I will be the first to admit it. But we cannot abandon the safety net at a time when it is obviously inadequate already.

What this amendment does is weaken help for all program crops—dairy, sugar, peanuts, everything—and it replaces it with a voucher program whereby a farmer can go out with a voucher and get crop insurance and can get insurance, not just for destruction of crops but for lack of income. It has been untested. We don't know if it would work.

This is something that probably ought to be done on a pilot program basis at some point, but not right now, a whole commodity program that we have structured. Quite frankly, I believe that on our committee we have a lot of expertise. We have Senators on both sides who have been involved in agriculture for a long time. We have former Governors on our committee. We have former Congressmen on our committee. We have people who have been on the agriculture committees of their State legislatures, of the House of Representatives, and now in the Senate. We have people with a lot of expertise in agriculture on our committee.

These are not people who just sort of off the cuff decide to do something in agriculture. These are people, Senators, such as the present occupant of the Chair, who think very deeply about what is best for their people and what is best for the commodities in their State.

The Senators know their commodities and the programs. So we hammered out and worked out compromises and a commodity structured program that will benefit all of agriculture in America. Again, it may not be perfect. I daresay I haven't seen a Government program yet that is perfect. But to throw it all out the window and to substitute this untested, untried voucher program when we have no basis to understand how it would ever work right now would cause chaos and disruption all over agricultural America.

On the nutrition side, I believe that our approach, the committee approach we have come out with is responsible, reasonable; it gets to the kids who need nutrition; and it has a good outreach program to make sure people who are not on food stamps understand it. On the other hand, on the commodity side, I believe our commodity program is well structured, sound, responsible, evenhanded all over America, and it is built upon programs and ideas that we know work. We know direct payments work. We know loan rates work. We know that conservation payments work. These things out there have been tested and tried and they work. Now is not the time to pull the rug out from underneath our farmers for an untested program.

For both of those reasons—on the commodity side and nutrition side—I respectfully oppose the Lugar amendment and urge all Senators to support the well-thought-out, responsible nutrition title that we brought out from the committee. It is good, solid, and it is something for which I think we can be proud.

With that, I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER (Mr. MILLER). The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I respectfully say to my distinguished colleague that the only well-thought-out aspect of the bill before us are thoughts as to how a Senator might be enticed by more money for particular crops for his or her State. It is a catchall bill. It really has no particular philosophy. One subsidy is piled on top of another.

That is my point. Somebody has to bring an end to this chaos. The chaos is not going to be joyous if continued as the Senator from Iowa pointed out. Sixty percent of farmers get nothing from this; they are not going to get a dime. I hope that understanding finally comes through to agricultural America. This bill is targeted at a very few farmers. Forty percent at least have a chance; but as a matter of fact, as we pointed out numerous times, half of the payments go to 8 percent of those farmers who have a chance. And very sharply, large percentages go to a very few that fall behind the top 8 percent. In fact, by the time you get to the top 20 percent, 80 percent of the money is gone, even for that segment that is getting something.

This bill has been a grab bag of trying to figure out how various Senators might be enticed into a coalition if a certain amount of money was promised, regardless of who it goes to—the size of the farmers and the problems of the farmers notwithstanding. I have tried to shake up the order and say that if we are going to distribute money, let us do so to all farmers, all States, all crops, all animals, as opposed to the very few that are clearly the targets of the bill that came out of the Agriculture Committee.

The chairman is right. We have been doing it this way for almost 70 years. With increasing overproduction, increasing reduction of prices, this bill stomps down prices. They have no chance to come up. I hope there will not be any speeches next year on why prices are at an alltime low. Of course, they are going to be low. If you stimulate overproduction, they will go down every time. We have been doing that consistently year after year. To suggest that chaos ensues because you try to bring an end to this seems to me not very logical.

I admit that it would be a total surprise to the country if all farmers shared, if all States shared—a remarkable surprise. I think it would be a good surprise, as a matter of fact. That is why I am suggesting what is admittedly a very large change. We are winding up the old and trying out a true safety net for all of us in agriculture.

Let me respond briefly on the nutrition side. The distinguished chairman has pointed out what he believes are deficiencies in my approach. Let me say that, at the bottom line, we may not provide as much information about how you get the benefits, and perhaps that is a deficiency, but we simply provide more food, more nutrition for millions more Americans. That is pretty fundamental.

The outlays in our bill are $4.1 billion, and the chairman's bill is $2.1 billion. That is twice as much food. In ours, the budget authority is 3.7 and his is 1.6—twice again. It is very hard to match the quantity of the service, the number of people being affected, by getting into the particulars.

Having said that, I am perfectly willing to work with the chairman, as he knows, to try to find whatever deficiencies we can meet, making certain that all Americans know of the possibility for whole meals. That is our intent, to have a very strong nutrition safety net with the assistance of almost every group in our society; they have been working at this longer than the chairman and I have.

I hope Members will vote for my amendment. I believe it is a significant change that will lead not only to less subsidization but to higher prices, higher real market values that come to farmers, with a safety net in the event there are weather disasters, trade disasters, and other things well beyond the ability of farmers to control.

I yield the floor.

Ms. CANTWELL. Mr. President, I rise today to discuss the Lugar amendment to the Farm bill before us and to

express my strong support for the nutrition provisions included in the underlying bill as introduced by Senator HARKIN.

I want to make it clear that while I appreciate Senator LUGAR's investment in food stamps and food nutrition programs, I oppose the Lugar provisions on the commodity title because it undermines a crucial safety net for our Nation's farmers. These commodity assistance programs are vital to the competitiveness and survival of the U.S. farming base and the rural communities that depend on a healthy agricultural economy.

I applaud Senator LUGAR's attention to the need to expand the Food Stamp Program in this difficult economic time. The Food Stamp Program is one of the most effective and efficient ways we directly help low-income families, and the elderly and disabled. The language in Senator HARKIN's bill will make this important program more efficient and effective for those who rely on it most.

There is no doubt that the economy is weaker than it was at this time last year—or even this summer when we passed President Bush's tax cuts. In fact, the Congressional Budget Office, CBO, announced on Monday that the country has a $63 billion deficit in the first 2 months of the new fiscal year. CBO's report attributes most of the extra spending to increased Medicaid costs and unemployment benefit claims.

This does not surprise me, especially when one considers these indicators of the current state of Washington's economy: Unemployment rose a half-point in October to reach 6.6 percent in the State—the highest rate in the Nation; new claims filed for unemployment insurance claims rose 33 percent over the same month last year; we now have the highest number of initial unemployment insurance claims since 1981; and unfortunately, one of our strongest and most stable employers—Boeing—has announced that 14,000 of its workers in Washington State are going to be out of a job by next summer. This news is absolutely devastating for my State—according to the Seattle Chamber of Commerce, for every Boeing job lost the region loses another 1.7 jobs.

There is no doubt that our economy works best when people are working. But when people lose their jobs, they need help to manage their unemployment, train for new jobs, and make an easy transition to new careers. And this includes broad-based assistance to families, especially through the food stamp and other Federal nutrition programs. If families are hungry and not meeting their basic needs, they certainly cannot focus on the training they need to attain long-term stability and self-sufficiency.

I believe that strengthening the Food Stamp Program to assist low-wage workers and those recently out of work is a critical component of Congress's response to the weakening economy. Unfortunately, as the economy deteriorates many working families are joining the lines at local food banks. Just this week, the Seattle Times reported on the food shortages in our area food banks and the fact that so many families are now seeking assistance from the very food banks to which they once donated. In fact, food stamp participation in Washington State increased over the last 12 months by 8.2 percent. But I am particularly concerned about those who are eligible for food stamps but do not use them since we passed the 1996 welfare reform legislation, food stamp participation rate decreased 32.2 percent in Washington State.

Sadly, the percentage of households with children facing food insecurity—those who do not know where their next meal is coming from—is higher in Washington State than across the rest of the country. And food insecurity among emergency food recipients—those going to food banks, to emergency kitchens and shelters—is nearly 50 percent higher in Washington than the rest of the country. And this is despite the fact that over 315,000 people in the State of Washington participate in the Food Stamp Program, and 153,000 people participate in the Women, Infants, and Children, WIC, Program.

I strongly support the nutrition provisions in the underlying bill. In order to address the increasing need for food stamp and other Federal nutrition support, Senator HARKIN has increased mandatory food stamp spending by $6.2 billion over the next 10 years.

The Harkin Farm bill provides an extension for transitional food stamps for families moving from welfare to work; extension of benefits for adults without dependents; and increased funding for the employment and training program. The bill would allow households with children to set aside larger amounts of income before the food stamp benefits would begin to phase out.

Importantly, the bill simplifies the program for State administrators and participating families. Specifically, it simplifies income and resource counting, calculation of expenses for deductions, and determination of ongoing eligibility in the program. Together, these improvements will help both States and recipients because they lower burdens and increase coordination with other programs, such as Medicare, TANF, and child care, that the States administer.

I am particularly pleased that the bill restores food stamp benefits for all legal immigrant children and persons with disabilities. According to Census data, 27 percent of children in poverty live in immigrant families, 21 percent are citizen children of immigrant parents, and 6 percent are immigrants themselves.

Unfortunately, many citizen children of legal immigrants who remain eligible for the Food Stamp Program are not participating. Many of their families are confused about food stamp eligibility rules, and in some cases, the child's benefit is too small for the household to invest the effort to maintain eligibility. In fact, since 1994, over 1 million citizen children with immigrant parents have left the program despite remaining eligible.

After the Federal Government eliminated food stamp benefits for legal immigrants Washington State was the first State to put its own funds toward restoring food stamp eligibility for legal immigrants. The State Food Assistance Program uses State funds to support legal immigrants who were disqualified as a result of the 1996 welfare reform law. In fact, 11 percent of all food assistance clients in WA State are legal immigrants. This bill restores the Federal commitment to ensuring that legal immigrants have access to these important Federal programs.

When we passed President Bush's tax cut, I said that I believed the country is at a critical juncture in setting our fiscal priorities—deciding between maintaining our fiscal discipline and investing in the Nation's future education and health care needs, or cutting the very services used daily by our citizens. That statement is even more relevant today. Passing the food stamp expansions included in the Harkin Farm bill gives working families struggling to make ends meet the security they need in these uncertain times.

The PRESIDING OFFICER. Who yields time? If no one yields time, time is charged equally to both sides.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. LUGAR. Mr. President, my understanding is that I have a minute and a half, which is declining as time goes by equally charged to both sides. So as opposed to seeing all of that decline, let me say I am most hopeful we are going to have a strong vote for the Lugar amendment because I believe it is a good amendment for all Americans.

I stress that because sometimes in our zeal in these agricultural debates we are doing the very best we can for those in agricultural America, and that may be in many of our States as much as 2 percent of the population. But the rest of America also listens to this debate and wonders why there should be, as in the underlying bill, a transfer of $172 billion over the next 10 years from some Americans to a very few Americans—particularly, if 60 percent of the farmers don't participate at all and if it is narrowed to those who have very large farms. Most Americans, when confronted with that proposition, don't like it.

I am preaching today, I suppose, to the choir of all Americans and hoping that agricultural America also understands that if we are ever to have higher prices and market solutions on farms, we must get rid of the subsidies that are a part of the underlying bill. And I do that. At the same time, I provide assurance and a safety net which I believe is equitable to all farmers and likewise to all Americans who look into this and find at least some hope for farm legislation as we discuss the Lugar amendment. I ask for the support of my colleagues. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Six minutes.

Mr. HARKIN. Mr. President, the Senator from Indiana just mentioned in rebuttal to my remarks about how not all farmers are getting benefits under this farm program. He is right. I believe the committee bill begins to change that somewhat. We include a conservation title in our bill that was supported unanimously by the committee that will begin to direct some funds toward those farmers who have not been included in our farm programs in the past—our vegetable farmers, organic farmers, fruits, minor crops. Now they will be able to get benefits from farm programs if they practice responsible stewardship of the land, protect the soil, and protect the water.

Quite frankly, I believe this is going to be one of the best provisions for other areas of the country that have not participated before in our farm programs. That is in the committee bill. I know Senator LUGAR's amendment does not touch that, but I understand there is going to be an amendment offered by Senators COCHRAN and ROBERTS that will take that away.

I hope those who believe that we have to expand our reach and include more farmers in our farm programs will oppose that amendment because this is the one element that will go out to help those smaller farmers and the farmers who have not been in the major crops before.

We also have an energy title. That energy title is new in this bill. Again, the Lugar amendment does not touch that. I understand that. I am not talking about that. The Cochran-Roberts amendment will basically defund all that. That is another provision that can help a lot of our smaller farmers and others who have not been included in farm programs in the past.

I wanted to make the point we have taken strides to reach out in this bill to get farm program benefits to all regions of America.

Senator LUGAR also spoke about low prices and overproduction. The answer to low farm prices is not to idle half of America and to put all these farms out of business. That certainly should not be our answer. If you like imported oil, you will love imported food. That seems to be the answer. We will just shut down all the farms in America and buy our food from overseas. Good luck when that starts happening.

We need agriculture. We need food security for our own Nation. We need to find new markets, new outlets for the great productivity, the great production capacity of American agriculture. That is what we need—new markets.

Conservation is a marker. I believe energy is a new marker. Whatever we can make from a barrel of oil we can make from a bushel of soybeans or a bushel of corn or a bushel of wheat. Biomass energy, plastics, biodiesel, ethanol—think of the possibilities—pharmaceuticals. There are all kinds of items that come from our crops that we have not even tried. I believe that is what this bill also starts to do: find those new markets for the great productive capacity of America in agriculture.

The answer is not just to shut down half of America. That is not the answer at all. Think what that is going to do to our small towns, our rural communities, our families if we do that.

We have to keep the production going. We have to find new markets, and that is what we start to do in this bill.

I believe also we have met all of the objectives of the nutrition community. We met with them. They testified before our committee on more than one occasion. Quite frankly, we met basically their objectives.

I also point out when Senator LUGAR says he provides more money for food—maybe yes, maybe no. Really what the Lugar amendment does is it increases the standard deduction a little bit. There are some additional provisions for able-bodied adults without dependents, but most of the money that is in the Lugar amendment is in simplifying rules, in simplifying programs. We include some of those in ours, but he goes a little bit further.

I still believe the most important thing we can do is to provide the underpinning of nutrition, as we did in the committee bill, and then do more outreach to make sure people who are eligible for food stamps know they can get them and make it easier for them to apply for food stamps. We do that in our bill. That outreach, quite frankly, is not in the Lugar amendment.

I think it is arguable whether the Senator provides more food than we do. I believe I can make the case we actually would provide more food because we do more outreach and get more people involved in the Food Stamp Program. We provide better commodity purchases for our school lunch programs. I believe that is a wash. Keep in mind the Lugar amendment destroys all our commodity programs, and we are not going to do that.

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

Mr. HARKIN. I understand all time has expired. I move to table the Lugar amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 70, nays 30, as follows:

[Rollcall Vote No. 363 Leg.]

YEAS—70

Akaka	Dorgan	Lincoln
Allen	Durbin	Mikulski
Baucus	Edwards	Miller
Bayh	Feingold	Murray
Biden	Feinstein	Nelson (FL)
Bingaman	Fitzgerald	Nelson (NE)
Bond	Graham	Reid
Boxer	Gramm	Roberts
Breaux	Grassley	Rockefeller
Brownback	Harkin	Santorum
Byrd	Helms	Sarbanes
Cantwell	Hollings	Schumer
Carnahan	Hutchinson	Sessions
Carper	Hutchison	Shelby
Cleland	Inhofe	Smith (OR)
Clinton	Inouye	Snowe
Cochran	Jeffords	Specter
Conrad	Johnson	Stabenow
Craig	Kerry	Torricelli
Crapo	Kohl	Warner
Daschle	Landrieu	Wellstone
Dayton	Leahy	Wyden
DeWine	Levin	
Dodd	Lieberman	

NAYS—30

Allard	Enzi	McConnell
Bennett	Frist	Murkowski
Bunning	Gregg	Nickles
Burns	Hagel	Reed
Campbell	Hatch	Smith (NH)
Chafee	Kennedy	Stevens
Collins	Kyl	Thomas
Corzine	Lott	Thompson
Domenici	Lugar	Thurmond
Ensign	McCain	Voinovich

The motion was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, we are making progress on the farm bill. We have a couple of big amendments that were very thoroughly debated and voted on. We are ready to move ahead with other amendments. We are ready to move on. If other Senators have amendments, we are open for business. We hope people will come forward. We have maybe some reasonable time limits. On the Lugar amendment we had a decent time limit. We debated it thoroughly.

It is vitally important that we finish this farm bill and that we do it expeditiously. I do not know exactly when we are going to go home for Christmas. This farm bill needs to be finished. We need to finish it expeditiously. The House passed their bill, and we need to pass ours and go to conference.

We can finish this bill today. I see no reason we can't finish it today if we have some healthy debate on a couple more amendments. I know Senators COCHRAN and ROBERTS have an amendment they want to offer, which is a major amendment. We could debate that today and have a vote on that

today. There are perhaps other amendments. I haven't seen any, but I have heard about some. I think we could move through this bill today and get it finished and go to conference.

I urge all Senators who have amendments to come to the floor.

Mr. DORGAN. Mr. President, will the Senator yield for a question?

Mr. HARKIN. I am delighted to yield to my friend from North Dakota for a question.

Mr. DORGAN. Mr. President, I certainly share the Senator's interest in trying to conclude this farm bill or consideration of the farm bill. I am wondering, is there any opportunity at some point today to attempt to get a list of those who have amendments who wish to offer them on this legislation?

Mr. HARKIN. I think the Senator has made a good suggestion and a good inquiry. I hope that at sometime today, with the leaders of both sides, we can have a finite list of amendments, that we can agree on those, and move ahead, because if we do not, we will just be here day after day after day after day, and, as the Senator well knows from his experience here, this could go on indefinitely.

So we do need to get a finite list. I hope we can get that done, I say to my friend.

Mr. DORGAN. If the Senator will yield further, I know it is certainly the goal of the Senator from Iowa to get a bill through the Senate, have a conference, and then get it on the President's desk for signature before we conclude this session of Congress. While I know that is ambitious, it certainly is achievable. I think we have the opportunity to finish this bill today or tomorrow. I know the chairman of the House Agriculture Committee is very anxious to go to conference.

Is the Senator aware that the chairman of the House committee has indicated he is very anxious to begin a conference, which suggests if we can get a bill completed through the Senate, and get it to conference, we will be able to perhaps get it out of conference and on to the White House?

Mr. HARKIN. I say to my friend from North Dakota, I think it is definitely possible we can get this done. I know that Congressman COMBEST and Congressman STENHOLM, the two leaders of the Agriculture Committee on the House side, are anxious to get to conference. They have basically looked over what we have here, and we have looked over what they have in their bill. Really, I do not think the conference would take that long. But we just have to get it out of the Senate.

Mr. DORGAN. One final question, if I might. I suspect the Senator from Iowa has been asked a dozen times now, before 11 o'clock, when we are going to finish this session of Congress or when we are going to finish this bill. I think everyone around here kind of wants to know when this session of Congress might end.

That makes it all the more urgent we finish our work on this bill because this bill, the stimulus, Defense appropriations, and a couple of others need to be completed. I appreciate the work of the Senator from Iowa and the Senator from Indiana. And I know the Senator from Mississippi is going to have an amendment.

I really hope we can have a good debate on important farm policy and then proceed along and see if we can get this bill into conference in the next 24, 48 hours. I appreciate the work of the Senator from Iowa and the Senator from Indiana.

Mr. HARKIN. I thank the Senator from North Dakota.

Seeing the Senator from Minnesota, who wants to speak, I yield the floor.

The PRESIDING OFFICER (Mr. FEINGOLD). The Senator from Minnesota.

Mr. BYRD. Will the Senator yield?

Mr. DAYTON. Sure.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, while the leader is on the floor and while Mr. BAUCUS is on the floor, will the Senator yield to me for 5 minutes?

Mr. DAYTON. I yield.

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

FAST TRACK

Mr. BYRD. Has the Finance Committee reported out the fast track?

Mr. BAUCUS. No.

Mr. BYRD. Is it going to today?

Mr. BAUCUS. Yes.

Mr. BYRD. When?

Mr. BAUCUS. In about an hour.

Mr. BYRD. Does the committee have permission to meet?

Mr. BAUCUS. I don't know.

Mr. HARKIN. No.

Mr. BYRD. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, for the information of the Senate, what is the rule with respect to the meeting of committees during the operation of the Senate while the Senate is in session?

The PRESIDING OFFICER. When the Senate is in session, the committees may meet for 2 hours, but not beyond that, and not beyond 2 p.m.

Mr. BYRD. As of today, when would that time expire?

The PRESIDING OFFICER. At 11:30.

Mr. BYRD. At 11:30.

The PRESIDING OFFICER. At 11:30 a.m.

Mr. BYRD. So the committee may not meet after 11:30 without the permission of the Senate?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I put the Senate on notice I will object to that committee meeting after 11:30 today while the Senate is in session.

Mr. President, along that line, may I say I have asked the chairman of the Finance Committee to give some of those of us who are opposed to fast track an opportunity to appear before the committee. I am not on the Finance Committee. I would like to have an opportunity to appear before that committee and speak against fast track. That is all I am asking.

I made that personal request of the chairman of the committee yesterday, and he said: Well, I could appear before the committee after it had acted on fast track, after it had marked up the bill.

Well, there is no point in my appearing before the committee after it has marked up the bill. That is a really silly suggestion, if I might say so: I will make my impassioned plea to the committee after the committee has met and marked up the bill. Why should I go appear before the committee after that committee has marked up the bill? What a silly proposition.

Mr. President, there are those of us—there are a few around here—who object to fast track. And I am sorry the distinguished chairman of that committee said no.

Now, as chairman of the Appropriations Committee, I don't think I would say that to any Senator. I would not say it to a Republican Senator; I would not say it to a Democratic Senator. The very idea, on a matter as important as fast track to discuss around here—I am just disappointed a Senator would get that kind of a brushoff.

Now understand, I went to the distinguished chairman yesterday and asked him if he would mind putting that matter off and allow some of us—or a few of us; I know one Senator who is against fast track—to allow us to appear before the committee. And I got kind of a brushoff, I would say. Well, all I could say was I was disappointed. I am still disappointed.

Let me read a section of the Constitution to Senators. Section 7 of article I, paragraph 1:

> All Bills for raising Revenue shall originate in the House of Representatives; but——

Get this——

> but——

Mr. President, may we have order in the rear of the Senate.

The PRESIDING OFFICER. The Senate will come to order, please.

Mr. BYRD. So I come to the conjunction ''but''—paragraph 1, section 7, article I, of the U.S. Constitution. Here is what it says:

> but the Senate may propose or concur with Amendments as on other Bills.

Now, we all know that when fast track is brought to the Senate, Senators may not propose amendments. In my way of reading the Constitution, that is not in accordance with what the Constitution says. What did the Framers mean? It is obvious that they meant the Senate could amend on any bill.

Let me read the whole section again, the whole paragraph, section 7:

All Bills for raising Revenue shall originate in the House of Representatives; but——

B-U-T——

the Senate may propose or concur with Amendments as on other Bills.

It doesn't say it ''shall.'' The Senate may not want to offer any amendments, but it ''may.''

But now we come along with this so-called trade promotion authority. Ha, what a misnomer that is. And that is plain old fast track. And a lot of Senators and House Members are going to go to their oblivion on fast track if the people back home ever wake up to what is going on.

. . . but the Senate may propose or concur with Amendments as on other Bills.

It doesn't say ''on some other Bills'' or ''on certain other Bills.'' It says ''as on other Bills.''

It seems to me the Senate has a right to amend. And I know there are some of us who sought to appear before the Supreme Court on the subject of the line-item veto, and the Supreme Court ruled that we do not qualify because we personally were not injured by the line-item veto. But on a case which was later brought by parties that did qualify as having been injured, the Supreme Court ruled the line-item veto was unconstitutional.

I wonder what the Supreme Court would say about fast track, especially in light of this constitutional provision. I am here to raise that question. If the committee can complete its business before 11:30, that will be in accordance with the rules. But if it doesn't, I hope somebody on that committee will make the point that the committee does not have permission to meet. I would object to any request made for that today.

I thank the distinguished Senator for yielding.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DAYTON. I thank the distinguished Senator from West Virginia for raising a very important issue at this time. I ask unanimous consent that I may be permitted to speak for up to 15 minutes as in morning business.

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

Mr. BIDEN. Will the Senator yield briefly for a unanimous consent request?

Mr. DAYTON. I will yield while retaining my right to the floor.

Mr. BIDEN. I ask unanimous consent that at the cessation of the Senator's 15 minutes I be recognized to proceed for up to 15 minutes as in morning business, unless the managers of the bill have some business relating to the bill.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, we should give the Republicans, if they wish, 15 minutes in morning business following the Senator from Delaware.

The PRESIDING OFFICER. Is there objection to the request as amended by the Senator from Nevada?

Without objection, it is so ordered.

The Senator from Minnesota.

ECONOMIC STIMULUS

Mr. DAYTON. Mr. President, much has been said during the last weeks, regarding the negotiations between the Senate and the House over economic stimulus legislation. Most recently, the rhetoric of House Republican leaders and even a couple of our Senate colleagues has become heated and even vitriolic. Some of their comments about our majority leader would be expected from a bunch of adolescents in a junior high school locker-room. They reflect much more on those who utter them than on the person about whom they are intended.

The House Republican leadership also seems unduly preoccupied with the process our Senate Democratic Caucus reportedly might use to consider this proposed legislation. I really don't see how that is any of their concern. What they should be concerned about, instead, is how their proposals will affect our national economy and the citizens of our country.

If people are wondering why we Senate Democrats are being so resolute, they should look at what the House Republicans are trying to foist upon us. Remember that their package was called ''show business'' by the Secretary of the Treasury. And that's the nicest thing one could say about it! It is a huge bundle of holiday goodies to the people who need them the very least: the wealthiest Americans and the largest corporations.

Much of the House bill has nothing to do with providing an economic stimulus. Rather, it is a massive giveaway of taxpayer dollars. Take their proposal to repeal the corporate alternative minimum tax. That is a provision which requires profitable businesses, with numerous deductions, to pay a minimum amount of corporate taxes. Without it, they would pay little or even nothing.

But the House Republicans did not only repeal this tax, they also made it retroactive to 1985, and they would immediately refund all the money companies paid under this provision during the last 15 years.

According to the Wall Street Journal, that would result in a lump sum payment of $2.3 billion to the Ford Motor Company; $1.4 billion to IBM; $671 million to General Electric; $608 million to Texas Utilities Company; $572 million to Chevron Texaco; $254 million to Enron—in total, $25.4 billion of corporate payouts.

It is bad enough that these huge checks come from the U.S. Treasury, from the taxes paid by working Americans. What is even worse is that they would actually come out of the Social Security Trust Fund's surplus. That is because the surpluses in the other funds—in the Federal general fund and in the Medicare Fund—have already been wiped out by last spring's excessive tax cut and by the current recession. Now the House Republicans want to use the only surplus left: in the Social Security Trust Fund, to give these huge cash payments to mostly profitable corporations, and masquerade them as economic stimulus. Minnesota's largest newspaper, the Star-Tribune, in an editorial, called the House stimulus package, ''. . . a brazen giveaway to affluent corporations.'' The Star-Tribune went on to say,

Senate Republicans vowed to do better—and they introduced an economic stimulus package that is a brazen giveaway to affluent individuals.

What the two packages have in common, apart from appeasing narrow constituencies, is that they have turned fiscal stimulus inside out. They would do almost nothing to help the ailing economy today, but would continue to drain away Federal tax revenues for years to come, long after the economy has recovered.

To their credit, Senate Republicans rejected most of the corporate tax breaks that somehow found their way into the House fiscal package. Those provisions are so arcane and so irrelevant to the economy's current plight, that they could only have been written by corporate lobbyists.

But the Senate GOP approach has an entirely different set of flaws. Its main tactic is to accelerate a series of rate cuts in the individual income tax, cuts that were supposed to phase in during the next several years. Because these rate reductions go exclusively to upper-bracket taxpayers, the Center on Budget and Policy Priorities estimates that 55 percent of the tax relief would go to the top one percent of households. That is bad stimulus policy, because such households, already spending at high levels, tend to save more new money than they spend. It is also disastrous fiscal policy, because three-quarters of the tax cuts would take place after 2002, making Washington's long-term budget outlook even worse than it is today.''

The Senate Republicans' proposal, which is also the President's proposal, would give $500,000 over 4 years to families making $5 million a year. And that figure illustrates another unwise feature of their plan. It's not just a one-time, economic stimulus, it gives continuing tax reductions to the wealthiest Americans, even after an economic recovery is underway.

The Republicans' insistence on these egregious proposals is why we don't have an economic stimulus bill today. I want to thank—and I believe the American people will thank—our Majority Leader, Senator DASCHLE, and our two principal Democratic negotiators, Senator BAUCUS and Senator ROCKEFELLER, for standing strongly against these giveaways, and for insisting on a bill that will provide a real, immediate economic stimulus. Our Democratic stimulus bill will direct money to working Americans, to people who have lost their jobs during this recession, and to businesses specifically for reinvestments in our economic recovery.

As the negotiations continue, I am hopeful that leaders in both Houses, from both parties, will retain those principles.

I am approaching the end of my first year of service in the U.S. Senate. I remain extraordinarily grateful to the people of Minnesota for giving me this opportunity. It has been a remarkable year for me, and for all of us. I have developed an enormous respect for the Senate, as an institution, and for many of its Members.

Yet, this economic stimulus debate reminds me of what I most disliked about Washington before I arrived here, and what I have seen too much of while I have been here. It is the national interest being subverted by special interests; subverted by the special interests of the most affluent people and the most powerful corporations in America, by the individuals and institutions who already have the most and want more and more and more.

When I arrived here a year ago, we were looking at optimistic forecasts of Federal budget surpluses totaling trillions of dollars during the coming decade. What a wonderful opportunity, I thought we all would have to put this money to work for America by improving our Nation's schools, highways, sewer and water systems, and other infrastructure.

What an opportunity for all of us to work together and fulfill a 25-year broken promise that the Federal government would pay for 40 percent of the costs of special education in schools throughout this country. What a tremendous accomplishment in which we could all share: provide better educations and lifetime opportunities to thousands of children with disabilities; allow school boards and educators to restore funding for regular school programs and services, so that all students would receive better educations; and reduce the local property tax burdens of taxpayers to make up for this broken Federal promise.

I thought another of our top priorities would be a prescription drug program, to help our nation's senior citizens and people with severe disabilities afford the rising costs of their prescription medicines. During my campaign last year, I listened to so many heartbreaking stories of suffering and despair by elderly men and women—the most vulnerable, aged, and impoverished among us. They are good people, who have worked hard and been upstanding citizens throughout their lives. Yet, their retirement years are now being ravaged by the effects of these escalating drug prices on their fixed and limited incomes. Many seniors have cried as they told me their stories. Some have even told me they prayed to die rather than to continue to live in such desperation.

The budget resolution we passed last spring provided $300 billion to fund a prescription drug program to help relieve these terrible financial burdens and to lift these good and deserving people out of their black despair. Yet, not one piece of legislation to accomplish this purpose has made it to this Senate floor this year. Not one.

Now, we're told, these anticipated budget surpluses have disappeared. There won't be enough money to fully fund special education. There won't be enough money for a prescription drug program.

Yet, there was enough money last spring to fund a $1.3 trillion tax cut—40 percent of whose benefits will go to the wealthiest one percent of Americans. Not enough for schoolchildren and the elderly. Over $5 billion to millionaires and billionaires.

And now they are at it again. Those in Congress who championed last spring's huge tax giveaway are proposing another one under the guise of an economic stimulus. And at the very same time, House Republicans on the Education Conference Committee have rejected the Senate's proposal to increase funding for special education to its promised 40 percent.

They claim the entire IDEA program must first be reformed. Yet, a few weeks ago in the House, they passed an energy bill, giving over $30 billion in additional tax breaks to energy companies and utilities. They didn't require any reform from them. The administration hadn't even requested these tax breaks—but the House Republicans just gave them to the big energy companies and utilities anyway.

There always seems to be enough money around here for the rich and the powerful, be they people, corporations, or other special interests. But there's no money for special education funding for children or for prescription drug coverage for seniors.

It's very hard for me to understand how 535 Members of Congress, who were elected to represent the best interests of all the American people, could have produced this result. It's very hard for me to explain it to the schoolchildren, parents, educators, and senior citizens I see back in Minnesota. And it's, thus, very, very hard for me to witness yet more of the same going into this so-called economic stimulus legislation.

We should pass a good economic stimulus package. It would benefit our country. But we would better do nothing than to pass another shameful example of greed and avarice once again.

I yield the floor.

Mr. BIDEN. Mr. President, parliamentary inquiry: Am I able to proceed for 15 minutes as in morning business?

The PRESIDING OFFICER. Under the previous unanimous consent, the Senator may proceed for 15 minutes.

DEFEATING AND PREVENTING TERRORISM TAKES MORE THAN MISSILE DEFENSE

Mr. BIDEN. Mr. President, I rise this morning to speak to a decision that I am told and have read is about to be made by the President—a very significant decision and, I think, an incredibly dangerous one—to serve notice that the United States of America is going to withdraw from the ABM Treaty.

Under the treaty, as you know, a President is able to give notice 6 months in advance of the intention to withdraw.

Mr. President, we live in tumultuous times. The transition from the old cold war alignments to new patterns of conflict and cooperation is picking up speed. This transition is not quiet, but noisy and violent. For 3 months now, it has been propelled by a new war.

In the modern world, high technology and rapid communications and transportation put our own country and our own people on the front lines of that war. We are on the cutting edge of revolutionary developments in everything from medicine to military affairs.

We are also on the receiving end of everything from anthrax to the attacks of September 11—and we will remain vulnerable in the years to come. The question is: how vulnerable?

How shall we deal with this accelerated and violent transition? How well is the Administration dealing with it?

And is their primary answer—withdrawing from ABM and building a star wars system—at all responsive to our vulnerabilities?

We can find some answers in both the experience of the last 3 months and the President's speech yesterday at the Citadel.

Wars are chaotic events, but they impose a discipline upon us.

We must focus on the highest-priority challenges.

We must use our resources wisely, rather than trying to satisfy every whim.

We must seek out and work with allies, rather than pretending that we can be utterly self-reliant.

How well have we done? In the short run, very well indeed.

Our people and institutions rose to the occasion on September 11 and in the weeks that followed.

We took care, and continue to take care, of our victims and their families.

We resolved to rebuild.

We brought force to bear in Afghanistan, and used diplomacy in neighboring states and among local factions, to prevail.

We have also gained vital support from countries around the world, although we have been slow to involve them on the ground. We have shared intelligence and gained important law enforcement actions in Europe in the Middle East, and in Asia.

We have begun to take action to combat bioterrorism. At home, we have learned some lessons the hard way and we have accepted the need to do more. We are stepping up vaccine production.

But we have yet to take the major actions that are needed to improve our public health capabilities at home—or our disease surveillance capabilities overseas, to give us advance notice of epidemics or potential biological weapons.

Neither have we moved decisively to find new, useful careers for the thousands of biological warfare specialists

in Russia who might otherwise sell their goods their technology or their capabilities to Iran or Iraq, to Libya, or to well-funded terrorists.

This is no longer a matter for just those of us who have intelligence briefings to know—and we have known this for a long time. Now the world knows that rogue states and terrorists have, in fact, attempted to buy nuclear weapons, biological weapons, and chemical weapons.

The President recognizes the problem of bioterrorism, and listed it in his speech yesterday. At the Crawford summit, President Putin and he promised more cooperation to combat bioterrorism. So far, however, there has been a great deal more talk than action. Al-Qaida's eager quest for weapons of mass destruction has, in my view, highlighted and brought home to every American the importance of nonproliferation, of closing down the candy store, so to speak, where all these radical wackos go to shop.

The President understands this. In his speech yesterday, after talking about the need to modernize our military, he said:

> America's next priority to prevent mass terror is to protect against proliferation of weapons of mass destruction and the means to deliver them. . . .
>
> Working with other countries, we will strengthen nonproliferation treaties and toughen export controls. Together we must keep the world's most dangerous technology out of the hands of the world's most dangerous people.

That is correct and well-phrased rhetoric. It gives nonproliferation a high priority. It recognizes the importance of international treaties. But where, Mr. President, are the actions to match that rhetoric? The President offers only a new effort ''to develop a comprehensive strategy on proliferation,'' something he has been promising for over a year.

Meanwhile, just last week, the United States of America singlehandedly brought to an abrupt and confusing halt the Biological Weapons Convention Review Conference that is held every 5 years. Why? Because the administration was determined not to allow any forum for the negotiation of an agreement to strengthen that convention.

This was diplomacy as provocation, in my view, and it was and is a self-defeating approach. It undermined our efforts to achieve agreement on proposals we made earlier in the conference, such as to address the need for countries to enact legislation making Biological Weapons Convention violations a crime. We asked that it be made a crime to violate the convention. We proposed that, but then we shut down the conference, killing even our own proposal, because we did not want any further discussion or a possible new agreement.

The President may understand the need to work with other countries, but some people under his authority do not seem to get it. For that matter, where are the actions to promote nonproliferation across the board?

The White House review of our programs in the former Soviet Union has been limping along for over 10 months. But when the fiscal year 2002 budget was presented, we were told the funds for Nunn-Lugar were being reduced. Those are the funds we use to send American personnel to Russia to dismantle their nuclear weapons delivery systems their strategic bombers and missiles.

We were told that the cut was not permanent, that the reason was they were reviewing whether or not the money was being well spent. While they are reviewing, those nuclear-tipped missiles sit there, and the inability of the Russians to dismantle them because of lack of money or capability still exists. Thus, we got promises of new efforts, but in the fiscal year 2002 budget there is actually a cut in these programs. The Department of Defense has left so many funds unspent that the appropriators tried to cut the Nunn-Lugar program just to get the Pentagon's attention.

Nonproliferation is, thus, our No. 2 priority, but the engine is still in first gear. The same is true of our supposed top priority: modernizing our military. The vaunted rethinking process in the Defense Department has yet to produce much that is new, and the fine performance of our forces in Afghanistan owes more to strategy and equipment developed in the Gulf War and the ''revolution in military affairs'' of the last decade than it does to anything new this year.

If you want action with your rhetoric, go down to the No. 3 priority in the President's speech: missile defense. Even there, however, the action is more diplomatic, or rather undiplomatic. If news reports are correct—and I know they are, based on my conversation today with the Secretary of State—the President will shortly announce his intention to withdraw in 6 months' time from the Anti-Ballistic Missile Treaty of 1972.

Russia will not like that. Some here will say: So what? What does it matter what Russia likes or does not like? But none of our allies likes it either. And China, I predict, will respond with an arms buildup, increasing tensions in South Asia, causing India and Pakistan to reconsider whether to increase their nuclear capability and, as strong as it sounds, in the near term—meaning in the next several years—this will cause the Japanese to begin a debate about whether or not they should be a nuclear power in an increasingly dangerous neighborhood. All of that is against our national interest.

But the President will invoke Article XV of the ABM Treaty, which allows a party to withdraw ''if it decides that extraordinary events related to the subject matter of this Treaty have jeopardized its supreme interest.'' In my view, invoking this clause is a bit of a stretch, to say the least. No new enemy has fielded an ICBM missile, which is the only missile our national missile defense is intended to stop. Tactical missile defense is not barred by the ABM Treaty, and Russia has said it would even amend the treaty to permit an expanded United States testing program. So where is the jeopardy to our supreme interest?

The administration has said it wants to conduct tests that would breach the ABM Treaty, but the head of the Ballistic Missile Defense Organization in the Pentagon told Congress earlier this year that no breach was needed to do all the tests that were needed and scheduled.

Informed scientists say the features added to the test program that might breach the treaty, which the Defense Department presented to the Armed Services Committee several months ago, are far from necessary, especially at this time. Phil Coyle, the former chief of testing for the Pentagon, says we can conduct several years of needed testing without having to breach the treaty's terms.

The administration wants to build an Alaska test bed with several missile silos at Fort Greely that it says could be used for an emergency deployment. But the new interceptor missile for the missile defense will not be ready yet. The so-called ''kill vehicle,'' the thing that separates from the interceptor missile and hits the incoming warhead, will not have been tested against realistic targets yet. And the radars supporting this system, the battle management capabilities, are pointed at Russia, so they will not even see a North Korean missile as it flies into southern California, following the scenario cited by those who try to justify building a limited missile defense system.

So where is the real action on missile defense? Is the announcement of our intent to withdraw from the ABM Treaty a real action, or is it a White House Christmas present for the right wing, who dislike arms control under any circumstances and see this season of success in Afghanistan, unity on foreign policy, and Christmas as a propitious moment to make this announcement?

Is now the time for unilateral moves—now, while we are still building coalitions for a changed world in which old enemies can reduce their differences, at a minimum on the margins, and maybe even work together out of their own self-interest?

We are in a time of great risk. But there is also great opportunity. Despite the horrors visited upon us on September 11, the truth is we were attacked by the weakest of enemies. Al-Qaida is a group that no civilized state can tolerate. It was sheltered by a regime with almost no international legitimacy and little support, even in its own land. Its goals and methods were so extreme as to be an object lesson to the world on why we must oppose all international terrorism. Many of its

members and supporters, lacking in Afghanistan the popular support that in other wars have enabled guerillas to blend into the landscape, were left to fight an armed conflict in which our side could readily prevail, as we have done.

Meanwhile, the vast majority of countries, including some longtime adversaries, have lined on up on our side. Their cooperation has been and will remain important in our war effort, in the war against terrorism. The war has also opened doors that have been shut for many years. Opportunities have expanded for cooperation on issues of mutual concern. As the President said yesterday at the Citadel:

> All at once, a new threat to civilization is erasing old lines of rivalry and resentment between nations. Russia and America are building a new cooperative relationship.

We must seize the opportunity that this war has afforded us. Clausewitz long ago explained that triumph in war lies not so much in winning battles, but in following up on your victories. The same is true in the broader arena of international politics. We must follow up on the cooperation of the moment and turn it into a realignment of forces for decades to come—so that our grandchildren and great-grandchildren can look back on the 21st century and say that it did not replicate the carnage of the 20th century.

How many Presidents get that opportunity? How many times does a nation have that potential?

Withdrawal from the ABM Treaty will not make nonproliferation, which should be our highest priority and which combats our clearest danger, any easier to achieve. I find that especially worrisome.

A year ago we were on the verge of a deal with North Korea to end that country's long-range ballistic missile program and its sales of missiles and missile technology. Now we seem far away from such a deal, pursuing instead a missile defense that will be lucky to defend against a first-generation attack, let alone one with simple countermeasures, until the year 2010 or much later. What good will a missile defense in Alaska do, if North Korea threatens Japan or sells to countries that would attack our allies in Europe, or sells to terrorist groups that would put a nuclear weapon in the hull of a rusty tanker coming up the Delaware River or into New York Harbor or San Francisco Bay? How does withdrawal from the ABM Treaty help defend against those much more realistic, near-term threats?

What expenditures of money are we going to engage in? How are we going to deal with what Senator Baker, our Ambassador to Japan and former Republican leader, said is the single most urgent unmet threat that America faces, made real by the knowledge that al-Qaida was trying to purchase a nuclear capability?

We must corral the fissile material and nuclear material in Russia as well as their chemical weapons. The Baker-Cutler report laid out clearly for us a specific program that would cost $30 billion over the next 8 to 10 years, to shut down one department—the nuclear department—of the candy store that everyone is shopping in.

Senator LUGAR actually went to a facility with the Russian military that housed chemical weapons. He describes it as a clapboard building with windows and a padlock on the door, although its security has been improved with our help. He could fit three Howitzer shells in his briefcase. Those shells could do incredible damage to America.

How does withdrawal from the ABM Treaty defend against any of that? Which is more likely—an ICBM attack from a nation that does not now possess the capability, with a return address on it, knowing that certain annihilation would follow if one engaged in the attack; or the proliferation of weapons of mass destruction technology and weaponry, so it can be used surreptitiously?

If you walk away from a treaty with Russia, will that make Russia more inclined to stop its assistance to the Iranian missile program? Or will Russia be more attempted to continue that assistance? Russia has now stated, in a change from what they implied would happen after Crawford, that expansion of NATO, particularly to include the Baltic States, is not something they can likely tolerate—not that we should let that influence our decisions on NATO enlargement. Which do we gain more by—expanding NATO to the Baltic States, or scuttling the ABM Treaty with no immediate promises of gaining a real ability to protect against any of our genuine and immediate threats? If we end the ABM Treaty, will Russia stop nuclear deals of the sort that led us to sanction Russian institutions, or will it cozy up to Iran's illegal nuclear weapons program?

The President made nonproliferation the No. 2 priority yesterday and missile defense No. 3. I truly fear, however, that his impending actions on that third priority will torpedo his actions on his No. 2 priority. If that should occur, we and our allies will surely be the losers.

So far, the administration's conduct in the war on terrorism has shown discipline, perseverance, the ability to forge international consensus, and the flexibility to assume roles in the Middle East and in Afghanistan that the administration had hoped it could avoid. In this regard, the American people have been well served, and I compliment the President.

The war is only 3 months old, however, and the new patterns of cooperation and support are young and fragile. We should nourish them and build on them. This is not the time to throw brickbats in Geneva or to thumb our noses at treaties.

We read in Ecclesiastes: A time to tear down and a time to build up. In Afghanistan and elsewhere, we are rightfully and wonderfully tearing down the Taliban and al-Qaida. But if our victories are to be lasting and give lasting benefit, we must simultaneously build up the structures of international cooperation and nonproliferation. The opportunities afforded by a war will not last forever. Today the doors to international cooperation and American leadership are wide open. But if we slam them shut too often, we will lose our chance to restructure the world and we will be condemned to repeat the experience of the last century, rather than move beyond it.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2002—Continued

Mr. REID. Mr. President, we have been on this bill now—we started Monday with debate. We had good amendments offered yesterday, with full discussion. Today we have had a vote on Senator LUGAR's bill, which was in the form of an amendment.

I hope during the next few hours we can have other amendments offered. We are arriving at a point—staff has drawn up a unanimous consent request that I, at a later time, will propound to the Senate. That will be that there be a finite list of amendments so we know the universe from which we are working.

On our side, I say to my friend from Indiana, it appears we have just a few amendments, a very few. Maybe some of those won't even require a vote.

I have been told by various people on the minority side that they have some amendments to offer. I saw here, a minute ago, my friend from New Hampshire. He usually offers a sugar amendment. That is what he might be doing today.

In short, in the not too distant future I will seek approval by unanimous consent agreement to have a time for a finite list of amendments, and then, of course, after that we will ask that there be a cutoff period for the filing of amendments. So I will just put everyone on alert that is what we are going to do. I hope we can move this legislation along.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I have listened to the Democratic assistant leader, the whip. I appreciate the sense of urgency of moving this legislation at this late hour.

We are dealing with a 5-year agricultural policy for our Nation. There is no

question that it is critical and necessary that we deal with it. He and others have chosen to bring it before this body in the final hours of what should be a week toward recess or adjournment, awaiting the next session. I had hoped this would not be the case, but it is.

I would truly appreciate—and I think American agriculture would appreciate—a full debate. We have had that on the bill of the ranking member, Senator LUGAR—his alternative. It was important because it is a clear point of view that needs to be—must be—debated. We will have other alternatives up. I think the Cochran-Roberts alternative provision to the Harkin bill expresses clearly a balanced approach toward a 5-year agricultural policy.

The Senator from Nevada has within the Harkin bill a provision that, for western Senators and arid Western States, is an issue that is an anathema to western water law and the rights of States to determine the destiny of their own water. I and others will want to engage the Senator from Nevada on that issue. That could take some time.

I know of a good number of amendments that I think will be coming. The Senator from New Hampshire is now on the floor to offer an amendment in relation to the sugar program that is both within the Harkin provision and in the Cochran-Roberts provision. That, again, is another important issue for many of the Western States and many of the Southern States. My guess is it will deserve a reasonable and right amount of debate. In my State of Idaho, hundreds of farmers will be impacted, depending upon the success or failure of this amendment.

What I am trying to suggest to the Senator from Nevada is that even at a late hour and this rush to get things done, you don't craft 5-year policy in a day or in a few days. You do a year's policy, oftentimes, because we know we will come back to revisit it again and again every year.

We hope that when we are through here, our work product will be conferenced with the House and with the Secretary of Agriculture and this administration in a way that will establish a clear set of directions for production agriculture in this country. We know that production agriculture over the last good number of years has suffered mightily, under a situation of at or below break-even costs for commodities, for all kinds of reasons.

The chairman of the Agriculture Committee is trying to remedy that in his bill. The ranking member has offered an alternative, and others will offer alternatives that have to be debated. I cannot, nor will I, support a rush to judgment.

Agriculture policy for my State is critical to the well-being of the No. 1 feature of Idaho's economy, and we cannot decide simply, on the eve of Christmas, in an effort to get things done quickly, that we debate something that does not expire until next September.

While I think we have adequate time this week to do so, and maybe next week, to address other issues—because it appears we will be here for some time—then we must do it thoroughly and appropriately. I hope the Senator will not push us to try to get us to a point of collapsing this into just a few more hours of debate. It is much too important to do so.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from Nevada is recognized.

Mr. REID. I say briefly to my friend from Idaho, the Senator answered his own question—certainly mine. There is a lot to do on this bill. I acknowledge that. But we completed our last vote before 11 o'clock today. For the last hour, we have basically listened to people talking about the stimulus bill and the antiballistic missile treaty. The reason they have been talking about those things is there is nothing happening on the farm bill.

If we have these important issues—for example, everyone is familiar with the Cochran-Roberts legislation—let's get them here and get them voted on.

I am happy to see my friend from New Hampshire here. The distinguished Senator has always had a real issue with how sugar is handled. Good, he is here. Let's debate this and vote on it.

I hope, with other matters raised by the Senator from Idaho, people will come forward and do that, that we not have a slow walking of these amendments. We are not trying to rush anyone into anything. But we are saying when there is downtime here when people are not doing anything relating to the farm bill, it is not helping the cause. That is why I think no matter how many amendments there are, there should be a time for filing those amendments.

We are arriving at a point where I am going to ask consent to have a finite list of amendments, and we are going to see if they will agree to have a cutoff time for filing amendments. If that is not the case, then other action will have to be taken.

This legislation is important to America. We are doing everything we can to move it as expeditiously as possible. It is unfortunate that we are working under time constraints. That is how it works in the Senate. We are always busy. There is always something coming up, this holiday or that holiday. The fact is, the farming community of America is more concerned about getting this legislation done than when we go home.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I come to the floor to offer an amendment on behalf of myself, Senator LUGAR, and Senator MCCAIN, cosponsors of the amendment. This amendment deals with what has been a fairly well-debated and discussed issue in our farm policy; that is, how we price sugar in this country. The sugar program in this country has been, in my humble opinion, a fiasco and an atrocity with the inordinate and inappropriate burden on American consumers for years.

I call up my amendment.

AMENDMENT NO. 2466 TO AMENDMENT NO. 2471

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for himself, Mr. MCCAIN, and Mr. LUGAR, proposes an amendment numbered 2466 to amendment No. 2471.

Mr. GREGG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To phase out the sugar program and use any resulting savings to improve nutrition assistance)

Beginning on page 54, strike line 1 and all that follows through page 87, line 8, and insert the following:

CHAPTER 2—SUGAR

Subchapter A—Sugar Program

SEC. 141. SUGAR PROGRAM.

(a) IN GENERAL.—Section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272) is amended—

(1) in subsection (e), by striking paragraph (1) and inserting the following:

''(1) LOANS.—The Secretary shall carry out this section through the use of recourse loans.'';

(2) in subsection (f), by striking ''2003'' each place it appears and inserting ''2006'';

(3) by redesignating subsection (i) as subsection (j);

(4) by inserting after subsection (h) the following:

''(i) PHASED REDUCTION OF LOAN RATE.—For each of the 2003, 2004, and 2005 crops of sugar beets and sugarcane, the Secretary shall lower the loan rate for each succeeding crop in a manner that progressively and uniformly lowers the loan rate for sugar beets and sugarcane to $0 for the 2006 crop.''; and

(5) in subsection (j) (as redesignated), by striking ''2002'' and inserting ''2005''.

(b) PROSPECTIVE REPEAL.—Effective beginning with the 2006 crop of sugar beets and sugarcane, section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272) is repealed.

SEC. 142. MARKETING ALLOTMENTS.

Part VII of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359aa et seq.) is repealed.

SEC. 143. CONFORMING AMENDMENTS.

(a) PRICE SUPPORT FOR NONBASIC AGRICULTURAL COMMODITIES.—Section 201(a) of the Agricultural Act of 1949 (7 U.S.C. 1446(a)) is amended by striking ''milk, sugar beets, and sugarcane'' and inserting '', and milk''.

(b) POWERS OF COMMODITY CREDIT CORPORATION.—Section 5(a) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(a)) is amended by inserting ''(other than sugar beets and sugarcane)'' after ''agricultural commodities''.

SEC. 144. CROPS.

Except as otherwise provided in this subchapter, this subchapter and the amendments made by this subchapter shall apply beginning with the 2003 crop of sugar beets and sugarcane.

Subchapter B—Food Stamp Program

SEC. 147. MAXIMUM EXCESS SHELTER EXPENSE DEDUCTION.

(a) FISCAL YEARS 2002 THROUGH 2004.—

(1) IN GENERAL.—Section 5(e)(7)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)(B)) is amended—

(A) in clause (v), by striking ''and'' at the end; and

(B) by striking clause (vi) and inserting the following:

''(vi) for fiscal year 2002, $354, $566, $477, $416, and $279 per month, respectively;

''(vii) for fiscal year 2003, $390, $602, $513, $452, and $315 per month, respectively; and

''(viii) for fiscal year 2004, $425, $637, $548, $487, and $350 per month, respectively.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection take effect on the date of enactment of this Act.

(b) FISCAL YEAR 2005 AND THEREAFTER.—

(1) IN GENERAL.—Section 5(e)(7) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)) is amended by striking subparagraph (B).

(2) EFFECTIVE DATE.—The amendment made by this subsection takes effect on October 1, 2004.

Mr. REID. Mr. President, if the Senator will yield for a question, again, I am not trying to hurry the Senator. Does the Senator have any idea how long his statement will take?

Mr. GREGG. My statement won't take more than about 15 or 20 minutes. I understand Senator MCCAIN will speak and Senator LUGAR may wish to speak. I don't know how long anyone else will want to take. I am going to ask for the yeas and nays as soon as our dialog is over.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. REID. Mr. President, there are only meetings going on from 1 until 2 o'clock. If we could vote at quarter to 1, that would be fine.

Mr. GREGG. I can't really at this time agree to a timeframe because of the fact that I am not sure who wants to speak in opposition. I want to give them adequate time. I don't mind going to a vote as soon as we can.

Mr. President, the sugar program as constituted and as it has evolved over the years has regrettably become a raid on the pocketbooks of the American consumer to benefit a small number of sugar producers in this Nation.

The price of sugar in the United States is approximately 2 to 2½ times what the price of sugar is on the world market. The burden of that inflated price is borne by the consumers. In fact, the cost to the consumers is approximately $1.4 billion to $1.8 billion a year depending on whose estimate you use. That inflated price is a function of the fact that we have set up a system of nonrecourse loans, a very arcane system which essentially guarantees to the producer of sugar in this country 18 cents for its cane sugar and 22.99 cents for sugar beet sugar. In comparison with the fact that if they were to grow and try to sell that type of sugar in the open markets, the amount they would actually get would be somewhere in the vicinity of 9 cents. The effect is that the U.S. consumer is paying the difference between 9 cents, which is what the world price is, and 22 cents for sugar.

If the market were appropriately adjusted to reflect world price, you would probably end up with a sugar price in the United States of around 12 cents, or approximately 55 percent of what the present price is in the United States.

The effect of this is that all products that use sugar have an inflated cost. It costs a lot more than it should.

Who bears that cost? The American consumer bears that cost. Who is the American consumer?

We hear all of this debate about small family farms and how we are trying to protect small family farms. That is a worthy cause, indeed. But the American consumer is also under a lot of economic pressure. The American consumer—especially if you are living on a fixed income, if you are a senior citizen living off your Social Security check, if you are a welfare mother living off payments from the Government, if you are in a family with a mother and a father working two jobs trying to make ends meet, trying to send children to school, and trying to make sure they have a good lifestyle for their family—is under a lot of economic pressure, too.

But it turns out that in order to benefit a very small number of growers—believe me, it is an incredibly small number of growers—we require all of these Americans to pay a lot more for the food they eat than they should have to pay if we had a market economy for sugar.

Forty-two percent of the benefit of the subsidy for sugar goes to 1 percent of the growers. There are some extraordinarily wealthy families and businesses in this country who are essentially putting their hands not in the cookie jar but in the pockets of the American citizenry and taking money out of that pocket so that they can have this ridiculous subsidy on sugar that is so unrelated to what it costs, No. 1, to produce it, and No. 2, what the world price is.

The sugar producer industry has told us for years: Well, this program doesn't cost a thing. It doesn't cost the American taxpayer anything because there was no tax payment to support the sugar program. That was true for many years. In fact, there was an assessment fee they paid into the Treasury. It was sort of what I call a purchase fee. They got to buy, with one dollar, five dollars. It was a great deal to them. They paid $1 into the Treasury but they got $5 back from the consumer.

This is one of the great sweetheart deals in American political history. They could charge the sugar producers their assessment fee and pay into the Treasury $260 million, which I think they paid in on the average—something like that. What they failed to mention was that for that little assessment fee they got $1.5 billion of subsidy.

That is a pretty good deal. There are not too many deals in this country even in our capitalist system where you get a guaranteed return of $1.5 billion when you pay in $260 million. There are not that many good deals like that out there anymore. I don't think there ever was. But there are for the sugar producers. That is history. That situation no longer exists.

Today, they are not paying in any more as a net issue. They are actually now getting paid tax dollars on top of this subsidy they get—tax dollars which amounted to about $465 million because the Government, under the nonrecourse loan process, had to go out and buy the sugar. Not only do we have to buy the sugar, but we have to store the sugar. We are getting back to that time of the 1970s and 1980s when President Reagan came in and found warehouses full of butter. There were people in this country who needed butter. Reagan was smart enough to ask why we were storing all of this butter and to get rid of it. They gave it to people who needed it.

We are starting to do that with sugar again, just like we did with butter. We are starting to store sugar. Now we have one million tons of sugar. It is projected we are going to have 12 million tons of sugar in the next 10 years. It is going to cost us $1.4 billion in tax dollars.

This isn't the subsidy that consumers pay. We are going to first hit people with a subsidy. They are going to have to pay more for sugar than they should have to pay. Then we are going to hit them with a tax to produce the sugar for which they are already paying too much—$1.4 billion it is projected. We are going to have 12 million tons of sugar.

I do not know where we are going to put it. Maybe we are going to fill up the Grand Canyon. When you float the Grand Canyon, you will get all the sugar you ever wanted. We will have to find a place to put it. I am sure somebody will come up with a creative idea of where we are going to put it. Storing it will cost a huge amount of money. I have forgotten, but I think it is maybe $1 million. But there is an estimate for that, too. You have to figure we have to pay to store the sugar.

So we are going to have all this sugar we do not need. We are going to pay all these taxes we should not have to pay to buy this sugar we do not need. And then we are going to have this program which continues to produce sugar we do not need at a price which has no relationship to what the open market charges for sugar.

Just to reflect on that for a moment, I have a chart which shows the difference between the world market and the American price on sugar.

Some people will say: Oh, but this world market is a subsidized market. In some places it is. I acknowledge that. In some places it is a subsidized market. But not universally and not for a majority of the sugar producers in the world. In fact, if we were to open American markets to competition, you could be absolutely sure we could

structure it in a way that the sugar that came into the country in a competitive way was not subsidized. So we would not have that problem. So as a practical matter, we can get around that issue, and it is not a legitimate issue.

So where are we? Basically, where we have been for many years. In the mid 1980s, the Congress had the good sense to say: Listen, this program makes very little sense. There are a lot of people making a lot of money at the expense of the consumers, and there is no market forces at work here at all. And there is no reason why we should continue a program that has all these detrimental effects.

There is another detrimental effect I need to mention, as long as we are at it, that is not a monetary one. It is an environmental one. We know that because we have so grossly overpriced the sugar production that there has been more of an impetus to create more sugar cane capability, especially in Florida. The effect of that, on especially the Everglades, has been devastating—so devastating, in fact, that last year, under the leadership of Senator SMITH from New Hampshire, we had to pass a new bill to correct the problems in the Everglades, which is another bill that is going to cost us a huge amount of money in order to correct the problem that was created by the subsidized sugar prices and the overproduction of sugar.

We know as we clear these fields for sugar cane production, especially in Florida—although there is now in place a system to try to get some logic to that process—we know that has a huge detrimental impact on the environment of that area because most of these areas are marginal wetlands and also critical wetlands and especially recharge areas for the Everglades.

So on top of all the other problems the program has, it has had this unintended consequence of creating a significantly environmentally damaging event, at least in Florida.

So where does that leave us? As I was mentioning, in the mid-1980s, we had the good sense, as a Congress, to say: Hey, listen. This makes no sense. This program makes no sense. Why should we be paying twice the price of sugar on the open market? Why should we be paying taxes to buy sugar we do not need? And why should we be sending the majority of this money to a small number of producers when the vast majority of Americans are affected?

So we actually had a few years without a sugar program. There will be an argument made, I suspect, that is what caused the price of sugar to fluctuate. Yes, it did. That was the idea, that you would start to see market activity in the sugar commodity. Unfortunately, we did not participate in this experiment long enough to find out whether we could bring market forces to bear. But we were clearly moving in that direction.

The argument that that fluctuation in price, which was the precursor of having a market event, is one reason you do not want to have sugar production subsidized or one reason you have to have sugar production subsidized is as if to say because Ford Motor Company cuts the price of its car and comes out with zero financing, we should suddenly subsidize Ford Motor Company because the market is clearly having an effect on their price.

This program is obviously important to a number of States that have producers. But you cannot justify it in its present structure. It needs to be reorganized.

So what my amendment does is to eliminate the nonrecourse loan event. It makes the loans recourse and takes the savings and moves them over to the Food Stamp Program so that people who are on food stamps and who need to buy food commodities which are suffering from an inflated price because of the sugar industry will have more money available to them to do that.

Remember, sugar goes beyond candy, by the way. Some people think it is always candy. Sugar is in just about any product you buy that is a processed product. It has sugar in it. So if you are on food stamps, and you are trying to buy some pasta or you are trying to buy a meat sauce or you are trying to buy some sort of hamburger assistance that gives it a little flare, all of those products, which are important to the nutrition of a person on food stamps, are having an inflated price because they have sugar in them.

This amendment says, let's take the savings which will be regenerated here and move it into the Food Stamp Program. It is a very reasonable amendment. I am sure it is going to pass this year, even though it may not have passed in the last 7 years that I have offered it.

I reserve the remainder of my time.

Actually, I do not have any time left, so I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire yields the floor.

Who seeks recognition?

The Senator from Idaho.

Mr. CRAIG. Mr. President, let me use some time now. I know other colleagues want to speak to this issue of the Gregg amendment. I will speak for a time on it because there are some important issues to be discussed.

The Senator from New Hampshire has, once again, portrayed the sugar program that has been a part of agricultural policy in this country for a good number of years as somehow evil and unjust, going to a small select group of people.

For the hundreds of farmers in Idaho who, for the last 2 years, have lost a lot of money raising sugar beets—and under the new provisions within the Harkin bill or the Cochran-Roberts substitute would make no more money—I find the arguments of the Senator from New Hampshire interesting and unique—interesting because he said he would eliminate the recourse loan program and transfer the money to the Food Stamp Program.

It is pretty difficult to transfer money that does not exist, No. 1, because under the no-net-cost approach that is provided within both versions that we are debating today, there is no authorized money specific to this program.

As we know, over the last good number of years, because of the buyout of the market store and resell into the market concept, actually the Department and the Secretary of Agriculture were making money. There has been this brief period of time when recourse loans were purchased back, but from 1991 to 1999 about $279 million was actually made for the U.S. Treasury, all from the program. About 1.5 percent of the commodity program expenditure actually got caught up in recourse loans over the last year. But, again, that is that pool of money out there used for these purposes, with no specificity directed to the sugar program itself.

As the Senator has mentioned, the sugar program, as we call it, has—and his graph showed it—brought relative stability to the sugar market in this country. I say relative stability because during that period of time that he was talking about, in which there was not a program, there was a substantial runup and decline in price.

Not only were there dramatic peaks and valleys, not only did the consuming public feel it, but the large wholesale consumers were, when it was at its peak, very concerned. It shoved the cost of their commodities—candy bars or soft drinks, other uses of sugar—up. But when that price then declined, of course, they didn't reduce the price of their product because they had already established a price in the market.

I find it most fascinating because there is the general assumption on the part of the Senator from New Hampshire that, if his amendment were to pass, the consumer would benefit, and there is absolutely no evidence in fact that that would happen. In fact, there is argument quite to the contrary.

Over the last couple of years we have seen a dramatic decline in sugar prices in this country, even with the current program. Nowhere have we seen any one retail product on the consumer market shelf decline as a result of the reduction in sugar. Where does it go? My guess is it goes into the profitable bottom line of that commercial producer out there. I don't argue that. It is the reality of what we are dealing with.

I don't think the amendment the Senator is offering brings down the price one penny on a candy bar, one penny on a bottle of pop, or any other commodity in the marketplace, from boxed cereal to any other product that has sugar added to it to enhance flavor and to characterize the product to see it come down. That is simply a false argument. The reason I use the word

''false'' is because the evidence that it would is quite to the contrary. The evidence is that it would not because clearly we have seen that kind of price not happen in the last several years.

The U.S. producer price for sugar has been running at 20-year lows for almost 2 years, down more than a fourth since 1996. That is under the current program. That is why this past year we have seen some forfeiture of sugar, and that is why the Department of Agriculture now owns some sugar.

The bill that is before us, the new policy that will become agricultural policy, changes that and moves us clearly back to a no-net cost to the consumer.

Grocers and manufacturers are not passing through these lower prices, as I have mentioned, whatever the product. While we have seen this drop in price almost to a historic low, the harm has not been to the consumer because they have not felt it, or, the positive side, it has been to the farm family who has been the producer of the product and has had to offer the flexibility that they must in a production scenario to offset those kinds of costs.

There are a good many other issues out there. I see several of my colleagues in the Chamber to debate this issue. I will deal with other portions of it as we come along.

The United States is required to import, under current law, nearly 1.5 million tons of sugar or about 15 percent of its consumption. We already buy sugar off the world market. Each year, whether the U.S. market requires that sugar or not, that is the agreement. That is what the program offers.

In addition, unneeded sugar has entered the U.S. market outside of the sugar import quota through the creation of products from import quota circumvention. We, for the last several years, have had the frustration of what we call stuffed product, product that is intentionally enhanced with sugar, brought into this market reprocessed. The sugar is pulled out of the product—in this case molasses—to get around these kinds of limitations in the marketplace and limitations to the market itself. Why? Obviously, sugar is a commodity that moves. And we have now had court tests against that saying, yes, those are violations.

We also have an agreement with Mexico under the North American Free Trade Agreement that brings sugar into this market. So to suggest that we are immune to a world market is not all of the story. The story is that 15 percent of the sugar that is in the U.S. market is world market sugar.

When the Senator from New Hampshire quotes the world market price, he is quoting the open price. He is not quoting the price of Western Europe. He is not quoting the price anywhere else in the world. All prices differ based on supply, demand, and access to markets.

What we have tried to do over the years with the sugar program is create stability, stability to the consumer and to the producer. Historically, we have been very successful in doing just that.

We have done it in large part at no cost to the American taxpayer and, in fact, at less cost to the American consumer. The dramatic runups in sugar prices that had to be passed immediately through to the consumer simply have not existed.

There are a good number of other arguments I know my colleagues want to make on this issue. It is an important part of an overall agricultural policy for this country. It is an important part of an overall farming scenario for my State and for many other States in the Nation. It creates stability in the farm communities of my State. It has historically been a profitable commodity to raise in Idaho. It is no longer today.

I hope the programs we are debating that are within the Harkin bill and that are within the Roberts-Cochran substitute will bring stability back to the sugar beet producer in the Western States and in the Dakotas and Michigan, and certainly to the cane producer in the South.

I yield the floor. When the appropriate time comes, as the Senator from New Hampshire has already requested the yeas and nays on his amendment, I will ask my colleagues to stand in opposition to it.

The PRESIDING OFFICER. The Senator from Wyoming, Mr. THOMAS.

Mr. THOMAS. Mr. President, I appreciate the comments of my friend from Idaho. It is an interesting issue. It affects much of the country, all the way from Wyoming to Hawaii cane sugar, Louisiana, down to Florida, back through our part of the world. We are talking about an industry that provides nearly 400,000 jobs.

It has been said that this is a small, minute industry. It is not. In fact, in my State it is one of the few agricultural crops which are refined, ready for the market, ready for the shelf when they leave our State. So we have factories there that provide employment, of course. In many rural communities, sugar is a very important economic issue, not only to farmers but also to processors. Economically, it generates $26 million annually.

The debate over sugar takes place nearly every year, and the same arguments come up year after year. The fact is, there is a solid reason to have an industry of this kind, and I hope it will continue in the future. By world standards, U.S. producers are highly efficient—eighteenth lowest in the cost of production out of 96 producing countries and regions—despite, of course, having the highest labor and environmental standards. Some of the lowest cost is produced in the West. So we are interested and involved in that.

As was pointed out, often there is talk about the world market. The fact is, the world market is a dump market. It is what remains after the other countries use all they can and put it on the market. It is not an economic cost. To compare that is simply not true. The current prices in all world export markets are dumped.

Of course, as was mentioned, one of the things we have just gone through in terms of Canada is the unfair situation called stuffed molasses, where it is against the trade arrangements to bring in sugar. So they mix sugar and molasses, bring it across the line, take it back out of the molasses and market it as sugar. Fortunately, we were able to get a court decision on that. Hopefully that gimmick is closed. We will continue to work on it, of course.

The fact is that consumers do benefit. The retail price of sugar is virtually unchanged since 1990. Our prices are 20 percent below developed market prices. And interestingly enough, as is the case with lots of agriculture, the product price to the producer is quite different than to the consumer. I think it points it out here. The producer price, since 1996, is down 23 percent. At the same time, the consumer price is up 6 percent. So the idea that this program is a handicap to consumers is simply not accurate.

As I said, the price for sugar to the producer has fallen 23 percent, but grocery stores have not lowered their price. Cereal is up 6 percent. Cookies and cake are up 10 percent. Ice cream—my favorite thing—up 21 percent. So we have a program that affects many people, which has been good for consumers in this country. We have a program that has generated a good deal of money and since 1990 in market assessment tax. We have lots of good things in this program, and we need to continue to make sure it is there for consumers and it is there for producers.

I want to mention a couple of other items. As an industry, the U.S. retail price is 20 percent below the average of developed countries. It is third from the lowest in the world in the retail price of sugar. That is interesting, and it is good for consumers. Certainly, in terms of the work required to buy a pound of sugar, the United States is third from the bottom, only above Switzerland and Singapore. So in terms of our economy, sugar is a bargain for the consumer. As I mentioned, these prices have gone up.

So we have a program that has worked, a program that is very important to consumers, to producers and processors, and it will be changed some. We are going to have more within the industry an effort to control production so we don't have excessive production. That is going to be done. Not only have we had a good program, we are in the process of having an even stronger program. I will resist the amendment on the floor and urge my fellow Senators to do the same.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. Mr. President, I rise in opposition to the amendment related to the sugar program. That has become

sort of a biannual exercise, where we must come to the floor and defend a program that has really worked in favor of not only the American producer but also the consumer of sugar products.

I don't know how many Members of Congress, the mail situation being what it is, have had a lot of people writing and telling us: You have to do something about this terrible sugar program because the price of sugar is so high that I can't afford to buy sugar to sweeten my tea or to use on the food in my home.

The fact is that the program has worked very well for both the producer of the product and also for the consumers of the products. It is a program that has a great deal of history. Since about 1985, the sugar program has had a loan much as the other commodities have had. The loan has been about 18 cents a pound for cane sugar producers. That has been the loan level for a number of years—for about 15 years now. It has allowed the American sugar producer to survive.

Very simply, the program works. If the market that exists for sugar is above the loan level, our producers are able to sell it for whatever they can get above the 18 cents level. If the price falls below the 18 cents level for sugarcane, then the Government will provide, in the form of a loan, that amount per pound to the American sugar producer. That allows them to stay in business.

The good news is, unlike some of the other commodities, our Government can help guarantee there will be a minimum price, trying to control the imports that come into this country. Some would argue that we should have free trade and they should be able to sell into this country anything they want anytime they want. The reality of the situation is that most countries—over 100-some countries in the world that try to sell sugar in this country—take care of their own domestic needs, and then they dump the rest into the U.S. market for any price they want. They don't care whether they get 18 cents, or 5 cents, or 8 cents for it; they just want to get rid of it. They attempt to dump whatever they don't need into the U.S. market, which, obviously, if we didn't have a program, would be allowed to destroy the industry in this country completely.

So the farm bill—it is a good package, and I thank the folks who have worked in committee to put it together—will continue that type of program, at no cost to the American taxpayer, which I think is unique in itself as far as this commodity is concerned. It is a good program, and it has worked.

This is really interesting, and I will use one chart. When people look at whether the price of sugar is going up—well, the price to the people who produce it is going down. Since 1996—these are producer prices, the people out in the field. Since 1996, the producer wholesale price level for sugar has gone down 23.4 percent. That is since 1996. So when people argue that somehow producers are getting rich off the program, the reality is that the price, according to the U.S. Department of Agriculture, has gone down 23.4 percent over the last 5 years for the people who actually produce the product.

If anybody has a complaint about the price of sugar—and what I mentioned in my opening comments is that we don't have people marching on Washington, or making phone calls, or writing letters saying the price of sugar is too expensive. Nobody is complaining about it. If you look at the facts, the products that have increased in price and some of the products you should go after are the candy industry, cereal, cookies and cakes, bakery products, and ice cream. Those products have gone up substantially higher over these years than the wholesale refined sugar price. Retail sugar increased only 5.8 percent; that is all. So the housewife, or the person buying groceries for the family, has not noticed an inordinate increase in the price of sugar at all. It is in keeping with the cost of other inflationary price increases we have seen, or even more than the regular increases.

But there have been increases in products that use sugar. If there is a complaint, we ought to look at them. The wholesale price at which they buy the sugar has gone down 23 percent, but their price at the retail level has increased by as much as 21.4 percent in the case of ice cream and 14 percent in bakery products.

We have a program that has worked well. We have a loan program that sets a price that has been 18 cents since about 1985. It is a good program, and it operates at no cost to the taxpayer. It keeps beet farmers and sugarcane farmers in business. In Louisiana, all of our cane farmers are small family farmers; they are not large. They work hard every day. The only thing they need is a little bit of assistance that we provide in this program, at no cost to the taxpayer.

To change something that has worked would be the wrong policy. I strongly urge that we defeat the Gregg amendment to this important piece of legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota, Mr. Conrad, is recognized.

Mr. CONRAD. Mr. President, I thank my colleague from Louisiana for his remarks because he is right on target with respect to this amendment.

This amendment of the Senator from New Hampshire is a mistake. When the Senator from New Hampshire gets up and tells our colleagues that the world price for sugar is just over 9 cents a pound, it is not true.

That is not what the world price of sugar is. If one thinks about it for a moment, it could not possibly be because the cost of producing sugar is over 16 cents a pound. In fact, it is about 16.3 cents a pound. So how could it possibly be that the world price for the commodity is just over half of what it costs to produce? It cannot be, or the entire sugar industry worldwide would be bankrupt. This is very clear.

I do not think there is anybody who really knows the sugar industry who does not understand that the cost of producing sugar is between 16 and 18 cents a pound. That is what it costs to produce. So anybody who tells you that the world price is a fraction of what it cost to produce is firing with blanks.

The hard reality is, that is not the world price of sugar. That is a dump price for sugar. I guess it is easy to understand how these misassumptions occur because people are not familiar with the industry. The fact is, the vast majority of sugar in the world moves under long-term contracts. When they go to this so-called world price, they do not have what is the true price of sugar. What they have is what sugar is dumped for outside long-term contracts. It is a fraction of the sugar that is sold in the world.

If you want to do a reality test, what I am saying has to be true because if it was not, the entire industry would have gone bankrupt long ago because they would be getting a price for their product that is a fraction of what it cost to produce.

I respect the Senator from New Hampshire. I like him. I serve with him on the Budget Committee. He is one of our most able members. But when he talks about the world sugar market, he just has it wrong. When he says the price of world sugar is less than 10 cents a pound, that is not accurate. That is a dump price. That is the sugar that sells outside of long-term contracts.

The occupant of the chair, the Senator from Hawaii, is deeply knowledgeable on this matter. The Senator from Hawaii has helped lead this debate many years in this Chamber. He understands the industry, and he knows that the vast majority of sugar in the world sells under a long-term contract.

That is what I think is misleading the Senator from New Hampshire. Those long-term contracts are not part of this calculation on the so-called world price because, in fact, it is not a world price; it is a dump price. It is for sugar that sells outside of long-term contracts, that those who have produced more than they sell under long-term contracts go out and dump.

I want to go to the next point that I think is very important for people to understand. That is the developed countries' retail sugar prices. The United States is 20 percent below the average. This chart shows what retail sugar prices are in developed countries: Norway, 86 cents a pound; Japan, 84 cents a pound; Finland, 83 cents a pound; Belgium, 75 cents a pound; Denmark, 75 cents a pound, and on it goes. I am part Swedish, 62 cents. I am part

Danish. Sugar is 75 cents there. Norway—I am part Norwegian, too—is 86 cents. They are paying a lot more in those countries for the retail price of sugar than we are paying.

I am part German, too. Germans are paying 45 cents per pound. Where is the United States? We are third from the bottom.

When our colleague from New Hampshire runs out here and says to everybody that the consumers are getting gouged, it is not true. It just does not stand up to any analysis. The fact is, we are third from the bottom in the developed world on what we pay for sugar.

I can understand how confusing the economics of this industry are to those who are not familiar with the industry and not familiar with agriculture, but the reality is very simple: What farmers are getting has been going down and going down substantially over the last several years. We are on the brink of a massive failure of sugar producers all across this country because of the collapse in the prices they are being paid for their product.

The Senator from Louisiana showed the prices that sugar producers are receiving is down 24 percent. That is the reality. The other reality is that consumers in this country are getting on a relative basis, on a comparative basis, looking at what consumers pay in other developed countries, a very good deal. The truth is, it is a very competitively priced product in this country and right around the world.

Finally, the point I think is so important to me and so important to understand is when the Senator from New Hampshire says the world price of sugar is under 10 cents a pound and farmers are getting paid 18 cents or 22 cents and there is this huge profit, he does not have it right.

The world price of sugar is not 9.5 cents a pound. That is the dump price. That is what a small minority of the sugar produced in the world sells for, that sugar which is outside of long-term contracts. That is where the vast majority of sugar sells, and the vast majority of sugar sells for about 20 cents a pound. That is the reality, that is the fact, and we should not be misled or misguided as to the economics of this industry.

It would be a disaster for thousands of families who produce sugar all across this country if the Senator from New Hampshire were to prevail. You cannot be an island unto yourself. The fact is, the sugar industry is supported in virtually every country within which it is produced—in fact, every country. Not virtually every, not almost every, but every single country. That is what we are up against.

Either we can fight back and give our people a fair fighting chance or we can roll over and play dead and wave the white flag of surrender—give up, give in, and let these people go broke and be poorer for it as a nation.

I hope the Senate will respond, as we have, so many times in the past in recognizing that this industry is important to the strength of rural America, just as the rest of agriculture is critically important to the strength of rural America.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Montana, Mr. BAUCUS, is recognized.

Mr. BAUCUS. Mr. President, I thank my good friends from North Dakota, Louisiana, and others who are speaking against this amendment and explaining the facts. Once the facts are known, I believe Senators will know this amendment is not a good idea.

We want a strong agriculture policy in America, and we want a level playing field. We know that much too often other countries tend to favor their producers, their industries, their companies at the expense of the United States, at least more so than we Americans do.

Every other country has a more, if I can use the term, socialistic policy; that is, tends more toward Government intervention in helping the producers and companies and their industries, than does the United States. Frankly, it is the view of the United States that we be a more free market, more independent, and let producers and companies pursue their own agenda. At least on a comparative basis that has made us stronger than other countries. It is a major strength of America. Having said that, we clearly don't want to make matters worse.

In the meantime, even though other countries do subsidize their producers or their companies or industries more than we do, we, through our ingenuity—this is a general statement; there are exceptions—are able to fight back with greater ingenuity, creativity, good old American can-do, common sense, and find a way to get the job done. We don't moan and complain but fight and get the job done.

This amendment moves us in the opposite direction. It says although the playing field is not level, although it is tilted today against the United States with respect to sugar, we will tilt it even more against American sugar producers. That is what this amendment does.

As other Senators have ably demonstrated, the facts show that compared to other countries the United States ranks, for Government support for sugar, third from the bottom. Other countries protect their sugar industry much more than the United States. Sugar prices in the United States are lower, significantly, to the consumer.

I am having a hard time understanding why this amendment is on the floor. Why would we as Americans want to hurt ourselves? It is unfathomable. I cannot come up with a reason—unless it sounds good on the surface because we have a quota system in the United States that provides stability to American producers. If that system in the United States were eliminated, or if the amendment pending of the Senator from New Hampshire were adopted, not only do producers already suffering suffer more—prices are down 23 percent—but local communities suffer: the shops, businesses, and gas stations. It is not just those who work in factories and the fields producing the cane or the beets.

Sugar is a valuable commodity in my state of Montana. More than $188 million in economic activity is generated in Montana each year by the sugar and sweetener industries and creates close to 3,300 jobs in my state.

The production of sugar in the United States is a large and competitive operation. Throughout the Nation, the sugar industry generates 373,000 jobs in 42 States and creates $21.2 billion in economic activity.

Our American sugar producers are among the most efficient in the world. The United States ranked 28 our of 102 sugar-producing countries for the lowest cost in overall sugar production. And the United States is the world's fourth largest sugar producer, trailing only Brazil, India, and China.

But despite these positive statistics, our sugar producers are hurting. Producer prices for sugar have fallen sharply since 1996. Wholesale refined beet sugar prices are down 23 percent. Prices for sugar have been running at a 20-year low for most of the past two years. This has caused a deep hardship for American sugarbeet and sugar cane farmers. Many have gone out of business and many more are on the brink of economic ruin.

We have seen 17 permanent sugar mill closures in the nation since 1996. These closing are devastating to entire communities. Devastating to our producers, mill employees, transportation, restaurants, small businesses, and the list goes on. Some producers are trying to buy mills that are on the brink of bankruptcy in order to protect further communities from these losses.

For example, the Rocky Mountain Sugar Growers Cooperative is in the process of purchasing several mills in the Montana, Colorado and Wyoming areas. These producers, and the cities that depend upon them, need a sugar policy that they can depend upon so that they can once again flourish.

We need a strong sugar policy. American sugar farmers are efficient by world standards, and are willing and prepared to compete on a level playing field against foreign sugar farmers, but they cannot compete against foreign governments. We must give them the level playing field they need.

I strongly urge this amendment be defeated. It does not make sense. Once the Senators know the facts, Senators will realize this amendment should not be adopted.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, I join my colleagues, who have spoken so eloquently and forcefully on this subject, in urging the Senate to defeat the Gregg amendment.

Mr. President, Louisiana is a sugar State. There are 18 sugar mills and two sugar refineries in Louisiana and we have more acreage devoted to sugarcane than any other State. Many of our parishes rely on the sugar industry for their economic vitality. It is an important industry that is hundreds of years old in the State of Louisiana and throughout many parts of our Nation. Nationwide, the sugar industry directly and indirectly affects 37,200 jobs in 42 States. It is a $21 billion industry.

At this time in our Nation's history, with a recession underway, and with our efforts to try to build ourselves out of this recession, we want to do things in Congress that help, not hurt. The Gregg amendment is taking us in the wrong direction. We need to be creating jobs, not eliminating them. The sugar industry means thousands of jobs to Louisiana.

Are consumers harmed by our national sugar policy? Absolutely not. Sugar prices have been relatively stable because of this sugar mechanism in the farm bill. There are different provisions in this farm bill, but the sugar provision is unique in that it is a provision that can actually return money to the Federal Treasury. It is a self-help mechanism. From 1991 to 1999, this policy was a net revenue raiser of $279 million. Sugar loans last year amounted to only a little over one percent of federal commodity expenditures, and this negligible cost will be defrayed as that sugar is gradually sold back into the market. In addition, between 1997 and 2001, the government rightly spent $90 billion to save rural America from other commodity forfeitures. None of that money went to sugar producers.

Because the sugar industry does not enjoy the same types of price supports as other commodities, we have developed over many years in Congress a program that both maintains low retail prices and provides support to an industry that must compete with heavily subsidized foreign sugar programs. The Senator from New Hampshire's Amendment would replace production by efficient, unsubsidized American sugar farmers with sugar from less efficient, heavily subsidized producers from Brazil and Europe.

I believe the American sugar program is one worth supporting. It has been carefully crafted, and helps retain jobs in Louisiana and around the Nation. It is something we need to continue to support, not one to move away from.

Let me also add, I am particularly pleased with the vote the Senate had yesterday on the dairy provisions. By a one-vote margin we came to a compromise that will help strengthen the underlying farm bill. Rejecting the Senator from New Hampshire's amendment gives additional strength to a farm bill that helps keep price supports in place, that appropriately subsidizes certain crops, that enables the sugar industry to continue to flourish in Louisiana and throughout the Nation and, most importantly, protects jobs that are so important to our Nation at this particular time.

We have other challenges. We have trade issues that have to be worked out, but this amendment offered by Senator GREGG should be defeated.

I am happy to join my colleagues in support of that effort.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I rise in opposition to the Gregg amendment. In my opinion, this is a terrible amendment. Essentially it abolishes the sugar program and significantly injures a good many family farmers who are struggling under ordinary circumstances to try to make a decent living.

I will try to correct some of the misconceptions about the sugar program. First, I thought I would point out that this debate is about this.

This is the fun-sized Baby Ruth candy bar. This debate is about candy corporations versus family farmers.

I intend to eat this Baby Ruth when I am finished. That is why I don't have a large, full-sized Baby Ruth. This is a fun size. Let me read for a moment the ingredients of this candy bar.

For the corporation that makes it, I am not casting aspersions upon your product. Since I intend to eat it, I would be telling people it is a pretty decent product. Let me describe what is in it.

Ingredients: Sugar. That is not in bold type, it just says sugar. That, of course, misses the point. There is a lot of sugar in this candy bar. That is what this debate is about. This debate is about the price of the sugar that this company is paying for and putting in this candy bar.

What else is in this candy bar? Although this debate is about sugar only, I thought it would be useful, perhaps, to read the entire list of ingredients: Roasted peanuts, corn syrup, partially hydrogenated palm kernel, coconut and soybean oils, high fructose corn syrup, dextrose, skim milk. And then emulsifiers—with a couple of emulsifying words I cannot pronounce—and artificial flavors, TBHQ. Maybe I won't eat this after I finish; maybe I will. Emulsifiers: Artificial flavors, carrageenan, TBHQ, and citric acid to preserve freshness. Then they have added caramel color.

So that is what is in this little old Baby Ruth. This issue is about the sugar, the first ingredient in this candy bar.

This amendment is not new. We have had this amendment time and time and time again because those who produce candy in this country, among others, want a lower cost of sugar.

Let me ask the question. Has anyone noticed recently that the price of candy bars has decreased? Go to the store, go to the candy counter and pick out a bar, any bar, and ask yourself, has there been a reduction in the price of that bar? Maybe a 10-percent cost reduction? Maybe 20? Maybe 30? Maybe 40? Anybody see any of that? I don't think so. Same candy, same price or higher price, but they are paying less for sugar.

Who gets the benefit of that so-called less for sugar? Those who receive lower prices for sugar are the families out there in North Dakota and Minnesota and the Red River Valley who are producing sugar beets. They are good, hard-working honest folks. They produce a good product. They plant those beets and they hope very much they will get a decent crop. When they get a decent crop, they hope, through their marketing mechanisms, they will have a decent price.

But you know what has happened to the sugar producers and beet producers and cane producers and so on? The underlying farm bill has been so poor, so badly constructed in the last 6 or 8 years, that farmers, because the underlying farm bill for other crops has been so poor, farmers have planted more in beets. That is the fact. It relates, of course, to the underlying Freedom to Farm bill, which has been a terrible failure. But it is not just that there has been some additional acreage planted. That is not the issue that drives this today. We have had some price problems but that is not the issue that is driving all this.

Let me give an example of what is driving it. It always comes back to this, it seems to me. We have a circumstance where, for example, today, on Wednesday, we are going to import sugar from Brazil into this country. It is not supposed to be coming in. It is highly subsidized by Brazil. And Brazil ships its highly subsidized sugar to Canada. Then they load liquid molasses with Brazilian sugar and ship it into the United States in contravention of our trade laws. It is a so-called legal way of cheating. It happens in our trade laws virtually all the time and nobody can do a blessed thing about it.

So those who are farming out there in the Red River Valley, trying to produce beets, and hope beyond hope they can support their family and get a price for their beets, they take a look at this and say, what about this cheating in international trade, this so-called stuffed molasses?

I hold up a Baby Ruth. We all know what a Baby Ruth is. Has anybody ever eaten stuffed molasses? Stuffed molasses is a term of art in international trade that means someone has taken Brazilian sugar, ran it through Canada, added it to a liquid and moved it to the United States, taken the sugar out of it, and moved it back to Canada. It comes back again and again and again. All it is is a transport for Brazilian sugar which is unfairly subsidized, and that cuts the legs out from under our producers and nobody wishes to do anything about it.

I wish someone would come to the Chamber with half the energy with which they come to the Chamber on these kinds of bills to try to get rid of

the sugar program and cut the legs out of our producers, I wish they would come to the Chamber with that energy and say, let's stop the cheating in international trade.

Let's stop the stuffed molasses, stop it dead. It is cheating, it is unfair, and undercuts American producers.

When we are talking about trade, does anyone think of the farmer in Minnesota or North Dakota who is out there trying to raise beets, that their responsibility is to compete against Brazilian producers who are being unfairly subsidized? Is that trade that is fair? I don't think so, not where I come from. In my hometown, we understand what fairness is. We grew up understanding the definition of the word ''fair.''

What is happening to our farmers in international trade, all of our farmers? And I can go through long lists dealing with the issue of durum wheat in Canada and others, but let me focus on this issue of trade in sugar to demonstrate how unfair it is to American producers. Yet we do not have any energy coming to the Chamber, except those of us who have been trying desperately to write a law which prohibits that molasses coming down here under the term of ''stuffed molasses.'' That is simply a liquid truck to bring Brazilian sugar into this country to hurt American producers.

We have had people say today that the world price for sugar is way down here. The U.S. price for sugar is way up here. I guess they just miss the facts about how sugar is both produced and then marketed around the world. Almost all sugar around the world is traded by contract, country to country. That which is not is the residual amount of sugar surplus that is dumped on the open market at an artificial price. It has nothing at all to do with the market value at which sugar is selling or is being bought and sold. It has nothing to do with that.

So we have people come out here with a chart with a price that is irrelevant. It is just irrelevant. If this were automobiles, that would be the salvage price but it is irrelevant to what a new car is selling for.

On the issue of price, let's put that to rest once and for all. The price for sugar is the price at which sugar is traded internationally and predominantly the price at which it is traded internationally by contract is not at all related to the dump price that has been alleged as the world price by those who offer this amendment.

Let me hold up a couple of charts that other of my colleagues have used as well. Some say, well, this really doesn't matter. All that matters here is the price of sugar in the grocery store. The fact is, what matters is that this is an important part of this country's economy. It provides over 400,000 jobs, a good many of those jobs in North Dakota and the Red River Valley, men and women who have a dream to run a family farm and make a living, and they expect public policy to support that. They expect public policy to weigh in in their favor against unfair trade.

Instead, too many bring public policy to the floor of the Senate that says let's give the candy corporations a little more benefit and take it away from those who are trying to run a family farm. I have nothing against candy corporations. I eat candy—probably more than I should. As I said, I intend to eat this piece of candy. But the candy corporations have done right well. What has happened is they have seen a substantial reduction in the price of sugar and they love it. They have seen a substantial increase in their profits and they enjoy it, but has the consumer seen any evidence that the price of sugar is lower than it was? No. This is a transfer from the pockets of those running a family farm trying to produce sugar beets to the corporate coffers in the accounts called ''profits'' in the pockets of some of the largest candy companies in the country. That is what it is. It is revenuesharing. It takes from those who have not and gives to those who have.

When you strip away all the pieces of this debate, this dispute is very simple at its core. This industry produces a great many jobs in this country. It is important to this country. It faces fundamentally unfair trade, and it has a sugar program that for many, many years has worked, contrary to other farm programs that have been miserable failures. Now we have had, routinely, people come to the floor of the Senate to say we want to take apart that which works. It doesn't make any sense to me.

The producer prices for sugar plummet. The wholesale refined price for sugar—you see what happened, a 23.4-percent reduction.

I asked the question about the candy bar, but let me ask it about a box of cereal. That cereal aisle in the grocery store is a wonderful aisle. It has so many different kinds of cereal these days you can hardly stop to see them all or understand them all. There are just lots and lots of boxes of cereal.

When I take my kids to the grocery store with me, they know all those names. They have seen them advertised. They want to buy the most byzantine boxes of cereal I have ever heard of. Occasionally they sneak them into the grocery cart.

Has anyone ever seen a reduction in the price of cereal as a result of a reduction in the price of sugar? I don't think so. Has anyone seen a reduction in the price of cookies or cakes at the retail level? No. They are heavy users of sugar. How about other bakery products? What about ice cream? Is ice cream selling at a substantial reduction? Of course, that is a tremendous carrier of sugar as well. No. I don't think so. What about doughnuts? Is the price of doughnuts down because the price of sugar has plummeted? I don't think so. I think the price of doughnuts is up. I think the price of candy bars and cookies is up, including the profits of candy manufacturers who now want more. They want more. This is not enough. They want more.

They want to kill the sugar program. The answer to those interests that want to do that is, you are not going to be able to do it—not today, not tomorrow, not next month, and not next year. This is a program that works. It is constructed in a way that works. It works for American family farmers and for American consumers.

We have a stable supply of sugar and a stable price. We had it for a long time until the most recent problems that, in my judgment, came about because the underlying farm bill didn't work.

Stability of supply and price serves both the family farmer interests and consumer interests. I think there are other interests here. I admit that. There is the interest of the candy manufacturers, and there are interests of others. But I am most especially interested in the broader question of public interest that reflects those who live and work on our land in this country—family farms—and the interests of the broader spectrum of the American public who want a stable supply at reasonable prices on their grocery store shelves. That is what this issue is about.

I don't disparage those who have offered this. They come from their perspective. They represent the candy manufacturers. Some other interests want lower sugar prices.

I represent family farmers who want a fair deal. All they want is a fair deal. They are not getting it. This amendment would further destroy their opportunity to make a living. We are going to kill this amendment, I hope, in the next couple of hours.

I yield the floor.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from Hawaii is recognized.

Mr. AKAKA. Mr. President, I rise today to speak against the amendment being offered by my colleague from New Hampshire, Mr. GREGG, that will terminate the sugar program. This program is a vital subsidy that provides valuable assistance to U.S. sugar farmers and ensures that sugar remains an affordable commodity for American consumers. While we are all facing difficult times, I must remind my colleagues that American farmers are hurting.

We must also realize that should we lose the sugar program in our country, our sugar farmers would go out of business and we would be at the mercy of world sugar. We would be suffering with high prices. We would not be in control of prices, and the American public would be hurt.

United States producer prices for sugar have decreased by close to 30 percent since 1996. Many sugar farmers have gone out of business and a number of beet and cane mills have closed. In the same period, 17 sugar mills have

closed. Seven of those sugar mills were located in the State of Hawaii. Today we have just two sugar mills in Hawaii.

Opponents of the sugar program believe that this program is outdated and artificially inflates sugar prices for consumers. In fact, the opposite is true. The program has acted as a cushion against imports from the world dump market. Our sugar program has been successful in ensuring stable sugar supplies at reasonable prices. United States consumers pay an average of 17 cents less per pound of sugar than their counterparts in other industrialized nations. Low U.S. prices save consumers more than $1 billion annually. Consumers elsewhere around the globe do not enjoy the low prices we have in America. Most American consumers would be amazed at the price of sugar in other industrialized nations, as revealed by my colleague from North Dakota. That is why I say that the sugar program is critical to American consumers.

While the sugar program had a modest cost for forfeitures of sugar loans in 2000, this cost amounted to only 1.5 percent of the Federal commodity program expenditures. These costs will be defrayed as sugar is gradually sold back into the market. Furthermore, U.S. retail sugar prices have remained virtually unchanged for more than a decade and are 20 percent below the developed-country average.

I urge my colleagues to reject this amendment No. 2466. If Congress terminates the sugar program, not only will a dynamic part of the economy disappear from many rural areas, but consumers will also lose a reliable supply of high-quality, low-price sugar.

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

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

Mr. WELLSTONE. Mr. President, I was at a labor rally on the economic recovery plan and lost my voice, but I came back here to speak on this amendment. I have been following this debate a little bit. I wanted to comment on what I heard on the floor.

In that rally there were indeed some steel workers from the Iron Range of Minnesota, I say to my colleague from Minnesota. Basically, the message was this: We are out of work through no fault of our own. We are running out of unemployment insurance benefits, and we don't have coverage for our loved ones, for our children, or for our families. I believe this is sort of a test case of whether or not we in the Senate, or for that matter in the administration, care about hard-working people. We are very much a part of our country coming together. In fact, we keep celebrating the firefighters and policemen and others. Now when America's working families really need help, where are we?

I will tell you, any economic recovery plan is just simply, as far as I am concerned, unconscionable without making sure we extend the unemployment insurance benefits to make sure that part-time workers are covered and to make sure we get the health care benefits to these people.

I do not know how we can possibly take these working families and put them in parentheses. We have had tens of billions of dollars of assistance for the airline industry. I look at the House of Representatives, and they have about $30 billion-plus of tax breaks for the energy companies, including oil companies that made huge profits last year. They want to do away with the alternative minimum tax and give $1 billion here and $1 billion to this multinational corporation. They want to lock in these ''Robin Hood in reverse'' tax cuts, which provide more for the wealthiest top 1 percent. However at the same time we are worried about the Social Security surplus and say we have no money for children, for education, for the IDEA program, for children with special needs, or to help people who are out of work right now.

I will tell you, this is a test case of whether we have ''compassionate conservatism'' or the heart and soul of my party. Democrats need to fight hard for these working people. In any case, I think that is a transition to this debate because I am hearing a number of my colleagues in this Chamber talking about eliminating the sugar program.

By the way, a lot of our sugar beat growers, as my colleague from Minnesota knows, are independent producers. What is interesting is that this particular sugar program really sets the loan rate at good level, which gives our producers the ability to bargaining to get a decent price in the market, which, frankly, I want for all our farmers, far more than depending on AMTA payments and other direct Government money.

But I have to say to Senators—I have to figure out the right way to say this; if I say ''cynical,'' it sounds as if that is too shrill—but I am skeptical about this commitment to the Food Stamp Program and more funding for nutrition programs. I am skeptical because during the debate on the welfare bill in 1996 that significantly cut food stamp benefits, which, by the way, is the major child nutrition safety net program in our country, and very successful, some of the very Senators who are on the floor today are saying the reason we need to cut the sugar program is because we need to dramatically expand food nutrition programs. I think this is basically a cynical tradeoff, which will put under a bunch of independent producers and farmers, saying the reason we need to do this is because we need to dramatically expand food nutrition programs. I ask where were these Senators when we had a 30 percent reduction in food stamp enrollment. That was in the 1996 so-called welfare reform program. The fact is these Senators who had not a word to say.

I say to those Senators, where were you? In the committee, Senator HARKIN and Senator DAYTON and I have fought hard for food nutrition programs. Frankly, my bottom line in conference is, anything less than $6.2 billion in the food nutrition program is unacceptable.

By the way, the House of Representatives, with a Republican majority, has $3.6 billion for food nutrition programs. That is it. Now, all of a sudden, the very Senators—this is not a one-to-one correlation—but many of the very same Senators I have never seen out here as advocates for expanding food nutrition programs, for expanding the Food Stamp Program, all of a sudden, when it comes to this nifty, clever little way of trading off a farm program that gives producers some leverage in the market price to get a decent price versus the Food Stamp Program, now we have the amendment offered on the floor. This is transparent.

In our Agriculture Committee deliberations, I voted for the higher price-tag of $10 billion for food nutrition programs. Senator LUGAR has been a good, strong advocate for food nutrition programs. I will say that. There is no question about it. My comments are not aimed at the Senator from Indiana because I think he has been a true champion on this issue. I am talking about a variety of things I have heard from a variety of different Senators. And I see where this vote is going.

But I said in the Agriculture Committee, I refuse to accept this cynical tradeoff of a commodity program that provides some income assistance for farmers and/or provides some leverage for our farmers to get a decent price in the marketplace, especially if they are family farmers—that is, the people who work the land, live on the land—and food nutrition programs.

Now, I along with others will have an amendment later on to target some of these commodity prices. From my point of view, not only can we take some of that for a higher loan rate and a better price for our producers, we can take some of that and put it in the food nutrition programs. Fine. But do not come out of here with an amendment that basically eliminates the program which will eliminate independent producers. In this particular case, we are talking about sugar beat producers, especially in the Red River Valley and other parts of our State of Minnesota.

Again, I would say that I am a little bit skeptical. I am a little bit skeptical of Senators who are coming out here who I have never heard a word from about cuts in the Food Stamp Program before, and now all of a sudden they become passionate advocates for the Food Stamp Program, if it gives them an opportunity to eliminate a whole bunch of independent producers, family farmers.

Do I think that some of these farm programs are an inverse relationship to need? Yes. Do I want to more target them? Yes. But I refuse to accept in tradeoff that is explicit—not implicit, but explicit—in this amendment that is before us today on the floor of the Senate.

Let me also say quite a few of the Senators who are out here with this amendment, and they can come out here and debate me, but I would bet that the historical record will show this: While we have had, in the past several years, a dramatic rise in the use of food shelves and food pantries, and while we have had any number of different reports that have come out, especially by the religious community, about the rise in the number of ''food insecure households''—which is just another way of saying homes where people are hungry, maybe to the tune of about 30 million or thereabouts; I do not remember the exact figure, many of them children—while we have had reports about the dramatic rise of hunger and homelessness in our country, I have not heard one word from many of the Senators who have come out here today, who, all of a sudden, have become champions for the Food Stamp Program, if they can eliminate a farm program that will eliminate family farmers, independent producers in my State of Minnesota.

I say no to that. I hope my colleagues will join me.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAPO. Mr. President, I rise in opposition to the amendment. We have heard a lot of discussion over the years about the sugar amendment and the sugar program in the United States. In fact, as the distinguished Senator from Louisiana indicated, we seem to have this debate on at least a biennial basis. We have had this debate since I have been in Congress, and long before that.

It would seem people in the country, and particularly here in Congress, would ultimately come to recognize what the true facts about this program are. But, nevertheless, we continue to debate it.

I would like to talk a little bit about what really is at stake. There is a lot of discussion about the fact that the United States supposedly subsidizes its sugar and that that is a great cost to the taxpayer, a great cost to the consumer, and an inequity in international trade.

The reality is, although there is a lot of talk about the world sugar price—and I am going to discuss that in more detail in a minute—it is a trumped-up argument.

The United States, as a matter of fact, has the sugar program because other nations are subsidizing their sugar. The world sugar price, as is so often debated in these halls, is a world-dumped sugar price.

What happens is, most nations that produce sugar produce enough sugar for what is consumed in their nation, and then they have some amount of sugar left over. That sugar that is left over is then able to be dumped on the world market through very anticompetitive and even predatory practices by these nations, where they are subsidizing the sugar production and dumping it into the world market in an effort to basically help their producers gain an unfair advantage against the producers in other nations.

What the United States did long ago was to recognize that if we were to allow this subsidized sugar to be dumped unjustifiably in the U.S. markets, it would drive the price of sugar in the United States unreasonably low and drive our producers out of business, thereby resulting in a capture of the market by these other nations and their producers. What we always see in the economic cycle when that happens is that then the price can go up, as those who have driven out their competitors and the competition can, then more easily control the price.

I show on this first chart what we are talking about in terms of the world sugar dump market price. The world average production cost to produce sugar is $16.26, and the world market price that we often hear about is $9.52, which is why we have deemed it the world dump price. What happens is that a price far below the cost of production of sugar is generated by those nations that subsidize and provide other anticompetitive barriers to the proper movement of sugar in a real market. It is this subsidized sugar that would flow into U.S. markets, significantly jeopardizing our producers in a way that would cause many of them to go out of business, that the U.S. sugar program is designed to stop. That is really what is at issue.

The question we must ask ourselves is, Is the United States going to step up to the plate and protect its sugar producers in an anticompetitive world market environment where clearly the competition is out there trying to drive our producers out of business?

Some respond by saying the U.S. sugar producers ought to be able to produce their sugar more efficiently or it really isn't a world dump price, and the fact is that U.S. sugar producers want to keep their sugar at unreasonably high prices.

Again, the reality is, when we study the nations that have retail sugar prices—I distinguish here between a retail sugar price, the price the consumer pays at the marketplace to buy their sugar—the United States is clear down at the bottom of the developed countries in terms of the retail price paid for sugar in our markets. Our sugar producers are producing sugar efficiently. The price of sugar at our retail level in our markets is very competitive worldwide. In fact, as you can see here, we are clear down toward the bottom. The United States is third from the bottom among developed countries in terms of the low price of sugar.

The argument that our consumers are being hurt somehow by the sugar program is simply false. What is really at stake is that there are those who would like to push production of dumped sugar, of subsidized sugar, and dump that sugar into the U.S. markets to gain advantage.

If you want to look at whether that will cause the price of goods that utilize sugar to go down, you have to look at the marketplace in the United States. Every year we debate this, the argument is made that the sugar prices are unreasonably high because of the sugar program, and if we could get those sugar prices down, we would save the consumers in the United States a lot of money. If you look at what has happened to the price of sugar for the last 4 years, it has come down. It has come down about 25 percent.

We haven't seen the price of products that utilize sugar come down at all. The price of those products has generally gone up over the last 4 years. The savings there have not been passed on to consumers. Those savings, if any, in the reduction of the sugar price in the United States over the last 4 years, have gone directly into the pockets of the producers, those who utilize the lower cost sugar in their products but then continue to sell their products for either the same or an increased price.

The real issue is whether the United States will continue to protect its sugar beet farmers. Right now, talking about sugar beets, the sugar farmers throughout the United States are running at 20-year lows. For the past 2 years, the farmers in the United States are getting 20-year low prices, whereas the prices for the goods that utilize sugar have not come down at all.

We need to debunk some of these false theories or false rumors that have been placed out in the American public about what is happening in the sugar debate.

Another argument that is often made is that the sugar program involves the U.S. Government subsidizing heavily its own sugar to protect against this anticompetitive conduct. There are those who say even though we do recognize that there are predatory practices worldwide, the U.S. taxpayers should not be expected to be the ones who step up to the plate and protect.

Again, let's talk about the real facts. The way the sugar program works, the sugar producers themselves pay an assessment on their crops to help to fund the nonrecourse loan program that is established to protect the sugar industry. The sugar program basically consists of two very easy pieces: One, a nonrecourse loan; and, two, quotas on imports to protect us from dumped sugar being forced into U.S. markets.

If you look at what the cost to the U.S. Treasury has been as a result of this nonrecourse loan program, you find something very interesting. If you look at the last 12 years, this chart basically covers 9 or 10 years. The U.S. Treasury has gained money because of

the sugar program because in each of the years 1991 through 1999, I believe in almost every year prior to that, the assessment paid by the sugar growers was more than was necessary to pay for the cost of the loan program, and the excess went right into the U.S. Treasury. The Federal Government was making money off of the sugar program to the taxpayers, not costing the taxpayers money.

It is true that in the year 2000 that reversed, and the loan assessments were not enough to cover it. And in that year there were costs to the taxpayer as a result of the nonrecourse loan program. We can't say that in every single year there is going to be a benefit to the U.S. Treasury. But we can look at history and historically, in the vast majority of the years, the U.S. sugar program operates at no cost to the U.S. taxpayer. In fact, it puts dollars in the Treasury which we then allocate to other important priorities in the United States.

Whether we are talking about the consumer, whether we are talking about the taxpayer, or whether we are talking about the sugar growers in the United States, the sugar program is a program that is designed for well-intentioned purposes and is working well. There is no reason we should have to go through this debate endlessly, as those who would like to drive the price of sugar down even further in the United States continue to attack the sugar program.

I encourage my colleagues to oppose the amendment to strike the sugar provisions from this bill.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DAYTON. Mr. President, I associate myself with the remarks made by the Senator from Idaho and by the two Senators who preceded him from Minnesota and North Dakota. I was not aware until the Senator from Idaho pointed out the history in the sugar program, but I think this testimony today certainly underscores the bipartisan support for this program and also the benefits not only to sugar beet producers in these respective States but, as Senator CRAPO has pointed out, to the American people.

I see no one else is here right now so I thought I would take a moment. I have been asked by the chairman of the Agriculture Committee, Senator HARKIN, who is managing this bill, to sit in for him briefly because he has to chair a conference committee on one of the appropriations subcommittees. In baseball terms that is called ''reaching deep into the bench'' to put me in that position. It does give me an opportunity to speak for a moment about the superb job which the chairman, Senator HARKIN, has done in leading our Agriculture Committee and also in bringing this bill to the floor.

As the Presiding Officer knows, since he and I were both on this committee for this first year, we have had the good fortune to serve under two very distinguished and outstanding chairmen of the committee. Senator LUGAR from Indiana, when we first joined the committee, provided magnificent leadership. His longstanding commitment and concern not only to American farmers and to setting the right policy for American farmers is evident, but also his deep support for the nutrition programs and benefiting children, consumers throughout this country.

When Senator HARKIN became chairman, I had the opportunity then, along with the Presiding Officer, to watch him provide the same kind of outstanding leadership. He has had the responsibility to bring this bill through our committee and to the Senate floor. I can honestly say, after watching him over the last couple months, one of the positions I would least want to assume is that of chairman of the Senate Agriculture Committee. While it has great responsibility and great opportunity to be of service to those States, such as Nebraska, Minnesota, and others, which are so heavily dependent on agriculture, frankly, the work the chairman has performed I think has been nothing short of miraculous, trying to pull together all the agricultural interests in our very diverse country.

We have had some of our differences and disagreements, certainly, but I think they have been more based on representing the interests of the farmers in our particular States than anything else. Maybe some are on philosophy and views on what the Government's role in agriculture policy ought to be. Most of all, we come from 50 diverse States with very different agricultural interests, and we are trying to knit that all together here.

Again, I think Senator HARKIN has been phenomenal in his ability to bring together all the points of view and to reflect not only the interests of his own State of Iowa—which, coincidentally, is contiguous to my State of Minnesota, so we share many issues in common—but also those interests from all over the country. I think the bill that the chairman brought forward is really remarkable.

I have listened to the debate over the last couple of days. Again, there are many different points of view, and they all have considerable merit. I hear some who are critical of this effort because of the costs involved and the need to provide some of these supports to American farmers and producers, and I sometimes think we have lost the context for this legislation and the reason that we, even in the committee, had to adopt some of these provisions.

As a Senator from Minnesota, where commodities such as corn, wheat, soybeans, and dairy are certainly beneficiaries of these programs, I wish—and I know every farmer in Minnesota wishes and would greatly prefer not to—we did not have to receive any Government payments or subsidies whatsoever—call them AMTA, countercyclical, or whatever. They would much rather make a decent price and get a good profit in the marketplace.

I come from a business family, and I know the Presiding Officer has been involved in business as well. You don't stay in business in this country if you can't make a profit on what it is you produce and sell. That is what American farmers want to do. They are business men and women first and foremost. They love the land and the work they do, but they are in agriculture to make a profit—a sufficient profit to pay for all their equipment, their seed, and other investments, and to get a fair return. Most important, they want to be able to provide for their families.

Something strikes me as terribly wrong in this country when these hardworking men and women—America's farmers—want to spend their lives and devote their careers to feeding the people in our country and throughout this hungry world, yet they can't make a decent profit on what it is that they themselves produce. I know farm families in Minnesota where the families and their children are literally going hungry because they can't make enough producing commodities to be able to buy what they need for their own families.

That is the crisis we have seen in the past. I think we have seen it clearly—at least speaking from Minnesota's perspective—get worse and worse under the current farm bill. It was put together with all the best intentions. I don't think there was anybody in the Senate or in the House 6 years ago, when this bill was put together, who had any intention other than to best serve the interests of American farmers and the American people. But the fact remains that in the aftermath of that legislation, the decoupling of prices from payments and setting up of AMTA payments that were based on pre-1996 levels of production has essentially locked in historical production, as well as the payments made according to the size of these farm operations, and that is, prices declined for many key commodities, and in subsequent years Members of Congress from both parties came back and agreed together, under the administration of the former Democratic President—so this was bipartisan—they came back together year after year and authorized these emergency payments.

Last year in the United States, the Federal Government was the largest provider of financing and income for American farmers. In some States, including parts of my own, net farm income in these areas was less than the amount of the Federal Government payments in support of these commodities. In other words, in the marketplace the farmers lost money. If they had not received these Government payments, they would have been out of business. That is again why, from my perspective, the Congress, and the administration, year after year, acted as they did, because they knew if they did not do so, given the market prices that were not just through the floor; they were in the sub-basement, the farmers

would be going out of business. If they hadn't acted as they did, Minnesota farmers, by the thousands, would have been out of business.

Therefore, if we don't act as we are today, if we were to say take away all these subsidies and let's return the dollars and use them for some other purpose, that would absolutely bankrupt farmers in Minnesota and, I believe, throughout significant parts of this country.

So the goal of Chairman HARKIN's work and our work on the committee, as I view it, has been to take the predicament in which we find ourselves today with American agriculture and say how do we move ourselves out from behind this economic eight ball that we find ourselves behind and move forward in a way that restores some of the market prices, at least if I had my way, to levels that are such that farmers could make a good price and profit.

Even though we dodge that issue in this country, frankly, there are forces—and some have been referred to by some of my colleagues—who prefer to see the price that goes to the farmers themselves as low as possible, and who benefit from having low market prices for basic commodities because then, through the processing and the transport and retail and the like, they have a greater margin for profit in their own enterprises, striking that balance so that the American consumer, at the end of that, still pays a reasonable amount, which the consumers do today—remarkably less of their total family income as a percentage for basic food than virtually any other country in the world, because we have an efficient agriculture system, one that overall provides food for the consumer at a low price, providing for quality as well.

Those who want to keep prices low—and we have had this discussion in the Agriculture Committee, the Chair will remember, with the Secretary of Agriculture, where I asked the Secretary, because there are some in that administration and part of that Department who reportedly, from what I have read of their remarks, think the prices should be kept fairly low, should not get too high, because then it would have a negative effect on our efforts to expand trade and the like.

So I asked the Secretary if she could provide for us what are the target market prices for these commodities that the administration thinks are in the best interests of American farmers, as well as trade and everything else. I have not yet received an answer to that question that I raised some time ago.

So to lay all the cards on the table here, clearly, as I say, there are many competing forces, and Chairman HARKIN, in my view, has done an extraordinary job of balancing them and putting this bill before us. I might say the same about the conservation title. I know Senator HARKIN and other Members have worked closely on that. He has been working on these new initiatives in conservation for the last couple of years. I know because I had an opportunity—and some of the environmental groups and farm groups in Minnesota told me even before I took office about how they have been working with Senator HARKIN and with his excellent staff for the last couple of years framing these conservation programs.

Senator HARKIN recognized that we have already in current law—through, again, bipartisan efforts and with bipartisan support—such very important conservation programs as CRP, WRP, the ways in which we have encouraged farmers and paid them through Federal funds to set aside lands that are probably better off not being in agricultural production—they may be marginal for that purpose; they may have environmental issues with extensive farm production—and where we therefore make it possible financially for farmers to do the right thing. What they would like to do is act as stewards of that land and to go ahead.

So we have seen those programs. They produce wonderful results and support the men and women in my State of Minnesota and across the country—environmental groups and farmers. This is one of those times when people from all different interests, backgrounds, and perspectives seem to agree that, again, within the right balance, setting aside this amount of acreage has been in the best interests of our country.

These are Federal Government programs that have worked for farmers and environmentalists. They have worked to preserve our resources. They have worked for sports men and women, fisher men and women, and hunters.

Senator HARKIN wanted to focus in particular on those farmers who have land in production but who themselves, especially during these times of economic hardship, would like to undertake some improvements for conservation purposes and do not have the resources, sometimes even the technical know-how, to do so.

He crafted this new conservation program, the Conservation Security Act, which is a major component. It should be called the Harkin Conservation Security Act, to give due recognition to the leadership he has provided in support of farm organizations, environmental groups, and others in Minnesota and elsewhere in the country.

If we initiate a new approach which is successful, I believe it will be a tremendous cornerstone of our nationwide conservation efforts by providing farmers with funds and working with them and with people with expertise in farmland conservation so they can bring more of their agricultural production into the best conservation practices known and provide them with funds to do so. I think that is an extraordinarily important part of the legislation.

Finally, Mr. President, since I have the opportunity, I want to say how important I think the energy title of this legislation is. Again, I commend Senator HARKIN for his leadership in this area as well. He has been one of the champions in the Senate for a number of years in taking our agricultural commodities, such as corn, which is certainly prevalent in his State of Iowa and my State of Minnesota, and using corn for purposes of ethanol production, providing what is a winner all around, providing an additional market for domestic commodities so we raise the prices, as I said earlier, in the marketplace, and providing for cleaner fuel as an alternative, as a substitute for some of the hydrocarbon additives. Ethanol is an enormous contribution to a cleaner environment across this country, and also to domestic oil reserves.

I look forward next year to working in the area of expanding the use of soybeans for diesel fuel as an additive, and I know Senator HARKIN has been willing to take the leadership, along with myself and others, in that area as well.

Again, I commend the chairman. I certainly commend the ranking member as well, but I think through the chairman's hard work especially, we have a bill today I am very proud to support.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, when I saw the Senator from Minnesota was speaking on the farm bill, I wanted to come and thank him publicly for the role he has played as a new member of the Senate Agriculture Committee.

The Senate Agriculture Committee deals with some of the most difficult issues when we are dealing with a new farm bill. This has been a debate that has extended over a long time. I point out that the Senator from Minnesota, as a new member of the Senate Agriculture Committee, in my judgment, has become one of its most thoughtful members. We saw that with respect to the amendments he offered and his debate, both in the public sessions and also the sessions in which there were only members discussing how we would proceed.

I thank him. It is awfully good to have a new colleague from a neighboring State who has done his homework on the issues in this farm bill. I believe that is the case with the Senator from Minnesota. I commend him for the role he has already played.

One of the things that happens around here is you develop respect based on your credibility, and the Senator from Minnesota I think has laid a basis that will serve him well for many years to come in the Senate.

I would be remiss if I did not acknowledge the role of the current occupant of the chair as well who is also a new member of the Senate Agriculture Committee, the former Governor of the State of Nebraska, almost a neighbor to North Dakota, but someone with

whom we have shared interests and somebody who has played a very important role as well in bringing this farm bill before the Senate.

We can acknowledge there were many who said we would never be here. There are many who said we could not get a bill through the committee this year, we could not get a bill on to the floor of the Senate. Now they are saying we cannot get it out of the Senate. We will see. We know there are those who are opposed to moving this legislation this year. I think they are badly in error. Let me say why.

We are faced with the lowest prices in 50 years in agriculture. In October, the price review for agriculture came out, the so-called producer price index. It indicated the biggest drop in prices that farmers received in 91 years—the biggest monthly reduction.

Our major competitors are not waiting. The Europeans have clearly a plan and a strategy they are pursuing and pursuing aggressively. They are already providing their producers nearly 10 times as much in per acre support. They are providing 28 times as much in export subsidy to take markets that have traditionally been ours. They hope we are asleep. They hope we will not act. They hope we will debate this bill to death and not move forward.

I hope they are wrong. I believe they will be proven wrong. It is incredibly important to this country that they are wrong because if Europe prevails, if they are able to maintain this differential in which they are continuing to grab market share that traditionally has been ours—remember, in the last 20 years they have gone from the biggest importing region in the world to the biggest exporting region. They have done it in 20 years. They have done it the old-fashioned way: They have gone out and bought these markets.

We in this country will regret it for a very long time if we lose our world dominance in agriculture. We are very close. The stakes are enormous, and this farm bill is the test. I hope we pass it.

I thank the Chair and yield the floor.

Mr. INOUYE. Mr. President, I rise to strongly oppose the Gregg amendment, which would essentially abolish the sugar program and place the remaining two sugarcane producers in my state out of business.

Hawaii cannot afford the dramatic increase in unemployment that will result from the shutdown of the remaining sugar operations. Sugar supports much of the employment base on the Islands of Kauai and Maui. If there is no relief to sugar prices, approximately 300 to 400 sugar and related workers will become unemployed. For a small island economy, this would be an enormous loss of jobs at a time when there are few alternative employment opportunities in the state. The sugar industry in Hawaii has declined to about one-third of its size compared to five years ago, and the remaining operations can remain globally competitive only as long as the U.S. sugar program is in place. The U.S. sugar program provides a cushion against imports from the world dump market, where prices have run about half the world average cost of producing sugar for most of the past two decades.

U.S. producer prices for sugar have been running at 20-year lows for the last two years, and it is extremely difficult for our producers to compete because sugar production around the world is heavily subsidized. Because of foreign subsidized surpluses the world dump market price has averaged, for the past decade and a half, only about half of the price it would have been in the absence of subsidies. For example, the European Union (EU) has transformed itself from one of the world's biggest sugar importers to one of the world's biggest exporters with extremely generous producer subsidies. The EU subsequently unloaded its surplus sugar onto the world dump market with massive export subsidies. Some 6 million metric tons of subsidized sugar is dumped on the world market each year, for whatever price it can bring in.

The U.S. sugar policy was a net revenue raiser of $279 million from 1991 to 1999. The sugar provisions in S. 1731 allows American sugar farmers and producers to compete on a level playing field against foreign sugar farmers. I urge my colleagues to defeat the Gregg amendment.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, a couple of hours ago, I came to the Chamber and indicated we needed to move this legislation along. We have not moved it very far, although this has been a stimulating debate on the topic of sugar.

I have spoken to the Republican manager Senator LUGAR, and he has indicated he wants to speak, Senator ENZI wants to speak. And I see my friend from Arizona. I do not know if he has had an opportunity to speak yet. I say through the Chair to the Senator from Indiana, I do not know if the Senator from Arizona has spoken. I have not been in the Chamber all day. He may want to speak.

It appears not.

When Senator LUGAR finishes his statement and the Senator from Wyoming finishes his statement, I will move to table this amendment.

I also say to the manager of the bill for the minority, I hope sometime this afternoon we can have a cutoff for filing of amendments. If we are not able to determine how many amendments there will be and some time for a filing deadline, it appears people are not serious about moving this bill along.

I look forward to the next vote, and we can talk to the two leaders at that time.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I say to the distinguished colleague from Nevada in response, it is indeed my impression that following the debate on the sugar amendment, Senator DOMENICI wishes to offer an amendment, and then Senator BOND from Missouri will come in, and then Senator MCCAIN.

Mr. REID. That sounds good.

Mr. LUGAR. At least we know there will be some activity. I want to speak on the sugar program. For the moment, I am prepared to yield to my distinguished colleague from Wyoming because I will be here for quite awhile, and to conserve his time so he might be heard, I yield the floor, and I will ask for recognition again.

The PRESIDING OFFICER (Mr. CARPER). The Senator from Wyoming.

Mr. ENZI. Mr. President, I rise in opposition to the Gregg amendment which is to phase out the sugar program. The goal of U.S. sugar policy is for our producers to provide a consistent supply of inexpensive sugar to consumers. We have met that goal. Sugar is an important part of almost every food product. The U.S. sugar policy has provided food manufacturers with an unwavering supply of sugar without cost fluctuations. All consumers have benefited from this steady supply. The U.S. sugar policy has allowed producers in Wyoming and other States to provide for the country's sugar needs without going out of business.

The Senator from New Hampshire claims the U.S. would be better served if we purchased our sugar from the world market. I will not deny the prices for sugar on the world market are less expensive than the current U.S. sugar prices. It is important to note that the world market is a dump market. It is comprised of surplus sugar from subsidized countries.

Countries such as Mexico supply the world market. Mexico now has an average overproduction of 631,000 pounds. Even though 250,000 pounds of that surplus production is accepted into our market under the NAFTA side level, the Mexican Government recently bought and paid the debts on almost half of the sugar refineries in Mexico. If that is not subsidization, I don't know what is.

I met with the folks from the Mexican senate yesterday. They were in the United States to talk about sugar. I had to remind them of their overproduction, and if the world market opens up it will grow even greater. I had to talk to them about the NAFTA side letter so that our high fructose corn syrup can go to Mexico and eliminate some of the overage we have here.

I know for a fact some of the people who served in this body at the time that NAFTA came up only voted for NAFTA on the basis of that side letter. That side letter is now not being recognized by the Mexican Government.

They are creating a crisis in America, a crisis in Wyoming. The sugar beet growers in Wyoming are working desperately to make their product work, to make sure there is an even domestic supply. We shifted all of our energy supply overseas—not all, but a

good deal of it. You can see the crisis that this is causing at the present time in this country. Should we do that to sugar too; get rid of our local producers and have those countries in the other parts of the world ban together to control the price of sugar and make us pay through the nose for sugar? I don't think that is a very good idea.

Our sugar producers in Wyoming are coming up with alternate ways to make their production work better. One of the ways they are doing that is to buy the refineries. They are not asking the Federal Government to buy the refineries. They are buying the refineries. They are forming co-ops and putting their land up against the refinery. Why? They get a little bit of profit off of the sugar, off of the production of the sugar. They will get another little bit of profit off of the refining of the sugar. If they can put together enough of the different layers that are presently going to other people, they will be able to make a living from the sugar.

Don't be fooled by the glut of sugar in the world market. The price may be low now, but I guarantee that will change. As soon as the U.S. accepts this amendment and begins buying from the world market, the price for sugar in that market will rise. We will be left at the mercy of the world market because our growers will no longer be in business.

In Wyoming alone, the Main Streets of at least four rural communities would become ghost towns. They will no longer be able to meet the needs of our own country. While sugar beets remain the No. 1 cash crop in Wyoming, the price farmers receive for their sugar is at a 20-year low. That shows the dire situation all agricultural producers are in this year. The companies that refine the sugar beets into sugar in Wyoming can no longer afford to remain open.

The farmers in my State and others have banded together to try to purchase the refineries. They are attempting and fighting to do everything they can to remain viable and competitive. These are not farmers waiting for the U.S. Government to bail them out; they are fighting for their own future.

The Senate should defeat this amendment. We should continue to support sugar beet and sugarcane farmers just as we support all farmers who produce agricultural commodities in the United States. The sugar program portion of the total net outlays for all commodity programs from 1996 to 2001 was only .19 percent, a small cost to maintain a steady supply of sugar to our consumers and to provide for communities that rely on the sugar community.

This becomes a domino effect. We talked about the problem with airlines and how people rely on airlines. If you are in a small community, one of the four small communities in Wyoming that rely on sugar beets, when the industry goes down, the whole economy goes—I don't care how well the airlines are flying. They are not asking for the United States to buy the sugar refineries as they have in Mexico. They are just asking for a fair chance at their economy and a little longer to develop these co-ops. I hope Members stick with us on the sugar amendment.

I yield the floor.

Mr. REID. Mr. President, I ask unanimous consent that following the statement of the Senator from Indiana, Senator BURNS be recognized for up to 15 minutes to speak on this amendment; Senator CRAIG be recognized to speak up to 15 minutes on this amendment; and that I then be recognized. I will move to table the underlying Craig amendment.

Mr. LUGAR. Reserving the right to object, my understanding—perhaps someone can advise me—is that Senator GREGG wanted to make a final argument. Could the leader offer at least a proviso of time for Senator GREGG?

Mr. REID. That is appropriate, and I also ask unanimous consent that there be no intervening amendment prior to my motion to table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Indiana.

Mr. LUGAR. Mr. President, I rise in support of the amendment offered by my distinguished colleague from New Hampshire, Senator GREGG, which, as has been pointed out by all speakers, effectively phases out the subsidies provided under the existing Federal sugar program.

Apropos of the comments made by my colleague from Wyoming, almost all farmers are supported by some program, as I attempted to point out this morning, and only about 40 percent of farmers in our country receive any benefits from all of these programs. I appreciate that colleagues find this difficult to believe, but nevertheless it happens to be the case. It is the case because historically programs arise attached to very specific crops. In the case of the row crop of wheat, corn, cotton, and rice and the evolution of things, soybeans have come into that category and there have been very special programs over the course of time established for sugar or peanuts, for tobacco, for wool and mohair. In due course, programs have come up largely through a sense of equity and disaster areas that have somehow touched upon so-called specialty crops.

But after all is said and done, the farm bill essentially is a focused bill historically on program crops. Sugar is one of these. As a result, those who are involved in the sugar program are among the 40 percent who are beneficiaries as opposed to the 60 percent of American farmers who are not.

Having said that, in the amendment I offered this morning I did not offer discriminatory comments with regard to the sugar program any more than other programs. Rather inclusively, I suggested that $1 of revenue from sugar ought to be treated the same as $1 of revenue, say, from honey or from wool or whatever. That would be true, in my judgment, for sugar farmers. If the farm does only the production of sugar, that is going to be the only item in the list. But, nevertheless, that sugar grower would have been entitled to a 6-percent voucher on the first $250,000 of value, 4 percent on the next $250,000. Admittedly, that would bring a certain amount of discomfort to a very small number of sugar growers.

But, as Senator GREGG pointed out, a very small number receive 40 percent of all the money in the sugar program, as is the case again and again in agricultural programs as they are now. They go to a minority of farmers to begin with. A very small minority of that minority receive a disproportionate amount of the payments—such as, in the totality of things, 47 percent of payments going to just 8 percent of farmers.

The sugar distribution is even more pronounced, with a vengeance. Therefore, the amendment Senator GREGG offers, a phaseout of these sugar subsidies over the course of a period until we get to zero in the year 2006. There is a transition that phases into the world market that has been discussed. I will touch upon that. It offers, at least, a glidepath out of this, given the fact we are not going to have a whole farm view but continue with very specific commodities because the program has had very unfortunate results, as Senator GREGG has detailed and that I want to underline.

In essence, his amendment would phase out the so-called loan rate for sugar beets and sugarcane, reducing it to zero. Marketing allotments and quotas for both sugar beets and sugarcane would be eliminated beginning with the year 2003 crops. Senator GREGG's proposal would make the funding offset of approximately $1.2 billion over 10 years, according to CBO estimates, available to lift the shelter cap in place in the Food Stamp Program. So, in essence, Senator GREGG is moving this money, which is going disproportionately to very large sugar growers, to nutrition programs for the poor.

Eliminating this cap, as the Senator points out, will help a large number of families whose actual housing and utility costs put them in a situation of choosing between shelter and food.

This morning, as we discussed my amendment, I chose to offer a solution of roughly doubling the amount of money over the course of 5 years in food programs. Senator GREGG goes about this in a different way, given the loss of my amendment this morning.

The Senate committee bill maintains, as it stands, many of the current sugar program provisions and, in fact, provides additional benefits that proponents have required as well. It eliminates the marketing assessment on sugar, reduces the CCC interest rate on pricing board loans, authorizes a payment-in-kind program, reestablishes

the no-net-cost feature of the program, and provides the Secretary with authority to implement allotments on domestic sugar production.

The loan forfeiture penalty on sugar also is eliminated. The taxpayer cost of all of this is expected to be about $530 million in mandatory new spending, above baseline, during the next 10 years. This is the CBO 10-year score.

I mention that because there has been considerable discussion. Whatever may be the merits or demerits of the sugar program, the costs to the taxpayers is de minimis. Albeit, a small problem in the past year, but nevertheless this was an aberration, as suggested. But it is no aberration when CBO scores the sugar program in the Harkin bill as $530 million. That is real money, taxpayer money over the next 10 years. This is hardly a harmless procedure.

There has been long debate about the effectiveness in the administration of the program. I wish to touch upon some of those problems as an illustration of unintended consequences of the sugar program.

The U.S. Government, for many years, as all have pointed out, has subsidized domestic sugar production through a combination of price supports but, perhaps equally effectively, import quotas. That has led to, if we were discussing this in a foreign policy debate, some very serious problems. For example, throughout the 1980s, as this body and the President of the United States seriously talked about democracy in Central and South America and in the Philippines, the sugar situation arose every time. The countries were attempting to help find their way to the ballot box but then, fairly rapidly, due to some type of economic consequences in which the newly elected officials could be supported, they ran up against the fact that we restrict the amount of sugar imports to this country and restrict them rather severely.

A so-called sugar quota system occurred in the world, country by country—literally of how many pounds each country was allowed to ship to us. It mattered not what the price was. The entire situation was carefully regulated. Why? Because those who had formulated the sugar program readily saw that if we were offering stimulus to production in this country at the same time mandating imports from other countries, a collision was going to occur—which has occurred, from time to time. But what also happened was that other countries around the world were prohibited, really, from the economic sustenance that those exports to our country would have meant for them.

So on the one hand we talked about foreign assistance, foreign aid to these countries to shore up their fledgling economies and fledgling democracies, but not through allowing them to ship to us something of which they had surpluses and in fact produced at a fairly low production cost.

Throughout this debate, the production cost, the worldwide cost has been mentioned at approximately 16.5 cents. But that is the average cost. That is almost saying there is some type of average cost for the production of corn in the United States of America, which means maybe approximately half of corn growers are more efficient than that. Some are very much more so, as a matter of fact.

I mention this because some countries have a natural advantage in the production of sugar that we do not have. This is an acquired skill in the United States. Our problem, then, in terms of foreign policy, was exacerbated further, as has been pointed out, when we came into the NAFTA agreement. This is a serious problem on the horizon, not touched upon in great detail today but it would be by anybody in a sugar conference because we pledged to have a fairly free flow of Mexican sugar.

This gets into other internal agricultural disputes because those who are producing high fructose syrup—and this is largely corn growers who are interested in this situation—feel badly treated by the Mexicans. They have protested in about every way, in all the various settlement fora, that they are being shut down by Mexican intransigence. Mexicans are replying: By the way, you are supposed to take our sugar.

So to say the least we have a problem here between corn growers, if we were in that fora, and sugar growers. Likewise, our treaty obligations somehow are in some disarray when it comes to this issue.

In any event, domestic sugar processors have benefited from price support loans that guarantee them at least two to three times the world price of sugar and sometimes more.

We touch upon, once again, this price of sugar. And others have pointed out that the true average of 16.5 cents is the world price. I took a look at the Wall Street Journal this morning, and it is now somewhat less than 8 cents. It has not been a good week for sugar.

The proponents at least of the sugar program point out that this is so-called dumped sugar and that what I and others don't understand is countries and big users contract with each other. Presumably the idea is that they contract at some price that must be adverse to their situation because clearly it must be higher than the world price. Apparently, do this year after year, and keep on doing it regardless of how far above the world price it is.

For a commonsense listener of this debate, that listener might say: Why, just to test out the system, don't you just buy the 8-cent sugar? Why would you want to make a contract at 15, 16, 17, or 18 cents? The sophisticated sugar producer might very well say: Well, because that is about what it cost. And, by and large, that is where the bulk of it is if you have a big contract. You really need a lot. You need a certainty of supply. You need continuity of management, and so forth, as some have pointed out, and long-term contracts. But you don't look at the daily posting in the Wall Street Journal. But if you have something out there, I understand that.

We have sophisticated discussions about sugar prices that involve all of these aspects of certainty.

With regard to the pricing of various commodities, in my farm experience from time to time the starch company has suggested that, if I would guarantee a flow of corn month by month, which means that I would bear the storage costs and the problems of transportation and marketing, and what have you, they would be prepared to pay a premium for every bushel of corn well above anything that I could sell it for in the futures market, for example. Why would they do that? Because a guarantee of a certain number of thousands of bushels month by month with a fairly short haul and certainty in the neighborhood is valuable to them.

I can well understand why people would come to contractual agreements on sugar that might be above the fluctuations of the world market at some point. However, for the domestic consumer of sugar—this includes others well beyond candy companies or those who are commercially involved in these operations—it would be attractive to consumers in the United States if they could consider the possibility of buying this dumped sugar. It is as inexpensive as the sugar that was not dumped. As a matter of fact, domestic producers say that would be unfair because our production costs are well above that cost.

One can understand their argument on this despite the contracts which they claim to have made at prices that are much higher in a situation. But consumers are always helped by markets and by genuine competition. There is a lot of it out there.

The suggestion is that somehow if we were seduced by the idea of 8-cent sugar and started buying, that suddenly it would be gone, and that it would be back to 16 cents. That is nonsense. My experience, at least in visiting people all over the world who are involved—in the Caribbean, South America and Philippines—is they have a lot of sugar. It would not just be dumped. It would come in a steady flow, and it would come at a cost that is substantially less than that which is now paid by consumers. We would have tax reductions across the board.

It has the same effect as a drop in the price of gasoline, which we all applaud. No one, to my knowledge, is condemning Saudi Arabia for dumping gasoline on the American market. As a matter of fact, we want them to dump some more—as much as they can. We fear that our good fortune might end at some point; that the cartel might get together and somehow remedy the predicament. But for the moment, as consumers of gasoline, we understand the

issue clearly. So should we as consumers understand the issue of sugar, a common substance used by most of us.

I am saying in terms of our standard of living that our situation would be enhanced. It would be a tax cut through the Gregg amendment.

For the moment, however, imports are restricted through quotas that are among the last remaining protection barriers in U.S. trade law. That, of course, means even with our barrier with Mexico with whom we thought we had reduced the barrier—the whole purpose of NAFTA—and despite claims that the sugar program operated at no net cost in fiscal 2000, the sugar program cost the taxpayers—not consumers but taxpayers—$465 million, according to the U.S. Department of Agriculture. That is a substantial sum of money.

Furthermore, as we have heard, the Federal Government ended fiscal year 2001, the last year we were in, owning 1 million tons of surplus sugar, some of which is now given back to producers as payment for plowing up their growing crops.

USDA projects that by decade's end, the Government will own not 1 million but 4 million tons of sugar acquired through this program—through forfeiture of sugar pledged for collateral for nonrecourse loans under the program.

Senator GREGG has said—and I affirm—that we cannot follow this indefensible path. Under our current international trade commitments, we must soon permit increasing imports and obligations under ''WTO'' and NAFTA, which, coupled with record high domestic projections, will result in a sugar supply far in excess of demand. A long-term and rational solution must be implemented in the near future.

I compliment the Senator from New Hampshire for at least a bypass solution rather than an abrupt termination. The sugar program, in essence, is a transfer of wealth from many who are not able to pay—low-income persons—to a fairly small group of producers, many of whom are, in fact, very large corporations and wealthy individuals.

We are now talking about the sugar producers—not the candy companies that have been given some criticism for their wealth and their financial means.

Nearly all other farm programs make transfer payments from the Treasury. Thus, the transfers—whatever their merits—bear some relation to ability to pay since they utilize funds generated by the progressive income tax. But the sugar program works just the opposite. Any tax on food places a greater burden on low-income Americans. Thus my point: Any decrease in the price, such as the ability of incoming shipments of sugar at the world market, serves as a tax decrease for the same reason.

The sugar program ultimately must hurt consumers, despite the pledge that somehow stability is maintained, somehow that a moderate price is maintained, as opposed to prophecies that the price literally would take off if we were going to buy in the world exports at 8 cents.

Finally, I would just say, simply, the price of all food that contains sugar would be affected in addition to the raw product. Sugar growers' own statistics show that in developed countries with access to this world-priced sugar—and I cite particularly our friends in Australia and Canada; these are countries that really have not been so inhibited in utilizing the world-priced sugar at these prices—retail prices in Canada and Australia are lower than in the United States.

Only countries with protectionist sugar regimes—and that would include the European Union, of course—have consumer prices that are higher.

If this were entirely an economic debate, it would be serious enough because we are talking about consumers all over the country in what amounts to a tax increase. And now this is augmented by actual Treasury payments in the hundreds of millions of dollars.

Senator GREGG touched upon the Everglades. Let me go into this further.

Sugar production on approximately 500,000 acres at the top of the Everglades has substantially contributed to the environmental degradation of the Everglades. In 1996, the Senate Agriculture Committee supported the inclusion of $200 million in that year to purchase lands in the Everglades agricultural area, simply to help in the process of restoration. This was a bipartisan effort and one which Florida Governor Bush called ''the linchpin of Everglades restoration.''

From my personal experience, for a variety of reasons, I was campaigning in Florida that year and was made well aware of what was a collision of cultures, so to speak. A very huge number of Floridians described the situation to me in detail. I went to the Everglades to see this degradation for myself, as well as the sugar plantations and all that was involved.

People could have rationalized, in times gone by, that, after all, human beings should be supported in agriculture, that the spoilation of whatever was there had happened elsewhere in our country at various times in history, that it was too bad if additives to the crop: fertilizers, chemicals, what have you, floated downstream and even got offshore and created all sorts of ecological difficulties; that is the way it goes. And to seriously talk about winding this up, at this point in history, even if it meant that you could never restore the Everglades, or even the waterways of Florida, was really beside the point.

But for many Floridians it was not beside the point. As a matter of fact, they proceeded to a very tough referendum campaign that was decided ultimately by a very narrow margin in favor of the sugar growers, not those who were in favor of restoring the Everglades.

Thus, as a result of that debate, and in part because many of us in the Nation as a whole believed that this is a very important environmental project, the Congress has come into it in a big way to try to work with those in the State of Florida who still, in a fairly modest way, are trying to wind up the worst of the predicaments and wrestle with the history of the past.

Let me just make the point, Members who are thoughtful about this sugar amendment need to think about the economics. I appreciate the problem is the Everglades, not North Dakota or Minnesota or sugar beets in the North. One cannot describe the same environmental catastrophes to those, and yet they are caught in the same economic problem. But we really need to consider the expenditures that are now going to be involved as the Congress, the President, and others, including the Governor of Florida, have become not only aware but determined, really, to turn around the course of history which ecologically has been disastrous in this situation.

Clearly, we ought not to be doing, in this bill, what we are doing, I fear, with almost every other crop; that is, offering incentives for more production. And that, I fear, we are doing again here. One can say that, after all, what is sauce for the goose is sauce for the gander. If you are going to offer more incentives to corn farmers to plant more corn, why be sparing with regard to the sugar brethren at this point?

I suppose there is a certain rough equity. If you are planning to simply overproduce everything, then, perhaps, consistency gets in the way here. But I would suggest that would be a mistake not only with regard to the sugar program but clearly with regard to the ecological and environmental consequences.

The right move is to wind up the sugar program. Members have pointed out such amendments have been offered seemingly for time in memorial. During the 25 years I have served on the committee, I cannot remember how many sugar amendments have arisen, but they have come frequently, at least one every farm bill, usually with great discouragement to the proponents.

I believe three farm bills back, if memory serves me right, a modest proposal came during the markup around the Agriculture Committee table. A Senator offered a suggestion that the loan rate be reduced by 2 cents. I think even in those days it was 18 cents or 16 cents. The suggestion was 2 cents be subtracted from that. That was roundly defeated. If it got three votes, that may overstate it. How could this be? Why such support of a reduction of such a modest amount?

The fact is, around the table in the Agriculture Committee—and this is

not news to the Senator from Delaware—many of us who are deeply interested in the crops and in the agricultural practices in our States have a feeling we have come to that table to protect whatever is there. Sometimes that is very difficult for Members. The case is tougher and tougher to defend as the years go on, but that does not deter most. Apologetically, we will say: I have to do what I have to do. I can be a statesman somewhere else, but not when it comes to sugar or peanuts or tobacco or even corn.

I understand that. As a result, what I often have observed, in 25 years, is that those who have something to protect, as a matter of fact, make up a very large majority of us around the table. The situation would be—I think simplicity may be overstating this, but, essentially, if you are there to protect tobacco, you call upon your brethren who are protecting sugar or protecting peanuts or wool and mohair or indigo or honey or whatever the program may be—all of these programs have been highly suspect for years. From time to time, some have actually been wound up. There was good fortune in this respect a couple of farm bills ago when I think we finished the honey program. Wool and mohair certainly was gone, but it reappeared, not because of a farm bill but in the dead of night, in an appropriations bill at the end of a session, such as now, the proponents have managed to bring it back. So even around the table, when we make reforms, they do not necessarily stick. Therefore, I admire the courage, the foresight, statesmanship, and the wisdom of the Senator from New Hampshire in trying again today.

He has offered a constructive amendment which is good for America. At some point we really have to think about that. We can become so parochial and so narrow in our focus that we believe that a very few growers of any crop, whether it be sugar or something else, are worthy of our utmost attention.

But Americans generally listening to this debate, I believe, will find the equation I have offered a reasonable one; namely, we welcome the so-called dumping of oil by Saudi Arabia and others; we welcome the lower price of gasoline because our cost of living situation is helped. We would welcome, in my judgment, the purchase of sugar at the world price. We would welcome the fulfillment of our agreement with Mexico because that is so important not only with regard to agriculture but with regard to general trade and prosperity with our neighbor to the south as well as an enhanced standard of living in this country. And we welcome fulfillment of our WTO obligations because all of us want to export more of the things we do well in our States.

We cannot withhold our obligations to recognize that in other places sometimes people do things well also, and our consumers benefit from those laws of trade.

I call for support of the Gregg amendment and yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Montana is recognized for 15 minutes.

Mr. BURNS. Mr. President, it is hard to follow my friend from Indiana because he makes his argument so sound that it is hard to argue with him. I look upon the support we give American agriculture, no matter what segment, as an insurance policy.

The figure was that the sugar program costs the American taxpayers some $460 million a year, something like that. That is in the neighborhood. That may not be correct. That is less than $1.60 per American. I can't insure my car for that price. What we are talking about here is that even though sugar prices go down, we still see prices of those products that have a high preponderance of sugar in them continue to go up. That is the record. It is there for all to see.

If one looks at the total picture of $73 billion a year we put into the agriculture budget, one has to remember that over half of that is programs on nutrition, food stamps, WIC, many others, meals on wheels, school lunch programs, all subsidized by the American taxpayer. The rest of it is farm programs and the administration of those farm programs.

I look at it as an insurance policy. No other country in the world has a grocery store like we do. Americans have to agree with me that when you go into a grocery store, there is a variety of anything you want to eat. I realize that maybe we don't look upon that as an important thing, but the second thing we do every day when we get up is eat. I don't know what the first thing you do is; that is up to you. But we all need it. We would like to have a little insurance and a little security in the food we buy both from a quality and quantity standpoint. And we do.

You can buy your meat, prepare it any way you want. Same thing with your fresh fruits and vegetables. This is just about the only country in the world, that has fresh vegetables even in the northern tier of States. When there is blowing snow outside, we can still buy fresh lettuce and vegetables. It is an infrastructure and a distribution system that is unmatched in the world.

Getting back to farmer income, for many years agriculture, at the production level, lived on 15 to 20 cents—and that varied—of the consumer dollar which went back to the American farmer. Now we are trying to get by on 9 or 10 cents. Our cost of production, our cost of vehicles, our cost of machinery, of our fertilizer, our chemicals, everything it takes to produce a crop is higher. Let's take, for instance, wheat. In my State it is around $2.75 a bushel. That is lower than it was coming out of World War II, 50 years ago.

We are a blessed nation. We can produce. The American farmer can turn it up, and they can produce it. My goodness, can they produce it. Yet when it comes time to write the check, not near as many of those dollars and pennies filter down to the American farmer. Think about this: When you buy a loaf of bread, less than a nickel's worth of wheat is in it.

Yes, the retail price of sugar in Canada is lower than in the United States, 6 cents a pound. No wonder the people who handle sugar in Canada like the idea of stuffing. This is the only industry where it is mandatory by law and by trade negotiations and trade agreements that we import so much sugar—not trying to overproduce here in the United States, but it is mandatory. It comes to about 15 to 20 percent of our total production is mandatorily put on our market. If we look at the surplus, that is just about our surplus.

We can talk about numbers and figures. In fact, we can swim in those numbers and figures. But at some time we have to take a real look at the men who are on the ground in charge of producing. They are the ones. It is on their backs that this good economy operates. We don't spend 50, 60, 70, or 80 percent of our income just to put a meal on the table. We do it for less than 20 cents.

In order to ensure that supply of quality and quantity, and also prepared in any way that you want, there has to be some sort of an insurance policy that that, too, will remain. We have bigger things to argue about in this Senate than this sugar program and what it costs. In fact, the cost, when you compare it to the rest of the economy, is nothing.

We could talk about food safety. We could talk about terrorism and its impact on our ability to move food from the producer to the table.

That is what we are talking about here. It is an industry that should be allowed to survive. Sugar producers did put forth a plan for why inventory management is the plan for sugar farmers, consumers, and taxpayers. Let's not get caught up in saying that if we take away a sugar program, the cost will go down to the consuming public, when the figures bear out that it is not true. That was very ably pointed out. That is not true.

If we had assurance that we could do a lot of things and provide food for those who are in need—that is what this does, and it makes it affordable. What it saves on the consumer side also saves on the Government side whenever we start talking about nutrition programs and programs that we are willing, as Americans, to provide those who are in need. Nobody ever thinks about those savings.

On the loans—nobody ever thinks that—while we have the sugar, it is sold. Where did the money go? We just hear about the initial appropriation for the program, but we never get an accounting on how much the Government owned, how much it sold and the difference. If we lost a little money, then that takes that so-called—everybody hates this word—subsidy number way

back. It is hard to get those accounting numbers.

So what I am saying is that Americans are willing to ensure the stability, the quality, and the supply. They are willing to accept and pay for that insurance policy. If you look at the whole bill, I think it is around $250, $270 a household across the country. You can't insure your car or your house for that, and you can't insure your life.

I had a cookie while coming over here. Obviously, I've had a lot of cookies in my life. I have never missed a meal, nor do I intend to. But I also understand that this society is the benefactor of people who really know how to produce. Now, talking about limitations and all of that, let me tell you folks that on the farm and ranch, the people who were inefficient, just playing around and trying to farm and could not, they are gone.

We are talking about an agriculture that is down to the point where these are the good people who know how to operate and they are efficient. Our production, as far as increasing our production per acre, has almost been capped out. We can't increase that any more. So the old analogy saying we have to be more efficient and increase our production per acre, and our cost—we will have more to sell, but our cost of production continues to edge up there, also.

I am always reminded of the two fellows in Montana—brothers—and they go to Mississippi and buy watermelons for 75 cents apiece and haul them to Montana and sell them for 74 cents apiece. One looked at the other and said: We are not making any money. The other suggested: We have to get a bigger truck. Well, that is not happening in agriculture anymore. That is not happening there.

So the consumers of America, who are benefactors of this great production, are willing, I think, to buy that insurance policy that says, yes, we will have a supply; yes, it will be ample; yes, it will be quality; and, yes, it is guaranteed to be at that grocery store that is open 24 hours a day and the ability to buy anything you want to eat, in any amount, at any quality, prepared in any way. That is what we are talking about there. That is what American agriculture is all about.

We want to help people. I don't know of anybody who ever showed up at our house who didn't get fed when mealtime rolled around. That is the way of the people of the prairies of this great country.

The Senator from Indiana knows of the values in rural America. They deserve to make a living—just to make a living. Sugar is no different. That is all they deserve.

Now, are there people who abuse the system? Sure, there are. There always are, but they are few. The people who really need the help are people who didn't buy a new pickup last year and didn't buy one all through this boom. We have seen cattle prices a little bit better now, but we haven't seen a great boom on the farm or ranch through this great economic recovery we came through. We did see our cost of production escalating. For everything we bought, prices went up because of the last boom.

I hope we will table this amendment and not send the wrong signal to agriculture and the American people that, yes, we like the insurance policy that we have and, yes, we like that security.

I yield the floor and yield back the remainder of my time.

The PRESIDING OFFICER. Under the previous order, the Senator from Idaho is recognized for 15 minutes.

Mr. CRAIG. Mr. President, debate on the Gregg amendment to the Harkin farm bill is nearly at an end. We have had an ample period of time to discuss the pros and cons of a national sugar policy not just for the producing beet or cane farmer in the great North, Northwest, or the South, but also a sugar policy for the American consumer, who has seen very stable sugar prices for well over a decade.

What I have recognized in my years of involvement with this issue is that the producing side of the sugar industry is very willing to create a dynamic program that does not cost the American taxpayer any money, creates a stability of price both at the farm level and also at the manufacturing level and, ultimately, the consumer level. That has been the historic pattern of a sugar policy, except for just the last 2 years.

In fact, over the course of the last decade, this program has not cost the American taxpayer any money. It has returned money to the Treasury of the United States. In fact, it has made money for taxpayers. The program of acquiring from the market, holding, and ultimately entering the market with the product has served us well.

There is now a large supply of sugar worldwide, including in the United States. We have seen some efforts of importers outside and inside our country to try to avoid the 15-percent volume level we allow coming into this country. Some have argued that if you kill the program, down comes the price and the consumer benefits. Ironically, that just isn't true. The price is now down well below what it was a few years ago. Yet the price of a product that has substantial sweetener in it—sugar, I should say, as there are other forms of sweetener—hasn't gone down; it has gone up. Nearly 80 percent of the price of any food product on the market today is not the food itself; it is the cost of labor, the cost of processing, advertising, marketing, and shelving. All of that goes into the price the consumer pays.

So when a less than 20-percent item in the overall cost of a product declines, as other costs of input are going up, the consumer sees no difference and, in many instances, there is an increase, as some have talked about in the Chamber this afternoon.

In the Harkin bill that is before us, in a substitute that will be offered, known as the Cochran-Roberts bill, the sugar industry, working with the Congress in shaping the new policy, has recognized again the need to change, to be dynamic—not only to comport to budget requirements but also to deal with the consumer and make sure the consumer gets a reasonable shake and the producer gets stability in the market.

The sugar titles in both the House and Senate proposed farm bills direct the Secretary of Agriculture to operate the U.S. sugar policy ''at no cost to the Federal Government by avoiding the forfeiture of sugar to the Commodity Credit Corporation.''

It is that forfeiture that some have seized on today that has only happened twice in a period of well over a decade that we want to get away from.

For somebody to suggest there is going to be a good deal of money to transfer to some other program within agriculture policy or the bill or the appropriations, that just is not the case. The new farm bill will restore to the Secretary of Agriculture a key authority that was suspended in the 1996 farm bill—the authority to limit domestic sugar sales during times of surplus through flexible marketing allotments.

The bill also grants the Secretary the authority to reduce Government sugar stocks and the potential for future sugar loan forfeitures by accepting bids for Government sugar in return for reducing future production.

The United States is required, as I mentioned earlier in the debate, to import 1.5 million tons of sugar, or about 15 percent of its consumption each year, whether the U.S. market requires that sugar or not.

In addition, unneeded sugar has entered the U.S. market—again, something mentioned by myself and others—to avoid the import quotas in creative ways, what we call stuffing or the stuffing of the product. Because of the special concessions of NAFTA and the concessions to Mexico combined with this stuffing effort, we go beyond the 15 percent of total U.S. consumption or the 1.5 million tons.

The Secretary's current lack of ability to limit domestic supplies in the face of large and relatively uncontrolled imports resulted last year in historically low domestic sugar prices and the first significant sugar loan forfeiture in nearly two decades.

Once again, none of that translated to the market shelf; none of it translated to the consumer's pocketbook; all of it translated to the bottom line of the processor or the confectioners, and their profits went up at the cost of the consumer and not at the profit of the farmer.

Under the new farm bill, sugar marketing allotments will automatically be in place unless triggered by a high level of imports greater than 1.532 million short tons. With domestic sugar supplies under control, we believe the

Secretary will be able to balance market supply and demand and ensure market price sufficient to avoid sugar loan forfeiture and any Government costs.

The Congressional Budget Office scoring of the new no-cost sugar policy, however, shows a modest cost. I recognize that even though it is clearly the intent and the purpose of the legislation not to have that.

Since CBO cannot assume other policy changes, it must assume that import quota circumvention problems will persist, that U.S. sugar imports will be high, and that marketing allotments in other years will not be triggered, and absent marketing allotments, sugar loan forfeitures might occur again.

Remember, I keep talking about the flow of product into the market. That is part of that world sugar my colleague from New Hampshire talks about, exposing well over 15 percent of the U.S. domestic market to the availability of that world product.

The industry, however, is convinced that policy changes will occur to rectify the import quota circumvention problems. We have had court tests in our favor. We are working now to block the ability of importers to stuff product with the hope of pulling that sugar out and entering it into the market. A successful U.S. Court of Appeals ruling, as I mentioned, has halted circumvention of the import sugar quota by a product entering through Canada and, as we know, it is called stuffed molasses.

Legislation is pending in the Senate, of which I am a coauthor, that addresses the circumvention problem. I hope we can move it. I hope all will join with us to disallow that kind of illegal act.

I believe that brings the debate full circle. The Senator from New Hampshire is worried and wants to eliminate the existing program. We are concerned about the taxpayer and want to recreate the program in a way that not only protects the producer and stability but protects the taxpayer and offers the consumer stable prices in the market. We believe what we are offering today, what the Senator from New Hampshire is trying to strike, can accomplish that purpose.

I ask my colleagues to join us in voting to table the Gregg amendment and to give the adjusted policy, again, the opportunity to work its will in the market with the producer, with the consumer, to the advantage of all.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. CLELAND). Under the previous order, the Senator from New Hampshire is recognized for 5 minutes.

Mr. GREGG. I thank the Chair.

Mr. President, we have heard a lot of debate on this program. I must take exception to some of the things said by the opposition because it appears they are inconsistent with the facts.

For example, the representation that this program is not going to continue to cost the taxpayers money is one which is not supported by the facts. In fact, USDA, which is responsible for the agricultural products of this country, has said we will purchase close to 4 million tons of sugar over the next decade. Where we are going to put this we do not know—somebody's garage, I guess—and that will cost us $1.6 billion in tax revenue. So this is an expensive program. If we put it back into a marketplace concept, we will save the taxpayers those dollars, which dollars under this amendment can be used to assist people who are on food stamps who are trying to buy staples to live a decent life and have adequate nutrition.

Secondly, the point was made, and I do not understand the concept here, that foreign sugar is coming in through molasses, through spiking of molasses, and that is clearly affecting the availability of sugar in this country, and that is what we have to stop. Why do you think it is coming in? It is coming in because the price of sugar in this country is so absurdly high.

You can actually go through the huge exercise of taking molasses, spiking it in some other country, then shipping it into our country and refining it off, and you can still produce sugar that is dramatically less in cost than what it costs the American consumer to get sugar because we have this price which is 2½ to 3 times the going market rate of the sugar—22 cents and 18 cents versus about 9 cents. It is as if they are saying: The marketplace actually might work, but we are not going to allow it to work. If there is anything that shows that we can reduce the price of sugar to the American people, it is the fact people are willing to go through this huge machination to get sugar into this country, around all the barriers the sugar producers have produced. It is counterintuitive at the extreme to make that argument.

This debate comes down to a very simple fact, which is this: 42 percent of the revenues and the benefit of this program are going to 1 percent of the farmers, but all the American people are paying $1.9 billion in extra cost to support that program. The price of sugar is 2½ to 3 times the cost on the world market because we are trying to benefit a very narrow group of people who are very effective constituents, I guess, and argue their case effectively as constituents but clearly have no equity to their argument. As a practical matter, they are reaching into the pockets of the American people and taking dollars out of those pockets which could otherwise be used to purchase more food or better commodities.

It is a program which is totally counter to everything for which we as a capitalist, market-oriented society stand. It cannot be justified under any scenario other than it represents the power of one interest group to benefit at the expense of the American people and the American consumer.

I greatly appreciate the statement of the Senator from Indiana who knows more about agricultural policy than I will ever know, who forgot more about agricultural policy than I will ever know. In his support of the amendment he gave one of the clearest statements as to why this program is such a disaster from a standpoint of economics and from a standpoint of production and from a standpoint of its impact on the consumers of America and from a standpoint of its impact on the American taxpayer. I thank him for his support of this amendment. I hope people will listen to his logic and his reason and oppose the motion to table this amendment, which I understand is going to now be made by the assistant leader.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Would the Senator have any objection to the manager of the bill speaking for 3 minutes prior to the vote?

Mr. GREGG. I have no objection.

Mr. REID. I ask Senator HARKIN be recognized for 3 minutes.

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

Mr. HARKIN. Mr. President, I have not had anything to say about this amendment yet. I point out sugar is so cheap in this country you cannot believe it. It is cheap for the consumers buying it in the store. It is cheap when you go out to eat. The people who benefit from the Gregg amendment would be the manufacturers. They are not going to pass this on to the consumer. No way.

We want to keep our sugar farmers in business; 420,000 Americans are employed in the sugar industry. It would ruin them. It would ruin our corn sweetener market, further depressing extremely low corn prices in my part of the country. This is wrapped up in a lot more than just what the price of sugar is that Senator GREGG is trying to get at. I have always said sugar is probably one of the cheapest products anywhere for consumers.

Here is a bag of sugar, Holly Sugar. I am not pushing Holly Sugar, but that is what I happen to have. They are little bags of sugar. How expensive is this sugar? Go into any restaurant and take the sugar, put it in a glass, in your coffee; you can take two bags of sugar and put it in your coffee. Do you know what the price is? Nothing. It is so cheap that the restaurants do not even charge for it. Next time you go to a restaurant, have a cup of coffee, reach over and grab the bowl of sugar and put in a couple of teaspoons. They don't even charge because it is so cheap.

There has been a lot of talk in the Chamber about the sugar products. Sugar is one of the best buys for the American consumer today. A 5-pound bag of sugar at Safeway is $2.

If you want to gouge the consumer and give more to the processors and the candy manufacturers and everybody else, then you want to vote for

the amendment of Senator GREGG. If you want to help the sugar farmers and the 420,000 Americans who work in the sugar industry and corn farmers all over America who depend upon this, we ought to defeat the Gregg amendment. I point out on July 20, 2000, we had the same basic amendment before the Senate. It was defeated 65–32. I hope the same happens again today.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I move to table the Gregg amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 71, nays 29, as follows:

[Rollcall Vote No. 364 Leg.]

YEAS—71

Akaka	Dayton	Lincoln
Allard	Dodd	Lott
Allen	Domenici	McConnell
Baucus	Dorgan	Mikulski
Bayh	Durbin	Miller
Bennett	Edwards	Murkowski
Bingaman	Enzi	Murray
Bond	Graham	Nelson (FL)
Boxer	Grassley	Nelson (NE)
Breaux	Hagel	Reid
Bunning	Harkin	Roberts
Burns	Hatch	Rockefeller
Byrd	Helms	Sessions
Campbell	Hollings	Shelby
Cantwell	Hutchison	Smith (OR)
Carnahan	Inhofe	Stabenow
Carper	Inouye	Stevens
Cleland	Jeffords	Thomas
Clinton	Johnson	Thurmond
Cochran	Kerry	Torricelli
Conrad	Landrieu	Warner
Craig	Leahy	Wellstone
Crapo	Levin	Wyden
Daschle	Lieberman	

NAYS—29

Biden	Frist	Reed
Brownback	Gramm	Santorum
Chafee	Gregg	Sarbanes
Collins	Hutchinson	Schumer
Corzine	Kennedy	Smith (NH)
DeWine	Kohl	Snowe
Ensign	Kyl	Specter
Feingold	Lugar	Thompson
Feinstein	McCain	Voinovich
Fitzgerald	Nickles	

The motion was agreed to.

Mr. HARKIN. I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, we are making headway. We are making good progress. I thank the people who are offering these amendments. We have had good debates. We are moving right along. So I hope now we can have another amendment up and we can have more votes today and get this bill completed.

I understand Senator DOMENICI has an amendment he will be offering in a couple minutes. With that, again, I hope Senators will be ready to offer amendments. I hope we can have some time agreements and move through them. I hope we will have another vote very shortly.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I appreciate the words, as always, of our chairman. My understanding is, in a couple minutes Senator DOMENICI will offer an amendment. After disposition of the Domenici amendment, we are anticipating an amendment to be offered by Senator BOND, and then, following that, an amendment by Senator MCCAIN.

In the meanwhile, amendments might come from the other side of the aisle. But these three amendments are known quantities with the Members who wish to be recognized as we dispose of the amendments.

I thank the Chair and yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2502 TO AMENDMENT NO. 2471

Mr. DOMENICI. Mr. President, I am going to offer an amendment on behalf of seven or eight Senators. I will name them in a moment. For the interest of the Senators, my discussion about this amendment will probably take about a half hour, and then I understand about five or six Senators would like to speak. Nobody will be speaking extremely long, but we think this is a very important issue. More than just the Senator from New Mexico are desirous of being heard on this amendment.

I send the amendment to the desk and ask for its immediate consideration. I offer this on behalf of myself, Senators CRAIG, CRAPO, BURNS, HUTCHISON, ENZI, THOMAS, KYL, SMITH of Oregon, HATCH, ALLARD, and CAMPBELL. I have submitted it to other Senators. I fully expect more to join soon. I send it to the desk with those cosponsors at this point. As I receive others, I will submit them.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. CRAIG, Mr. BURNS, Mr. CRAPO, Mrs. HUTCHISON, Mr. ENZI, Mr. THOMAS, Mr. KYL, Mr. SMITH of Oregon, Mr. HATCH, Mr. ALLARD, and Mr. CAMPBELL, proposes an amendment No. 2502 to amendment No. 2471.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To strike the water conservation program)

On page 202, strike lines 14 through 22 and insert the following: ''technical assistance)'' after ''the programs''; and

(3) in paragraph (2), by striking ''subchapter C'' and inserting ''subchapters C and D''.

Beginning on page 121–118, strike line 4 and all that follows through page 121–130, line 19.

Mr. DOMENICI. Mr. President, I understand we are engaged in what some would call a very serious effort. I want everyone to know my intention is not to in any way delay our process. As this issue evolves, Senators will know that for the West, this is a very important decision.

I note the presence of Senator REID who is also a western Senator. He had something to do with putting the provisions in that I would like to take out. So hopefully we will have some discussion before we are finished.

This is a motion to strike essentially all of the provisions, brand new provisions in the law, that would take the conservation program that we have in effect—that is called the conservation reserve program—and would create a brand new one for 1,100,000 acres of land in the West. It would say that the Secretary of Agriculture, not the Secretary of the Interior, as we have now, would have the authority to acquire this acreage, up to 1.2 million acres, and the water rights that come with it, and then to use the water rights for the first time in derogation of State water law. In other words, they could be used for Federal purposes, not bound by State law.

This is a very big decision for States such as New Mexico and many Western States, as you can see, that in just a few hours, most of the Western States' Senators are on board trying to prevent this from becoming effective.

Actually, the conservation reserve program has been a very effective program. The Senator from New Mexico in no way intends to change that program. In fact, I believe the underlying bill that was produced by various Members who have been speaking in the Chamber even makes the conservation program bigger and perhaps even better. But there is another provision I am referring to that is brand new.

The language contained in this substitute requires that the Secretary of Agriculture devote 1.1 million acres of the conservation reserve program to a new water conservation program. That didn't exist before. We now have a water conservation program.

Specifically, this program will allow the Secretary of Agriculture to enter into contracts with private landowners, estates, or Indian tribes for the transfer of water or the permanent acquisition of water rights to benefit environmental concerns out in our waterways and in our various waters in the West.

When enrolling this new acreage, this language requires that the Secretary of Agriculture give priority to land associated with water rights. Heretofore water rights were not necessarily considered as a paramount reason or a high-priority reason for selecting these various acreages to make up the conservation reserve. This now says the

Secretary of Agriculture will give high priority to these lands that are going into this reserve, if they have water rights along with them.

The purpose of the old program was to remove vulnerable land from production, not for the acquisition of water rights. Everybody here who has praised the conservation reserve program praised it because it removed vulnerable acreage from production and it had no higher purpose. Now we have established a brand new higher priority, and that is to acquire land if it has water rights.

In essence, this is an attempt to pirate private water rights from individuals for purely Federal interests. Allowing the Secretary of Agriculture to permanently acquire these water rights gives the Federal Government control over State water.

I don't think we ought to do this. I wish I would have had a chance to sit down across the table and discuss this approach with those who have put it in this Agriculture bill, including my good friend Harry Reid. I don't think western Senators, when confronted with their constituents and asked by their constituents in water-short States whether it would be prudent to create a high-priority program that could take those water rights as part of a conservation reserve program and attribute them to the Federal Government so the Federal Government could use it for Federal purposes, environmental or otherwise, and in that manner run inconsistent, if they so desire, with State water law, would agree.

We already have shortages that are sufficient, which means we don't have enough water for the natural uses that we have been making for years. We don't have enough water in two of our basins in New Mexico that are alongside of rivers, be it the Rio Grande or the Pecos. We don't have enough water for the current users under existing State law, which is a water rights system built upon first in use and application.

The first in time that does that is first in time in terms of ownership and priority. That is an already existing system. It has existed under Spanish law in our State. Many States in the West have first in time of use, which creates first in right for waters along streams.

Here in the East there are many Senators who are going to say: This doesn't have anything to do with us. They are probably right. They don't have any shortage of water. In fact, many of the Eastern States do not have this allocation method. They use what is referred to in law school as the riparian rights system. If you are alongside of a stream, you use the water alongside the stream. Not so in States such as mine and Arizona and the others, Idaho, Iowa, Oregon. You use the water in proportion to your having taken it from the stream and put it to a beneficial use. In the Western States, that is either constitutionally established or statutorily established, but it is powerful proprietary interest in situations up and down and across our borders as water becomes more and more scarce.

In essence, all I choose to do in this amendment, where I am joined by the various Senators I have just named, is to say at the end of the session we should not be considering a change in water rights for the West.

(Ms. STABENOW assumed the chair.)

Mr. DOMENICI. I urge that Senators help us by just taking this out of the bill and saying another time, another place, we will have some significant hearings. Let's hear from our States and our communities, and let's hear from water ownership districts and associations, be they in Wyoming, New Mexico, or wherever. Let's hear from them and let's see how inserting this new bargaining chip in the middle of a river basin might have either a negative or positive effect.

I actually believe we do not need in the basins of New Mexico—which are very short of water right now, and some are arguing whether there is enough for the already existing rights—another player plunked down on the stream that can, in fact, apply this water to another separate use and even abandon the State water law that controls how it is used, where it is applied, and what it is used for. I just don't think it is the right time.

I would have thought if we were going to make such a change or imposition on State law as it pertains to water, we would have gone a little slower and would not have come up with an agriculture bill where these water rights have not been part of any hearings in the appropriate committees. As a matter of fact, I am not sure but that these provisions would have been subject to the jurisdiction of the other committees besides Agriculture. I believe the Energy and Natural Resources Committee would have liked to look at this new language in terms of new priorities and new rights.

So this is an attempt on my part not to change but to just strike these provisions. I don't have amendments to the provisions crafted on behalf of Senator REID, or whomever, and put in this bill. I don't think we ought to do them tonight on an agriculture bill, when it could have a profound impact on water rights in the West. There are certain groups that maybe can't get all the water they want in our States, for what they see as important uses. They have come along and said maybe we can do it this way; we can let the Secretary of Agriculture acquire these water rights as part of an old program that had nothing to do with acquiring water rights but had to do with acquiring properties to be put in a reserve so that we would have a better chance for these properties and these lands to develop and become usable if they are taken out of use and put into a reserve.

Now somebody has found that we can take a piece of that and grab with it water rights and then let the Federal Government decide how to use them under Federal law, not State law. Changing the program—this old, good, solid program, the CRP program—could force many farmers to choose not to participate in a program for fear that they could be coerced into giving up their water rights.

I don't think this is the right thing to do. I don't believe we are anywhere close to correct in assuming that this should be a highest priority for the CRP in the future. I cannot believe that of all the uses out there that go along with the CRP, Conservation Reserve Program, that we could establish without any serious and significant hearings that the Secretary of Agriculture—a new person in this equation, as it used to be the Secretary of the Interior. Now we have added the Secretary of Agriculture in this bill, and I don't think that is a move we should have made without significant hearings either, but this would change that.

So I close my first round on the Senate floor by asking my distinguished friend, Senator REID, if he will consider taking these provisions out of this bill. I don't believe they belong here at this time, when we haven't had an opportunity for significant hearings regarding the subject, and when it is clear and obvious to this Senator that we are going to give the Secretary of Agriculture a whole new series of rights under a program that is working well now, working well to take lands out of production. Now we are going to say we are giving the Secretary of Agriculture a new authority—and it is of highest priority—to acquire lands for this program if they have water rights so the Federal Government has both water rights and Conservation Reserve Program land. Then once the Federal Government has it, the Secretary of Agriculture is no longer bound by State law but can accomplish in a basin that is strapped for water a conflicting use just to come along and plunk itself on the water with a brand new right not governed by the State law that has been in effect, in many cases, for decades on these river basins.

So I hope that Senators will go along with the huge preponderance of western Senators and say let's strike this provision for now. Let's go back next year and have hearings on what will this do to the water rights in the West. What will it do to water districts and river basins that are already so short of water that the next legal wars for the next decade or two are going to be over whether there is enough water for the existing priorities under State law. I think in many cases we are going to say there probably isn't. We are probably going to say, if there isn't, how can we justify a new high priority for the Federal Government to acquire these water rights as part of a Conservation Reserve Program and then use it as they see fit.

It is a pretty clear-cut case. Is now the time to do this or not? Again, I

work on many issues with my distinguished friend, Senator REID from Nevada. We are chair and ranking members on an appropriations subcommittee that does a lot of great things. We understand each other very well. I actually didn't know anybody was working on this provision, including my friend, Senator REID, that would change or have the potential for changing the water rights priorities from State priorities to an imposition of Federal priorities on river basins that don't have enough water for what rights already exist and that are being applied under State law.

Mr. NICKLES. Will the Senator yield?

Mr. DOMENICI. Yes, I will.

Mr. NICKLES. Will the Senator be kind enough to add me as a cosponsor?

Mr. DOMENICI. I am delighted to do that. I yield the floor at this point.

Mr. REID. Madam President, I am happy to respond to my friend from New Mexico. However, there are a number of myths. A myth is something which I guess takes a long time to perpetuate, so maybe we will not call these full-blown myths, but there is some misinformation the Senator has been given.

I will talk about the first myth: Some claim that the water conservation program will preempt State law and allow the Federal Government to run water law in the States. That is simply not true.

Any application to enroll in the program would have to be approved by the State in which the farmer farms. For example, if a rancher in Nevada decided he or she wanted to be part of this program and the Department of Agriculture decided it was a good deal, they would have to go to Mike Turnipseed, Nevada's water engineer, and if he said no deal, there would be no deal. All this talk of coercion is without logic.

I find, and I say with respect to the senior Senator from New Mexico, when we have legislation and there are not any meritorious arguments against it, the first thing one says is there is another committee that has jurisdiction or it has multiple committee jurisdiction. That has been raised in this debate.

The other argument continually raised when one does not have substantive arguments to good legislation is: We need more hearings. Whenever you hear that, it should trigger figuring out what the real merits of the opposition might be, and the merits of the opposition to this program are very weak.

Myth No. 1: The water conservation program would preempt State law and allow the Federal Government to run water law in the States. Not true. It does not preempt State water law. Also, 41 million acres are in this big bad program. There are 41 million acres in the overall program. This little program Senator DOMENICI is talking about has 1.1 million acres. So 40 million acres basically are untouched by this.

Myth No. 2: The water conservation program would create a huge new Federal program to permanently buy water rights.

Fact, not fiction: 90 percent of the program is focused on short-term, 1- to 5-year contracts to lease water. Why do we focus on short-term leasing of water rights? We do it because, No. 1, leasing water for the short term keeps farmers in farming. After they have to deal with the Department of Agriculture for 1 year, they retain full ownership of their water.

No. 2, it provides a source of water for endangered species, for example, in drought years when other conflicts are very severe. That is when these conflicts come about dealing with endangered species, such as fish. It is because there is a shortage of water.

No. 3, it will provide a supplement to farmer income in years in which they face water supply restrictions due to Endangered Species Act concerns. This actually helps the farmers.

Keep in mind, this program requires a willing seller, a willing buyer, and we protect property rights. Why shouldn't somebody who is a rancher or farmer have the same property rights as somebody who runs an automotive dealership, or a manufacturer? Why shouldn't a rancher or farmer have the right to do with his property what he wishes?

Even if we say a willing seller and willing buyer, and that is what we have, they do not even have the ability to do that unless they get approval of the State water engineer, whether it is Wyoming, New Mexico, or Nevada. So all this talk about coercion is absolutely senseless.

Also, I would think my friends from the West would be happy for a change. We have a farm bill that gives help and actual money rather than verbiage to the western part of the United States. That is what the conservation section in this bill is about. I have stood in this Chamber and I have been to press conferences with the chairman of this committee. One thing about Senator HARKIN, in his legislative career in the House and the Senate, he has always been willing to do things that change the world in which we live for the better.

He, in this instance, has been willing to change the traditional way we do agriculture. That does not mean it is bad. It means it is wonderful; it is progressive. That is what this legislation is about. This legislation protects every farmer in the State of Iowa, but also it recognizes there are other parts of the country than the breadbasket of this country. Most of our groceries come from the State he represents and the States surrounding him.

The reason I have been willing to go forward on this legislation—and I say the whole bill. This is a big bill. I do not know how long the bill is, but it is big. We have a tiny little section, but I would vote for the bill anyway because I recognize what the Senator has done is excellent. There is more support for this legislation because it helps other parts of the country.

The people who are giving information, that the Senator from New Mexico is receiving, are giving bad information. Senator DOMENICI is a smart man. He has been mayor of a city. He has been here longer than I have. But when he says this program coerces farmers and States, he is wrong, it does not do that: Willing seller and willing buyer. If a farmer or rancher does not want to do a deal it is his property. He does not have to do a deal.

Another myth: The water conservation program would undermine private property rights. I have touched on this a little bit. The water program is proprivate property rights—that is, the program is supportive of private property rights. This is a willing seller-lessor program. A farmer decides whether or not to lease or sell his water rights. There is nothing more pro property rights than allowing property owners to decide what to do with their own land and their own water.

Let's take, for example, the State of Nevada. I was telling someone the other day about Nevada. Nevada is a huge State. It is the seventh largest State in the country by acre. From the tip of the State to the top of the State is 750 miles, maybe 800 miles. It is very wide, more than 500 miles in the north. Madam President, we have very little water. We share the Colorado River with a lot of States, and the mighty Colorado has done a great deal for the western part of the United States. Compare that with some of the rivers in the State of Michigan.

I will never forget when I first came to Washington, I went to Virginia on a congressional retreat. I said: This must be the ocean. It was a river. The river was more than a mile wide. We do not have rivers like that in Nevada. What people in the east call creeks we call rivers.

I would like to name some rivers in Nevada. We have the Colorado that we share. We have the tiny, little Walker River. It is so important to Nevada, but it is a tiny river. One can walk across it in most places some of the year. The Truckee River, which is so important to Reno and Sparks, it has an irrigation district at the end of it. It is also a tiny little river, and there are many times of the year one can walk right across the river in various places.

Carson River is a little river that runs hard in the spring. It is a wild river in the mountains, but it is a little river. Many rivers in Nevada have no water most of the time.

We understand in Nevada what water is and what a shortage of water is, and I am not about to give away Nevada's water. I understand, though, that if a rancher in Nevada has land and he has water which he owns, he should be able to do with it what he wants. If there is a program out of 41 million acres—we have been able to get a program that

has 1.1 million acres that allows this farmer, this rancher, for once, to do something with his property.

For example, I started talking about Nevada and I got carried away with my great State.

If a farmer in the Truckee River Basin in Nevada decided he would like to switch from growing alfalfa, a very intense water crop—and we grow a lot of it in Nevada, but it takes huge amounts of water—but he decides that he wants to grow native seed to help with restoration of ranchland in the Great Basin.

We have had fires in the desert, especially in the high desert, and we need to have seed to plant there. If a farmer decided he wanted to switch and grow native seed, why shouldn't he be able to go and say, I want to make a deal? We will lease your land for 2 years. We have saved the water. Something else can be done with it. It doesn't sound like we are doing bad things.

In fact, it seems to me we are giving a property owner, for lack of a better description, more tools in his tool box with which to make money and provide for his family. We are doing the right thing.

I have heard the term ''taking.'' I know what a taking is. I am familiar in the Constitution that you cannot take a person's private property without due compensation. This has nothing to do with that. If the rancher decides he does not want to do native seed, he simply does not grow it. No one will force him to do it. Once he and the department decide they want to do it, they still have to get approval of the State water engineer.

I had somebody call me today complaining about the program. I said: Tell me what is wrong with the program. Listen to what they said. I was stunned. They said: Well, if somebody decides with their own property—I am paraphrasing—to make a deal and lease it for a year, 2, 3, or 4, up to 5 years, what they are doing in parched, arid Nevada, they are saying if they do that and you take certain land out of agriculture, it changes the ground water. And what they are saying is, if you allow the water to go downriver, you are stopping people from drilling wells and pumping water because of the irrigation that takes place.

That doesn't make very good sense for voting against this legislation.

Let me give another example. We have a beautiful lake in Nevada. We have two lakes like it. They are called freshwater desert terminus lakes. They are freaks of nature. Pyramid Lake was basically saved after work in this body to save it. Pyramid Lake, because of the first ever Bureau of Reclamation project, was going dry. Lake Winnemucca, the overflow from Pyramid Lake, did dry up. It is as dry as the ground on which I stand. But we have another desert terminus lake called Walker Lake. It is in the middle of nowhere. It is in a place called Mineral County.

Mineral County has always been very good to me. I have always carried Mineral County. On one occasion I was elected to the Senate I carried two counties: Clark County, where Las Vegas is, and Mineral County. I lost every other county in the State of Nevada. Mineral County always sticks with me. They have this big lake. There are only 28 lakes like Walker Lake and Pyramid Lake in the whole world. The lake has been drying up. We have been very fortunate in the last 7 years. We have had a lot of water and it has been able to get into the lake. About 6 or 7 years ago we had a year and a half to go before all the fish in the lake would be dead it was so starved for new water. There are people who believe the lake is worth saving.

As I have indicated, we can do it and still take care of agriculture. There is an Indian reservation that depends on the water, little tiny Walker River. We can handle that. We have to do things differently from the past. We cannot do what we have done in the past because everyone will fail if that is the case.

Here is an example if somebody wanted to change their income and make more money, they go to native seed and do a deal with the Government. Some of the water would run into the lake and preserve that great natural beauty we have, Walker Lake. They should be able to do that. Or, the alternative is wait until we get into a real bad problem, and endangered species problem, and lawsuits are filed. This is a way to avoid that or have money available to help solve the problems. There are places all over the Western United States that benefit from this.

I repeat, farmers who choose not to participate in the program will not be hurt. Some farmers who choose to enter into short-term agreements to transfer water during drought years will actually benefit their colleague farmers who decide not to participate because, if some farmers lease water for fish and drought years, it will ensure there is enough water for both farming and farmers and those who are dealing with the threatened and endangered species.

Mr. CRAPO. Will the Senator yield?

Mr. REID. I will be happy to at some point, but I have a statement that is quite long. If the Senator would be kind enough to keep track of the questions, I will be happy to explain.

Another myth: The U.S. Department of Agriculture has no authority for businesses offering to help mitigate farmers for endangered species or other conflicts. Federal agencies have affirmative obligations. They have no choice under the Endangered Species Act to do all they can to conserve species.

I say to my friend from Idaho, his predecessor, now the Governor of Idaho, and I, Senator CHAFEE and Senator BAUCUS, had a great endangered species bill we brought to the floor. For various reasons, the then-majority leader, Senator LOTT, decided not to bring it up. We lost a great opportunity for a bipartisan revamping of the Endangered Species Act. We didn't do that. It is too bad.

I talked to Senator BAUCUS earlier today about another subject and that came up. That was a good move we made. It is too bad the legislation did not become law.

All Federal agencies have affirmative obligation under the Endangered Species Act to do all they can to conserve species. When it comes to conserving endangered fish, agriculture and water is the main issue. This program will help USDA and the States help farmers and help mitigate these endangered species conflicts.

The Department of Agriculture is the perfect agency to interact with farmers in the conflicts. They trust the USDA more than, say, the Fish and Wildlife Service.

Madam President, willing sellers, willing buyers—this legislation in this bill that the committee supported is legislation that is pro-private property. There is nothing that prevents a State from saying: I don't like what you are doing, farmer. You cannot change what you have been doing. The State water engineer has the right to do that.

The conservation title in this legislation is a very important new program to help mitigate the conflicts between farmers and the environment. It is not only for that purpose; it is to give farmers and ranchers the ability to do things differently than they have in the past, to make money in a different way than in the past. This has nothing to do with making money. If they don't want to do it, no one orders them to do it.

The controversies I talked about, which come up on occasion, usually come to a head in drought years when Endangered Species Act protections trump water over ranchers for farmers and ranchers. There is example after example. We had legislation here earlier this year. I don't recall the exact date, but Senator SMITH from Oregon was very concerned about what was going on. I don't know his feelings on this legislation but if this legislation had been in effect when the problem started in Oregon there wouldn't be the problems. Farmers would have some alternative. As I understand it, we have given them some financial relief. But they are in bad shape. This could have helped them.

These controversies result in some really difficult situations. Irrigation pumps providing water to farmers are on occasion cut off so threatened and endangered fish, for example, don't go extinct. You may not like the endangered species law, but it is the law. You have to deal with it. You cannot avoid it.

When these conflicts reach this critical stage, there is not much we can do to alleviate the economic impact. This happens to ranchers and farmers and the regional economies tied to farming and ranching.

There is, in the West, a new West. When I was raised in Nevada, mining

and ranching were really big. They are still big, but the rest of my State has grown. Las Vegas has grown so much, 70 percent of the people live in that metropolitan area now. All the ranches and farms that were in Clark County are gone now. There may be a few people raising a little bit of hay for their horses, but basically it is gone now. So there is a new West, in the sense that there are things other than ranching and mining.

That does not take away from the importance of these two industries. I have spoken on the floor for long periods of time defending mining. People say to me all the time—and people write nasty letters to the editor—asking, how can somebody who says he is for the environment support mining?

I do it for a lot of reasons. One is my father was a miner. In fact, my staff brought to my attention yesterday some news articles that one of them found, going through the Library of Congress, I guess, out of curiosity about me. When I was 10 days old, my father was blasted—what we call blasted. He was working in a mine. The bad fuse did not have the workplace protection they have now. They lit the holes, one of the pieces of fuse ran, one of the holes went off, and of course blew him into the air, blew the soles off his shoes, blew out his light. He was in a vertical mine shaft.

When they set off the holes, they have a ladder they can take up with them they call a sinking ladder. He was, I guess, in a state of shock. He tried to climb out of this hole. He didn't realize one of the legs of the ladder had been blown off, so every time he tried to climb up, he would fall. He couldn't figure it out.

It was a brave man who heard the hole go off and knew that he hadn't come up to the next level. Knowing there were 10 other levels burning, this man named Carl Myers came down to that shaft—my dad was a bigger man than he—and carried my dad out of that mine. He received a Carnegie Medal for saving my dad's life when I was 10 days old. That is when that incident took place.

So I defend mining for a lot of reasons. I do it for my father. I do it because it is good for Nevada. We have thousands and thousands—the best blue-collar jobs we have in Nevada relate to mining. I think a lot of people who complain about mining don't know what they are talking about, for lack of a better description.

Ranching is important. Ranching doesn't create a lot of jobs, but it creates a way of life that we should all envy. So that is why I do what I can to recognize that we have a new West but we also have an old West that we need to protect. This legislation is about protecting the old West, keeping farmers and ranchers in business. Those people who are crying out in a shrill voice that this legislation hurts them, I do not believe that.

We need to create programs to help lessen conflicts in drought years. The water conservation program included in Chairman HARKIN's bill is the first tool we have in a Federal farm policy that actually addresses this problem. I commend him again and again for doing this. This legislation has support of people who had never supported this legislation before. I am sorry to say there are some ranchers and farmers who are being given bad information. They should be happy that we are trying to give them other tools, I say, in their toolbox, so that they can do things they have never been able to do before.

Again, I repeat for a fifth time: Willing sellers and willing buyers. If a rancher or farmer decides he wants to do something different and he has the ability to work something out with the Department of Agriculture, great, I hope they can do that. But if they do that and the State water engineer, rightly or wrongly, denies them the ability to go forward, that is his prerogative. That is what State water law is all about. And this legislation protects State water law.

Here is how this program works. It is very similar to a program farmers already are familiar with, which is extremely popular, called the Conservation Reserve Program, CRP.

Under CRP, farmers enroll land in the farm, reducing farming on their land and improving wildlife habitat on other land. This is the law now. The farmer collects a payment for participating for a 10- to 15-year contract term. That is the law now. We decided not to go for a 15-year contract period but for a 1- to 5-year contract period. Under the new Conservation Water Program, the one they are trying to strip from this bill, a farmer could enroll that land to a program and do farming on their land, but instead of focusing on wildlife improvements on the land, the farmer could agree to transfer the water associated with the land to provide water for all kinds of reasons.

Unlike the CRP, the Water Conservation Program would provide farmers with very flexible options and terms of how they would agree to transfer water. They can enter into contracts of 1 to 5 years, as I have said, with the Department of Agriculture, to provide water. This shorter contract term works for this program because what we are focused on in the program is building a drought water supply in years when there are threatened species or other problems arise because of the drought.

Farmers also can enter into option contracts with the USDA, where they would just give the Department of Agriculture an option on their water which would be exercised in a drought year. Again, the farmer makes money. Farmers would keep on farming unless or until the option were exercised.

The issue of transferring water sometimes can be controversial for my colleagues. Some express concern this program will enable the Federal Government to buy water rights where a State doesn't want the rights sold. This simply is not true. It is simply not true. The program specifically provides that State water law is paramount. Under this program, a water transfer will not happen unless the State approves that transfer under its own law, not under this law. We are not changing State water law. But under the State law as it now exists, the State approves the transfer under its own law. In States where the water law does not permit transferring water for these programs, the program simply couldn't be used.

To show how sincere we are about this, we had a couple of staffers come to my staff and say: I am not sure my Senator wants part of this program.

Fine, we will opt you out.

Oh, no, we don't want to be opted out.

We gave them the alternative: If you don't like it—I think you are losing a tremendous advantage for your agricultural community—we will opt you out.

They didn't want that.

But there are some very good reasons that States should want to participate in the program and facilitate such transfers. Let me give but three reasons.

First, these transfers will help ensure that water is available for freshwater life during dry months, helping increase flows during historic times of seasonal low water.

Second, protecting freshwater species is among the most important conservation objectives related to endangered species. This is the law.

Freshwater species are North America's most endangered class. They are vanishing five times faster than North America's mammals or birds and as quickly as tropical rain forest species. That is a matter of fact. Habitat loss and degradation are the single biggest threat to freshwater species in trouble. Inadequate streamflow is the largest habitat-related threat.

Third, a program which provides for flexible options for water transfers, not simply permanent acquisition, but short-term options will help mitigate farming in rough years and allow farmers to continue farming. It seems like a pretty good idea.

I am happy to yield for a question without my losing the floor to my friend, the junior Senator from Idaho.

Mr. CRAPO. Madam President, the Senator talked about the fact this is based on a willing relationship. But if I understand the amendment correctly, it is willing only in the sense that any landowner who wanted to participate in the new CRP acreage that is authorized under the farm bill would be required to either temporarily or permanently yield his or her water rights or could simply choose not to participate in the new acreage.

The question is, Is there any way for a landowner to participate in the acreage program for the CRP that is being expanded here without being required

by contract to yield up their water rights?

Mr. REID. No. But why would someone want that? Why should they have it both ways?

Mr. CRAPO. The response to that is the CRP works very well. It is doing a lot of good for wildlife in the United States. It is not specifically focused on the acquisition of water rights. The expansion of the CRP, which we are trying to accomplish in this farm bill, will expand the successful operations of the CRP.

The concern I have and that many others have is the Senator is providing in his amendment that no landowner in America can participate in the expansion of the CRP without being required to yield their water rights. Although I realize that is voluntary in the sense they do not have to participate, it is not voluntary in the sense that a landowner who wants to participate cannot do so without having to yield water rights.

Mr. REID. Madam President, as I have indicated, the program we are talking about is approximately 1 million acres out of 41 million acres. We are talking about 1 million acres which will alleviate some of the most desperate problems we have in the West. It seems to me that breaking out of the curve a little bit is the way to go. I guess the Senator from Idaho might have a different philosophy. I think no one is being forced into doing anything. If they want to participate in the program subject to their wanting to do it—the Department of Agriculture acknowledging it is a good idea—then the State water authority can approve.

I think it is a pretty good deal. It is a small part of land. Some people have talked to me who do not understand the program. Once I explained it to them, they felt pretty good about it. A lot of people thought we were wiping out the other program. We are not.

Mr. CRAPO. Will the Senator yield for one additional question?

Mr. REID. I am happy to yield.

Mr. CRAPO. With regard to the issue of whether State law still applies or whether State law must be complied with in the transfer, let me ask the question. The additional question I wanted to raise is whether State law applies. The Senator from Nevada indicated State law would still be required to be complied with in any transfer of water rights. In Idaho, as I am sure in many States, when a water right is transferred the State authority evaluates it and takes into account a number of considerations before they authorize the transfer. Will it injure any other water user rights? Are the priorities established in State law for the use of the water being met?

Is the Senator telling us that if a landowner wanted to participate and yield his water rights in this new acreage that the State water law would still be applicable and the State authorities could say this does not fit the requirements of State law and prohibit that transfer?

Mr. REID. Let me, first of all, make sure I stated my previous answer properly. When I talked about 41 million acres, I want everyone to understand that it was originally 36.4 million acres and we increased that and set aside 1.1 million acres for this water conservation program.

In response to the Senator's question, if State engineers, for whatever reason, decided under State law they didn't want to do whatever the State authority is, it wouldn't be done.

We have had a troubling situation with the Truckee River. I get so upset at that State engineer. I think sometimes he does not know what he is doing. He knows a lot more about water rights than I do. He has a right to do whatever he wants to do. This wouldn't change that.

Mr. CRAPO. I appreciate that response from the Senator. I guess we have a disagreement on the level of voluntarism and whether it is appropriate in the CRP. I appreciate the Senator clarifying that point.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, I understand the distinguished Senator from Montana wants to speak. I wanted to say to Senator REID that I appreciate his compliments. When he opened up, he said I was smart because I was a mayor. I want the Senator to know that the fact I was a mayor doesn't make me very smart.

Mr. REID. Can I respond briefly?

Mr. DOMENICI. Of course.

Mr. REID. Having worked with the Senator for the entire time I have been in the Senate, the fact that he was a mayor has certainly helped me understand why he knows so much about budgetary matters. No one works harder on the budget than a mayor.

Setting all of that aside, I don't need to enumerate the Senator's qualifications for everyone here to know how knowledgeable and how versed he is on legislative matters. He has a great educational background. He is a good athlete. He is a fine man. The fact that he was a mayor only adds to his qualifications.

Mr. DOMENICI. I thank the Senator very much. I want to give my friend from Nevada a thought. He made a very serious and significant series of statements about the voluntary nature of this, that the truth is, for States such as mine—I don't know about Nevada—the major water districts and the river waters that will be used by farmers, ranchers, cities, et cetera, do not need another big purchaser of water rights called the U.S. Government's Secretary of Agriculture. We don't need one of those for our basins. Voluntary means how high the person who is buying will go in paying. I imagine the Secretary of Agriculture has a lot more money than any other buyer around. The purchasing in the district will be distorted by the gigantic reach of the Secretary of Agriculture.

What will they be looking for? They will want to buy the acreage to do something different than we are planning to do with that water now, just as sure as we are here. They are not going to be acquiring it to do what the basin currently permits. It is going to be for another purpose.

We are just plunging down in the middle of an already totally occupied water district a new buyer, the great big Secretary of Agriculture. They can come in and purchase this for Federal Government purposes. There is no question about it.

Frankly, I don't think anybody who has assets and resources in their States would want to say everything will be OK, even though everything is tight right now. We don't know if there is enough water for the city. We don't know if there is enough water for the fishpond, the lake, or the streams. But that is all right. We are going to approve that program so big daddy, the U.S. Agriculture Secretary, can come in and buy up water rights. Of course, it is all going to work out because they are benevolent anyway and willing. Everybody is going to be OK. The State water superintendent has to say OK anyway. Frankly, I don't think we ought to give them the right to get into a district with that kind of power and end up calling it willing and calling it equal and calling it equality. It is not so. It is going to be tremendously distorted on the side of the Department of Agriculture.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Madam President, I thank my good friend from New Mexico for leading the charge on this particular part of the farm bill.

A while ago we were talking about myths. If this section does not erode the State adjudication process and the State would have to give its OK, if there is a section of willing seller and willing buyer—which, by the way, they already have that right—why have the legislation? What other purpose does this legislation serve than the landowner and the water right owner in that community?

Some 8 or 9 years ago a Secretary of the Interior made a speech and said: We can't change the culture of the West until we take over the financing and get control of their water.

I know the Senator from Nevada very well, and he understands the State of Nevada very well, that whiskey is for drinking and water is for fighting. That has been pretty well accepted throughout the West. But in this piece of legislation, which has been inserted into this bill, is language that would make it possible for the Federal Government to purchase water rights from individuals to protect sensitive species.

We have a hard time defining ''endangered'' or ''threatened.'' Now we come up with a new term called ''sensitive species.'' When the Government owns the water rights, do we see, all over

again, Klamath Falls, OR, where we had a vote in this Chamber that sent a signal throughout the agricultural community that this body was more sensitive to a sucker fish than we were to 1,500 farm families in this country? You just stand there and watch your crop dry up because of a law and an insensitive Government?

Now, this was first introduced as a bill. The bill was S. 1737. The bill has never had a hearing. It has never seen the light of day until today with the introduction of this piece of farm legislation. Though it may be well-intentioned, I would say this: Whenever the Federal Government enters the picture, and willing seller/willing buyer, or coercion, when you are going broke, and the fellow in town has the biggest checkbook, and it happens to be the Federal Government, don't you bet your last paycheck on whether the Government knows who has the biggest checkbook. They also know the position you are in to finance your situation, and where that water is going to go.

Just about every State in the West—I know it is true in Oregon and I know it is true in Montana—has a water trust. They are already in place. If a farmer or a rancher wants to give up what he is growing now and does not want to use that water, or he wants to sell or lease that water to another irrigator who still has a crop that requires large amounts of water, he can do that now. It does not require this legislation. It does not need the big checkbook coming out putting him in a position where he must sell to the big checkbook.

If people doubt that, then I suggest they go out and try to run one of these irrigated farms. They are already in place. So the intrusion, although not intended, or the coercion, also not intended, happens in the real world. And I hope this body operates in the real world.

My good friend from Nevada says it may change the groundwater. Let me tell you, it does. I live in an irrigated valley. I used to, anyway. I am up on a hill now.

I say to Senator REID, let's take Clark County in your State where that county has grown and pushed out the agriculture. You and I will not see it, nor do I think our kids will see it, but there will come a time when we will pay the penalty for building houses on the valley floor covering up good, productive agricultural land that tends to provide great benefits to us. We had better start building our homes and our houses and our businesses on dry land and let the valley produce. That is the way societies have done it before, and those societies still are with us today. We may have to take a look at that.

I will tell you, when they turn the water out of the ditch, the wells at my house go dry because the water table drops. That happens every fall. So that is not a myth, I say to the Senator. It is true.

I have a letter here from the National Cattlemen's Beef Association. The president of that association, Lynn Cornwell, is a resident of Montana. He is a good friend and a good rancher out of Glasgow, MT. They would like to see this part of the agriculture bill deleted because they, too, understand what it does and the effect it has on farming and ranching operations, even on dry land. I would say the biggest share of the Cornwell ranch is on dry land.

I want to change the tone and restore the spirit of the law of the CRP, the Conservation Reserve Program. I will have an amendment that will do that which I will offer in a little bit.

But my concern is, the willing buyer-willing seller is not the real world. It is not the real world. It may be up to us, and those of us who probably have never trod on a farm or a ranch, to deal with this.

I have been a very fortunate person. I have been an auctioneer for a long time. I have had the painful experience of selling out some friends who did not make it. The big checkbook always came into play. So that is not the real world.

Then, I say, if this has nothing to do with circumventing the State's rights, water rights, and the adjudication process in that State, then why do we need the legislation? There is absolutely no reason for it. So there must be another motive that cannot be seen just by reading the words of this particular section.

I would hope that we would use a little common sense in this 17-square miles of a logic-free environment and not do anything that upsets the balance between the States, the Federal Government, irrigation districts, and private land owners. Because it is my interpretation of the language that once you sign up in the Conservation Reserve Program, then you might not have any choice but to relinquish those water rights, even on a temporary basis. And that is a very dangerous precedent in itself, of relinquishing those water rights to the Federal Government.

I have always taken the advice of an old rancher over in Miles City, MT: There is a way to survive in a harsh country. Never ever let anybody erode or give away your water rights, always keep a little poke of gold, and you will survive out here in pretty good shape.

Madam President, I ask unanimous consent that the letter from the National Cattlemen's Beef Association be printed in the RECORD.

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

NATIONAL CATTLEMEN'S BEEF ASSOCIATION,
Washington, DC, December 12, 2001.

Hon. THOMAS A. DASCHLE,
Hart Senate Office Building,
Washington, DC.

DEAR SENATE MAJORITY LEADER DASCHLE: Throughout the formulation of the Senate farm bill, the National Cattlemen's Beef Association (NCBA) worked diligently with members of the Committee to develop a Conservation title that would reflect the interests of NCBA and this nation's cattlemen. NCBA was pleased with the bipartisan, voice vote approved Committee title. However, modifications that are to be incorporated into the bill by a manager's amendment take back many of the positive strides supported by NCBA.

The manager's amendment will increase the Conservation Reserve Program (CRP) to 41.1 million acres. This exceeds the 40 million acres that NCBA found acceptable. At this level, CRP will negatively impact the economy of rural communities, local feed grain and forage prices for livestock producers and devote taxpayer dollars to setting aside land that could be better spent on working lands. NCBA asked that increase in CRP acreage be limited to no more than 40 million acres with new acreage focused on riparian areas, buffer strips and continuous sign-up acreage. Additionally, the managers' amendment still does not provide for a reduction in rental rates on CRP acres used for haying or grazing.

Long term funding of the Environmental Quality Incentive Program (EQIP), at the time when producer needs are likely to peak, has been reduced by $650 million dollars per year, from the Committee passed bill. Reductions in funding in 2007 and the out years, will put the long-term success of the program at risk. By contrast, the Committee passed bill provided continued funding that amounted to an additional $3 billion over 10 years. NCBA, in addition to increased funding, asked for a number of programmatic changes that continue in the legislation. Our support for existing measures is dependent on changes that will provide for program access to all producers and ensure that soil, air and water quality are the priorities for the program.

The manager's amendment includes a number of disconcerting provisions related to the Water Conservation Program. This new program would authorize the use of 1.1 million acres of the CRP authorized enrollment acreage to acquire water rights, both short-term and permanent, primarily for endangered and threatened species recovery. This program also specifically allows for the temporary lease of water or water rights in the Klamath River basin of Oregon and California. NCBA cannot support this program, despite the fact that only ''willing sellers'' may participate. Willing sellers are often found where there are endangered species; the Klamath basin is a perfect example. Many farmers and ranchers have become ''willing sellers'' because they can no longer afford to farm. Buying all the water rights in the west will not solve our nation's endangered species problems, which in large part is due to the Endangered Species Act itself. It is inappropriate in the context of a farm bill to attempt to do so.

The Grassland Reserve Program (GRP) is another new program that has garnered much support in this farm bill debate. NCBA supports this program because it provides an option for preserving the economic viability of grazing operations while protection the grasslands upon which both wildlife and ranching depend through the purchase of 30-year and permanent easements. However, the Committee proposal strips the option for non-profit conservation and agricultural land trusts to hold and enforce the easements, which is critical for NCBA.

Conservation easements are rapidly becoming a valuable tool in the protection of agricultural lands. However, many landowners remain skeptical. As with any contract, it is important to be able to develop a trust relationship among the parties to the agreement. By allowing third party non-profit land trusts to also be eligible to carry out

the administrative responsibilities of the easement, the landowner has the flexibility to work with the entity they feel most comfortable. Several states have developed land trust organizations for the purpose of holding and enforcing agricultural conservation easements. Without the ability of non-profit or agriculture land trust participation, the GRP will not serve the interest of those family farmers and ranchers for which it was designed.

We look forward to working with all Members of the Senate to create a final package that meets the needs of today's ranchers. In closing, NCBA believes that last minute amendments to a balanced and bipartisan Committee passed bill are lacking in a number of key areas and less attractive to US beef producers.

Thank you for the opportunity to communicate with you on these important issues. If you need further information or if we can provide clarity to any points in this letter, please contact us.

Sincerely,

LYNN CORNWELL,
President.

Mr. BURNS. I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, I heard the comments made by my good friend from Nevada earlier. I agree with him. The conservation title of the Harkin bill is there to help mitigate western water conflicts.

I have been on the Agriculture Committee for 26 years now. It was the first committee I went on when I came here. I have heard a lot of the debates on conservation practices and on water matters. We get concerned about water in the East for different reasons than they do in the West.

We have heard the comments of my friend from Montana. My home in Vermont has a well. We live on a dirt road. We have to provide our own water. We are certainly very careful about protecting the water we have. Our home had once been a farm. They had to have water for the cattle. We know what it is.

This is not a case where you are going to willy-nilly transfer water away. In fact, under the amendment that the Senator from Nevada, Mr. REID, has proposed to the Harkin bill, it provides specifically that the State law is paramount. In other words, if Nevada or Montana or anywhere else has a water transfer law, then nothing happens unless it is approved under the State law. It is not a case where the Federal Government just comes over and takes over things.

This proposal is here to make sure we plan before we are in trouble, before we are in a drought situation. When you get into a drought situation, when you have those kinds of problems, there is not an awful lot you can do to help farmers or alleviate their economic impact, or, for that matter, the regional impact on farmers because they fail.

So what this amendment would do is try to create those kinds of programs that would help lessen water conflicts—not for the good years, because in the good years there aren't any conflicts. In the good years, everybody has plenty of water; nobody really thinks about it. This is the plan for those drought years. It is almost the biblical 7 fat years and 7 lean years.

The Water Conservation Program that is included in Chairman HARKIN'S bill is the first tool we will have in the Federal farm policy to actually address the program. This program actually is very familiar. Most farmers know about the CRP program, the Conservation Reserve Program. Farmers know that program. The program is extremely popular. This follows it. In fact, under the new water conservation program, a farmer could enroll land in the program, reducing farming on that land, but it is totally voluntary. This is not something where Big Brother comes in saying you to have do it. It is totally voluntary. You can't transfer anything anyway if your State has already passed a law saying you can't.

It is really designed to put as much power in the hands of the farmer as their own State would allow. Instead of focusing on wildlife, for example, wildlife improvements on the land, the farmer could agree to transfer the water associated with that land to provide water for fish and other wildlife, something that those who hunt, fish, or just are concerned with the environment should like very much.

It actually operates basically the same way as every other conservation program in this bill. All the protections have been built in here, protections of saying that you can't override State law. You have to make it voluntary. The farmers and ranchers themselves are going to make these decisions. We have done this in CRP.

We have done the Conservation Reserve Program in the past. That has proved very popular. I have some very careful farmers in my State, good Yankee stock. They want to make darn sure they are doing something that protects the farmers' sons and daughters afterwards. They sign up for the CRP because they know it works.

I know the Senator from California is here. I yield to the Senator from California.

The PRESIDING OFFICER (Mr. DAYTON). The Senator yields the floor for a question.

Mr. LEAHY. I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Vermont has yielded the floor. Senators may compete for recognition.

The Senator from California.

Mrs. BOXER. I say to my friends, I will be brief and to the point. I thank my friend from Vermont. This particular part of the farm bill is very important to our State that is having so many issues surrounding water, the availability of water, and the ability to have enough water for everyone—for the farmers, for the urban areas, for the suburban areas, for the environment, for fish and wildlife.

I had the experience of taking a hike along a river that is pretty dry. It is in a State park. They have a wonderful series of parks along this river that is now so dry. This was the place where the salmon would come. There is nothing sadder than seeing this happen, seeing us lose our habitat. It is our responsibility to make sure we do right by the environment, right by the farmers, right by the urban users, right by the suburban users. That means we all have to live within this gift we get from God that sustains us—the water. We have to use it wisely. We have to be smart about it. We have to share it. If we do that, everyone will thrive in the end.

What Senator REID has done by his excellent work on this bill—and I so much oppose this move to remove it from the bill—is to understand this reality, that this is a precious resource, this water; that we do need it for all the stakeholders. We know when we took up the issue of the Klamath what a terrible situation we had there with the farmers literally crying because they didn't have enough water to farm. They didn't have an option to sell what water they had.

What Senator REID does, through a leasing and a purchase program, is to make sure that on a voluntary basis farmers have the option to lease or sell some of their water. For example, suppose they choose to go to another crop and they need less water. They can go to that other crop and then sell the excess water that they have and increase and enhance their incomes.

This is something that is very popular. In my State, I heard from farmers who really support very strongly what HARRY REID is trying to do. They tell me this would be a welcome opportunity for them. So when people get up and say the West this and the West that, you can't speak for the whole West because there are farmers in my State, in my region, who believe this kind of a provision is going to help them survive. Let me repeat that. This kind of provision will help them survive. They have told me that. They have written this to me.

Therefore, when Senator REID was putting together this provision, I thanked him on behalf of those farmers who call the Reid provision a win-win situation. Farmers could sell water they could not otherwise use and, in exchange, get funds they need to keep on going, and fish and wildlife get the needed water.

I find it interesting that in this debate some on the other side talk about the big, bad, evil Federal Government coming in and stealing water away from farmers. First of all, I know Ann Veneman, and I don't think of her in that way, and I don't think of the Federal Government as evil. I think people see the Federal Government as a necessary tool for them to do the right thing, whether it is in foreign policy, domestic policy, or protection of the environment. I don't think this administration, or any administration, would come in like Big Brother or Big Sister

and disrupt a farmer's life. On the contrary, I think in fact that because this is voluntary, this is an option for farmers.

In closing, I don't need to go on at great length. I wanted to support my colleague from Nevada, the assistant Democratic leader, who I think has done an incredible job of crafting a very good provision. I am disappointed that we always seem to pit farmers against the fishing people, fishing people against the urban and suburban people. In California, we have learned that we have to live together. We don't come to this floor—Senator FEINSTEIN and I—picking a fight with any of them. We try to bring everybody together. Senator REID has done a good job in trying to bring all the stakeholders together. In this case the farmers stand to win, the environment stands to win, the fish stand to win, as does the wildlife and everybody else.

I think what I hear on the other side of the aisle is the old water wars, the old language, and it is the old threat, the old gloom and doom. I urge colleagues to work with Senator REID, give this a chance. I think this program could work. It could be a win-win for everybody.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. CAMPBELL. Mr. President, I will limit my comments. I want to say this while Senator REID is on the floor. I used to live in his part of the country and I understand his concern. If you haven't spent much time in Nevada—I listened to his comments. I listened about Pyramid Lake and Walker Lake, two lakes that rivers come into. And there is a place called Tumble Sink in his State—the only place in the United States where the further you go downstream, the smaller the river gets, until it just disappears.

I think this is a question that probably should have been fully debated, with some kind of a hearing, and not attached to this bill. The Senator from Montana, Mr. BURNS, mentioned what we often call the law of unintended consequences. That is what I am concerned about, too, without adequate input. I know this may help a rancher or a farmer survive, but I can tell you they won't survive very long once the water is gone. I don't know how many Members of this body farm or ranch. I know there are several, including me. You might make a short-term agreement to sell or lease some water, but if there is a change in the water usage and you don't get it back, that is the end of your farming and ranching in the arid West, where we have to store something like 80 percent of our yearly water needs.

As I understand this part of the bill, the Secretary of Agriculture can acquire the water for purposes other than agriculture during this period of time, even though I understand it is on a willing-seller/willing-buyer arrangement and that he cannot participate in a CRP unless he also agrees to the water provision. You take them both or you get neither.

Now, I am reminded of something that happened. I did a hearing on water in Fort Collins, CO, about a year and a half ago. One of the men who testified—I was thinking about him when I was listening—was a man, like a lot of ranchers, who moves his water around, depending on what he is planning and where he wants the irrigated water to go. He had a field that was dry as a bone, and he had ample water rights. So he put a ditch in to carry some of the excess water he already owned to this very dry field. Lo and behold, the field obviously came up very rich and beautiful and produced a wonderful stand of hay. Since there was water and seed in the ground, a little mouse moved in called a Preble's meadow jumping mouse, which is on the Endangered Species List, or the Threatened Species List.

As you know, the Endangered Species Act takes into consideration habitat. Once the mouse moved in, he found he could not move his ditches anymore from there because it was declared habitat for that mouse. That is one of the concerns with this. Maybe it will work fine; maybe it won't.

What if the rancher agrees to take his water out of production and put it in this Federal designation for a period of time, and wherever that water is—as an example, out West—it is used for something else and, therefore, where it was in those fields is now dried up. As you probably know, there is a program in the West reintroducing the blackfooted ferret on the Endangered Species List. They are beginning to grow little by little. There are a few more colonies established. What if something like that moved into that area where he had his water because they live on prairie dogs and live in dry ground, not near water? My question would be: Is there a possibility that he could not get his water use back because that land he had irrigated might then come under some kind of a criterion that would prevent him under the Endangered Species Act?

It is that kind of unanswered ambiguity about this section that makes me oppose it. I am not opposed to the concept. I am always looking for ways that farmers and ranchers can survive because it is not easy. We have more ranchers and farmers in the West whose wives are now driving school buses to make ends meet. It is a tough lifestyle. There is no question that as the urbanization takes place in the West, there is going to be a bigger need for water.

Maybe someday we will have to change the way we use water, as they do in Israel and other dry countries where they have gone to drip irrigation and other things, rather than flood irrigating, which is so wasteful of water. But under the water law that exists now in the Western States, I think this could really upset things, even though the language says it cannot be done without the approval of the water authority. Something, it seems to me, should be fleshed out completely through hearings and much better debate, rather than simply in the last few minutes before the agriculture bill moves.

With that, I thank the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAPO. Mr. President, I rise in opposition to this section of the bill and in support of the amendment to strike it as well. I think it is important as we debate this amendment we recognize that the Senate Agriculture Committee never considered this provision. It was never raised in any of the hearings we held on the conservation title of the farm bill earlier this year, nor was it included in any version of the conservation title on which this committee has worked. It has simply been introduced on the floor now while debating the bill. It hasn't been vetted nationwide.

We are in the process of debating it now, as water users, water lawyers, and those who are involved in this issue around the Nation are hurriedly trying to evaluate it and get their information to us to determine what impact and what consequences it will have. I believe the law of unintended consequences, which was discussed by several other Senators here, is going to be played out if this becomes law and we will then see what happens without having had the kind of thorough evaluation that it deserves in this body.

What the proposal does is to adjust the CRP, which is a very useful and time-tested program in the conservation title of the farm bill that has been extremely successful over the years in helping us to improve the habitat for wildlife, and for fish, and for species around the Nation by addressing those concerns without doing it in the context of the Endangered Species Act but doing it in the context of the conservation effort that we seek to achieve in our farm policies in this Nation.

In fact, I have worked very hard this year and in the last couple of years to put together a conservation title for the farm bill, and a part of that conservation title is to try to expand the CRP to make it even more useful in protecting habitat and improving circumstances nationwide for our wildlife.

Yet we have not seen this effort to try to hook Federal acquisition of water rights into the administration of the CRP until today. I have worked very closely with many of the Senators in the Chamber in other efforts to protect and strengthen our salmon and steelhead in Idaho under the Endangered Species Act, another endangered species as well.

I worked hard to improve the Endangered Species Act to authorize our landowners to have habitat conservation plans and options where they can commit to use their land in certain ways that will help achieve the objectives of the Endangered Species Act

and protect them from some of the onerous implications of the impacts the act may have on them in the administration and use of their land.

Never until today have we debated a proposal to merge the CRP with the Endangered Species Act and to do so in a way that facilitates and, in fact, initiates the Federal acquisition of water rights. That is what is causing such a significant concern around the country.

In my discussion with the Senator from Nevada earlier, he acknowledged that, although there is a lot of talk about the use of the voluntariness in this package, it is only voluntary in the sense that a farmer does not have to participate in the CRP if he does not want to give up his water rights. But with regard to this 1.1 million acres that is outlined in this proposal, any farmer in America has only one choice: Either do not participate in this part of the expansion of the CRP or give up your water rights, either on a temporary or permanent basis. Such a choice, in my opinion, is not very voluntary.

In fact, it will cause a lot of farmers who otherwise would have taken advantage of this expansion of the CRP to do really good things on their land and improve habitat to say: I am not going to give up my water rights. So I am not going to participate in this program and they will make that so-called ''voluntary'' decision, but what it really means is they have been deprived of this ability to participate in the expansion of the CRP because the condition of giving up their water rights has been placed on it. That is what the debate comes down to.

Why is it necessary for us to expand into the CRP the Federal effort to gain control over water by acquisition of water rights and to fund it so the Federal Government can then come in with the deepest pocket in the market and buy water rights with the pressure or the tool of access to the CRP used as the hammer?

The real debate here is: Why are we seeing this? I think the reason is one that has been suggested by several of the others who have spoken. Historically, we have seen an increasing effort by the Federal Government to gain access to and control over the water in this Nation. That is a continuous issue we fight often in the West, and I know in other parts of the country it is fought as well. So there is an automatic alertness by those who own water rights or who deal with water rights or who seek to manage the water issues in the States, when they see a new program with Federal dollars being pumped in and Federal conditions being brought in to a program that otherwise was working wonderfully with the purpose of saying we are going to utilize this good program and restrict access for it to the new people who want to get in and do so on the basis that the only way they can use it is if they give up their Federal water rights.

In a sense that is voluntary because they do not have to do it, but it is making it so anyone who wants to participate in the expansion of the program cannot do so unless they fall within this provision.

The proposal I have made, and I hope still will be the one that prevails in the Senate with regard to the CRP lands, is indeed we focus our expansion of the CRP on those buffer strips and those areas where we can have the most impact on habitat for wildlife, but not do it in a way that excludes every landowner in America who does not want to give up their water rights.

Let's not create just a limited application of this new expansion of the CRP in a way that would essentially disqualify everyone who is not willing to give up their right to water. That is my biggest concern with regard to the so-called voluntariness issue and the purpose behind this legislation.

Another point I think is critical to make is that those who advocate this provision say it is important we protect these threatened species and species that could be benefited if the Federal Government could take control of this water and utilize it for their benefit. It is a good point. Utilization of the water resources of this Nation for the benefit of species is critical, and yet under existing Federal laws, such as the Endangered Species Act, the Clean Water Act, and so forth, and under existing State laws, almost everything that has been discussed as a very positive thing that should be done under the Endangered Species Act can already be done.

If you stop to think about it, as the Senator from Montana already said, the Federal Government can already buy water rights in a willing buyer/willing seller arrangement. What is being added here is that lever or that hammer that says you cannot any longer participate in the expansion of the CRP unless you sell your water rights. Just a little bit of a hammer—maybe not such a little hammer—on the water users of this Nation.

Yet already we are achieving some of those objectives under the existing law. For example, in my State of Idaho, the need for water for salmon and steelhead has long been established, has been debated actually, but has long been something that has been sought to be addressed under the Endangered Species Act. For years, hundreds of thousands of acre-feet of water in Idaho on an annual basis have been made available on this true willing buyer/willing seller basis where the Federal Government has come in and obtained on fair evenhanded negotiations the ability to get water out of the waterbank or out of some projects or out of water users who do not need it for that year and to utilize it for the salmon and the steelhead.

That can be done, but it does not have to be done with the added hammer of prohibiting access to the CRP.

In the State of Idaho, for example, the U.S. Bureau of Reclamation, as I indicated, has been able to rent water from the State waterbank from willing sellers for almost a decade. Recently, in another context, the Bureau has rented water in the Lemhi River area, a tributary of the Salmon River for the benefit of species. All of this was done under State law and Federal with the current system.

I have a letter from the Governor of the State of Idaho who asked us to oppose this legislation because it is in conflict with Idaho's water law and because, as he says:

> In addition, the goal of implementing water quantity and water quality improvement demonstrated to be required for species listed under the Endangered Species Act can largely be achieved under existing State laws.

The Governor goes on to give examples that explain we have those abilities and the desires in the States right now to achieve these objectives.

What this comes down to, frankly, is: Are we going to modify and take a step into the arena of our conservation title of the farm bill now and modify the CRP in a way that creates a hammer to force those who would like to participate in it, would like to improve the habitat under this program, would like to take the incentive that it provides and say: You cannot do it unless you give up your water rights? Or are we going to use the existing voluntary basis of addressing these issues under the Endangered Species Act, in terms of obtaining and utilizing water rights, and let the CRP work as it has been intended to work and as it has so effectively worked over the last years to let farmers, without having to jeopardize their water rights, do those things they know are going to benefit the species that reside on their property?

I think that it would be better, actually. If you want to look at what is going to actually result in the best results for species and for wildlife in general in the United States, I think it is going to be best if we allow those who own land and who operate land in agricultural endeavors to continue to utilize this expansion of the CRP program without the threats of giving up their water rights because you will have many more people willing to participate then, many more lands that will be available and be competitive for this expansion, and the Secretary will be able to have a broader array of choices in terms of the allocations of the new CRP land.

A last question that perhaps the Senator from Nevada can answer, a question raised by some of the water users as they struggle to evaluate what will happen: What happens if a water user who enters into a contract with the Secretary agrees on a temporary basis to give up his water rights and then chooses, for whatever reasons—economic reasons or whatever—to break out of the contract and go back into production? I understand there are financial penalties for that. That is understood. By then taking that water

back from the Federal Government's utilization to the utilization of the farmer, which I assume would be possible, would that then result in a section 9 violation of the Endangered Species Act by taking water away from a species?

A lot of questions come up under this law as to what will happen if this new regime for utilization of water is implemented. I know the Senator from Nevada says State law is not being superseded. The fact is, under the State laws in the West, many different evaluations have to be made before a water right can be transferred. In many cases, the water right is actually owned by a canal company or irrigation district, not by the land owner. So permission there would have to be obtained. Then approval from the State water authorities would have to be obtained.

I assume from the answers we have gotten that would be left in place and no farmer would be able to participate unless he got approval from the entities that were the actual owners of the water and from the State that manages the water. Again, that will limit dramatically the number of people who can take advantage of this expansion of the CRP. But assuming that is in place, what happens if the Endangered Species Act becomes applicable to the new utilization of the water regime and the farmer wants to take it back? We have a lot of questions that need to be answered.

In summary, we have not had a chance to thoroughly vet this issue. It has not been reviewed in committee or hearings. There is a tremendous amount of unrest building and developing around the country over what this will do. The bottom line is, there is no established reason for trying to connect the Endangered Species Act and the desire for expansive Federal control over water to a very effective CRP that is doing its job under the conservation title of the farm bill.

I encourage those Senators who will make their decision on this issue soon as we come to vote on it to recognize we should reject this section of the farm bill and support the amendment to strike this provision and work in a collaborative fashion to develop the approaches to the farm bill that will expand and strengthen our conservation title, but not do so in a way so divisive.

I conclude with this. I have maintained for many years probably the most significant piece of environmentally positive legislation we have worked on in Congress is the farm bill. It has tremendous incentives in the conservation title to make sure the private land users in this country and the way we utilize our agricultural land and its production are incentivised for good, positive, conservation practices that benefit species, our air quality, our water quality, and the like. That is what this conservation title does. That is what the CRP is designed to do. Do not saddle the CRP with this unnecessary effort to extend Federal control over water and Federal acquisition over water. Let the CRP work as it was intended.

The PRESIDING OFFICER. The senior Senator from Idaho.

Mr. CRAIG. Mr. President, I join with my colleague and partner from Idaho with what I think is, for Idaho, an arid Western State, probably one of the more critical debates of new farm policy for our country.

Those who live east of the Mississippi have no comprehension of the value of a raindrop, the value of a bank of snow, or the value of a large body of water retained behind an impoundment, known as a reservoir. My forbears and Senator CRAPO's forbears for generations have recognized the value of storing water under State law and allocating this very scarce commodity to make the deserts of the West bloom and to become productive.

There is no question in anyone's mind, I hope, that the ability to allocate water is the sole responsibility of the States. That is a fundamental right that has been well established in law. While oftentimes disputed by those who disagree, it is rarely ruled against in court.

Why are we gathered here tonight? Because an amendment would propose in some nature, yet to be argued, that that fundamental principle of western water law is somehow overridden by a Federal law.

My colleague from Idaho was very clear in pointing out the rather perverse incentive created within this bill. The authors take a very popular conservation program known as CRP and suggest if you wish to enter it anew, somehow you have to give up something increasingly more valuable. That has never been the concept. The benefit of CRP and the intent of CRP—and I am one who has been here long enough to say I was there at the beginning of this idea—said it was to take erosive lands out of the market, give that land owner something in return for the value of the conservation that would result.

What has happened in the meantime is a well established record that these lands once tilled were turned into grasses and stubbles and root base that held the water, stopped the erosion, and became some of the finest upland game bird habitat in the West.

In my State of Idaho, it is an extremely popular program where pheasant, chukar, and sage grouse now flourish because of the program. The incentive was the right and natural incentive. It was not: I want to provide you something, but to do so, I want to take something away.

The Senator from California, a few moments ago, opined about the fact of a dry river bed. I am not going to suggest States have allocated their water always in the proper fashion. We in the West are in a tug today, a tug of war over water because we are populating at a very rapid and historic rate compared to the last century. Agriculture, some manufacturing, and human consumption were the dominant consumptive uses of water. We failed to take into recognition the value of fisheries on occasion or riparian zones. We now understand that.

But here is the catch-22. My State, for 100 years, added to its water base. My State created more water than that State ever had before the Western European man came. Why? Because we created impoundments, we saved the spring runoff, and we increased the abundance of water in my State by hundreds of thousands of acre-feet. But about a decade and a half ago, because of environmental interests and attitudes, we stopped doing that. The Federal Government said: We will build no more dams. It is not a good thing to dam up rivers. So it stopped. We stopped adding water to a very arid Western State. And it is true across the West. So we locked into place the amount of water that was there. We could add no more.

Two decades ago, I joined with the Senator from Colorado to establish a new water project in southeastern Colorado and we have fought it for two decades. It still is not constructed. Yet it would have added an abundance of new water to that corner of the State. It was denied by environmental interests and others. That is really a very encapsulated history as I know it.

Now what is happening, in an area where we have been locked into a limited amount of water, unable to store or generate more by spring runoff, we are saying you have to divide that which is currently used for other uses.

I will tell you, the arguments are pretty legitimate: Fisheries, water quality, in-stream flow, riparian zones—something we all want. It is something we all believe in. But because of the situation the arid West has been put in, when we offer up to do this, we have to take it away from somebody else. We can't add because we have no more water with which to work.

We are at the headwaters of a mighty water system in my State known as the Snake-Columbia system. The mighty Snake River begins just over the mountain in Wyoming, springs through Idaho, and picks up the tributaries and dumps from the Idaho into the Columbia River, and our rivers and our streams are the habitat for salmonoid fisheries—salmon, a marvelous species of fish. They come up from the ocean to spawn, and their offspring go back to the ocean. That has become an increasingly important issue in my State because they are now listed as endangered or threatened under the Endangered Species Act.

The State of Idaho has sent upwards, at times, of 700,000 acre-feet of their water, under law, downriver to help those fish. But there are those who want more.

As my colleague from Idaho said, the Bureau of Reclamation in Idaho is, in

fact, acquiring water from Idaho and its willing seller. That is the appropriate thing to do. It is not an adversary relationship. If you have surplus available and it is in a nonuse way, we will acquire it and put it to some other use.

But that fight doesn't occur here in the Nation's capital. It occurs in Boise, in Idaho's capital, in the State capital of our State where water law, water fights ought to exist. If you are going to fight water in Colorado, you fight it in Denver, you don't fight it here, because it is not our right to do so. If you are going to fight water in New Mexico, you fight it in Albuquerque.

And we will have those fights. The West is replete with a history of water fights. Why? Because it is a scarce commodity. It is a lifegiving commodity—to the human species, to the fish, to the wildlife, to the plants that become the abundant crops that have made our States the great productive States that they are. But it was the men and women of Idaho from the beginning who decided how Idaho's water ought to be allocated—not the Federal Government, not the Agriculture Committee of the Senate, not the Secretary of Agriculture, but the citizens of the State of Idaho.

So the senior Senator from New Mexico offers an amendment to strike the provision for the water conservation program as proposed by the Senator from Nevada, and he is right to do so. It doesn't mean a program such as this couldn't exist. It doesn't mean a program such as this should not exist. But if it does exist, it ought to be the right of the State to decide whether its citizens can participate in it because it is the State's right to decide how that water gets allocated and not the Federal Government's.

When I first came to Congress in the early 1980s, there were some very wise environmentalists who were scratching their heads and saying: Wait a minute, if Idaho is 63 percent owned by the Federal Government and the citizens of the Nation and most of the tops of those watersheds where that water system of the West begins are Federal land, why isn't it Federal water? And there was a thrust and a move to take it.

We blocked it. We stopped it. Why? Because of the precedent and the history and the reality that when you are in a State such as mine and that of Senator MIKE CRAPO, where we get about 15 inches of rainfall a year, water is sacred. What do we get here, 60-plus in a good year? People east of the Mississippi don't worry about water so much. They don't realize that you have to control it and impound it. Actually, they are trying to control it to keep it off their lands most of the time, to keep it out of their farms because it floods and does damage. We have had those fights here—reclamation fights and all of that drainage kind of thing in wetlands. Quite the reverse is true out there on the other side of the Rockies, on the other side of the Mississippi.

Mr. CAMPBELL. Will the Senator yield for a question?

Mr. CRAIG. I am happy to yield.

Mr. CAMPBELL. I worked with the Senator from Idaho on a good number of water bills for a number of years. Maybe I should correct him because we have one more water project to build, and that is what he and I have been working on in Colorado for the last two decades. But something came to my mind as I have been listening to the debate, and I would like to ask the Senator a question, since he is the only one on the floor.

Most of the western States have several problems including over appropriation, which means more people own the water than there is water. That is why we have been fighting back and forth. One of the things common to the West but not common to the East is called water compacts. We have them between counties sharing scarce water, we have them between States. Colorado happens to be an upper basin State, as it is called; California, a lower basin State; and we share the water that goes down the Colorado River. We also share the water, under a contractual agreement, that goes down the Rio Grande that starts in Colorado, that goes to Texas.

In addition to interstate compacts, we have international compacts because we have a compact with Mexico to provide a certain amount of water from both of those rivers to that nation.

Most of the water that is in ranching now recharges back to the ground. It goes back either through runoff irrigation, which goes back to the river, or if it is sprinkled, it usually recharges the aquifer to some degree. One of the big unknown questions for me is if there is a possibility, if we change the use or allow the Federal Government to change the use, it would in any way upset existing compacts. I would like to ask the Senator if he has thought about that, if he has any views on that.

Mr. CRAIG. I appreciate the Senator asking the question. I am not sure I can respond. What the Senator has clearly demonstrated though, by the question, is the complex character of western water and western water relationships. The Senator is in the headwaters of the mighty Colorado River. Yet the citizens of the State of Colorado don't have a right to drain the river because the Colorado is the headwaters of a river system that goes all the way to the Gulf of California. All of those relationships have developed over the years.

I am not sure I can answer that question. I think it is literally that technical. That is why, when somebody says, Oh, this causes no problem—until you review it and put it into the context of the law that governs water, a clear answer cannot be given. And I am not a water attorney.

Mr. CAMPBELL. Exactly the point. We don't know the problems that will be created, and that is why I think it is wrong to move forward with this bill with this section in it until we have had some really in-depth hearings as to how it would affect water in all the States of the West.

I appreciate the time.

Mr. CRAIG. The Senator from Colorado also mentioned something else in the context of his question that I think is often not understood. The Idaho Fish and Game Department would tell any citizen, or any questioning person, that there is more wildlife and more abundance of wildlife in Idaho today than ever in our known history except for maybe prehistoric times. Before the crust shifted and the glaciers receded totally, we were a fairly tropical area, and there may have been a more abundant wildlife at that time. But I am talking about known history.

We have more wildlife in our State today, in the general sense, than ever in our State's history. They will tell us very simply why. There is more water.

While some of our citizens are concerned that it isn't where they would like it to be as it relates to their particular interest—whether it be a fish or a riparian zone—the abundance of deer, elk, antelope, and some of our upland game birds is in direct proportion to the amount of water that is now being spread upon the land by humans. It is that multiplier that I talked about earlier on that Idahoans have been increasing the overall volume of water in their State, on an annualized basis, ever since we set foot in the State and began to homestead it and turn the land and make it productive.

For example, we used to flood irrigate, spread the water openly on the land, over the Idaho aquifer. Because we wanted to conserve the water, we have moved from flood irrigation to sprinkler irrigation.

We dramatically reduced the amount of water that is now being returned to the aquifer. We changed the very character of a climate that we created in the beginning upon which wildlife depended. Herein lies the question that needs to be asked of the impact of what the Senator might want to do with his amendment.

Let us suggest that you, for a period of time, leased your water from a given acreage of land and it became arid, and certain wildlife moved on the land that liked arid land. Then, later on, you chose to irrigate the land which might drown out the particular arid species and somebody filed on you because you were threatening that species and risking its endangerment. Are you in violation of the law when you say you are only returning the land to its pre-existing use?

Let us say you dried up the land and caused the species that were rare to leave because the lack of moisture turned it arid.

Those are all the kinds of simple complication because we have made the law so critical and caused some of our friends to become such critics. Those are reasonable questions to ask.

In the West and in the arid regions of our country, a long while ago this Congress recognized how important it was for those who lived in the arid areas to determine the use of the water. Some scholars called it the oasis theory. My grandfather said that very early on when he was homesteading; he homesteaded where the water was. Why? Because it is life for you and your family, and the livestock. In that case, it was my granddad's sheep ranch. It wasn't by accident that he became the owner and controller of water because it was a very limited commodity and it allowed him to grow and to expand his business, if he had to.

That has been the history of the West. That is why we must not allow this amendment to exist. I am not saying the purpose isn't right, nor am I saying the Secretary of Agriculture might not want to ask the State to participate. But they ought to be asking and the State ought to have a right to say yes or no, and there ought not be any perverse incentive that if you do not, you won't get something in return that others can get.

That isn't the way conservation programs ought to be developed. There ought to clearly be incentives. The additional CRP offers just that. It has been a very successful program in the foothill countries of the upland areas, in the steep countries, and the erosive lands that were once farmed. That is what ought to happen this time.

I hope we can work out those differences. If not, we will have to not only attempt to strike, as the Senator from New Mexico is now attempting to do, but we will have to follow any effort through to conference and work with our colleagues in the House to make that happen.

That is how critically important this is for the West and for all of us involved.

I yield the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DOMENICI. Mr. President, we are going to put ourselves in a quorum because the principals involved are working on a way to resolve the issue that is brought to the Senate in the Domenici amendment to strike. That is why we are not going to be speaking for just a while. We hope we are saving time by doing this.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. MURKOWSKI. Mr. President, I rise in strong support of Senator DOMENICI's amendment to strike the conservation provisions of this legislation.

As former chairman of the Energy and Natural Resources Committee with jurisdiction over western water, and now the ranking member, I have labored with my colleagues for a good deal of time to try to resolve these issues. This proposal coming in without any hearings, and without any input from the Western States that care so much for their prosperity over water, and this particular portion of this legislation is absolutely premature and inappropriate. It doesn't belong in here.

Senator DOMENICI's amendment to strike the conservation provision is something I wholeheartedly support. We simply do not need to have another program with the intent of taking water away from farmers. That is just what this does.

This program, as I indicated, has not had a hearing, and it will directly affect programs within the jurisdiction of our Committee on Energy and Natural Resources. It took us years and years to craft and enact the Upper Colorado Fish Recovery Program. I am of the opinion that this could be adversely affected if these provisions are adopted.

We are presently in the midst of considering reauthorization of the CALFED Program in California. I know Senator FEINSTEIN worked very hard on that. Its effects on Federal and local obligations in the Central Valley of California are paramount. This new program could significantly affect the effort and directly increase obligations of Federal contractors in the Central Valley.

There is a multispecies program under consideration in the lower Colorado that could be directly and adversely affected as well.

Further, there is not the slightest reference to the requirements of reclamation law, and most farmers west of the Mississippi are dependent on the operation of reclamation law. That is what they are governed by; that is what they live by; that is the gospel. There is no reference to that.

As a consequence, these people have to feel very uneasy and very insecure about this proposal.

Again, there is certainly justification for Senator Domenici's amendment to strike. The entire chapter in the Daschle amendment should be introduced as separate legislation. It should be referred to the proper committee, the Committee on Energy and Natural Resources, and have full hearings. Consideration should be given before any action is taken.

I certainly don't subscribe to the theory that these programs are voluntary. We have seen too much of that.

We have ample evidence from the last administration of the ability of the Federal Government to coerce people to agree. We also had ample evidence from the last administration of their ability to use Federal law to reinterpret State water law. Secretary Babbitt's proposal by regulation to declare nonuse to be a beneficial use in the Lower Basin of Colorado is evidence of that.

There is nothing to give us any comfort that another Secretary, such as Secretary Babbitt, could not use this authority to completely abrogate State water law and force the farmers to adhere or simply go out of business.

I support the amendment by the Senator from New Mexico to strike these provisions. I urge my colleagues to do the same. I think we have discussed this to the point where it is evident and clear that this is not good legislation.

I yield the floor. 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. DOMENICI. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. CARNAHAN). Without objection, it is so ordered.

Mr. DOMENICI. Madam President, I think that the debate was a very good one. I think we all understand each other much better. Senator REID and I have reached an agreement, and my fellow Senator from New Mexico has been a participant and a helper.

AMENDMENT NO. 2502, AS MODIFIED

I send to the desk a modification of my amendment, the strike amendment. This amendment, as modified, is offered on behalf of myself, my colleague, Senator BINGAMAN, and Senator REID.

The PRESIDING OFFICER. The Senator has that right.

The amendment is modified.

The amendment, as modified, is as follows:

On page 130, line 9, insert the following: ''Before the Secretary of Agriculture begins to implement the program created under this section in any State, the Secretary shall obtain written consent from the governor of the State. The Secretary shall not implement this program without obtaining this consent. In the event of the election or appointment of a new governor in a State, the Secretary shall once again seek written consent to allow for any new enrollment in the program created under this section in that State.''

Mr. DOMENICI. Now, Madam President, rather than explain it, I will just read it. Tthen everybody will understand what we have done is make this a consensual program. That means that the Governor of the State must agree for his State to be in this new program. And that right is given to each Governor if, in fact, there is a new Governor while the program is still in existence.

So I am just going to read it:

Before the Secretary of Agriculture begins to implement the program created under this

section in any State, the Secretary shall obtain written consent from the governor of the State. The Secretary shall not implement this program without obtaining this consent. In the event of the election or appointment of a new Governor in a State, the Secretary shall once again seek written consent to allow for any new enrollment in the program created under this section in that State.

I yield to Senator BINGAMAN who wants to comment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Madam President, I thank my colleague. First, let me compliment him for raising concerns about the provision. I also compliment Senator REID for his commitment to try to help deal with some of these issues requiring additional attention to water conservation in the West.

I do think that is a real need. It is a real need we see all the time. Senator DOMENICI, my colleague, raised questions about the particular program and how that would affect our States and whether it would be an appropriate program to implement. Those were very valid questions.

This modification that Senator DOMENICI has now sent to the desk, on behalf of himself and me and Senator REID, is a very good compromise. What it does is make it very clear that each State can make its own determination as to whether this is a program in which it wants to be involved. If it does not, then clearly it should not be forced to do so. This is a very good result. It certainly meets our needs in New Mexico.

I compliment Senator DOMENICI for this modification. I compliment Senator REID as well for his leadership on this whole range of issues.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, so the record is clear, I want everyone to know that Senator DOMENICI and Senator BINGAMAN have been most reasonable in their approach. We early on tried to get an opt-out provision. This makes much more sense and is mechanically something that will work very well. I also appreciate the dialog we have had off the floor with Senator CRAPO, who is a water law lawyer. He is going to come back later with some other questions he has. We will be happy to visit with him.

I am grateful for moving this issue along. As I have said all along, this is one of the real strong points of this new bill. I am grateful this amendment will be accepted shortly.

Mr. CRAIG. Will the Senator yield?

Mr. REID. I am happy to yield.

Mr. CRAIG. I appreciate what the Senator is working to do with our colleagues from New Mexico. This is a vast improvement without question over what I believe is a major intrusion into water law and the very reclamation laws that many of our colleagues before us have written. I am not quite sure we have bridged the gap yet. I do believe there is a very real precedent here that is risky at best as it relates to our reclamation laws.

This particular amendment has not withstood that test. Nor has it had the very intricacy of water law reviewed against it. That is critical.

I know the intent and the good intentions of the Senator from Nevada. This is a phenomenally complicated area. To study water law today and to look at the court proceedings over the last decades would argue that very clearly.

My colleague from Idaho has spent a good deal of time with water law. I am not a lawyer; I have not. But I do recognize a precedent when I see it and something that is new and unique to a very important body of law. I hope we can continue to work to perfect this. I do believe there is a very clear perverse incentive here that no person, nor public policy, should have embodied within it.

I thank the Senator for yielding.

Mr. REID. I respond to my friend from Idaho, his elucidation is the reason we have the States having the obligation, if they want in this program, to say ''we want in the program.'' I think from what the Senator outlined, if a State doesn't want in, then they don't come in. As I have indicated earlier in my remarks, I would be happy to work with Senator CRAIG's colleague, Senator CRAPO, who now is in the Chamber, to see if we can come up with something that will meet his questions and some of his concerns.

I have indicated to him that I certainly will not reject outright anything he has to say. I have an open mind and would be happy to visit with him. I have also indicated to Senator KYL that there is absolutely no question that this has nothing to do with changing State law. The Senator has indicated at a subsequent time he will submit to us some language, and we will be happy to take a look at that, if he believes this language in our legislation is not clear enough. He also has had experience in water law, as has the Senator from Idaho. I would be happy to take a look at that.

I have had great experience working with the Senator from Arizona, who has been extremely important in our working on one of the most difficult water problems we have had in the entire West. The State of Arizona and the State of Nevada were at war for about 3 years, a bitter water war. As a result of our help and the water expertise of the Senator from Arizona, and perhaps a little of my political work on the issue, we were able to work something out. So now the States of Arizona and Nevada are working together hand in glove.

I look forward to working with these Senators in the near future on this issue.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, parliamentary inquiry: Has the amendment been adopted?

The PRESIDING OFFICER. It has not.

Mr. DOMENICI. I yield back any time we might have on the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? The Senator from Idaho.

Mr. CRAPO. I was not on the floor when Senator DOMENICI made his request. What is the status of the procedure at this point?

Mr. DOMENICI. I should have stated that when the Senator arrived. I had the privilege of offering a substitute amendment for my amendment to strike. I merely substituted the new one for the motion to strike. So if it is adopted or when it is adopted, we will have accomplished one significant step. And that is that the program cannot be implemented in any State without the concurrence of the Governor of that State in writing.

There remains other issues that do not have to do with the consent and whether the program can be used in a State, but rather how will it be applied vis-a-vis the 1.1 million acres that were intended for Western States, for States, under this new provision. The Senator is working on that. He now has some other people working on it. I have the utmost confidence that he will come up with some language. I anxiously await it, and I will be there to help and support him. I think we have eliminated a major concern our States had, and that was that this law would be there, and it would be a new imposition. Even if the States didn't want it, if they thought it was not good, they would be stuck with it. I think we have eliminated that. All of the things we think are perverse about that are not going to happen.

I thank the Senator, because I didn't do it heretofore, for his help. He has been here most of the afternoon. I do believe together we made an important contribution. I thank the Senator for that.

Mr. CRAPO. Madam President, I would like to make a couple comments on the amendment before we vote, if I might.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CRAPO. Madam President, I will support the amendment Senator DOMENICI from New Mexico has proposed. I appreciate the opportunity to work with him, and I believe he has done a tremendous job in identifying a serious problem and getting, as he indicated, a significant part of it solved. There is still an additional problem with which I have a concern. That is, even though we now have reached an agreement which will basically provide an opt-in situation in which the Governor of each State has the authority to determine whether his State or her State will opt into these provisions, the problem we face is that the States that choose to opt out or to stay out are then deprived of their ability to participate in this 1.1 million acres of CRP land that is being added to the CRP.

There is a hammer there on the States now to either opt in or not have access to this expansion of the CRP.

I have discussed this issue with the good Senator from Nevada, and I appreciate his willingness to work with me on trying to resolve the issue. He has agreed that we will try to work out the differences and, hopefully, be able to come forward with a unanimous consent request or some type of approach that is agreed to. But if not, we will be able to propose additional amendments to try to address this issue, including striking the provision, if we are not able to work it out.

I appreciate all of those here who have worked on this matter. Senator CRAIG has worked diligently, and Senator DOMENICI has worked so strongly in bringing this forward. I appreciate the willingness of Senator from Nevada, Mr. REID, to try to iron out the concerns we have on western water law. I believe several other Senators from the West have strong concerns. They may want to make brief comments. I will support Senator DOMENICI's amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, I made a mistake. I should have included as a cosponsor of the Domenici amendment all of those who are cosponsors of my motion to strike. They have indicated they want to be on the amendment. We don't have any objection; quite the contrary. I ask unanimous consent that they be original cosponsors as it is tendered to the desk.

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

The Senator from Arizona is recognized.

Mr. KYL. Madam President, I thank Senator REID for the comments he made. He is absolutely right that after years of acrimony, representatives of the State of Nevada and Arizona solved a real difficult water issue which became a win-win for both States. I am hoping that the kind of work we need to do in the Senate on this proposal can likewise result in win-win situations.

Western water law issues become very complex very quickly, and we want to ensure that nothing we do here in any way adversely affects the long-established, traditional water policies of the West. Senator REID has assured me that it is not his intention that this legislation be contrary to State procedural or substantive water law, interstate compacts, or, of course, Federal law. We are preparing language that will affirm that.

I appreciate the Senator's concurrence in that view. Given the comments of Senator DOMENICI, I am prepared to support his amendment as well. There are additional concerns that I have about this. We will try to work those out and deal with them in an appropriate way.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment, as modified.

The amendment (No. 2502), as modified, was agreed to.

Mr. DOMENICI. Madam President, I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Madam President, I wish to inquire of the Senator from Iowa, if I might get his attention. First of all, I congratulate those who worked on this amendment. It sounds to me as if they have done a lot of hard work in reaching a solution. I inquire of the Senator from Iowa and, perhaps, the Senator from Indiana of the progress in trying to find a list or to elicit information about what kind of a list of amendments might be about to be offered on this bill. The reason I ask the question is, it is 6:30 this evening and, of course, we are nearing the end of the session. It is coming very close to Christmas. We want to finish this bill so we have time remaining for a conference with the House and time to get the bill to the President.

Because we have had long discussions and good discussions today on a number of amendments, I am inquiring on the part of both the manager and the Senator from Iowa and the Senator from Indiana whether we have a capability of exploring a list of amendments that might be available at this point.

Mr. LUGAR. If I may respond, Madam President, with the disposition of the Domenici amendment, the next amendment—at least on our side—that we are prepared to offer is that of the distinguished Senator from Missouri, Mr. BOND. Then Senator BURNS has an amendment that he wishes to offer, Senator MURKOWSKI has an amendment, and Senator MCCAIN has one. These are ones that are clearly identifiable at this point. Senator BURNS may have more than one amendment, but he will commence in this batting order with his initial amendment.

Mr. DORGAN. I understand there is likely to be a larger amendment, or a more significant amendment, the Cochran-Roberts amendment—not to suggest that the others are not significant. But we have all been awaiting an amendment by Cochran-Roberts, which is not on the list. Is he anticipating that?

Mr. LUGAR. I anticipate that the Senators will offer their amendment. They have been working on it, and I understand they are not prepared to do so today. Perhaps they will be prepared to do so tomorrow.

Mr. DORGAN. If I might inquire one more time, is there an anticipation that there is an opportunity perhaps to finish this bill by sometime tomorrow evening, or does the chairman or the ranking member expect this is going to take longer than that? In the context of that, is there a time when one might be able to get a finite list of amendments?

Mr. LUGAR. I respond, respectfully, to the Senator that at this point a finite list is not possible. But it may be possible sometime tomorrow. We are attempting to canvas. I have simply identified amendments that I think are significant, and the amendment the Senator identified would be, too. The two amendments that we have dealt with this afternoon have taken about 3¼ hours and 2½ hours, respectively, so these were not insignificant debates, which Members on both sides of the aisle engaged in in a spirited way.

Mr. DORGAN. Again, I thank the Senator for his response. I invite the response of the Senator from Iowa, but I hope that perhaps we can find a way to get a list of amendments and also agree to reasonable time limits on amendments. There is Parkinson's law that the time required expands to fit the time available. So because we are nearing the end of the session, it is really important to find a way to reach an end stage. I ask the Senator from Iowa if he might respond on whether we can get a finite list.

Mr. HARKIN. Well, I hope by this evening, perhaps before we go out tonight. I will work with my distinguished ranking member, my good friend, Senator LUGAR, to see if we can get some kind of a list. It is true, as the Senator says, that the longer you stay here, more and more—it is like that old game you play at the arcade, whack-a-mole, where they keep popping up. If we don't have a finite list, those lobbyists and everybody out there who is trying to get their year-end counts up and get that year-end bonus, all their lobbying, and they can gin up all kinds of amendments around here to show the kind of work they are doing. I am hopeful that we can get a finite list. I don't know if we can do it tonight. I hope early tomorrow we can get a finite list.

I want to assure the Senator from North Dakota, and every other Senator who is listening, we will finish this farm bill before we go home. If there is anyone here who thinks that by slowing things down or something like that, that it is going to work, it is not. We are going to finish this farm bill. We should finish it this week. I believe we can finish it this week. As long as we expedite the amendments, with a reasonable time for debate, I see no reason why we can't.

I have a letter sent to Senators Daschle and Lott, and they sent a copy to me, and probably to Senator LUGAR, too. It is from a whole list of farm groups. I don't know how many, maybe 30 or more of them. They said:

> We believe it is vitally important this legislation be enacted this year to provide an important economic stimulus to rural America before Congress adjourns.

This was sent on the 10th. They said:

> We fully understand that policy differences exist regarding this important legislation

and would encourage a healthy debate on these issues. However, we are very concerned that the timeframe to pass this legislation is rapidly drawing to a close. We believe this will require the Senate to complete a thorough debate and achieve passage of the legislation by Wednesday evening, December 12.

That is tonight, and we are not there yet. They say:

We urge you to allow Members an opportunity to offer amendments that are relevant to the development of sound agricultural policy while opposing any amendments designed to delay passage of this important legislation by running out the clock prior to the adjournment of Congress.

I can say to the signers of this letter that thus far all of the amendments have been relevant, they have been germane, they have been meaningful amendments, and we have had good debate. I hope we can continue on in that spirit and not cut off anybody, but I hope we can have reasonable limits on time. We will be here, and we will finish this bill before we leave this week.

I ask unanimous consent that the letter to which I referred be printed in the RECORD.

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

DECEMBER 10, 2001.

Hon. TOM DASCHLE,
Majority Leader, U.S. Senate,
Washington, DC.
Hon. TRENT LOTT,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR SENATORS DASCHLE AND LOTT: The undersigned farm, commodity and lender organizations write to thank you for your efforts to expedite the debate and consideration of a new farm bill in the United States Senate, and to urge that the legislation be completed in a timely manner without delay. We believe it is vitally important that this legislation be enacted this year to provide an important economic stimulus to rural America before Congress adjourns.

We fully understand that policy differences exist regarding this important legislation, and would encourage a healthy debate on these issues. However, we are very concerned that the timeframe to pass this legislation is rapidly drawing to a close. We believe this will require the Senate to complete a thorough debate and achieve passage of the legislation by Wednesday evening, December 12.

We urge you to allow members an opportunity to offer amendments that are relevant to the development of sound agricultural policy while opposing an amendments designed to delay passage of this important legislation by running out the clock prior to the adjournment of Congress.

New farm legislation must be enacted this year to stimulate and stabilize our rural economy that has been in a economic downturn for five years with no turn-around in sight. Unlike many sectors of the economy, production agriculture did not share in the economic growth of the last decade and has been devastated by depressed commodity prices, declining market opportunities and increasing costs.

It is critical to producers, farm lenders and rural communities that a new farm bill be approved this fall to provide the assurance necessary to plan for next year's crop production.

We encourage you and your colleagues in the Senate to complete action on a new farm bill as soon as possible to provide adequate time for a conference with the House of Representatives in order to ensure a final bill can be enacted this year.

Sincerely,
Agricultural Retailers Association.
Alabama Farmers Federation.
American Association of Crop Insurers.
American Bankers Association.
American Corn Growers Association.
American Farm Bureau Federation.
American Sheep Industry Association.
American Soybean Association.
American Sugar Alliance.
CoBank.
Farm Credit Council.
Independent Community Bankers Association.
National Association of Farmer Elected Committees.
National Association of Wheat Growers.
National Barley Growers Association.
National Cooperative Business Association.
National Corn Growers Association.
National Cotton Council.
National Farmers Organization.
National Farmers Union.
National Grain Sorghum Producers.
National Mild Producers Federation.
National Sunflower Association.
South East Dairy Farmers Association.
Southern Peanut Farmers Federation.
The American Beekeeping Federation.
US Canola Association.
US Dry Pea and Lentil Council.
US Rice Producers Association.
United Egg Producers.
Western Peanut Growers Association.
Western Unite Dairymen.

Mr. DORGAN. Madam President, I wonder if there is an expectation of having a recorded vote on the Bond amendment this evening and what time that might be expected. I do not know what the amendment is, but is it expected there will be a recorded vote required on the Bond amendment?

Mr. LUGAR. I have not inquired of the Senator as to whether he wishes to have a recorded vote. That would be his privilege and I would support that. I do not know the degree of controversy that will attend his amendment or how many Senators wish to speak on it.

Mr. DORGAN. At this point, the Senator does not know if we will have recorded votes this evening or when?

Mr. LUGAR. I cannot respond to the Senator on that.

Mr. HARKIN. I say to the Senator from North Dakota, I hope we have votes this evening. We have to finish this bill. We are here. Let's get the job done. I do not want to be here in the evening any more than anyone else. We have spent all day on this bill, and we have had two votes today—three votes. We need more than that. I see no reason why we cannot have a couple more votes before we go home.

Mr. DORGAN. Madam President, I share that view, and I encourage us to move along. I understand Senator BOND is here to offer an amendment. The quicker we move through these amendments, the better it is for American farmers.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, the staff has advised me they are working on getting a time agreement which would lead to a vote on this measure tomorrow. I will be proposing an amendment that has a number of bipartisan cosponsors. I think the cosponsors will want to speak on it. I imagine there will be others who wish to speak in opposition. Since this will be of some import, I hope we can work out an agreement on both sides for effective consideration of this amendment.

Let me describe my amendment so people will get a flavor of what we are talking about in order to come to an agreement on the time and perhaps others may want to speak on it. I hope they will because I think it is a very significant amendment.

The purpose of the amendment I wish to propose is to provide some protection to farmers. The farm bill is designed to preserve and promote the agricultural base of this country and provide a safe, abundant, and affordable food supply for our people. Farmers continue to do more with less than any other sector of this economy and remain the backbone of our economy providing our Nation and a large part of the world with an inexpensive and safe source of food and fiber.

There are many ways to help farmers. One is to send them financial assistance. Another is to help provide know-how through research and to help open foreign markets, and they are all very important. I support the efforts that are being made to provide that assistance to farmers, but another way to help farmers is for Government not to hurt them, the absence of pain. This is important.

However important or well intentioned Government seems to be, one of the problems facing those in agriculture is the demands placed upon farmers by various agencies of the Federal Government through the regulatory process. I have farmers in my State who tell me they spend more time preparing for public hearings than they spend on their combines. Some of the regulatory requirements and new rules clearly are necessary and justified, but for those who may not meet the test, it is critical that we provide the Department of Agriculture, specifically the Secretary, with tools to represent the interests of farm families when conflicts arise.

We need to empower the USDA Secretary to have a stronger voice when she represents the needs of farmers in interagency matters.

The bipartisan amendment I will offer is cosponsored by Senators GRASSLEY, ENZI, HAGEL, and MILLER. It is supported by the American Farm Bureau Federation, the National Cattlemen's Beef Association, the National Corn Growers Association, the National Association of Wheat Growers, the National Cotton Council, and the Southern Peanut Farmers Federation.

I also have a letter in which the Missouri organizations support the amendment, including many of the significant entities in Missouri.

The amendment simply authorizes the Secretary of Agriculture to review proposed Federal agency actions affecting agricultural producers to determine if an agency action is likely to have a significant adverse economic impact or to jeopardize the personal safety of agricultural producers.

Should the Secretary find that an agency action would jeopardize the safety or the economic health of agricultural producers, i.e., farmers, it authorizes the Secretary to consult with the agency head and to identify for the agency alternatives that are least likely to harm farmers.

It makes sense that the agency serving agriculture looks at other regulations which may have a significant impact on farmers and say: This is going to cause a real problem. Can we not achieve the objectives of your regulation? Can we not carry out your purposes without having such a harmful impact on agriculture?

If the USDA and the Secretary cannot come to an agreement with the other agency proposing the regulatory action and the agency decides, despite the USDA's best efforts to push forward with a final action that will have a significant adverse economic impact on or jeopardize the personal safety of agricultural producers, then the Secretary can elevate the decision to the White House, and the President is authorized under limited circumstances to reverse or amend the agency action if doing so is necessary to protect farmers and if it is in the public interest.

Under this amendment, the President would not be authorized to do so if the agency action is necessary to protect human health, safety, or national security. The President would have to consider the public record, the purpose of the agency action and competing economic interests, if any.

Finally, the legislation provides that a Presidential action taken pursuant to this authority could be subjected to expedited congressional review. In other words, the Secretary of Agriculture tries to work out an agreement with the agency. If the agency says, no, we are not going to make any changes, we are not going to work with you, then the Secretary has an option. The Secretary can take it to the President. The President says to the agency proposing to take this action: Stop, you are not going to do it. At that point, Congress, by expedited action procedures we have already approved in other laws, can vote to overturn that Presidential action. So Congress has a role in this regulatory procedure that would not be subjected to filibuster.

In short, this proposal is designed to give farmers through their advocates and USDA a limited but considerable voice in agency actions that impact them directly.

In offering this amendment, it is my intention to provide additional discretion to the President to solve disputes between agencies when mandates may be in conflict and they are unable to come to terms and discretion would better serve the public than gridlock, legal action, or other delaying actions or unnecessary confusion. With discretion comes responsibility and accountability. I believe very strongly it is in the public interest to have political accountability and to limit the circumstances where the elected officials who are accountable to the citizens are not hiding behind bureaucrats when controversial issues arise.

Too many times we have had people say: That agency has sole discretion. Somebody in an agency, never elected by the people, not with any visibility or public accountability, makes a decision with a serious impact on agriculture. Then the Secretary of Agriculture can raise it to the highest elected official in the land and say: You look at it, Mr. President. If you agree that it is an unwarranted overreaching action that has an economic impact or health and safety impact on farmers, then the President can act. But we in Congress could, if we wished, overturn that action of the President. So Congress has a built-in protection against an overreaching Presidential action. We are bringing questions with major impact on the agricultural sector up to the level of public discourse by people elected by the American electorate.

This amendment, I believe, is an excellent opportunity to prompt USDA to play a more active and visible role fighting on behalf of farmers. Frankly, I have always thought they should take a more active role. They have not always done so, much to the disappointment of the farm community, which is supposed to be served by them and much to the distress of those who support farmers.

Further, this amendment should help make other agencies more responsive to USDA when USDA raises concerns on behalf of farmers.

We are debating farm legislation because we care deeply about our agricultural base. We care deeply about the economic and social value of farm families. We want to protect our food security and thus, by extension, our national security. While we can help many farmers with $170 billion in spending, we want USDA to be better able to take the simple role of standing up for farmers if another agency that may know little, if anything, about food production is taking action that will harm farmers economically or physically. The Government can help farmers by providing economic assistance. But the Government can also help by trying not to hurt them. That is what this amendment is all about.

We are rightly concerned in this country if an ant is endangered or any other species, but we should also be concerned if a farm community is threatened or endangered. I believe we should give farmers an extra measure of leverage at the table if it is their personal livelihoods or their personal safety which is jeopardized. This limited, and I believe measured, amendment is designed to do just that. What we are doing is strengthening laws that protect farm families.

I urge my Senate colleagues to consider this amendment very carefully, to provide their support, and to send a message to farmers that we believe farmers are worthy of protection; we want the Government to make every sensible attempt to act as advocates for farmers. We believe USDA should be active and visible, fighting for farmers, and we believe the President and the Congress are capable of and can be trusted to weigh the public interest.

This says to the administration that farmers don't always have to be at the very bottom of the food chain. Frankly, they start the food chain and they should be treated as part of that food chain.

I ask unanimous consent to have printed in the RECORD two letters of support, one from various national organizations dated December 7, and one dated December 10 from Missouri organizations.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

December 7, 2001.

Hon. KIT BOND,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR BOND: We are writing to urge your support for the Bond amendment providing authority to the Secretary of Agriculture to review proposed federal agency actions that may have a significant adverse economic impact or jeopardize personal safety of farmers and ranchers.

These are very difficult times for agricultural procedures. The cost and burden of regulation on agriculture has grown exponentially over time and it is an important factor in their struggle to remain competitive, both domestically and internationally. We strongly support the Bond amendment and believe that it will result in government policy being implemented in a more efficient and cost-effective manner. We appreciate your concern for the well being of farmers and ranchers and urge your support of this amendment.

Sincerely,

AMERICAN FARM BUREAU FEDERATION.
NATIONAL ASSOCIATION OF WHEAT GROWERS.
NATIONAL CATTLEMEN'S BEEF ASSOCIATION.
NATIONAL CORN GROWERS ASSOCIATION.
NATIONAL COTTON COUNCIL.

December 10, 2001.

Hon. CHRISTOPHER S. BOND,
U.S. Senate, Washington, DC.

DEAR SENATOR BOND: We applaud your ongoing efforts to reduce the regulatory burden facing our nation's farmers and ranchers. It is entirely appropriate that the farm bill include language that will stifle the regulatory onslaught brought upon by bureaucrats who know little about modern agricultural practices.

Today, farmers and ranchers have enough to worry about—commodity prices are pitiful and input prices more volatile than ever. Our members are being told they must be more competitive if they are to succeed in an

increasingly global trade environment. But unfortunately, our nation's agricultural producers today find themselves fighting the federal government on issues such as water quality and quantity, access to crop and livestock protection tools, and appropriate nutrient management.

We believe your amendment will add much needed commonsense to the regulatory process. Additional review of regulations by the Secretary of Agriculture, consultation with other agency heads, and the authority for Presidential intervention are dramatic improvements over current law.

We strongly support your amendment and urge other Senators to support its passage.

Sincerely,

Missouri Farm Bureau; Missouri Corn Growers Association; Missouri Pork Producers Association; Coalition to Protect the Missouri River; Missouri Cattlemen's Association; Missouri Soybean Association; MFA, Inc.; Missouri Dairy Association; The Poultry Federation.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

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

Mr. DASCHLE. Madam President, we have made some progress today on the bill. I appreciate the cooperation of many of our colleagues. I know there is an amendment pending.

The distinguished Senator from Indiana has indicated other amendments could be offered tonight. I notify our colleagues we do not anticipate any other rollcall votes tonight. I hope some might still be prepared to offer amendments. We could stack the votes for tomorrow morning. We would like to keep going for awhile yet tonight. But in the interests of accommodating Senators with conflicting schedules, we will preclude the need for any additional rollcalls tonight. We will have those votes tomorrow should they be required.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection it is so ordered.

AMENDMENT NO. 2511 TO AMENDMENT NO. 2471

Mr. DASCHLE. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE], for himself and Mr. LUGAR, proposes an amendment numbered 2511 to amendment No. 2471.

Mr. DASCHLE. I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To direct the Secretary of Agriculture to establish within the Department of Agriculture the position of Assistant Secretary of Agriculture for Civil Rights)

Strike the period at the end of section 1021 and insert a period and the following:

SEC. 1022. ASSISTANT SECRETARY OF AGRICULTURE FOR CIVIL RIGHTS.

(a) IN GENERAL.—Section 218 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6918) is amended by adding at the end the following:

''(f) ASSISTANT SECRETARY OF AGRICULTURE FOR CIVIL RIGHTS.—

''(1) DEFINITION OF SOCIALLY DISADVANTAGED FARMER OR RANCHER.—In this subsection, the term 'socially disadvantaged farmer or rancher' has the meaning given the term in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)).

''(2) ESTABLISHMENT OF POSITION.—The Secretary shall establish within the Department the position of Assistant Secretary of Agriculture for Civil Rights.

''(3) APPOINTMENT.—The Assistant Secretary of Agriculture for Civil Rights shall be appointed by the President, by and with the advice and consent of the Senate.

''(4) DUTIES.—The Assistant Secretary of Agriculture for Civil Rights shall—

''(A) enforce and coordinate compliance with all civil rights laws and related laws—

''(i) by the agencies of the Department; and

''(ii) under all programs of the Department (including all programs supported with Department funds);

''(B) ensure that—

''(i) the Department has measurable goals for treating customers and employees fairly and on a nondiscriminatory basis; and

''(ii) the goals and the progress made in meeting the goals are included in—

''(I) strategic plans of the Department; and

''(II) annual reviews of the plans;

''(C) ensure the compilation and public disclosure of data critical to assessing Department civil rights compliance in achieving on a nondiscriminatory basis participation of socially disadvantaged farmers and ranchers in programs of the Department on a nondiscriminatory basis;

''(D)(i) hold Department agency heads and senior executives accountable for civil rights compliance and performance; and

''(ii) assess performance of Department agency heads and senior executives on the basis of success made in those areas;

''(E) ensure, to the maximum extent practicable—

''(i) a sufficient level of participation by socially disadvantaged farmers and ranchers in deliberations of county and area committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)); and

''(ii) that participation data and election results involving the committees are made available to the public; and

''(F) perform such other functions as may be prescribed by the Secretary.''.

(b) COMPENSATION.—Section 5315 of title 5, United States Code, is amended by striking ''Assistant Secretaries of Agriculture (2)'' and inserting ''Assistant Secretaries of Agriculture (3)''.

(c) CONFORMING AMENDMENTS.—Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended—

(1) in paragraph (3), by striking ''or'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(5) the authority of the Secretary to establish within the Department the position of Assistant Secretary of Agriculture for Civil Rights under section 218(f).''.

Mr. DASCHLE. Madam President, minority farmers have worked America's soil throughout our history. And while these farmers have done so much to advance American agriculture, they have experienced intense and often institutionalized discrimination in the process.

From the broken promise of ''40 acres and a mule'' during Reconstruction, to the discrimination inherent in many of the New Deal agriculture programs, to the first and second great migrations—during which so many left the land, never to return—the history of minority farmers in America has often been a history of hardship and struggle.

Our Nation has seen the result of that hardship in the dwindling number of minority farmers, and the dwindling acreage of minority farms.

In 1920, blacks owned 14 percent of our nation's farms. Today there are only 18,000 black farmers, representing less than 1 percent of all farms.

Hispanics—who make up such a large share of farm labor—account for a mere 1½ percent of all farm operators. For Native Americans, that number is half of 1 percent.

Perhaps most saddening is that the United States Department of Agriculture—the agency which was founded by Abraham Lincoln to be ''the people's Department'' has often been part of the problem.

A 1982 report issued by the Civil Rights Commission stated that the United States Department of Agriculture was ''a catalyst in the decline of the black farmer.'' Statistics from that time show that only African-Americans received only 1 percent of all farm ownership loans.

A lawsuit filed in 1997 by more than 1,000 black farmers resulted in a historic settlement in which the government acknowledged significant civil right abuses against black farmers.

It is not enough to recognize and remedy past failings. We need to work to ensure that the USDA serves all of its customers fairly in the future.

That is why Senator LUGAR and I are proposing that we establish an Assistant Secretary of Agriculture for Civil Rights.

The Assistant Secretary of Agriculture for Civil Rights would be responsible for compliance and enforcement of all civil rights laws within the USDA, including the compilation and disclosure of information regarding minority, limited resource, and women farmers and ranchers. He or she would set target participation rates for minorities, and make sure that other agency heads and senior executives will enforce for civil rights laws.

Last week, I received a letter in support of this amendment from the chairs of the Congressional Black Caucus, the Congressional Hispanic Caucus, and the

Congressional Asian Pacific Americans Caucus.

If they can speak with one voice in supporting this amendment, it is my hope that we can speak with one voice in passing it.

A while ago, PBS aired a film entitled ''Homecoming.'' It is a chronicle of black farmers from the Civil War to today. In it, a farmer named Lynmore James is interviewed.

I think his words guide our consideration of this amendment:

There's no question in my mind that a lot of land has been lost, and it was lost because of discrimination. But I don't think we need to just close the books on it. I think that where people have been wronged, it should be righted.

The most lasting way to truly see those wrongs made right is to ensure that they are never repeated.

That is exactly what an Assistant Secretary of Agriculture for Civil Rights would do, and that is why I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, I am pleased to be a cosponsor of an amendment that I think is truly important. The majority leader certainly outlined the basic reasons for it. But let me illuminate further.

From hearings we had before the Agriculture Committee in recent years during the period of time when I was privileged to serve as chairman, in each of those years we asked for reports from those responsible in USDA on progress in the area of civil rights disputes. There were so many. They were so complex and pervasive, and the backlog always seemed to be unusually and uncomfortably large.

Just last year we had an extensive hearing, and this came because the Secretary of Agriculture, then Dan Glickman, our former colleague from the House who had become the Secretary, had taken a great interest in this issue as a Member of the House and likewise in his new capacity. He recommended, after following the lead of the Civil Rights Action Team of the Department of Agriculture, that the head of civil rights become an Assistant Secretary. I think this is an appropriate time, in the farm bill, as we project agriculture and its governance for the coming years.

I would simply say that the reasons for civil rights problems at the Department of Agriculture appear legion, but they are not simply problems of committees in the field, often a point of dispute in the past, but frequently allegations of discrimination in the administration of the Department itself, which is something that is here in Washington—or at least very much under the control of those who administer the Department.

Whatever the reason—and certainly some will say this is precedent for the appointment of a similar Assistant Secretary ad seriatim in Cabinet after Cabinet post—and I appreciate that argument that has been offered from time to time—this is, I believe, a fortunately unique situation. Despite the best observation in a bipartisan way in our committee, and even with the cooperation of the Secretary of Agriculture, we have not overcome.

So I am pleased the distinguished majority leader has taken this initiative. I was immediately pleased that he asked me to be involved with this effort, which I am delighted to do. I think this is a constructive amendment, and I am hopeful it will find the approval of our colleagues.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Madam President, I thank the distinguished senior Senator from Indiana for his eloquence and for his willingness to be supportive of this amendment. It is always a pleasure to work with him. Certainly in this case it is, again, a matter of import. I appreciate very much his willingness to be involved.

I hope by the next time we pass a farm bill the numbers and the statistics and reports of continued erosion of minority involvement in agriculture can be turned around. As the distinguished Senator from Indiana has noted, this has not been necessarily by design. I think in large measure it has happened for reasons beyond the control of any one individual or any particular division of the Department of Agriculture. But we can do better. It is our hope that by putting somebody in charge we will do better.

It is our expectation that by the time we do another farm bill we can look back with some satisfaction that we indeed have done better and responded in a way that would make us far more satisfied about the progress that I believe we can make in this area.

With that, I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from Idaho.

AMENDMENT NO. 2512 TO AMENDMENT NO. 2511

Mr. CRAIG. Madam President, I send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 2512 to amendment No. 2511.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. I ask the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To add provisions regarding nominations)

At the appropriate place, add the following:

SEC. . SENSE OF THE SENATE.

It is the sense of the Senate that, before Congress creates new positions that require the advice and consent of the Senate, such as the position of Assistant Secretary for Civil Rights of the Department of Agriculture, the Senate should vote on nominations that have been reported by committees and are currently awaiting action by the full Senate, such as the nomination of Eugene Scalia to be Solicitor of the Department of Labor.

Mr. HARKIN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

The PRESIDING OFFICER. Is there further debate on the second-degree amendment?

Mr. DASCHLE. Madam President, I ask unanimous consent that the second-degree amendment and the Daschle amendment be set aside to accommodate an amendment to be offered by the Senator from Missouri, Mr. BOND.

The PRESIDING OFFICER. Is there objection?

Mr. CRAIG. Madam President, reserving the right to object, might I inquire of the majority leader when he would want to bring this back up for the purpose of debate?

Mr. DASCHLE. Certainly we can bring it up at some point tomorrow. As I understand it, Senator BOND was hoping to have at least an hour on the amendment to be offered tonight. It would be my expectation that sometime tomorrow we would return to this issue.

Mr. CRAIG. Madam President, recognizing that the set-aside would not in any way infringe upon the right of myself as a person who offered the second degree, and certainly the majority leader offered the first degree, I do not object.

AMENDMENT WITHDRAWN NO. 2511

Mr. DASCHLE. Madam President, to make things simpler, I withdraw my amendment.

The PRESIDING OFFICER. The Senator has that right.

Mr. DASCHLE. I thank the Chair.

Mr. CRAIG. I thank the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I would like to inquire of the Senator from Missouri, as I understand it, the Senator wants an hour and a half on his amendment. Could we use some of that time tonight so that in the morning we could perhaps have some time?

Mr. REID. Madam President, if my friend will yield, I spoke to Senator BOND. He indicated he would like to speak tonight. He has four or five people who wish to speak tomorrow. He indicated he would be willing to accept 1½ hours equally divided in the morning. He would want his time tonight to count against the 90 minutes.

Mr. BOND. Madam President, there are a number of cosponsors who wish to

speak in support of this amendment. My thought is maybe not everybody in this body will support it. By tomorrow morning, I think there may be others who will wish to present opposing ideas. It would be my desire after my cosponsors speak on it, if there is no opposition, that we could yield back some of that time. I simply asked for 90 minutes tomorrow in case there are other people who want to weigh in. I expect there will be more than the number who have registered as cosponsors.

I think this has a significant impact on the entire agricultural community across the country. I would like to have the possibility of using the 90 minutes in the light of day so people understand all sides of this issue.

Mr. DASCHLE. Madam President, will the Senator yield for the purpose of a unanimous consent request?

Mr. BOND. Certainly.

Mr. DASCHLE. Madam President, I appreciate very much the Senator from Missouri yielding for that purpose.

I was going to inform my colleagues that we have already noted there will be filing of cloture tonight. I know there are Senators who are asking about Friday and Monday. I am not going to propound the unanimous consent request because I don't think it has been properly vented on each side. I suggest that perhaps we could have cloture tomorrow and that we would be prepared to forego votes on Friday and Monday and still take into account the need to consider the so-called Cochran-Roberts amendment regardless of cloture.

My thought is that we file cloture and vote on cloture and have consideration of the Cochran-Roberts amendment with some expectation of a vote at a later time on that. Whether or not that could be accomplished is still in question. But that is something that I suggest. I notify our colleagues that will be a possibility: File cloture tonight, have a vote on that either tomorrow or Friday. If we have it tomorrow, we could still bring up the so-called Cochran-Roberts amendment for consideration.

I thank my colleague. I thank the Senator from Missouri.

Mr. REID. Madam President, will the majority leader yield for a question?

Mr. DASCHLE. Yes.

Mr. REID. As I understand the majority leader, cloture will be filed tonight, and, if we have a vote on that tomorrow, we will not be in session on Friday—at least no votes on Friday or Monday.

Mr. DASCHLE. I draw the distinction. We will certainly be in session on Friday. My hope is we could bring up a conference report, and maybe a conference report on education on Monday, but not have any votes.

That, again, will be up to all of our colleagues on both sides of the aisle. We have not hot-lined it. I just wanted to make that proposal and see what kind of reaction we would get. That would be the proposal, and I will have more to say about that at a later time.

I thank the Senator from Missouri.

The PRESIDING OFFICER (Ms. CANTWELL). The Senator from Missouri.

Mr. BOND. Madam President, we had discussed a 90-minute time agreement on this amendment.

First, what is the pending business so we may be sure the amendment is to the appropriate measure?

The PRESIDING OFFICER. The pending business is the Daschle substitute amendment.

Mr. BOND. Amendment number 2471?

The PRESIDING OFFICER. That is correct.

Mr. DASCHLE. Madam President, if the Senator will yield for a unanimous consent request which I think he thought I was going to make the first time, I ask unanimous consent that when the Senate resumes consideration of S. 1731 at 9:30 on Thursday, December 13, there be 90 minutes for debate prior to vote in relation to the Bond amendment with the time equally divided and controlled in the usual form with no intervening amendment in order prior to the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DASCHLE. I thank my colleagues.

The PRESIDING OFFICER. The Senator from Missouri.

AMENDMENT NO. 2513 TO AMENDMENT NO. 2471

Mr. BOND. Madam President, I send an amendment to the desk on behalf of myself and Senator GRASSLEY, Senator ENZI, Senator HAGEL, and Senator MILLER, and I ask that it be considered pursuant to the time agreement just entered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for himself, Mr. GRASSLEY, Mr. ENZI, Mr. HAGEL, and Mr. MILLER, proposes an amendment numbered 2511 to amendment No. 2471.

Mr. BOND. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To authorize the Secretary of Agriculture to review Federal agency actions affecting agricultural producers)

Strike the period at the end of section 1034 and insert a period and the following:

SEC. 1035. REVIEW OF FEDERAL AGENCY ACTIONS AFFECTING AGRICULTURAL PRODUCERS.

(a) DEFINITIONS.—In this section:

(1) AGENCY ACTION.—The term ''agency action'' has the meaning given the term in section 551 of title 5, United States Code.

(2) AGENCY HEAD.—The term ''agency head'' means the head of a Federal agency.

(3) AGRICULTURAL PRODUCER.—The term ''agricultural producer'' means the owner or operator of a small or medium-sized farm or ranch.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(b) REVIEW OF AGENCY ACTION BY SECRETARY.—

(1) IN GENERAL.—The Secretary may review any agency action proposed by any Federal agency to determine whether the agency action would be likely to have a significant adverse economic impact on, or jeopardize the personal safety of, agricultural producers.

(2) CONSULTATION; ALTERNATIVES.—If the Secretary determines that a proposed agency action is likely to have a significant adverse economic impact on or jeopardize the personal safety of agricultural producers, the Secretary—

(A) shall consult with the agency head; and

(B) may advise the agency head on alternatives to the agency action that would be least likely to have a significant adverse economic impact on, or least likely to jeopardize the personal safety of, agricultural producers.

(c) PRESIDENTIAL REVIEW.—

(1) IN GENERAL.—If, after a proposed agency action is finalized, the Secretary determines that the agency action would be likely to have a significant adverse economic impact on or jeopardize the safety of agricultural producers, the President may, not later than 60 days after the date on which the agency action is finalized—

(A) review the determination of the Secretary; and

(B) reverse, preclude, or amend the agency action if the President determines that reversal, preclusion, or amendment—

(i) is necessary to prevent significant adverse economic impact on or jeopardize the personal safety of agricultural producers; and

(ii) is in the public interest.

(2) CONSIDERATIONS.—In conducting a review under paragraph (1)(A), the President shall consider—

(A) the determination of the Secretary under subsection (c)(1);

(B) the public record;

(C) any competing economic interests; and

(D) the purpose of the agency action.

(3) CONGRESSIONAL NOTIFICATION.—If the President reverses, precludes, or amends the agency action under paragraph (1)(B), the President shall—

(A) notify Congress of the decision to reverse, preclude, or amend the agency action; and

(B) submit to Congress a detailed justification for the decision.

(4) LIMITATION.—The President shall not reverse, preclude, or amend an agency action that is necessary to protect—

(A) human health;

(B) safety; or

(C) national security.

(d) CONGRESSIONAL REVIEW.—Reversal, preclusion, or amendment of an agency action under subsection (c)(1)(B) shall be subject to section 802 of title 5, United States Code.

Mr. BOND. Madam President, I thank my colleagues for their courtesy. We look forward to continuing this debate in the morning.

I thank the Chair.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. CANTWELL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CLOTURE MOTION

Mr. DASCHLE. Madam President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The 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, hereby move to bring to a close the debate on the Daschle for Harkin substitute amendment No. 2471 for Calendar No. 237, S. 1731, the farm bill:

Tim Johnson, Harry Reid, Barbara Boxer, Thomas R. Carper, Zell Miller, Max Baucus, Bryon L. Dorgan, Ben Nelson, Daniel K. Inouye, Tom Harkin, Kent Conrad, Mark Dayton, Deborah Stabenow, Richard J. Durbin, James M. Jeffords, Thomas A. Daschle, Blanche Lincoln.

COUNTRY OF ORIGIN LABELING

Mr. JOHNSON. Madam President, it has been brought to my attention that there are unique concerns about how perishable agricultural commodities are labeled under the country of origin labeling provision in the farm bill. Unlike meat products that are oftentimes either wrapped or displayed behind glass, shoppers physically handle produce to evaluate such characteristics as size or ripeness. Quite honestly, after being handled by a consumer, a fruit or vegetable item is not always returned to the original bin in which the product was displayed. For this reason, each individual produce item may need to be labeled when physically possible to ensure accuracy about the country of origin information.

I am confident the method of notification language in the labeling provision in the farm bill will ensure responsibility in information-sharing on the part of processors, retailers, and others under this act. Our language requires any person that prepares, stores, handles, or distributes a covered commodity for retail sale to maintain records about the origin of such products and to provide information regarding the country of origin to retailers. Nonetheless, I understand retailers have some concerns about making sure they are provided with accurate information. Therefore, so that we can be confident this is workable for retailers and others, I would like to recommend to my lead cosponsor of this legislation, Senator GRAHAM of Florida, that we consult with the growers, packers and retailers to develop a means to provide such labels or labeling information to the grocery stores.

Mr. GRAHAM. Mr. President, I thank the Senator from South Dakota. Senator JOHNSON, I appreciate your comments.

My primary objective in pursuing country-of-origin legislation is to provide consumers with accurate information about where their produce is grown. My home State of Florida has required mandatory country-of-origin labeling of fresh fruits and vegetables for over 20 years, and Florida consumers have made it known that they appreciate the availability of this information.

Many domestic products are already labeled for promotion purposes. Our proudly labeled ''Florida Oranges'' are a great example of a successful marketing tool. There are any number of ways to label produce, including price-look-up stickers, plastic attachments, paper wrapping, signs next to barrels of produce. Produce items are increasingly being branded as another method of labeling. In recognition of this fact, the labeling provision included in Senator HARKIN's farm bill provides the flexibility to label items by any visible and practical means.

That said, I understand retailers would prefer to receive their produce shipments with country-of-origin labels already affixed to each piece of produce. To some degree, growers and packers are already labeling their products, and retails are not required to provide further information if this in the case.

Regarding those products that do not arrive at the grocery store already labeled, I encourage growers and shippers to continue to do this and to work with retailers to find the most efficient methods to provide accurate country-of-origin information and labeling.

I agree with the Senator from South Dakota that we should continue discussion with the industries impacted by this amendment, and I look forward to helping everyone identify the best methods to implement labeling legislation and ensure that consumers have ready access to country-of-origin information.

Ms. CANTWELL. Madam President, I rise today, along with my distinguished colleagues Senator MURRAY from Washington State and Senator INOUYE from Hawaii in support of two amendments to the Agriculture, Conservation, and Rural Enhancement Act of 2001 to promote cooperation between Indian tribes and the United States Forest Service in the management of forest lands.

This legislation would amend the Cooperative Forestry Assistance Act of 1978 to establish an Office of Tribal Relations and other cooperative programs within the Forest Service to better provide for the joint efforts of the Forest Service and Indian tribes. If the purpose of the Cooperative Forestry Assistance Act is to improve the management, resource production, and environmental protection of nonfederal forest lands, then the 17 million acres of land held by Indian tribes and individual Indians should be included as a component of this law to facilitate cooperative management of our forests.

Tribes have a significant role to play towards our national goal of ensuring that forests are managed as both sustainable resources and enduring habitats. Again, tribes or tribal members are responsible for the management of approximately 17 million acres of forest land, which is eligible for about 750 million board feet of sustainable annual harvest. Much of this land shares borders with Forest Service land, and tribes also possess treaty rights within Forest Service land. The Forest Service and tribes are linked not only by common interest but also by a very practical need to work together.

Currently tribes may participate in the Forestry Incentives and Forest Stewardship programs under sections 4 through 6 of the Cooperative Forestry Assistance Act. These programs provide assistance to private landowners in order to keep their forest land healthy and viable. However, the programs are designed for cooperation with State governments and do not appropriately take into account the government-to-government and trust relationships that tribes have with the Federal Government. Also, there is general lack of understanding among tribes and Forest Service personnel regarding how the existing cooperative assistance programs would extend to individual Indians with land held in trust. As a result, tribes and individual American Indian and Native Alaskan landowners seldom participate in the programs.

In October 1999, the Chief of the Forest Service established a National Tribal Relations Task Force to study tribal involvement in the management of both Forest Service and Indian-held lands. The Task Force included representatives from the Forest Service, the Bureau of Indian Affairs, BIA, and the Intertribal Timber Council. The Task Force found that, indeed, cooperative forestry programs that specifically work with tribal communities are greatly in need in order to establish equity in forestry assistance and to fulfill stewardship responsibilities towards the management of forestry lands held in trust.

This legislation responds to the need to improve tribal-Forest Service coordination by allowing the Secretary of the Department of Agriculture to provide financial, technical, and educational assistance for coordination on shared land, land under the jurisdiction of Indian tribes, and Forest Service land to which tribes may have interests and rights.

The Task Force similarly found, and I quote directly from the report, that ''the current Forest Service tribal relations program lacks the infrastructure and support necessary to ensure high quality interactions across programs with Indian Tribes on a government-to-government basis.'' My colleagues and I would like to improve the Forest Service's ability to interact effectively with tribes by adding an Office of Tribal Relations within the Forest Service to be headed by a Director appointed by the Chief of the Forest Service.

This office will be responsible for the oversight of all programs and policies relating to tribes. This legislation outlines that it would be the duty of the Office of Tribal Relations to consult with tribal governments, monitor and evaluate the relations between tribal governments and the Forest Service, and coordinate matters affecting tribes

in a way that is comprehensive and responsive to tribal needs. This office will also cooperate with the other agencies of the Department of Agriculture, the Department of Interior, and the Environmental Protection Agency.

It is important that the Forest Service be able to effectively work with tribal communities. At this point, we know from the Forest Service, the BIA, and the Intertribal Timber Council that the Forest Service lacks the programmatic structure to be able to accommodate and effectively work with tribes and those holding trust lands due to their unique legal and organizational status. As an arm of the Federal Government, the Forest Service must uphold the trust responsibilities we have towards tribes. I believe that we have a duty, to tribes and to our forests, to respond to tribes' expressed desire for assistance with forest resource planning, management, and conservation with this legislation. I would like to thank Senator DASCHLE, Senator BAUCUS, and Senator WELLSTONE for their support, and I urge the rest of my colleagues to support these amendments as well.

Mr. DASCHLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. REID. I ask consent that the Senate now proceed to morning business, with Senators permitted to speak for up to 10 minutes each.

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

THE NEED TO PASS MTBE LEGISLATION

Mr. SMITH of New Hampshire. Mr. President, I would like to engage the majority leader in a colloquy. As the majority leader knows, I have been working for nearly two years on legislation to deal with the numerous problems associated with the gasoline additive MTBE. The use of MTBE as a fuel additive grew tremendously starting with the Clean Air Act's reformulated gasoline program that was implemented in 1995. Today, MTBE makes up approximately 3 percent of the total national fuel market.

Unfortunately, when leaked or spilled into the environment, MTBE can cause serious drinking water quality problems. MTBE moves quickly through land and water without breaking down. Small amounts of MTBE can render water supplies undrinkable.

This contamination is persistent throughout the nation, and New Hampshire is certainly a State that has been hard hit. According to State officials, up to 40,000 private wells may be contaminated with MTBE. Up to 8,000 of those wells may have MTBE contamination over the State health standards. Areas especially hard hit include both rural and urban areas. In the past few years I have visited, as well as received many calls and letters from, a number of the families whose wells are contaminated and they are extremely frustrated. When I was the chairman of the Environment & Public Works Committee, I held a field hearing in Salem, NH on this issue. Last Congress, I introduced legislation to clean up this contamination and ban the further use of MTBE. The bill was reported out of the EPW Committee, however, circumstances prevented the full Senate from considering that bill. Again this year, I introduced MTBE legislation, and once again the EPW Committee reported it out with a strong bipartisan vote. S. 950 will provide for the clean up of MTBE contamination, ban the additive, and ensure that environmental benefits of the clean gasoline program will be maintained. This is a hardship in many communities, and it will continue to escalate unless it is dealt with soon. No American should have to be concerned with the water they drink.

Mr. DASCHLE. Yes, I do understand the problems associated with MTBE and I recognize your hard work in helping to bring about a resolution to this important issue. I also share the concerns of the Assistant Majority Leader, co-sponsor of S. 950, with regards to the devastating contamination found in communities surrounding Lake Tahoe, NV.

Mr. SMITH of New Hampshire. Because this is such a vital issue to New Hampshire and the nation, it is my intention to do all within my power to see that the Senate acts on this matter. I appreciate all of the efforts of the majority leader to work with me in bringing this bill to the floor and would hope that the Senate will consider S. 950 in the near future. Will the majority leader provide me an assurance that this will happen?

Mr. DASCHLE. I agree that the Senate should vote on MTBE legislation in the near future and have included S. 950 in the comprehensive energy bill that I introduced with Senator BINGAMAN last week. I can assure the Senator from New Hampshire that it is my intention to bring up for debate and votes before the full Senate that energy bill, including S. 950, prior to the President's Day recess in February 2002.

ZIMBABWE DEMOCRACY AND ECONOMIC RECOVERY ACT: A SIGNAL OF U.S. COMMITMENT TO RULE OF LAW, HUMAN RIGHTS, AND DEMOCRATIC PRINCIPLES

Mr. BIDEN. Madam President, I am pleased to see that after a delay of several months, the House has acted on the Zimbabwe Democracy and Economic Recovery Act of 2001, of which I am a co-sponsor, and that we can finally send this bill to the President for his signature.

The Foreign Relations committee reported this bill in July, and it passed the Senate by unanimous consent on August 1. Since then, the situation in Zimbabwe has deteriorated rapidly. Respect for human rights and the rule of law have been systematically subverted by Zimbabwe's ruling party, and indeed by President Robert Mugabe himself. President Mugabe has supported the invasion of farms by so called ''war veterans,'' he has intimated judges, harassed the free press, forbidden international monitors to observe next year's presidential elections and packed the supreme court with cronies in a misguided attempt to give his actions a patina of legitimacy.

Under Mugabe's leadership the economy of Zimbabwe has been driven into the ground. The deployment of troops to the Democratic Republic of Congo was an expensive ill thought fiasco which has cost millions. The illegal farm invasions have resulted in the loss of income from the country's major cash crop. Unsound fiscal policies have resulted in a suspension of aid from the international Monetary Fund, inflation is soaring, international investment has dried up and unemployment is on the rise.

The World Food Program has had to start a food distribution program in a country that should be exporting food to its neighbors. That in itself is bad enough. Worse, however, is the fact that the Zimbabwean government has stated that private relief agencies are prohibited from delivering food to the needy. Only the government can distribute food. Given the current political climate this can mean only one thing: the government will attempt to coopt the population by giving food in exchange for votes in the upcoming presidential elections.

The bill itself is very straightforward. It offers money for a credible program of land reform, and plans for U.S. support for bi-lateral and multilateral debt relief if the President certifies to Congress that rule of law has been restored in Zimbabwe, including subordination of law enforcement organizations to the civilian government, that conditions for free and fair elections exist, that a credible program of land reform has been put in place, and that the government of Zimbabwe is adhering to agreements to withdraw its troops from the Democratic Republic of Congo. No new sanctions are imposed on the government, but the legislation does very wisely ask the administration to look into personal sanctions for high level members of the Zimbabwean government and their families, such as travel bans and visa restrictions.

The actions undertaken in the last two years by Robert Mugabe can be

characterized as nothing more, or less, than a shameless power grab. According to news reports current polls show that the leading opposition party has more support than Mugabe. No doubt this will cause an even more heinous crackdown on political opponents in the lead up to the elections. While I sincerely hope that Mugabe comes to his senses and allows for the presence of international observers during the upcoming presidential elections, I doubt that he will. Perhaps passage of this bill will send a signal to the government of Zimbabwe that the United States is serious about its position on the rule of law, human rights and democracy. The tragedy that has unfolded in what was once a stable prosperous country must not be ignored.

INTRODUCING ADOLFO FRANCO

Mr. MCCAIN. Madam President, last week I had the privilege of introducing Adolfo Franco, the President's nominee to be Assistant Administrator for Latin America at the United States Agency for International Development, to the Committee on Foreign Relations. The President has made a wise choice for this important position, and I commend him for it. I also commend Mr. Franco to all of my colleagues as they consider their vote on his nomination, and I ask unanimous consent to print in the RECORD, my statement introducing Mr. Franco before the Committee.

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

INTRODUCING ADOLFO A. FRANCO TO THE SENATE COMMITTEE ON FOREIGN RELATIONS

Adolfo Franco was born in Cardenas, Cuba. His family emigrated to the United States in 1961, when he was 5 years old, and settled in Cedar Falls, IA.

Blessed with wonderful parents and the opportunities afforded him in a free society, Adolfo has led an accomplished life of public service. And the good and faithful service he has given our country for nearly seventeen years is a splendid tribute to his own fine character, to his parents, and to the great civilization that welcomes the genius and industry of all Americans, whether native born or newly arrived.

He is a graduate of the University of Northern Iowa and the Creighton University School of Law. He came to Washington in 1984 and in 1985 began work in the General Counsel's office at the Inter-American Foundation, where he served with great distinction for fifteen years as Deputy General Counsel, General Counsel, Senior Vice President and, finally, President of the Foundation.

For the last two years, Adolfo has served as a Professional Staff Member on the House International Relations Committee where, as Chairman Hyde will attest, he has provided invaluable counsel on the full range of foreign assistance programs including U.S.A.I.D. programs and operations.

He is uniquely well-qualified for the position the President has selected him for, Assistant A.I.D. Administrator for Latin America. And I am very confident that in that capacity, Adolfo, with his characteristic energy, intelligence and patriotism, will quickly prove himself an invaluable asset to A.I.D., to the President and to the country he has long served so well.

He is an exceptional person, a devoted and talented public servant of exemplary character. I commend and thank the President for nominating him, and I consider it an honor to introduce him to the Committee.

America is among his parents' greatest gifts to Adolfo, a gift he has more than earned as the kind of career public servant all Americans can be proud of. I recommend him to the Committee with the highest praise I can offer an American: he is a credit to his country.

CHANGES TO H. CON. RES. 83 PURSUANT TO SECTION 215

Mr. CONRAD. Madam President, section 215 of H. Con. Res. 83, the fiscal year 2002 budget resolution, permits the chairman of the Senate Budget Committee to make adjustments to the allocation of budget authority and outlays to the Senate Committee on Health, Education, Labor, and Pensions, provided certain conditions are met.

Pursuant to section 215, I hereby ask unanimous consent to print in the RECORD the following revisions to H. Con. Res. 83.

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

	Dollars in millions
Current Allocation to the Senate Health, Education, Labor, and Pensions Committee:	
FY 2002 Budget Authority	$10,179
FY 2002 Outlays	9,419
FY 2002–06 Budget Authority	48,155
FY 2002–06 Outlays	46,411
FY 2002–11 Budget Authority	102,173
FY 2002–11 Outlays	97,860
Adjustments:	
FY 2002 Budget Authority	0
FY 2002 Outlays	0
FY 2002–06 Budget Authority	+3,440
FY 2002–06 Outlays	+2,840
FY 2002–11 Budget Authority	+7,665
FY 2002–11 Outlays	+6,590
Revised Allocation to the Senate Health, Education, Labor, and Pensions Committee:	
FY 2002 Budget Authority	10,179
FY 2002 Outlays	9,419
FY 2002–06 Budget Authority	51,595
FY 2002–06 Outlays	49,251
FY 2002–11 Budget Authority	109,838
FY 2002–11 Outlays	104,450

INCENTIVES TO TRAVEL

Mr. KYL. Madam President, three months ago, we experienced an unprovoked attack on our country. America took a terrible hit, but we have rebounded and we have reminded the world of the strength of the American people.

Three months ago, one industry in particular was stricken, and it continues to struggle to regain its footing. When our government shut down our airlines and our airports, it also shut down our travel and tourism industry.

Under the headline, ''Travel Downtown Spreads More Woes,'' the December 11 Wall Street Journal reminded us that the industry remains in dire straits. I ask unanimous consent that the article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See Exhibit 1)

Mr. KYL. The article focuses on the neighborhood around Los Angeles Airport, but it describes a scene all too familiar to many of us:

Today, planes are once again buzzing just 300 feet above the head of the people of Lennox. But something even scarier has befallen them. The meltdown in the travel and tourism business has claimed thousands of their jobs.

Working together, the government and industry leaders can help the industry recover. By now, my colleagues no doubt have seen the television advertisements sponsored by the Travel Industry Association of America. Featuring President Bush, this privately supported advertising campaign encourages Americans to travel, to see our great country again, and to enjoy our many blessings. Now that the industry has stepped forward, it is time for us to do our part.

The time has come to enact a personal travel credit to get Americans on the road and in the air again. I am pleased that travel-credit legislation has broad, bipartisan support. Now is the time to translate that support into action. With the slowest travel months of the year about to begin, let's give the American public an incentive to travel. Let's get a credit enacted quickly. Let's bring families together and let's get Americans enjoying the blessings of our country again. In short, let's get America traveling again.

EXHIBIT 1

[From the Wall Street Journal, Dec. 11, 2001]

TRAVEL DOWNTURN SPREADS MORE WOES

(By Eduardo Porter)

LENNOX, CALIF.—Something strange washed over this area following the terrorist attacks on Sept. 11: quiet.

With planes grounded across the U.S., residents of this crowded community abutting Los Angeles airport weren't assaulted by the sound of jet engines for the first time in anybody's memory. The sudden silence was so at odds with the usual deafening roar that ''kids were scared'' by it, says Maria Van Deventer, assistant principal at Jefferson Elementary School.

Today, planes are once again buzzing just 300 feet above the heads of the people of Lennox. But something even scarier has befallen them. The meltdown in the travel and tourism business has claimed thousands of their jobs.

As much as any place in America, this 1.3-square-mile unincorporated area of Los Angeles County has been the victim of post-Sept. 11 economic fallout. Because this is practically a company town, with many of its 23,000 residents employed at the third busiest airport in the world and related businesses, Lennox has become a ground zero of sorts for the devastated travel and tourism industry.

The impact of the near collapse in the industry has left a broad footprint. Airline industry revenue should decline 30% in the fourth quarter over the year-earlier period, estimates Kevin C. Murphy of Morgan Stanley, and PKF Consulting estimates that room revenue at hotels in major urban centers will be down 17.5%. Other travel-dependent firms, from airline caterers to airport concession owners, have also been hit hard.

There is no precise count of how many Lennox residents, who are overwhelmingly

immigrants from Mexico and Central America, have been laid off in the past 2½ months. But job losses—more than 8,000 at the airport alone and thousands more at area shops, hotels and other companies that depend on travel—have shot through the community. Isabel Gurdián lost her job cleaning planes on Sept. 12. A few weeks later Gladys Barraza was laid off as a cashier at the airport's City Deli, Margarita Urióstegui, who washed dishes at airline caterer Dobbs International Services, was let go, too. Alfonso Martínez, a barman at the New Otani hotel, got lucky. His workweek—and income—were cut by only two-thirds.

The impact has rippled through Lennox's dusty streets. Sales are down about 30% at Daisy's Party Supply on Inglewood Ave., Where a piñata of Osama bin Laden dangles from the roof between a huge can of Modelo beer and Winnie the Pooh. And they're off about a fifth at El Taco Macho, just across the border in Hawthorne, even though $9 American flags have been added to an eclectic menu of tacos and seafood cocktails. Business also has plummeted at Noemy's Beauty Salon, which doubles as remittance outlet that wires money from local residents back to relatives in Latin America. On a recent Friday, shop owner Margot Noemy Canizales waited all morning for customers to show. None did.

The pain is felt as far away as Jiquilpan, in central Mexico, which has dispatched workers to Lennox for decades. ''The whole town depends on money sent from here,'' says Martín Orejel, a Lennox resident who has had his work hours slashed as a bartender and bus-boy at a Ramada hotel not far from the airport. ''Now,'' he jokes, ''we need them to send money here.''

At the second floor offices of local 814 of the Hotel and Restaurant Employees International Union, the newly laid off lined up to register for unemployment benefits. But many Lennox residents are illegal immigrants and can't get such financial assistance. Downstairs, union volunteers handed out bags of food. Life in Lennox is pretty difficult to begin with. With an average of nearly five people per household, it is one of the most densely populated communities in California. More than 94% of the students in the local school district are in a program that provides free or reduced-cost lunches to poor children, one of the highest rates in the state.

Hispanic immigrants began coming here in the late 1960's, sucked into the U.S. to help sate the explosive demand for low-wage service workers. Now, hit by the first wave of layoffs in a decade, ''it seems like the end of the world,'' laments Ms. Urióstegui, a mother of three whose husband is still hanging on to a job at a tortilla shop. Most days she hits the road looking for work, leaving applications everywhere from a factory for stamping T-shirts to a plant making refrigerator parts.

To cope, some people are resorting to uncomfortable measures. After losing her job, Gladys Barraza, her husband and two children moved into her parent's two-bedroom home, also in Lennox. Rosa Saldívar is facing starker options. Her husband, Martín, who lost his job at a bakery that served airport restaurants, is pressuring her to take their three kids back to the family home in Durango, in northern Mexico.

They wouldn't be the only ones to go. Ms. Van Deventer, the assistant principal, says that 50 to 60 children, out of a student body of about 1,100, have dropped out of Jefferson Elementary since Sept. 11. Some, she says, have gone back to Mexico and El Salvador, where it's cheaper to be unemployed and where extended families can provide support. Others have left to look for work in other American cities, including Las Vegas, where it is rumored there might be jobs.

For those who are staying, the stress is growing. Health workers and parent-group coordinators at the schools are detecting more alcohol abuse and depression. A few days ago, Carmen Torres, a parent counselor at Jefferson Elementary, saw a couple bickering. The wife was dragging in her recently laid-off husband to register for English-language lessons. The husband, crying in despair, complained that the classes were beyond him.

But many are confident that the community will prove its resilience. Yvonne Moreno, a counselor at a health program run by the school district, notes that most of those in Lennox have been working since they were six or seven years old. Many crossed the desert on foot, eluding border patrolmen, to get here. ''They are survivors,'' she says.

CIVILIAN FEDERAL AGENCY USE OF REMOTE SENSING

Mr. AKAKA. Madam President, I commend to your attention a report entitled ''Assessment of Remote Sensing Data Use By Civilian Federal Agencies,'' which was prepared by Dr. Sherri Stephan of the Governmental Affairs Subcommittee on International Security, Proliferation, and Federal Services and the Congressional Research Service. The report will be available on the Subcommittee's website.

In January 2001, I asked the CRS to conduct a survey of remote sensing data and technology use by Federal non-military agencies. Subcommittee staff used the CRS survey results, included in the report as an appendix, and collected agency responses to analyze how Federal agencies use remote sensing. It is my hope that this report will enable Congress to better understand the issues that arise in obtaining and applying the technology.

The widespread availability of detailed and accurate satellite imaging data has made the world increasingly transparent. Observational capabilities that only a few decades ago were classified and strictly limited are now owned and operated by both government and private-sector organizations. For example, Space Imaging, a private satellite data company's web site contains satellite photos of the attack on Kandahar.

Satellite images have also revolutionized the study of the natural environment and global hazards, agriculture, transportation and urban planning, law enforcement, education, energy use, public health trends, and international policy. Researchers in my State of Hawaii, in partnership with NASA, NOAA and others, use remote sensing data for many purposes, such as to monitor water temperature and climate variability for tsunami early warning and evacuation planning, environmental impacts on fisheries, and volcanic activity monitoring.

There is now a national capability to provide remote-sensing data products and value-added information services directly to end users, such as farmers, foresters, fishermen, natural resource managers, and the public. Just this fall, researchers demonstrated on the island of Kauai how remote sensing data from unmanned aerial vehicles could be used to help determine precisely when a coffee crop is ready for harvesting.

New imaging technology and new data systems provide a rich opportunity for federal agencies to improve their services. The nineteen agencies included in this study span the roles of the federal government from basic research centers to law enforcement. All but four report some use of remote sensing data and technology. These agencies use data for environmental and conservation purposes, early warning and mitigation of natural disasters; basic and applied research, mapping activities, monitoring and verifying compliance with laws and treaties, agricultural activities, and transportation and shipping.

We also asked the agencies to share their concerns with remote sensing data. These concerns expressed their desire to use the data and technology more fully and efficiently. Many agencies had difficulties due to cost and licensing of commercial data and value-added products and analysis, as well as other access concerns. Several agencies were concerned about their capacity to exploit fully remote sensing data and technology, mostly due to a shortage of trained personnel within the agencies to analyze and interpret data.

This report offers several options to alleviate these concerns, but these are not the only possible solutions. Nor are they suggestions for action. The Federal Government uses remote sensing data in many ways, and it is unlikely that a single solution will solve all the problems associated with this use.

Since the first photographs of enemy troop positions from a hot air balloon in 1860, there have been military and intelligence applications of remote sensing data. Today, in this new age of terrorism and homeland security concerns, users now include local first responders, city planners, and State officials. This creates a new challenge for commercial and government data providers to translate our impressive imagery technology into a capability that can be exploited by users quickly and easily.

I would like to thank the staff of the Congressional Research Service, especially Marcia Smith, for her able assistance in preparing this report.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred November 5, 1994 in Laguna Beach, CA. A gay man was attacked by two men yelling anti-gay slurs. The assailants, Donald Nichols, 18, and an unnamed 16-year-old boy, were charged with robbery and assault with a deadly weapon in connection with the incident.

I believe that 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 of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

LIFT THE HOLD ON S. 1499

Mr. KERRY. Madam President, I would like to submit for the RECORD a letter to our majority leader, Senator DASCHLE, regarding my request to hold all non-judicial nominations that come before the Senate until all holds are lifted on S. 1499, the American Small Business Emergency Relief and Recovery Act of 2001. I want to make sure that my colleagues are aware of what I am doing and why.

As I just mentioned, my actions have everything to do with emergency assistance for small businesses. They are literally dying in the aftermath of the terrorist attacks on September 11. They badly need access to affordable financing and management counseling until business returns to normal, and the administration's approach is not adequately helping those who need it.

Senator BOND and I introduced S. 1499 on October 4 to address the needs of small businesses trying to hold on in the aftermath of the terrorist attacks. For almost 2 months, emergency legislation with 63 sponsors has been blocked from being considered because the administration and two Republican Senators have chosen to put holds on legislation rather than debate the bill and cast a vote.

Today there is an article in the Miami Herald that says, ''. . .[there aren't] any objections to having the Kerry-Bond bill come to the floor for a debate as long as the Administration's and the Small Business Administration's concerns were aired.'' That implies that we haven't given them a chance to express their concerns and to work with us to pass this bill, when we have.

We went to great efforts to work with SBA, Senator KYL and his staff, and the administration. This has gone on long enough. I have not placed a hold on non-judicial nominees in haste. I do it because I have no alternative. Small businesses need assistance, the administration's approach isn't adequate to meet the needs of those businesses, and Senator BOND and I have a sensible approach to reach them. I ask my colleagues to lift their holds on the bill, let us debate the bill, and let us vote.

Mr. President, I ask unanimous consent that a copy of my letter to Senator DASCHLE be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, December 12, 2001.

Hon. TOM DASCHLE,
Majority Leader, United States Senate, Washington, DC.

DEAR MR. LEADER: As you know, Senator Bond and I have introduced and are trying to gain Senate passage of S. 1499, the ''American Small Business Emergency Relief and Recovery Act of 2001.'' This legislation, supported by 63 Senators, would provide emergency and immediate financial assistance to small businesses around the country who are suffering tremendous financial loss following the terrorist attacks of September 11, 2001. More specifically, the bill would leverage $860 million in federal dollars to make available $25 billion in loans and venture capital to ailing small businesses. The bill has widespread support in the business community, and is endorsed by 36 groups concerned with the financial health of small businesses including the US Chamber of Commerce, the National League of Cities, the US Conference of Mayors and the National Restaurant Association.

Despite the widespread and bipartisan support for this legislation, Senator Kyl continues to block its consideration by the Senate. Yesterday, Senator Kyl noted his concerns are based in large part on objections raised by the Administration. Senator Bond and I have attempted to negotiate with Senator Kyl and the Administration so that an agreement could be reached to move this legislation. However, it has become increasingly clear that Senator Kyl and the Administration are not interested in negotiating our differences. Rather, they are interested in delaying consideration of this important relief interminably—''running out the legislative clock'' at the expense of the thousands of small businesses who are finding it more and more difficult to keep their doors open without the relief they so desperately need in these difficult economic times.

For this reason, and regrettably, I have come to the conclusion that, having tried to negotiate in good faith, my only remaining option is to demonstrate, conclusively, that under no circumstances will we back away from our commitment to small businesses. To bring Sen. Kyl and the Administration back to the negotiating table in earnest, I would like to place a hold on all non-judicial executive nominations that may come before the Senate. It is my hope that this hold will be short-lived, as it will lead to more serious negotiations and ultimately Senate consideration of S. 1499. However, I am prepared to keep this hold in place until the Senate considers our bill. A simple yes or no vote on this important relief for small businesses is not too much to ask, and I hope that our Republican colleagues in the Senate will at long last allow us the opportunity to make good on our promise to help struggling businesses nationwide.

Thank you for your prompt attention to this matter.

Sincerely,

JOHN F. KERRY.

THE USA PATRIOT ACT OF 2001

Mr. BENNETT. Madam President, I rise to offer some guidance to the Secretary of the Treasury on the regulatory authority assigned to him by the Congress with the recent enactment of H.R. 3162, ''The Patriot Act of 2001.''

As a member of the Senate Banking Committee, I authored an amendment to that legislation's anti-money laundering title, title III, the ''International Money Laundering Abatement and Financial Anti-Terrorism Act of 2001,'' which was included in the final legislation as signed by the President at Sec. 311. My amendment directs the Secretary of the Treasury to promulgate regulations defining ''beneficial ownership of an account'' for purposes of Section 5318A and subsections (i) and (j) of Section 5318 of the Bank Secrecy Act. I would like to offer some guidance to the Secretary of the Treasury concerning the Secretary's determination of ''reasonable'' and ''practicable'' steps for domestic financial institutions to ascertain the ''beneficial ownership'' of certain accounts as provided in Section 311 of the bill.

Section 311 of this legislation authorizes the Secretary of the Treasury to require domestic financial institutions and agencies to take one or more of five ''special measures'' if the Secretary of the Treasury finds that reasonable grounds exist to conclude that a foreign jurisdiction, a financial institution operating outside the United States, a class of international transactions, and/or types of accounts is of ''primary money laundering concern.''

The second measure would require domestic financial institutions to take such steps as the Secretary determines to be ''reasonable'' and ''practicable'' to ascertain beneficial ownership of accounts opened or maintained in the United States by a foreign person, excluding publicly traded foreign corporations, associated with what has been determined to be a primary money laundering concern.

In both Section 5318A(b)(1)(B)(iii) and (b)(2), the Secretary is given the authority to require steps the Secretary determines to be ''reasonable and practicable'' to identify the ''beneficial ownership'' of funds or accounts. Neither the phrase ''beneficial ownership'' nor the phrase ''reasonable and practicable steps'' is defined in the legislation, and there is no single accepted statutory or common-law meaning of either phrase that the legislation is meant to incorporate.

During the 106th Congress, the issue was dealt with by the House Banking Committee, which favorably reported H.R. 3886, which contained provisions nearly identical to those contained in Section 311 of H.R. 3162, but without the mandatory rulemaking requirement which my amendment added this year. Both in the 106th Congress and again this year, the concern has been expressed that this lack of statutory definition conceivably could result in a rule or order under either Section 5318A(b)(1)(B)(iii) or (b)(2) that requires financial institutions to identify all beneficial owners of funds or of an account, which in turn might result in some circumstances in clearly excessive and unjustifiable burdens. As the

author of the amendment requiring the Secretary to undertake rulemaking in this area, I am sensitive to this concern, and I would expect the Secretary to address it when implementing this act, including when making determinations under the following provisions: (1) Section 5318A(a)(3)(B)(ii), which requires the Secretary to consider, in selecting which special measure to take, ''whether the imposition of any particular special measure would create a significant competitive disadvantage, including any undue cost or burden associated with compliance, for financial institutions organized or licensed in the United States;'' and (2) those above-referenced provisions that permit only those steps that the Secretary determines to be ''reasonable and practicable'' to identify the beneficial ownership of accounts or funds, which provisions impose an enforceable constraint on the substance of any rule or order under either Section 5318A(b)(1)(B)(iii) or (b)(2).

In addition, Section 5318A(e)(3) requires the Secretary to ''promulgate regulations defining beneficial ownership of an account'' for purposes of Section 5318A and subsections (i) and (j) of Section 5318. This is the Bennett amendment. Section 5318A(e)(4) gives the Secretary the authority, inter alia, to ''define . . . terms for the purposes of'' Section 5318A ''by regulation.'' I would strongly encourage the Secretary to define the meaning of the phrases ''beneficial ownership'' as well as ''reasonable and practicable steps'' for the purposes of Sections 5318A(b)(1)(B)(iii) and (b)(2), through formal rulemaking subject to notice and comment, taking due consideration of the potential impact of such regulations on smaller institutions, and on all institutions, with an eye toward balancing regulatory burden, legitimate privacy interests, and the ability of United States financial institutions to compete globally. To the extent the Secretary opts for informal guidance on ''reasonable and practicable steps,'' I would urge informal consultation with interested parties.

Specifically, I would note that several agencies have issued regulations or supervisory guidance defining the term ''beneficial owner'' or outlining what constitutes reasonable steps to obtain beneficial ownership information, in each instance for the issuing agency's own purposes. See, e.g., 17 C.F.R. §228.403; 26 C.F.R. §1.1441 1(c)(6); 28 C.F.R. §9.2(e); Letter re: Public Securities Association (Sept. 29, 1995) (SEC staff ''no action'' letter addressing 17 C.F.R. §240.10b 10); Guidance on Sound Risk Management Practices Governing Private Banking Activities, prepared by the Federal Reserve Bank of New York (July 1997); and Office of the Comptroller of the Currency Bank Secrecy Act Handbook (September 1996). These sources may be instructive for the Secretary in providing definitions of the phrases ''beneficial ownership'' and ''reasonable and practicable steps.''

ADDTIONAL STATEMENTS

IN MEMORY OF STANLEY FOSTER

• Mrs. BOXER. Mr. President, I would like to take this moment to reflect on the life of my friend and well-known philanthropist, Stanley Foster.

Stan died of cancer on November 14, 2001 in San Diego, CA, at the age of 74. His death represents a great loss for the people of San Diego, the State of California and the Nation, who benefitted immensely from his extraordinary dedication and commitment to his community. His strong passion to make a difference, particularly reflected in his work to prevent gun violence, has made a lasting impact on all our lives.

Stan Foster was the son of a scrap-dealer from Ukraine. After graduating from the University of Washington, he owned a retail furniture store in Portland before settling in San Diego in 1954.

A man from humble beginnings, Stan gradually rose to become a successful businessman as the owner of the popular Hang Ten sportswear label. Throughout his career, he took great pride in reinvesting in the community. He was actively involved in organizations including the Chamber of Commerce, the United Way, the Jewish Federation and the Combined Arts Council. He also played a significant role in the political sphere, earning respect and admiration from legislators on both sides of the aisle. But he is most well known for his unwavering commitment to the fight against gun violence.

In the 1980s, Stan sold the Hang Ten company and shifted his priorities towards his civic work. Affected by an incident that occurred in his teenage life, Stan dedicated much of his time to help combat gun violence. In pursuit of this mission, he founded San Diegans Against Handgun Violence in 1988 and also became national vice chairman of Handgun Control, Incorporated. As a leader of San Diegans Against Handgun Violence, he fought for gun safety and tougher gun laws. He was a true national leader in this fight.

I will miss Stan Foster. He enriched many lives in California and throughout our Nation. Although we mourn the loss of a great leader, we will always remember his powerful voice for justice. His generosity and compassion will remain in our hearts, inspiring us to follow his unforgettable legacy.•

COMCAST CARES DAY AT ANACOSTIA SENIOR HIGH SCHOOL

• Mr. BIDEN. Mr. President, on October 13, 2001, as part of Comcast's nationwide Day of Service, and in conjunction with Greater DC Cares, several hundred Comcast employees from the Washington, DC area volunteered to clean, landscape, and paint Anacostia Senior High School. In the wake of the tragedy of September 11, the Comcast Foundation has contributed $100 to disaster relief efforts in New York City and at the Pentagon for every employee and family member who participated in the clean-up. Comcast and every participating employee should be commended for their outstanding dedication and commitment to improving their community.

Nationwide, more than five thousand Comcast employees from twenty-six States volunteered their time on Comcast Cares Day. Though it may have been the work of only one corporation and one group of employees, Comcast's community service and the volunteer spirit of its employees represents the best of America.

The best of America can also be seen in other places around our country. Since September 11, Americans have risen to the occasion to aid their fellow citizen. In every city and town across America, individuals have taken the lead in community efforts like the one at Anacostia Senior High School. In my home State of Delaware, corporations such as Daimler-Chrysler, MBNA Bank and the DuPont Corporation have lent a helping hand to assist those in need. Furthermore, fire companies, school children, and individuals from all walks of life have come together providing assistance and comfort to the victims of the horrible September 11 attack.

Not to overstate the case, but there seems to be a renewed spirit of community in America where, not long ago, we seemed more divided by differences than united by common concerns and shared values. Corporations like Comcast and their employees have heard the call. They have pulled together and responded where there is a need and, in the District of Columbia, Anacostia Senior High School was the place. It was not the work that was done there on October 13, or the time and sweat of all those who volunteered, that should inspire us the most, but the overriding sense that all of us working together can make a difference in our communities.

After the tragedy of September 11, Americans responded when we saw the courage and dedication of New York police, firemen, and emergency workers. From their example have come story after story of corporations like Comcast reaching out, taking a lead in their communities, and making a difference. Comcast, The Comcast Foundation, and the dedicated employees who participated in making a difference at Anacostia Senior High School should be commended by all of us in the United States Senate who know how much we can accomplish when we work together.

Yet, this sense of corporate responsibility is not new for the Comcast Corporation. Comcast always has been an active participant in the communities it serves. Whether it is their support of the Boys and Girls Clubs of America, the Red Cross, or the Easter Seals, Comcast has insisted on excellence not

only in all aspects of its operation, but in its record of public service. This is a testament to the leadership of its founder and Chairman, Ralph Roberts, President, Brian Roberts, and Vice President, Joe Waz. These men serve as role-models in their communities and are true heroes in every sense of the word.

If we learned anything from September 11 it was that the will and resolve of the American people cannot be shaken by those who would use terror as a weapon and religion as a shield. We are strongest and at our best when we are defending American values and the bedrock principles of democracy. If anything changed on September 11 it was a renewed determination for all of us to reach out where and when we can, and to recognize that we are much more united by our common concerns and shared values than divided by our individual differences. Companies like Comcast have recognized a community need, reached out, and made a difference, and they deserve the recognition of a grateful Nation.●

TRIBUTE TO JAMES V. PARILLO

● Mr. CORZINE. Madam President, I would like to bring to the attention of my colleagues a great man from the State of New Jersey, Mr. James V. Parrillo. A 66 year old native of Newark, Mr. Parrillo is a man of integrity who has devoted his time and talents to making his city a thriving urban center.

A graduate of East Side High School, Mr. Parrillo currently serves as a community relations specialist at the Newark Housing Authority. In this capacity he is responsible for coordinating special events, including an annual parade and senior citizen fashion show.

A grassroots coalition-builder and youth advocate, Mr. Parrillo is also involved in strengthening the community and promoting the development of children. For the past fifteen years he has sponsored a little league baseball team in Newark's Ironbound section, providing a much needed recreational outlet for the city's young people. Most recently, he was elected to serve as a member of the Newark Board of Education and is chairman of its Community Development Committee.

In 1981, Jimmy, as he is affectionately known, established the Jimmy Parrillo Civic Association, an organization comprised of representatives from the business, educational, and political communities. Each year the association recognizes the achievements of individuals who have contributed to promoting stable communities in the city of Newark.

I want you to know that James V. Parrillo is a true American and believes that all people should have access to America's Promise. An unselfish man, he has the gift of bringing people together to work for a common cause.

Jimmy believes that he can make a difference. The city of Newark is a better city today because of his dedication and leadership.

Lastly, I am proud to call Jimmy a friend and it is an honor for me to bring him to your attention.●

TRIBUTE TO VERNON ALLEY

● Mrs. BOXER. Mr. President, earlier this year our country was treated to ''Jazz,'' the latest documentary by Ken Burns. The ambitious, multi-part series traced the personalities, culture and, of course, music of jazz from its origins in turn of the century New Orleans until the present day. Like his critically acclaimed documentaries on the Civil War and baseball, Mr. Burns' production was as much a meditation on America and the nature of our democracy as it was an overview of jazz itself. For those who have not yet had a chance to see this wonderful exploration, I highly recommend it.

Jazz is a distinctly American art form, born of many different influences and nurtured in a wide variety of contexts and communities. Although often over-shadowed by cities such as New Orleans, New York and Kansas City, San Francisco was and remains one such community. Over the years, it has been home and played host to many of jazz's greatest talents.

Perhaps no musician better personifies San Francisco's connection and contributions to jazz than bassist Vernon Alley. Vernon Alley is a longtime San Franciscan. He grew up in the City and has maintained a band here off and on since the mid-forties. As jazz vocalist Jon Hendricks once remarked, ''[Vernon is] the dean of San Francisco jazz.''

Mr. Alley began his lifelong association with San Francisco and jazz when he accompanied his parents to see a performance by the incomparable Jelly Roll Morton at Maple Hall. Thus inspired, Vernon went on to dedicate his life to music. Arriving in New York as a young man at the high point of the swing era, he played with some of the biggest names in the business, including both the Lionel Hampton and Count Basie Orchestras. Always a sought after accompanist, in later years he would play with such other legends as Duke Ellington, Ella Fitzgerald, Dizzy Gillespie, Erroll Garner and more.

Although he may have been able to gain wider exposure or acclaim if he remained in New York, Vernon returned to San Francisco after World War II. Here he is beloved, not only for the power, warmth and lyrical quality of his music, but also for his great personal charm. I have had the pleasure of meeting Vernon Alley and seeing him perform. He is a gifted and gracious man and certainly a Bay Area treasure.

Vernon was honored this year at the prestigious San Francisco Jazz Festival with the SFJAZZ Beacon Award for his achievements in music and as a stalwart in the community. Mayor Willie Brown declared October 30, 2001 ''Vernon Alley Day.'' That evening Vernon joined 15 friends on the stage for a three and a half hour tribute concert. By all accounts it was night filled with joy and an appreciation of how the gifts of one man can be gifts to us all.

I am greatly encouraged by what I see as a renewed sense of love for America and respect for its traditions and achievements. In Jazz, we see a reflection of ourselves at our finest. And in Vernon Alley we see the embodiment of jazz at its finest. For keeping this art form alive, we owe him our deepest thanks.●

MESSAGES FROM THE HOUSE

At 12:28 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that pursuant to section 3(b) of the Public Safety Officer Medal of Valor Act of 2001 (Public Law 107–12), the Majority Leader appoints the following individuals to the Medal of Valor Review Board: Mr. Oliver''Glenn'' Boyer of Hillsboro, Missouri and Mr. Richard ''Smokey'' Dyer of Kansas City, Missouri.

The message also announced that the House has agreed to the amendments of the Senate to the bill (H.R. 10) to provide for pension reform, and for other purposes.

The message further announced that the House has agreed to the amendments of the Senate to the bill (H.R. 2540) to amend title 38, United States Code, to make various improvement to veterans benefits programs under laws administered by the Secretary of Veterans Affairs, and for other purposes.

The message also announced that the House has agreed to the amendment of the Senate to the bill (H.R. 2716) to amend title 38, United States Code, to revise, improve, and consolidate provisions of law providing benefits and services for homeless veterans.

The message further announced that the House has agreed to the amendment of the Senate to the amendment of the House to the bill (S. 1196) to amend the Small Business Investment Act of 1958, and for other purposes.

The message also announced that the House has agreed to the amendments of the Senate to the bill (H.R. 1291) to amend title 38, United States Code, to increase the amount of educational benefits for veterans under the Montgomery GI bill, with an amendment; in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 26. A joint resolution providing for the appointment of Patricia Q. Stonesifer as a citizen regent of the Board of Regents of the Smithsonian Institution.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 58. Concurrent resolution expressing support for the tenth annual meeting of the Asia Pacific Parliamentary Forum.

The message further announced that the House has agreed to the following concurrent resolutions in which it requests the concurrence of the Senate:

H. Con. Res. 259. Concurrent resolution expressing the sense of Congress regarding the relief efforts undertaken by charitable organizations and the people of the United States in the aftermath of the terrorist attacks against the United States that occurred on September 11, 2001. H. Con. Res. 281. Concurrent resolution honoring the ultimate sacrifice made by Johnny Michael Spann, the first American killed in combat during the war against terrorism in Afghanistan, and pledging continued support for members of the Armed Forces.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 38. An act to provide for additional lands to be included within the boundaries of the Homestead National Monument of America in the State of Nebraska, and for other purposes.

H.R. 1576. An act to designate the James Peak Wilderness and Protection Area in the Arapaho and Roosevelt National Forests in the State of Colorado, and for other purposes.

H.R. 1989. An act to reauthorize various fishery conservation management programs, and for other purposes.

H.R. 2069. An act to amend the Foreign Assistance Act of 1961 and the Global AIDS and Tuberculosis Act of 2000 to authorize assistance to prevent, treat, and monitor HIV AIDS in sub-Saharan African and other developing countries.

H.R. 2121. An act to make available funds under the Foreign Assistance Act of 1961 to expand democracy, good governance, and anti-corruption programs in the Russian Federation in order to promote and strengthen democratic government and civil society in that country and to support independent media.

H.R. 2440. An act to rename Wolf Trap Farm Park as ''Wolf Trap National Park for the Performing Arts,'' and for other purposes.

H.R. 2595. An act to direct the Secretary of the Army to convey a parcel of land to Chatham County, Georgia.

H.R. 2742. An act to authorize the construction of a Native American Cultural Center and Museum in Oklahoma City, Oklahoma.

H.R. 3030. An act to extend the basic pilot program for employment eligibility verification, and for other purposes.

H.R. 3216. An act to amend the Richard B. Russell National School Lunch Act to exclude certain basic allowances for housing of an individual who is a member of the uniformed services from the determination of eligibility for free and reduced price meals of a child of the individual.

H.R. 3282. An act to designate the Federal building and United States courthouse located at 400 North Main Street in Butte, Montana, as the ''Mike Mansfield Federal Building and United States Courthouse.''

H.R. 3770. An act to amend the Coast Guard Authorization Act of 1996 to modify the reversionary interest of the United States in a parcel of property conveyed to the Traverse City Area School District in Traverse City, Michigan.

H.R. 3441. An act to amend title 49, United States Code, to realign the policy responsibility in the Department of Transportation, and for other purposes.

H.R. 3442. An act to establish the National Museum of African American History and Culture Plan for Action Presidential Commission to develop a plan of action for the establishment and maintenance of the National Museum of African American History and Culture in Washington, D.C. and for other purposes.

H.R. 3447. An act to amend title 38, United States Code, to enhance the authority of the Secretary of Veterans Affairs to recruit and retain qualified nurses for the Veterans Health Administration, to provide an additional basis for establishing the inability of veterans to defray expenses of necessary medical care, to enhance certain health care programs of the Department of Veterans Affairs, and for other purposes.

At 2:37 p.m., a message from the House of Representatives, delivered by one of its reading clerks, announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two houses on the amendment of the Senate to the bill (H.R. 2883) to authorize appropriations for fiscal year 2002 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

H.R. 1230. An act to provide for the establishment of the Detroit River International Wildlife Refuge in the State of Michigan, and for other purposes.

H.R. 1761. An act to designate the facility of the United States Postal service located at 8588 Richmond Highway in Alexandria, Virginia, as the ''Herb E. Harris Post Office Building.''

H.R. 2061. An act to amend the charter of Southeastern University of the District of Columbia.

H.R. 2944. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2002, and for other purposes.

The enrolled bills were signed subsequently by the President pro tempore (Mr. BYRD).

At 5:09 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1022. An act to amend title 4, United States Code, to make sure the rules of etiquette for flying the flag of the United Sates do not preclude the flying of flags at half mast when ordered by city and local officials.

H.R. 3209. An act to amend title 18, United States Code, with respect to false communications about certain criminal violations, and for other purposes.

H.R. 3295. An act to establish a program to provide funds to States to replace punch card voting systems, to establish the Election Assistance Commission to assist in the administration of Federal elections and to otherwise provide assistance with the administration of certain Federal election laws and programs, to establish minimum election administration standards for States and units of local government with responsibility for the administration of Federal elections, and for other purposes.

The message also announced that the House has agreed, to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 282. Concurrent resolution expressing the sense of Congress that the Social Security promise should be kept.

At 6:08 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has disagreed to the amendment of the Senate to the bill (H.R. 3338) making appropriations for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following members as the managers of the conference on the part of the House:

For consideration of division A of the House bill and division A of the Senate amendment, and modifications committed to conference: Mr. LEWIS of California, Mr. YOUNG of Florida, Mr. SKEEN, Mr. HOBSON, Mr. BONILLA, Mr. NETHERCUTT, Mr. CUNNINGHAM, Mr. FRELINGHUYSEN, Mr. TIAHRT, Mr. MURTHA, Mr. DICKS, Mr. SABO, Mr. VISCLOSKY, Mr. MORAN of Virginia, and Mr. OBEY.

For consideration of all other matters of the House bill and all other matters of the Senate amendment, and modifications committed to conference: Mr. YOUNG of Florida, Mr. LEWIS of California, and Mr. OBEY.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

H.R. 10. An act to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries.

H.R. 2540. An act to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rate of dependency and indemnity compensation for survivors of such veterans.

H.R. 2716. An act to amend title 38, United States Code, to revise, improve, and consolidate provisions of law providing benefits and service for homeless veterans.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1022. An act to amend title 4, United States Code, to make sure the rules of etiquette for flying the flag of the United States do not preclude the flying of flags at half mast when ordered by city and local officials; to the Committee on the Judiciary.

H.R. 1576. An act to designate the James Peak Wilderness and Protection Area in the Arapaho and Roosevelt National Forests in

the State of Colorado, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 1989. An act to reauthorize various fishery conservation management programs; to the Committee on Commerce, Science, and Transportation.

H.R. 2069. An act to amend the Foreign Assistance Act of 1961 to authorize assistance to prevent, treat, and monitor HIV AIDS in sub-Saharan African and other developing countries; to the Committee on Foreign Relations.

H.R. 2121. An act to make available funds under the Foreign Assistance Act of 1961 to expand democracy, good governance, and anti-corruption programs in the Russian Federation in order to promote and strengthen democratic government and civil society in that country and to support independent media; to the Committee on Foreign Relations.

H.R. 2440. An act to rename Wolf Trap Farm Park as ''Wolf Trap National Park for the Performing Arts'', and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2595. An act to direct the Secretary of the Army to convey a parcel of land to Chatham County, Georgia; to the Committee on Armed Services.

H.R. 3209. An act to amend title 18, United States Code, with respect to false communications about certain criminal violations, and for other purposes; to the Committee on the Judiciary.

H.R. 3216. An act to amend the Richard B. Russell National School Lunch Act to exclude certain basic allowances for housing of an individual who is a member of the uniformed services from the determination of eligibility for free and reduced price meals of a child of the individual; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 3295. An act to establish a program to provide funds to States to replace punch card voting systems, to establish the Election Assistance Commission to assist in the administration of Federal elections and to otherwise provide assistance with the administration of certain Federal election laws and programs, to establish minimum election administration standards for States and units of local government with responsibility for the administration of Federal elections, and for other purposes; to the Committee on Rules and Administration.

H.R. 3370. An act to amend the Coast Guard Authorization Act of 1996 to modify the reversionary interest of the United States in a parcel of property conveyed to the Traverse City Area School District in Traverse City, Michigan; to the Committee on Commerce, Science, and Transportation.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 259. Concurrent resolution expressing the sense of Congress regarding the relief efforts undertaken by charitable organizations and the people of the United States in the aftermath of the terrorist attacks against the United States that occurred on September 11, 2001; to the Committee on Health, Education, Labor, and Pensions.

H. Con. Res. 281. Concurrent resolution honoring the ultimate sacrifice made by Johnny Micheal Spann, the first American killed in combat during the war against terrorism in Afghanistan, and pledging continued support for members of the Armed Forces; to the Committee on Armed Services.

H. Con. Res. 282. Concurrent resolution expressing the sense of Congress that the Social Security promise should be kept; to the Committee on Finance.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4882. A communication from the Chairman of the Defense Nuclear Facilities Safety Board, transmitting, pursuant to law, the Eleventh Annual Report relative to health and safety activities during calendar year 2000; to the Committee on Armed Services.

EC–4883. A communication from the Deputy Director of the Office of Enforcement Policy, Wage and Hour Division, Department of Labor, transmitting, pursuant to law, the report of a rule entitled ''Adjustment of Civil Money Penalties for Inflation'' (RIN1215–AB20) received on December 10, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–4884. A communication from the Acting Assistant Secretary for Fish and Wildlife and Parks, National Park Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Leasing Regulations'' (RIN1024–AC78) received on December 10, 2001; to the Committee on Energy and Natural Resources.

EC–4885. A communication from the Comptroller of the Currency, Administrator of National Banks, Legislative and Regulatory Activities Division, transmitting, pursuant to law, the report of a rule entitled ''Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Capital Treatment of Recourse, Direct Credit Substitutes and Residual Interests in Asset Securitizations'' (12 CFR Part 3, Appendix A) received on December 10, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–4886. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the Report of the Office of the Inspector General for the period April 1, 2001 through September 30, 2001; to the Committee on Governmental Affairs.

EC–4887. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–201, ''Child Support Enforcement Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–4888. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–199, ''Advisory Neighborhood Commissions Annual Contribution Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–4889. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–194, ''Emergency Economic Assistance Temporary Act of 2001''; to the Committee on Governmental Affairs.

EC–4890. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–195, ''Unemployment Compensation Terrorist Response Temporary Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–4891. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–196, ''Office of Administrative Hearings Establishment Act of 2001''; to the Committee on Governmental Affairs.

EC–4892. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–198, ''Litter Control Administration Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–4893. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–200, ''Advisory Neighborhood Commissions Amendment Act of 2001''; to the Committee on Governmental Affairs.

EC–4894. A communication from the Attorney-Advisor of the National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Truck Air Braking Requirements; Final Rule'' (RIN2127–AH11) received on December 10, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4895. A communication from the Attorney-Advisor of the National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Advanced Air Bags; Final Rule; Response to Petitions for Reconsideration'' (RIN2127–AI10) received on December 10, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4896. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Reduced Vertical Separation Minimum (RVSM)'' (RIN2120–AH12) received on December 10, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4897. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Criminal History Records Checks'' (RIN2120–AH53) received on December 10, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4898. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Flightcrew Compartment Access and Door Designs'' (RIN2120–AH54) received on December 10, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4899. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Part 145 Review: Repair Stations; Reopening of the Comment Period'' ((RIN2120–AC38)(2001–0002)) received on December 10, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4900. A communication from the Attorney-Advisor of the National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Federal Motor Vehicle Safety Standards; School Bus Body Joint Strength'' (RIN2127–AC19) received on December 10, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4901. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations (including 47 regulations)'' ((RIN2115–AA97)(2001–0149)) received on December 10, 2001; to the Committee on Commerce, Science, and Transportation.

EC–4902. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Louisiana Regulatory Program'' (LA–020–FOR) received on December 11, 2001; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on Foreign Relations, without amendment:

H.R. 3167: A bill to endorse the vision of further enlargement of the NATO Alliance articulated by President George W. Bush on June 15, 2001, and by former President William J. Clinton on October 22, 1996, and for other purposes.

By Mr. KENNEDY, from the Committee on Health, Education, Labor, and Pensions, without amendment:

S. 1762: A bill to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes.

S. 1793: A bill to provide the Secretary of Education with specific waiver authority to respond to conditions in the national emergency declared by the President on September 14, 2001

By Mr. BIDEN, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 86: A concurrent resolution expressing the sense of Congress that women from all ethnic groups in Afghanistan should participate in the economic and political reconstruction of Afghanistan.

S. Con. Res. 90: A concurrent resolution expressing the sense of the Congress regarding the efforts of people of the United States of Korean ancestry to reunite with their family members in North Korea.

S. Con. Res. 92: A concurrent resolution recognizing Radio Free Europe/Radio Liberty's success in promoting democracy and its continuing contribution to United States national interests.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BINGAMAN for the Committee on Energy and Natural Resources.

*Harold Craig Manson, of California, to be Assistant Secretary for Fish and Wildlife.

*Jeffrey D. Jarrett, of Pennsylvania, to be Director of the Office of Surface Mining Reclamation and Enforcement.

*Michael Smith, of Oklahoma, to be an Assistant Secretary of Energy (Fossil Energy).

*Kathleen Burton Clarke, of Utah, to be Director of the Bureau of Land Management.

*Rebecca W. Watson, of Montana, to be an Assistant Secretary of the Interior.

*Margaret S.Y. Chu, of New Mexico, to be Director of the Office of Civilian Radioactive Waste Management, Department of Energy.

*Beverly Cook, of Idaho, to be an Assistant Secretary of Energy (Environment, Safety and Health).

By Mr. BIDEN for the Committee on Foreign Relations.

*Jorge L. Arrizurieta, of Florida, to be United States Alternate Executive Director of the Inter-American Development Bank.

*John Price, of Utah, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mauritius, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal and Islamic Republic of The Comoros and Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: John Price.

Post: Ambassador.

Contributions, Amount, Date, and Donee;

1. Self, $500, 5–7–97, New Mexico for Redmond; $1,000, 5–16–97, Bennet 98 Committee; $500, 5–23–97, Bennet 98 Committee; $1,000, 10–3–97, Kit Bond for Senate; $(500), 11–3–97, Bennett 98 Committee; $1,000, 12–3–97, Campaign America; $1,000, 12–3–97, Chris Cannon for Congress; $2,500, 1–16–98, Nareit PAC; $5,000, 2–13–98, Republican Leadership Council; $500, 3–13–98, Dylan Glenn for Congress; $1,000, 3–26–98, Merrill Cook for Congress; $10,000, 5–1–98, Utah Republican Party; $1,000, 5–14–98, Jim Hansen Committee; $1,000, 6–26–98, Merrill Cook 98; $1,000, 7–21–98, Ron Schmidt for Senate; $25,000, 7–21–98, House Senate Dinner Trust; $15,000, 9–25–98, National Republican Senatorial Committee; $1,000, 3–5–99, George Bush Presidential Committee; $100,000, 4–23–99, Republican National Committee; $1,000, 5–27–99, Chris Cannon for Congress; $1,000, 6–18–99, West PAC; $250, 7–28–99, Western States Republican Leadership Conference; $1,000, 8–10–99, Elizabeth Dole Exploratory Committee; $2,200, 10–1–99, Western States Republican Leadership; $1,000, 10–15–99, Bush for President Committee; $2,000, 3–31–00, Ashcroft 2000 Committee; $25,000, 4–14–00, Republican National Committee; $2,000, 4–14–00, Orrin Hatch Senate Committee; $500, 4–14–00, Jim Hansen Committee; $161,500, 6–1–00, Republican National State Elections Committee, $18,500, 6–01–00, Republican National Committee; $3,600, 6–28–00, RNSEC; $5,000, 7–13–00, Victory 2000 Program; $1,000, 7–17–00, Republican Party Arkansas; $5,000, 7–26–00, Mark Shurtleff; $(5,000), 8–18–00, Republican National Committee; $20,000, 10–13–00, Victory 2000; $14,842, 1–24–01, Republican National Committee.

2. Spouse: Marcia Prece, $80,000, 10–31–00, RNC Republican National State Elections; $20,000, 6–27–00, Republican National Committee; $1,000, 3–24–99, Bush for President.

3. Children and spouses: John Steven Price, Drue Price, Jennifer Price Wallin, Anthony Wallin, $1,000, 3/24/99, Bush for President; $1,000, 3/24/99, Bush for President; $1,000, 3/24/99, Bush for President; $1,000, 3/24/99, Bush for President; Deirdra Price, none; Farhad Kamani, none.

4. Parents: Simon Price (deceased) and Margaret Price Kalb (deceased).

5. Grandparents: NA.

6. Brother: Wolfgang Price, none.

7. Sisters and spouses: NA.

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*William R. Brownfield, of Texas, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chile.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: William R. Brownfield.

Post: U.S. Ambassador to Chile.

Contributions, Amount, Date, and Donee:

1. Self, none.

2. Spouse: Kristie A. Kenney, none.

3. Children: None.

4. Parents: Albert R. Brownfield, Jr., $20, 7/97, Repub. Nat'l. Comm. (RNC); $20, 7/97, RNC; $40, 4/98, RNC; $25, 9/28, George Bush Campaign; $50, 12/98, Republican Pres. Task Force; $100, 9/99, John McCain Campaign; $50, 10/99, Ronald Reagan Foundation; $50, 10/99, RNC; $100, 7/00, RNC; $50, 8/00, Ronald Reagan Foundation; $100, 10/00, Ronald Reagan Foundation; $50, 10/00, RNC, $35, 10/00, Bush Presidential Campaign; $50, 12/00, RNC; $50, 1/01, RNC; $30, 1/01, Ronald Reagan Foundation; $30, 4/01, Ronald Reagan Foundation; Virginia E. Brownfield (deceased).

5. Grandparents: All deceased for more than 30 years.

6. Brothers and spouses: Albert R. III and Marcia T. Brownfield, none.

7. Sisters and spouses: Barbara B. and Francis W. Rushing, none; Anne Elizabeth and Christopher W. Fay, none.

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*Gaddi H. Vasquez, of California, to be Director of the Peace Corps.

*Charles S. Shapiro, of Georgia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Bolivarian Republic of Venezuela.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Charles S. Shapiro.

Post: Ambassador to Venezuela.

Contributions, Amount, Date, and Donee:

1. Self, None.

2. Spouse: Robin L. Dickerson, None.

3. Children and spouses: Jacob C.D. Shapiro, None; Thomas E.D. Shapiro, None.

4. Parents: Joseph Benjamin Shapiro (deceased); Deloris S. Shapiro, None.

5. Grandparents: Jacob and Harriet M. Schneider (deceased) and Paul and Bertha Shapiro (deceased).

6. Brothers and spouses: J. Benjamin and Nancy Shapiro, $25, 6/01, Republican Nat'l Committee.

7. Sisters and spouses: Jill and James Thorton, None.

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*James David McGee, 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 Kingdom of Swaziland.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: James David McGee.

Post: Swaziland.

Contributions, Amount, Date, and Donee:

1. Self, None.

2. Spouse: Shirley J. McGee, None.

3. Children and spouses: N/A.

4. Parents: Ruby Mae McGee; None; Jewel L. McGee, (deceased).

5. Grandparents: James and Malvena West and Mary McGee (deceased).

6. Brothers and spouses: Ronald N. and Kathy McGee, None.

7. Sisters and spouses: Mary Ann and Tyrone Dillahunty, None.

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*Earl Norfleet Phillips, Jr., of North Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to St. Kitts and Nevis, Saint Lucia, Antigua and Barbuda, the Commonwealth of Dominica, Grenada, and Saint Vincent and the Grenadines.

(The following is a list of all members of my immediate family and their spouses. I

have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee Earl N. Phillips, Jr.

Post: Ambassador.

Contributions, Amount, Date, and Donee:

1. Nominee: Self, $80,000, 6/09/2000, RNC Republican National State Elections Committee; $3,600, 7/07/2000, RNC Republican National State Elections Committee; $460, 1/26/2001, RNC Republican National State Elections Committee; $5,000, 4/30/1998, Republican National Committee—RNC; $20,000, 6/09/2000, Republican National Committee—RNC; $1,000, 3/24/2000, NcNairy for Congress; 1,000, 9/09/1997, Faircloth, Duncan M., VIA Faircloth for Senate Committee 1998; $1,000, 6/15/1998, Faircloth, Duncan M., VIA Faircloth for Senate Committee 1998; $1,000, 6/08,1999, Dole, Elizabeth VIA Elizabeth Dole for President Exploratory Committee, Inc.; $1,000, 11/24/1999, Bush George W., VIA Bush-Cheney 2000 Compliance Committee, Inc.; $500, 3/31/1999, Bush, George W., VIA Bush for President, Inc.; $250, 7/26/2000, Ballenger, Thomas Cass, VIA Cass Ballenger for Congress Committee; $1,000, 2/25/1997, Coble, John Howard, VIA Coble for Congress; $5,000, 9/25/1998, Business Leaders Salute Faircloth; $25,000, 12/15/1999, 1999 State Victory Fund Committee; $75,000, 10/03/2000, RNC Republican National State Elections Committee paid by Phillips Interests, Inc., High Point, NC, owned by Mr. E. N. Phillips and Family; $56,250, 7/26/2000, RNC Republican National State Elections Committee paid by Phillips Interests 2, Inc., High Point, NC, Majority ownership by Mr. E. N. Phillips and Family; $18,750, 07/26/2000, RNC Republican National State Elections Committee paid by Phillips Interest 3, Inc., High Point, NC, majority ownership by Mr. E. N. Phillips and Family.

2. Spouse: Sallie B. Phillips, $1,000, 3/31/1999, Bush, George W., VIA Bush for President Inc.; $1,000, 9/09/1997, Faircloth, Duncan M., VIA Faircloth for Senate Committee 1998; $1,000 6/15/1998, Faircloth, Duncan M. VIA Faircloth for Senate Committee 1998; $25,000 12/15/1999, 1999 State Victory Fund Committee.

3. Children and spouses: Courtney D. Phillips, $1,000, 3/31/1999, Bush, George W., VIA Bush for President Inc.; Jordan N. Phillips, none.

4. Parents (deceased).

5. Grandparents (deceased).

6. Brothers and spouses: S. Davis Phillips, $1,000, 7/27/1998, Livingston, Robert L. ''Bob'', VIA Friends of Bob Livingston; $1,000, 10/13/1998, Etheridge, Bob, VIA Bob Etheridge for Congress Committee; $1,000, 10/22/1999, Etheridge, Bob, VIA Bob Etheridge for Congress Committee; $500, 7/20/2000, Etheridge, Bob, VIA Bob Etheridge for Congress Committee; $1,000, 5/02/1998, Martin, David Grier, Jr., VIA D. G. Martin for US Senate Committee; $1,000, 1/07/1997, North Carolina Democratic Party—Federal; Katherine A. Phillips, $1,000.00, 10/12/1999, Bush, George W., VIA Bush for President, Inc.

7. Sisters and spouses, none.

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*Kenneth P. Moorefield, of Florida, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic.

*Kenneth P. Moorefield, of Florida, a Career Member of the Senior Foreign Service, Class of Career Minister, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Career Minister Kenneth P. Moorefield.

Post: Gabon, Sao Tome and Principe.

Contributions, Amount, Date and Donee;

1. Self, none.

2. Spouse: Geraldine C. Moorefield, none.

3. Child: Vanessa S. Moorefield, none.

4. Parents: Virginia R. Moorefield, none; Col. Jesse P. Moorefield (deceased).

5. Grandparents: Louis R. and Helen M. Sommer (deceased); William James and Francis Jane Moorefield (deceased).

6. Brothers and spouses; Robert D. Moorefield (deceased); Steven D. Moorefield, none; Bruce A. Moorefield, none.

7. Sisters and spouses: Helen J. Moorefield, none.

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*John D. Ong, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to informed me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: John D. Ong.

Post: U.S. Ambassador to Norway.

Contributions, Amount, Date, and Donee:

1. Nominee: Self, $1,500, 1/15/97, Ohio Republican Party; $1,000, 1/22/97, DeWine for U.S. Senate; $1,000, 3/31/97, Voinovich for Senate; $8,500, 4/8/97, Republican Eagles; $10,000, 5/7/97, Senatorial Trust; $1,000, 7/9/97, Regula for Congress; $500, 9/4/97, Friends for Houghton (Amo); $200, 11/21/97, Tom Sawyer Committee; $1,000, 12/5/97, Voinovich for Senate; $5,000, 12/18/97, Ohio Republican Party—Federal Account; $500, 3/4/98, Friends for Houghton (Amo); $1,000, 6/12//98, Tom Sawyer Committee; $250, 8/31/98, Regula for Congress Committee; $10,000, 9/22/98, Senatorial Trust; $1,000, 10/30/98, Slovenec for Congress; $1,000, 2/22/99, Santorum $2,000, $1,500, 2/23/99, Ohio Republican Party—1999 Early Bird; $935.25, 5/13/99, Bush Presidential Exploratory Committee; $500, 6/15/99, The Ohio Republican Senate Campaign Committee; $10,000, 6/16/99, Senatorial Trust; $500, 7/15/99, Friends for Houghton; $5,000, 7/28/99, Republican Eagles; $150, 9/9/99, The Tom Sawyer Committee; $1,000, 10/11/99, Bill Bradley for President, $1,000, 11/12/99, Gov. George W. Bush for President Compliance Committee Inc.; $8,500, 12/23/99, 1999 State Victory Fund Comm.; $5,000, 2/7/00, Ohio Republican Party—Federal Account; $1,000, 3/10/00, DeWine for U.S. Senate; $1,000, 5/12/00, Santorum 2000; $250, 6/6/000, The Tom Sawyer Committee; $1,000, 6/8/00, Voinovich for Senate; $10,000, 6/14/00; Republican National Comm. Presidential Trust; $25,000, 6/14/00, Elections Comm.; $65,000, 6/14/00, Republican National State Elections Comm.; $300, 7/17/00, People with Hart Committee (Sen. Melissa Hart); $5,000, 11/17/00, Bush-Cheney Recount Fund; $5,000, 12/5/00, Bush-Cheney Presidential Transition; $25,000, 1/9/01, Presidential Inaugural Comm.; $5,000, 2/23/01, Republican Governor's Assoc.; $500, 3/20/01, Friends for Houghton (Amo); $1,000, 4/20/01, Voinovich for Senate.

2. Spouse: Mary Lee Ong, $1,000, 3/31/97, Voinovich for Senate; $1,000, 7/28/98, Voinovich for Senate; $1,000, 8/6/99, Bush for President Inc.;

3. Children and spouses: John F. H. Ong, $220, 1/7/97, Republican National Committee; $220, 3/20/98 Republican National Committee, $245, 2/2/99, Republican National Committee; $1,000, 1/28/00, Bush for President Inc.; $270, 3/12/00, Republican National Committee, Helen Ong, None.

Richard P. B. Ong, $1,000, 8/17/99, Bush for President Inc.; Donalee Ong, $1,000, 8/17/99, Bush for President Inc.

Mary Katherine C. Ong-Landini, $1,000, 8/19/99, George Bush for President Inc.; $250, 9/7/00, Craley for Congress; Michael J. Landini, Jr, $1,000, 8/19/99, George Bush for President Inc.

4. Parents: Louis Brosee Ong (deceased), None; Mary Ellen Ong, None.

5. Grandparents: Dr. William Franklin and Adelaid Brosee Ong (deceased); Frank Arthur and Nora Belle Penn Liggett (deceased).

6. Brothers and spouses: James F. Ong, $75, 1/7/99, National Republican Senatorial Committee; $60, 11/24/99, Republican Presidential Task Force; $70, 9/30/00, DeWine for Senate; Carol Ong, none.

Joseph W. and Rose Ong, none.

7. Sisters and spouses: N.A.

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*Josephine K. Olsen, of Maryland, to be Deputy Director of the Peace Corps.

*John V. Hanford III, of Virginia, to be Ambassador at Large for International Religious Freedom.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Nominee: John V. Hanford III.

Post: Ambassador at Large for International Religious Freedom.

Contributions, Amount, Date, and Donee:

1.Self, $1,000, 01/24/2000, Bush for President; $1,000, 03/31/1999, Elizabeth Dole for President Exploratory Committee.

2. Spouse: Laura Bryant Hanford, none.

3. Children and spouses: NA.

4. Parents: John V. Hanford Jr. (father), $500, 9/13/2000, Hayes for Congress; $500, 5/01/2000, Sue Myrick for Congress; $200, 3/13/2000, Friends of Giuliani; $500, 2/14/2000, N.C. Republican Exec. Committee; $1,000, 2/03/2000, Bush for President; $1,000, 1/30/1999, Elizabeth Dole for President, Exploratory Committee; $200, 6/08/1999, Keadle for Congress; $100, 1/21/1999, Natl. Republican Congressional Cmt.; $100, 12/31/1998, Republican National Committee; $250, 10/20/1998, Keadle for Congress; $250, 10/16/1998, Sue Myrick for Congress; $1,000, 9/22/1998, Business Leaders Salute Faircloth; $250, 9/19/1998, Keadle for Congress; $50, 9/19/1998, Natl. Republican Congressional Cmt.; $250, 3/13/1998, Keadle for Congress; $100, 1/21/1998, Hayes for Congress; $1,000, 5/08/1997, Sue Myrick for Congress; $100, 4/24/1997, Natl. Republican Congressional Cmt.; $1,000, 3/24/1997, Faircloth for Senate Committee.

Mrs. John V. Hanford Jr. (stepmother), 3/30/1999, Elizabeth Dole for President, Exploratory Committee; $500, 9/22/1998, Faircloth for Senate Committee; $1,000, 5/30/1997, Faircloth for Senate Committee.

Mr. and Mrs. John V. Hanford Jr., $500, 7/21/2000, Sue Myrick for Congress; $250, 11/30/1998, Faircloth Debt Retirement.

Dottie G. Nelson (mother), $100, 12/12/1999, Friends of John McCain; $1,000, 3/31/1999, Elizabeth Dole for President, Exploratory Committee.

L. Clair Nelson (stepfather), deceased.

5. Grandparents: Mrs. Mary C. Hanford (grandmother), $100 8/12/2001, Republican National Committee; $150 4/29/2001, Natl. Fed. of Republican Women; $150, 4/29/2001, Republican National Committee; $250 12/30/2000, Hayes for Congress; $200, 6/06/2000, N.C. Republican Executive Cmt.; $150, 5/14/2000, Republican National Committee; $500, 5/06/2000, Hayes for Congress; $200, 3/12/2000, Friends of Giuliani; $110, 2/21/2000, Republican National Committee; $25, 2/12/2000, Republican Women's Federation; $150 1/06/2000, Natl. Fed. Of

Republican Women; $110, 3/30/1999, Republican National Committee; $110, 12/31/1998, Republican National Committee; $150, 12/02/1998, Natl. Fed. Of Republican Women; $250, 9/29/1998, Scott Keadle for Congress; $106, 8/03/1998, Hayes for Congress; $100, 2/16/1998, Republican National Committee; $200, 2/09/1998, Hayes for Congress; $100, 12/08/1997, Natl. Fed. Of Republican Women; $100, 12/01/1997, Hayes for Congress; $200, 11/21/1997, Coble for Congress; $250, 10/29/1997, Faircloth for Senate; $100, 9/16/1997, Natl. Fed. Of Republican Women; $200, 8/14/1997, Helms for Senate; $100, 2/24/1997, Natl. Fed. or Republican Women; $200, 2/18/1997, Helms for Senate; $100, 2/11/1997, Republican National Committee.

John V. Hanford Sr. (deceased).

Mr. and Mrs. Joseph Groome (deceased).

6. Brothers and spouses: Joseph G. Hanford, none.

7. Sisters and spouses: NA.

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*Adolfo A. Franco, of Virginia, to be an Assistant Administrator of the United States Agency for International Development.

*Arthur E. Dewey, of Maryland, to be an Assistant Secretary of State (Population, Refugees, and Migration).

*Donna Jean Hrinak, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Dona J. Hrinak.

Post Ambassador: Brasilia.

Contributions, Amount, Date, and Donee:

1. Self, none.

2. Spouse, none.

3. Children and spouses: Wyatt A. Flores, none.

4. Parents: John Hrinak (deceased); Mary Hrinak, none.

5. Grandparents: John and Anna Hrinak (deceased); Joseph and Julia Pukach (deceased).

6. Brothers and spouses: David J. Hrinak, none.

7. Sisters and spouses: NA.

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*Francis Joseph Ricciardone, Jr., of New Hampshire, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Palau.

Nominee: Francies Joseph Ricciardone, Jr.

Post: Manilla, The Philippines.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Contributions, Amount, Date, and Donee:

1. Self, none.

2. Spouse, none.

3. Children and spouses: Francesca Mara and Chiara Teresa Ricciardone, none.

4. Parents: Francis J. Ricciardone, none; mother deceased.

5. Grandparents: (deceased).

6. Brothers and spouses: Michael and Elizabeth Ricciardone, none; James and Lisa Ricciardone, none; David and Beverly Ricciardone, none.

7. Sisters and spouses: Maruerite R. and David Stone, none; Theresa R. and Peter Thayer, none.

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* Roger P. Winter, of Maryland, to be an Assistant Administrator of the United States Agency for International Development.

* Frederick W. Schieck, of Virginia, to be Deputy Administrator of the United States Agency for International Development.

Mr. BIDEN. Mr. President, for the Committee on Foreign Relations I report favorably the following nomination lists which were printed in the RECORD on the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

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

Foreign Service nominations beginning Shaun Edward Donnelly and ending Charles R. Wills, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 16, 2001.

Foreign Service nominations beginning Patrick C. Hughes and ending Mason Yu, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 27, 2001.

Foreign Service nominations beginning Kathleen T. Albert FL and ending Sunghwan Yi, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 27, 2001.

* Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before and duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

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. THOMAS (for himself and Ms. LANDRIEU):

S. 1808. A bill to amend the Mineral Leasing Act to encourage the development of natural gas and oil resources on Federal land; to the Committee on Energy and Natural Resources.

By Mrs. HUTCHISON:

S. 1809. A bill to authorize the Secretary of the Interior to study the suitability and feasibility of establishing the Buffalo Bayou National Heritage Area in west Houston, Texas; to the Committee on Energy and Natural Resources.

By Mr. DURBIN:

S. 1810. A bill to amend the Internal Revenue Code of 1986 to provide credits for individuals and businesses for the installations of certain wind energy property; to the Committee on Finance.

By Mr. THOMPSON (for himself, Mr. LIEBERMAN, Mr. VOINOVICH, Mr. LUGAR, Mr. DURBIN, and Mr. AKAKA):

S. 1811. A bill to amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to streamline the financial disclosure process for executive branch employees; to the Committee on Governmental Affairs.

By Mr. CORZINE (for himself and Mr. TORRICELLI):

S. 1812. A bill to repeal the provision of the September 11th Victim Compensation Fund of 2001 that requires the reduction of a claimant's compensation by the amount of any collateral source compensation payments the claimant is entitled to receive, and for other purposes; to the Committee on the Judiciary.

By Ms. SNOWE:

S. 1813. A bill to require the United States Trade Representative to keep the House of Representatives Committee on Resources and the Senate Committee on Commerce, Science, and Transportation informed with respect to negotiations on fish and shellfish; to the Committee on Finance.

By Mr. SCHUMER (for himself and Mrs. CLINTON):

S. 1814. A bill to name the national cemetery in Saratoga, New York, as the Gerald B. H. Solomon Saratoga National Cemetery, and for other purposes; to the Committee on Veterans' Affairs.

ADDITIONAL COSPONSORS

S. 267

At the request of Mr. AKAKA, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S. 267, a bill to amend the Packers and Stockyards Act of 1921, to make it unlawful for any stockyard owner, market agency, or dealer to transfer or market nonambulatory livestock, and for other purposes.

S. 1067

At the request of Mr. GRASSLEY, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 1067, a bill to amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts.

S. 1209

At the request of Mr. BINGAMAN, the names of the Senator from Iowa (Mr. HARKIN) and the Senator from Missouri (Mrs. CARNAHAN) were added as cosponsors of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1278

At the request of Mrs. LINCOLN, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 1278, a bill to amend the Internal Revenue Code of 1986 to allow a United States independent film and television production wage credit.

S. 1478

At the request of Mr. SANTORUM, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from Utah (Mr. HATCH) were added as cosponsors of S. 1478, a bill to amend the Animal Welfare Act to improve the treatment of certain animals, and for other purposes.

S. 1482

At the request of Mr. HARKIN, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 1482, a bill to consolidate

and revise the authority of the Secretary of Agriculture relating to protection of animal health.

S. 1503

At the request of Mr. ROCKEFELLER, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1503, a bill to extend and amend the Promoting Safe and Stable Families Program under subpart 2 of part B of title IV of the Social Security Act, to provide the Secretary of Health and Human Services with new authority to support programs mentoring children of incarcerated parents, to amend the Foster Care Independent Living Program under part E of title IV of the Social Security Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes.

S. 1570

At the request of Ms. COLLINS, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1570, a bill to provide the Secretary of Education with specific waiver authority to respond to conditions in the national emergency declared by the President on September 14, 2001.

S. 1707

At the request of Mr. JEFFORDS, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1738

At the request of Mr. KERRY, the names of the Senator from Iowa (Mr. HARKIN) and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. 1738, a bill to amend title XVIII of the Social Security Act to provide regulatory relief, appeals process reforms, contracting flexibility, and education improvements under the medicare program, and for other purposes.

S. 1739

At the request of Mr. CLELAND, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1739, a bill to authorize grants to improve security on over-the-road buses.

S. 1749

At the request of Mr. KENNEDY, the names of the Senator from New Mexico (Mr. DOMENICI) and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1805

At the request of Mr. DEWINE, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1805, a bill to convert certain temporary judgeships to permanent judgeships, extend a judgeship, and for other purposes.

S.J. RES. 13

At the request of Mr. WARNER, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S.J. Res. 13, a joint resolution conferring honorary citizenship of the United States on Paul Yves Roch Gilbert du Motier, also known as the Marquis de Lafayette.

S. CON. RES. 3

At the request of Mr. FEINGOLD, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. Con. Res. 3, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

S. CON. RES. 86

At the request of Mr. DODD, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. Con. Res. 86, a concurrent resolution expressing the sense of Congress that women from all ethnic groups in Afghanistan should participate in the economic and political reconstruction of Afghanistan.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THOMAS (for himself and Ms. LANDRIEU):

S. 1808. A bill to amend the Mineral Leasing Act to encourage the development of natural gas and oil resources on Federal land; to the Committee on Energy and Natural Resources.

Mr. THOMAS. Madam President, I rise today to introduce the Federal Acreage Chargeability Act of 2001. The Mineral Leasing Act of 1920 restricts the interests a company can own in Federal oil and gas leases in any one State to 246,080 acres. This legislation alters the acreage cap for oil and gas leases on federal lands so that producing leases are not included in the existing Statewide acreage limitation. This provides an incentive for producers to keep domestic acreage in production or to turn the leases over to another operator who will.

Historically, the acreage limitation in the Mineral Leasing Act responded to public concern over a few major integrated oil companies locking up potential supplies of crude oil from Federal lands in the West. As originally enacted, the Act forbade any person from owning more than three Federal oil and gas leases in any state and more than one lease in an oil and gas field. In 1926, the restriction was converted from leases into acres and the acreage limit was increased to 7,680 acres in any state. The Congress, on three other occasions, has further expanded the number of acres a lessee may hold to 15,360 acres in 1946, to 46,080 acres per state in 1954, and to its present 246,080 acres in 1960. Under present-day conditions increased acreage and more time are necessary to protect the huge investments now needed to maintain rates of discovery.

Today, companies are able to administratively exempt Federal acreage from the 246,080-acre limit per state either through unitization or by the creation of a development contract. At this time, the BLM only allows development contracts in situations where the acreage is considered wildcat. The BLM has been extremely cooperative in working with companies that find themselves bumping up against or exceeding the acreage cap. However, the time has come to pass legislation that will encourage the sizeable capital investment that will be needed to promote orderly and environmentally responsible exploration, development, and production of natural gas and oil from the public lands of the United States.

In our modern economy, the acreage limitations of the Mineral Leasing Act appear as historical relics, ill suited to their original task of promoting competition. The acreage limitations of the Act are once again inhibiting a company's ability to assemble sufficient blocks of acreage to efficiently explore promising natural gas and oil prospects. Companies are also unable to adequately finance the development of those prospects and related infrastructure such as pipelines. Exacerbating the acreage situation further, is the trend toward mergers and acquisitions taking place in the oil and gas industry.

The Federal Acreage Chargeability Act of 2001 amends the acreage limitation provisions of the Mineral Leasing Act of 1920 in such a manner that is truly reflective of today's exploration and production techniques and economics. Given the uncertain natural gas and oil supply situation that this country faces, it is even more critical to reform the outdated existing Federal acreage limitation provisions. The Federal Acreage Chargeability Act of 2001 amends the Mineral Leasing Act of 1920 by exempting oil and natural gas producing acreage from being counted against the Federal acreage cap.

Acreage limitations for other federal minerals such as coal and trona have also been revised upward over the years. Last Congress, I authored legislation that passed and was signed into law that raised the acreage limits for both Federal coal and trona leases due to industry consolidation and international competition. The domestic natural gas and oil industry is certainly facing these same concerns.

In recognition of the economics and technological advances of exploring for and producing domestic natural gas and oil on our public lands, and the national goal of increasing both domestic production and environmental efficiency, make now the right time to enact the Federal Acreage Chargeability Act of 2001.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1808

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 ''Mineral Leasing Act Revision of 2001''.

SEC. 2. DEVELOPMENT OF NATURAL GAS AND OIL RESOURCES.

(a) IN GENERAL.—Section 27(d) of the Mineral Leasing Act (30 U.S.C. 184(d)) is amended—

(1) in the first sentence of paragraph (1), by inserting ''producing acreage and'' after ''*Provided, however*, That''; and

(2) by adding at the end the following:

''(3) DEFINITION OF PRODUCING ACREAGE.—In this subsection, the term 'producing acreage' means any lease—

''(A) for which minimum royalty, royalty, royalty in kind, or compensatory royalty has been—

''(i) paid during the calendar year; or

''(ii) waived by the Secretary of the Interior; or

''(B) that has been committed to a federally approved cooperative plan, unit plan, or communitization agreement.''.

(b) APPLICATION.—Section 27 of the Mineral Leasing Act (30 U.S.C. 184) shall apply separately to land leased under the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.).

By Mr. DURBIN:

S. 1810. A bill to amend the Internal Revenue Code of 1986 to provide credits for individuals and businesses for the installations of certain wind energy property; to the Committee on Finance.

Mr. DURBIN. Madam President, today I am pleased to introduce the Home and Farm Wind Energy Systems Act of 2001. At a time when the United States clearly needs to reduce its dependence on fossil fuels, and particularly on imported oil, I offer legislation to spur the production of electricity from a clean, free and literally limitless source, wind. My bill offers a tax credit to help defray the cost of installing a small wind energy system to generate electricity for individual homes, farms and businesses. It is my hope that this credit will help make it economical for people to invest in small wind systems, thereby reducing pressures on the national power grid and increasing America's energy independence one family or business at a time.

Any serious attempt to create a national energy policy must include innovative proposals for exploring and developing the use of alternative and renewable energy sources. I look forward to debating a comprehensive energy policy for America in the next session of the 107th Congress, and I ask unanimous consent that a summary of the Home and Farm Wind Energy Systems Act of 2001 be printed in the RECORD.

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

SUMMARY OF THE HOME AND FARM WIND ENERGY SYSTEMS ACT

The bill would provide a 30 percent federal investment tax credit for homeowners, farmers and businesses when they install small wind energy systems with a capacity of up to 75 kilowatts (kW). The tax credit would be available for installation occurring over the next ten years.

Investments in renewable energy provide many benefits, including:

1. Enhancing the energy security and independence of the United States;
2. Increasing farmer and rancher income;
3. Promoting rural economic development;
4. Providing environmental and public health benefits such as cleaner air and water;
5. Improving electric grid reliability, thereby reducing the likelihood of blackouts;
6. Providing farm and residential customers with insulation from electricity price volatility resulting from electric deregulation.

Small wind systems are the most cost-competitive home sized renewable energy technology, but the high up-front cost has been a barrier. Phil Funk, for instance, a farmer in Dallas County, IA, invested $20,000 in a 20kW wind turbine system that saves him $3000 dollars per year on his electricity bill. Funk made use of an existing tower on his property to reduce his total costs significantly. The simple return-on-investment period for Funk, however, was still 7 years—too long to interest many farmers. A 30 percent tax credit would be a powerful incentive in its own right. It would also bring down production costs for small wind systems by increasing sales and production volume.

A typical rural residential wind system uses a 60 foot to 80 foot tower, has a 10 kW capacity and costs $30,000 to $35,000 to install. It produces up to 13,000 kWh of electricity per year, and offsets seven tons of carbon dioxide per year. This could yield savings of $1000 or more per year in energy costs, depending on prevailing commercial rates. In addition, in most states, system owners whose homes are connected to the power grid can sell excess electricity back to the local power company, improving efficiency and further reducing demands on local power grids.

While a few states offer incentives, the Federal Government has not offered tax credits for small wind systems since 1985.

A recent USA TODAY/CNN/Gallup poll showed that 91 percent of the public favors incentives for wind, solar, and fuel cells. But, while there are tax credits for very large commercial wind turbines, Production Tax Credit, there is currently no federal program to support small systems.

According to the American Wind Energy Association, Illinois ranks 16th in the contiguous states for wind energy potential. A new map produced by the National Renewable Energy Laboratory, NREL, for the U.S. Department of Energy indicates that over 2/3 of Illinois has a ''class 3'' or better wind resource, making rural areas and the higher elevations in those areas appropriate for small wind turbine siting.

Illinois has a strong wind energy heritage. Chicago and Batavia were the leading centers of wind energy manufacturing in the United States at the end of the last century, with millions of farm water pumping windmills and battery-charging wind turbines built in the area between 1870 and 1910. Batavia is still known as ''The Windmill City''.

In 1999, the Danish large-wind-turbine manufacturer NEG Micon chose Champaign for the site of its first American assembly and servicing facility, continuing the wind energy tradition in Illinois.

Only a handful of States provide incentives for small wind systems.

Illinois currently offers a buy-down or rebate on the purchase of wind energy systems of up to 50 percent or $2/watt. Eligible applicants include associations, individuals, private companies, public and private schools, colleges and universities, not-for-profit organizations and units of State and local government. Potential recipients must be located within the service area of an investor-owned or municipal gas or electric utility or an electric cooperative that imposes the Renewable Energy Resources and Coal Technology Development Assistance Charge. Grant payments under current operating procedures are, however taxable, which reduces their value significantly.

By Mr. THOMPSON (for himself, Mr. LIEBERMAN, Mr. VOINOVICH, Mr. LUGAR, Mr. DURBIN, and Mr. AKAKA):

S. 1811. A bill to amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to streamline the financial disclosure process for executive branch employees; to the Committee on Governmental Affairs.

Mr. THOMPSON. Madam President, I am introducing today the Presidential Appointments Improvement Act of 2001 on behalf of myself and Senator LIEBERMAN, and Senators AKAKA, DURBIN, LUGAR, and VOINOVICH. This proposal reflects multiple recommendations made by the many commissions and organizations that have studied the Presidential appointments process. These include a number of national commissions, non-profit organizations like the Presidential Appointee Initiative and the Transition to Governing Project, and a 1993 study and recommendations by the American Bar Association.

Clearly, we have a problem. The Presidential appointments process is unnecessarily long, burdensome, and complex. And although President Bush has sent a notable number of nominees to Congress at this point in his first year, major gaps remain in critical positions throughout government. We are faced with responding to the events of September 11 with a 25-percent vacancy rate in positions considered important to Homeland Security.

The time it takes for a new President to put his team in place exacerbates the human capital problems that our government faces. There is a growing recognition that we need to manage our people better. But with the downsizing of the past decade and the impending wave of retirements, the time consuming nature of the appointments process will leave many federal departments and agencies hollow and headless.

While the appointments process is, collectively, a tangled mess, there is no question that it has parts that are important and should be preserved. Conflict of interest statutes are critical, because a fundamental principle of government is one should not have a direct financial interest in the decisions that one is making. Likewise, background investigations are critical to ensure that the Government's highest officials can be trusted with national security information. And, of course, the Congress has an obligation, enshrined in the Constitution, to provide its advice and consent for the President's nominees.

This committee first took action to improve the Presidential appointments process when we passed the Presidential Transition Act of 2000. In that legislation, we included a number of provisions to allow a new President to hit the ground running once he takes office. In addition, that bill asked the Office of Government Ethics to report within six months on its recommendations to streamline the forms we require of Executive Branch nominees. The administration submitted those recommendations and they are included in this legislation.

In addition to streamlining the financial disclosure form, our legislation directs the Executive Clerk of the White House to provide a list of appointed positions to each Presidential candidate, Republican and Democrat, after their respective nominating conventions. That way the President, whomever he or she may be, can have an early start at picking his most trusted advisors. We also ask each Executive Department to recommend an elimination of Senate-confirmed positions, which would greatly shorten the entire process.

As I've said, this legislation is not the only action we are taking to improve the Presidential appointments process. Senator LIEBERMAN and I earlier asked Senate Committees to work to simplify the forms they require of nominees, we have simplified the Governmental Affairs Committee form, and I have written White House Chief of Staff Andrew Card, asking him to examine the need for all Presidential nominees to undergo a full-field FBI background investigation. Clearly, there are some positions in the Federal Government that do not require the same background investigations as, say, the Secretary of Defense.

We will continue to look for ways to improve this process. The legislation we are introducing today makes reasonable but overdue changes to the Presidential appointments process. Whether in a time of crisis or not, there is no question that the country benefits when the President's team, from either party, takes office as quickly as possible.

I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD.

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

PRESIDENTIAL APPOINTMENTS IMPROVEMENT ACT OF 2001—SECTION-BY-SECTION ANALYSIS

Section 1 of the bill. Sets forth the short title of the bill.

Section 2 of the bill. Sets forth the purposes of the bill.

Sec. 3 of the bill. Sets forth the public financial disclosure requirements for judicial and legislative personnel by amending Title I of the Ethics in Government Act to excise all current references in title which were necessary to apply the title to the officers and employees of the executive branch. No change to current financial disclosure requirements for judicial and legislative personnel have been made.

Sec. 4 of the bill. Sets forth the public financial disclosure requirements for executive branch personnel by enacting a new title II of the Ethics in Government Act. The references below are to the sections of title II of the Ethics in Government Act and not to the sections of this Act.

Section 201. Persons required to file

Subsection (a) establishes the filing deadlines for new entrants to a filing position. This does not change current requirements.

Subsection (b), Paragraphs (1) and (2) establish the filing deadlines for Presidential nominees (and individuals whom the President has announced his intent to nominate) to positions requiring Senate confirmation (other than Foreign Service Officers or certain uniformed service officers) and including the requirement to update information regarding income and honoraria to within 5 days of the confirmation hearing. This does not change current requirements.

Subsection (c), paragraph (1) contains the current filing requirements for candidates for President or Vice President. This does not change current requirements.

Paragraph (2) requires that an individual who is sworn in as President or Vice President and who did not hold either of those two positions immediately before taking the oath of office shall file a report within 30 days of taking the oath. This is new. It is intended to make clear that a newly- elected President or Vice President or an individual who takes the oath of office of either of those two positions outside the normal election cycle shall file a report within 30 days of taking the oath. A newly-elected President and Vice President who are not incumbents have previously filed as candidates. This amendment would clarify the change from candidate to incumbent and give the public timely information regarding these two officials. An individual who is re-elected as President or Vice President would not be affected by this provision and would continue to file annually on May 15.

Subsection (d) contains the requirements for annual reports. This does not change current requirements.

Subsection (e) contains the requirements for termination reports. It has been changed only to make clear that an individual who moves from any covered position to an elected position in the executive branch need not file a termination report for the first position.

Subsection (f) contains the descriptions of the officers and employees of the executive branch who must file a public financial disclosure. This does not change current requirements, except that paragraph (6) has been amended to clarify which officers or employees of the Postal Service are required to file by referencing the levels of the Postal Career Executive Service rather than an amount of basic pay.

Subsection (g) contains the provisions for extensions for filing. This does not change current provisions.

Subsection (h) contains a time-limited exception for filing by persons who are not reasonably expected to serve in their positions for more than sixty days in a calendar year. This does not change current authority.

Subsection (i) provides OGE with waiver authority for the filing requirements primarily for certain special Government employees. This does not change current waiver authority.

Section 202. Contents of reports

Subsection (a), paragraph (1), subparagraph (A) requires the reporting of the source, description and category of amount of earned income including honoraria aggregating more than $500 in value. For purposes of honoraria received during Government service, the report must include the exact amount and the date it was received. This provision does not include the current requirements for reporting exact amounts of earned income; exact amounts of any income that are not dividends, rents, interest and capital gains; contributions made to charitable organizations in lieu of honoraria; and the corresponding confidential reporting requirement of the recipients of the payments in lieu of honoraria. It also changes the threshold from "$200 or more" to "more than $500" to conform the style of the threshold descriptions and raise the amount.

Subparagraph (B) requires the reporting of the source, description and category of amount of investment income which exceeds $500 during the reporting period. This change allows all investment income to be reported by category of amount rather than only dividends, rents, interest and capital gains, and it raises the reporting threshold from $200 to $500.

Subparagraph (C) sets forth the categories of amounts for reporting earned and investment income. This provision substitutes 5 categories for the current 11 categories used for certain types of investment income.

Paragraph (2), subparagraph (A) requires the reporting of gifts aggregating more than the minimal value established by the Foreign Gifts Act (currently $260). This does not change current requirements.

Subparagraph (B) requires the reporting of reimbursements received for travel when valued at more than the minimal value established by the Foreign Gifts Act. This changes current requirements in that it eliminates the requirement to report the "itinerary" of the trip but maintains the requirement to report the dates and the nature of the expenses provided.

Subparagraph (C) provides for a publicly available waiver for reporting gifts. This does not change current authority.

Paragraph (3) contains the requirements for reporting interests in property or in a trade or business, or for investment or the production of income property held for the production of income which has a fair market value in excess of $5,000 except that deposit accounts in a financial institution aggregating $100,000 or less and any federal Government securities aggregating $100,000 or less need not be reported. This changes the current requirements by raising the general threshold reporting requirement to $5,000, by raising the threshold reporting requirement for deposit accounts from $5,000 to $100,000 and by creating a new threshold for Government securities at over $100,000 where it currently is treated as other personal property with a $1,000 reporting threshold.

Paragraph (4) contains the requirements for reporting the identity and category of value of liabilities which exceed $20,000 at any time during the reporting period except that revolving charge accounts need only be reported if the outstanding liability exceeds $20,000 as of the close of the reporting period. This changes the current requirements by raising the threshold from $10,000 to $20,000.

Paragraph (5) contains the reporting requirements for real property and securities that were: purchased, sold or exchanged during the preceding calendar year; the value of the transaction exceeded $5,000; and the property or security is not already required to be reported as a source of income or as an asset. This replaces the current requirements to report the date and category of value of any purchase, sale or exchange of real property or a security which exceeds $1,000 and eliminates some redundant reporting required by current law.

Paragraph (6), subparagraph (A) requires the reporting of certain positions (e.g. officerships, directorships, trusteeships,

partnerships, etc.) held by the reporting official during the period that encompasses the preceding calendar year and the current calendar year in which the report is filed. This changes the current requirement only in that it shortens the look-back in the reporting period from two years plus the current to one year plus the current.

Subparagraph (B) requires a non-elected new entrant to report the sources of individual compensation for personal services rendered by the reporting individual valued in excess of $25,000 in the calendar year prior to or the calendar year in which the first report was filed. It specifically exempts from reporting those sources that have already been reported previously as a source of earned income over $500. It also contains a provision that allows the reporting individual not to report any information required by this provision if the information is confidential as a result of a privileged relationship or the person for whom the services were provided had a reasonable expectation of privacy. This changes the current requirements by raising the threshold from $5,000 to $25,000; by shortening the look-back in the reporting period from two years plus the current to one year plus the current year; by deleting, through exception, the current requirement to again report sources of earned income required to be reported elsewhere; and by adding an additional exception for reporting information where the person for whom the services were provided (client) had a reasonable expectation of privacy.

Paragraph (7) requires the reporting of a description of the parties to and the terms of any agreements or arrangements for future employment (including the date of any formal agreement for future employment), leaves of absence, continuation of payments by a former employer and continuing participation in an employee benefits plan maintained by a former employer. This changes the current requirements only in that it eliminates the requirement that dates of all such agreements must be included, requiring only the dates of formal agreements for future employment.

Paragraph (8) specifies that a category of value shall be used to report the total cash value of the reporting individual in a qualified blind trust. This does not change the requirement that the total cash value of a blind trust is to be reported by category of amount, but it does eliminate a reference to blind trusts executed prior to July 24, 1995 where the trust document prohibited the beneficiary from receiving this information. There are no such trusts that would be qualified in the executive branch.

Subsection (b), paragraph (1) provides for reporting periods for candidates, Presidential nominees and other new entrants. For income, positions held and client-type information the reporting period will be the year of filing and the preceding calendar year. For assets and liabilities, the reporting period is as of a date that is less than 31 days before the filing date. For agreements and arrangements, the reporting period is as of the filing date. This maintains the current reporting periods except that it reiterates that positions held and client-type information will only be required to be reported for the preceding calendar year plus the current calendar year.

Paragraph (2), subparagraphs (A) and (B) provides for authority to allow a filer to use a format other than the standard form developed by the Office of Government Ethics or to provide exact amounts instead of reporting by category of amount. This does not change current authority.

Subsection (c) provides for reporting periods for certain first annual report filers and for those terminating Government service. This does not change current requirements.

Paragraph (1) provides OGE with regulatory authority to expand a reporting period to cover days in which the filer actually served the Government in a filing position, but information for those days was not otherwise included on a public financial disclosure. This is a new requirement intended to allow OGE to define an additional reporting period, by regulation, to fill a reporting gap that can occur between a nominee or new entrant report and the first annual report the individual is required to file. Typically the gap appears for an individual who enters Government service in November or December as a new appointee or as a regular new entrant who filed a first report promptly before the end of the year and whose next annual does not cover any of the November/December time frame when they first entered government service.

Paragraph (2) requires that reports filed at the termination of Government service shall include that part of the calendar year of filing up to the date of the termination of employment. This does not change current requirements; it is simply a renumbering.

Subsection (d), paragraph (1) sets forth the five categories of value for reporting assets. This changes the current eleven categories to five and eliminates the requirement that liabilities and trusts be reported using the same categories as assets.

Paragraph (2) sets forth the alternative methods for valuing an asset. This does not change current alternatives.

Paragraph (3) sets forth the four categories of value for reporting liabilities and qualified blind trusts. This is a new provision that sets forth categories of value for reporting liabilities and qualified blind trusts that are different from the categories of value for reporting assets, and provides for only four categories instead of the current eleven.

Subsection (e), paragraph (1), subparagraph (A) requires that a report include the sources (but not the amounts) of earned income (including honoraria) earned by the spouse which exceed $500 except that when the spouse is self-employed, only the nature of the business need be reported. This changes the current requirement by lowering the threshold amount from $1,000 to match the $500 threshold for filers, and eliminates the requirement that amounts of honoraria earned by a spouse be reported.

Subparagraph (B) requires that the same information regarding investment income required of a filer will be required to be reported for the spouse or dependent child. This changes the current requirement by requiring the reporting of all reportable investment income rather than specifying only income from assets that are required to be reported.

Subparagraphs (C) and (D) set forth the reporting requirements for gifts and reimbursements received by a spouse or dependent child. These do not change current requirements.

Subparagraph (E) sets forth the test for the certification that would provide an exemption for reporting certain spousal and dependent child's information. There is no change to the longstanding OGE requirement regarding certification, although there is a grammatical correction.

Subparagraph (F) specifies that reports filed by nominees, candidates and new entrants need only contain information regarding sources of income, assets and liabilities of a spouse and dependent child. This does not change current requirements.

Paragraph (2) provides for the non-disclosure of information of a spouse living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation or of information relating to income or obligations arising from the dissolution of a marriage or permanent separation. This does not change current authority.

Subsection (f), paragraph (1) sets forth the general requirement for reporting information regarding the holdings of and the income from a trust in which the filer, spouse or dependent child has a beneficial interest in principal or income, and references the exceptions. This does not change current requirements.

Paragraph (2) describes the three types of trusts for which the holdings and income would not be subject to the general reporting requirements set forth in subparagraph (1). This does not change current descriptions.

Paragraph (3) sets forth the requirements for a qualified blind trust. This does not change current requirements except that a reference to trusts qualified prior to January 1, 1991 has been eliminated as no longer necessary.

Paragraph (4) sets forth the requirements for a diversified blind trust. This does not change current requirements.

Paragraph (5) sets forth the requirements for the public documents that must be filed in relation to a trust. It does not change current requirements except that it eliminates a requirement that the filer file a public copy of a list of the trust assets with the Office of Government Ethics upon dissolution of the trust.

Paragraph (6) sets forth the restrictions applicable to the trustee and the reporting individual with regard to disclosing and soliciting certain information about a blind trust and the penalties for violating those restrictions. This does not change current restrictions or penalties.

Paragraph (7) sets forth the requirements for qualifying as blind a pre-existing trust. This does not change current requirements.

Paragraph (8) sets forth the exception for reporting the financial interests held by a widely held investment fund. This does not change the current exception.

Paragraph (9), subparagraph (A) sets forth the requirements that must be met by a new entrant or nominee in order to not disclose the assets of certain trust and investment funds where reporting would result in the disclosure of financial information of another not otherwise required to be report; disclosure of the information is prohibited by contract or the information is not otherwise publicly available; and the reporting individual has agreed to divest of the interest within 90 days of the date of the agreement.

This is a new provision included to address the reporting requirements for investment vehicles such as limited partnerships where the filer may not have specific information about the underlying holdings of the fund necessary to complete a financial disclosure form; where the investment manager does not ordinarily disclose his investments; or where other investors do not want the identity of their investments disclosed. In these cases, the filer's agreement to divest, and interim recusals when necessary, adequately address conflict of interest concerns.

Subparagraph (B) sets forth the requirements that must be met by annual and termination report filers in order not to disclose the assets of certain trust and investment funds acquired involuntarily during the reporting period and otherwise described by subparagraph (A). This is new and is complementary to subparagraph (A).

Subsection (g) provides that financial information regarding political campaign funds is not required to be reported in any report pursuant to the title. This does not change current law.

Subsection (h) provides that gifts and reimbursements received when the filer was not an officer or employee need not be included on any report filed pursuant to the title. This does not change current law.

Subsection (i) provides that assets, benefits and income from federal retirement systems or Social Security need not be reported.

This does not change current law.

Subsection (j) provides that Designated Agency Ethics Officers shall submit, on a monthly basis, a list of recently granted criminal conflict-of-interest waivers to the Office of Government Ethics. It further provides that the Office of Government Ethics publish notice of these waivers and of the waivers that has itself granted. This is a new requirement designed to expedite public notice of waivers.

Paragraph (k) provides that waivers be included with the filing for the year in which it was granted. This is a new requirement designed to expedite public availability of waivers.

Section 203. Filing of reports

Subsection (a) provides for the filing of most reports with the agency in which the individual will serve. This does not change current requirements.

Subsection (b) provides that the President and Vice President shall file reports with the Director of the Office of Government Ethics. This does not change current requirements for these individuals although it eliminates the reference to Independent Counsels and their staffs.

Subsection (c) provides that copies of certain forms that are filed with an agency shall also be transmitted to the Office of Government Ethics. This does not change current requirements.

Subsection (d) requires that the reports filed directly with the Office of Government Ethics shall be available immediately to the public. This does not change current requirements.

Subsection (e) requires that candidates for President and Vice President shall file with the Federal Election Commission. This does not change current requirements.

Subsection (f) requires that reports of members of the uniformed services shall be filed with the Secretary concerned. This does not change current requirements.

Subsection (g) provides that the Office of Government Ethics shall develop the forms for reporting for the executive branch. This does not change current requirements.

Section 204. Failure to file or filing false reports

Subsection (a) provides for civil actions and penalties for knowing and willful falsification and willful failure to file or report information. This does not change current law.

Subsection (b) directs OGE, agency heads and Department Secretaries to refer to the Attorney General the names of individuals for whom there is reasonable cause to believe have willfully falsified or willfully failed to file information required to be reported. This does not change current law.

Subsection (c) provides for authority to take appropriate administrative action for failure to file or falsifying or failing to report required information. This does not change current law.

Subsection (d), paragraph (1) provides a late filing fee of $500. This raises the current fee from $200 to $500.

Paragraph (2) provides OGE with the authority to waive a late filing fee for good cause shown. This changes the standard of the test for a waiver from ''extraordinary circumstances.'' Experience has shown a good cause test to be more appropriate to meet the circumstances where OGE has felt that the fee should be waived, particularly when the failure to file on a timely basis has not been the fault of the filer.

Section 205. Custody of and public access to reports

Subsection (a) sets forth the authority that allows agencies to make the reports filed pursuant to the title public and the authority to except from public release certain reports filed by individuals engaged in intelligence activities. This does not change current requirements.

Subsection (b), Paragraph (1) sets forth the requirements for when the reports must become available to the public and the authority to recover reproduction costs. This does not change current requirements.

Paragraph (2) sets forth the requirement for a written request in order to obtain a copy of an individual's report. This does not change current requirements.

Subsection (c) sets forth the restrictions on obtaining or using a report for specified purposes and the penalties for such unlawful activities. This does not change current law.

Subsection (d) provides for the periods a report must be retained and available for public inspection and for its subsequent destruction. This does not change current law.

Section 206. Review of reports

Subsection (a) sets forth the time during which an agency should review a report filed with it. This does not change current requirements.

Subsection (b), paragraphs (1)–(6) set forth the procedures to be followed by a reviewing agency including OGE in seeking to certify a form including steps for assuring compliance with applicable laws. This does not change current procedures except that paragraph (b)(2)(A) clarifies that a reviewer may request additional information if he believes it is necessary for the form to be complete or for conflicts of interest analysis. Current law is more general about why a reviewer may request additional information.

Paragraph (7) gives OGE specific authority to render advisory opinions interpreting this title and provides a precedential standard for these opinions. This does not change current law.

Section. 207. Confidential reports and other additional requirements

Subsection (a) Paragraph (1) gives OGE the authority to establish an additional financial disclosure system for the executive branch. This does not change current authority.

Paragraph (2) provides that financial disclosure reports filed pursuant to this authority will be confidential. This does not change current authority.

Paragraph (3) makes clear that nothing in this authority exempts an individual from filing publicly information required to be reported elsewhere in the title. This does not change current authority.

Subsection (b) provides that this authority shall supersede any general requirement for filing financial information for the purposes of conflicts of interest with the exception of the information required by the Foreign Gifts and Decorations Act. This does not change current law.

Subsection (c) makes clear that reporting any information does not authorize the receipt of the reported income, gifts or reimbursements or holding assets, liabilities or positions, or the participation in transactions that are prohibited. This does not change current law.

Section 208. Authority of the Comptroller General

This section provides the CG with access to any financial disclosure report filed pursuant to this title for the purposes of carrying out his statutory responsibilities. This does not change current law with regard to the access to forms. It does, however, eliminate a current requirement that the CG conduct regular studies of the financial disclosure system. Such elimination is consistent with efforts to eliminate periodic Government reports, but does not in any way affect the CG's authority to conduct such a study on an as needed or requested basis.

Section 209. Definitions

The following terms are defined: (1) dependent child; (2) designated agency ethics official; (3) executive branch; (4) gift; (5) honoraria; (6) income; (7) personal hospitality of any individual; (8) reimbursement; (9) relative; (10) Secretary concerned; and (11) value. All terms retain their current definitions except ''gift'' no longer includes an exception for consumable products provided by home-State businesses because of its primary relevance for Members of Congress and includes an exception for gifts accepted or reported pursuant to the Foreign Gifts Act; ''honoraria'' no longer references a section of a law that has been ruled unconstitutional and/or unenforceable for the executive branch and instead is now defined as a thing of value for a speech, article or appearance; and ''income'' now specifically includes prizes and awards as a part of the items that are considered income. This changes current law as described above and eliminates individual terms that were only required to be defined if the legislative and/or judicial branch filing requirements were included.

Section 210. Notice of actions taken to comply with ethics agreements

Subsection (a) sets forth the notification requirements that must be followed by an individual who has agreed to take certain actions in order to avoid conflicts of interest. Notification must first be made no later than the date specified in the agreement or no later than 3 months after the date of the agreement. If all actions have not been taken by the time the first notification is required, the individual must thereafter, on a monthly basis, file such notifications until all agreements are met. Current law only requires one notification; this adds the continuing monthly requirement to report the status of steps taken to comply until all terms of the agreement have been met.

Subsection (b) describes the documentation required to be filed for an ethics agreement that includes a promise to recuse. This does not change current requirements.

Section 211. Administration of provisions

This provides OGE with clear authority to issue regulations, develop forms and provide such guidance as is necessary to implement and interpret this title. This clarifies current law for the executive branch.

Sec. 5. Provides that the Executive Clerk of the White House will transmit a list of Presidentially-appointed positions to each presidential candidate following the nominating conventions. This is a change to current law, under which such a list could only be provided to the President-elect after the November election. This section is intended to speed the process of identifying and vetting major Presidential appointees.

Sec. 6. Provides that the head of each agency will submit a plan, within 180 days of enactment of the Act, that details the number of Presidentially-appointed positions within the agency and outlines a plan to reduce the number of those positions. This is clearly a new requirement, one intended to begin the dialogue of reducing the large number of appointees and speeding up the process for positions that remain.

Sec. 7. Provides that the Attorney General will review the Federal criminal conflict of interest laws and suggest coordination and improvements that might be made. This section is designed to aid in the decriminalization of such laws, in the case when honest mistakes are made in the process of recording extensive financial transactions.

Sec. 8. Provides that the amendments made by Section 4 take effect on January 1 of the year following the date of enactment of the Act.

By Mr. CORZINE (for himself and Mr. TORRICELLI):

S. 1812. A bill to repeat the provision of the September 11th Victim Compensation Fund of 2001 that requires the reduction of a claimant's compensation by the amount of any collateral source compensation payments the claimant is entitled to receive, and for other purposes; to the Committee on the Judiciary.

Mr. CORZINE. Madam President, today along with Senator TORRICELLI I am introducing legislation to ensure that the families who suffered tremendous losses in the terrorist attacks on September 11th receive the compensation they deserve and need to move forward with their lives. The bill would eliminate provisions in current law that reduce the compensation to which they are entitled because of contributions received from other sources.

New Jersey has been tragically affected by the terrorist attacks of September 11. This past weekend, I met with over 400 family members who lost a loved one on the 11th. These people are dealing with unimaginable pain, and many are struggling as they try to provide for the security of their families.

To obtain assistance, families are being forced to navigate through extensive paperwork burdens. They have filled out countless forms and made countless calls seeking answers about the benefits to which they are entitled. Yet many fear that, notwithstanding their efforts, they will be unable to secure the assistance that they need so badly.

The American people want to help these victims, and Congress has acted in an effort to make that happen. Soon after September 11, as part of broader legislation to support the airline industry, Congress established a fund to compensate the victims of the attacks, the September 11 Victim Compensation Fund.

Under that legislation, victims and their families can choose to seek compensation from the Fund, in return for relinquishing their right to file suit against an airline. Those victims who opt-in are eligible for full economic and non-economic damages, but not punitive damages. The amount of compensation will be determined by a Special Master, Kenneth Feinberg.

The purpose of the Fund is to ensure that victims are fully compensated without having to go to court, a process that could take many years for families who urgently need assistance. I support this goal. Unfortunately, in our desire to both aid the industry by limiting their liability and to provide compensation to the victims and their families, we rushed the legislation to enactment without sufficient consideration of how the Fund would operate.

As a result, the law contains a glaring flaw. It includes a ''collateral source'' rule, which requires the Special Master to deduct the amount of life insurance and pension payments from the amount of compensation that would otherwise be available to victims and families under the Fund. This rule, in my view, is a serious mistake, and threatens to deny needed compensation for many of these victims.

It is wrong to treat victims of the disaster on September 11 any differently. Reducing their awards not only harms these families, it also runs counter to the goals of the original legislation. After all, if families cannot obtain the compensation they need through the Victims Compensation Fund, some of them will be forced to go straight to court. That will delay the compensation they need, and subject airlines to costs and liability that Congress sought to protect them against.

I would note, that in addition to repealing the collateral source rule, my legislation makes clear that charitable donations should not be considered collateral sources and should not count against compensation awarded under the Fund. This no only ensures that families get the compensation they need, but its ensures that those who have made charitable contributions are not treated unfairly. After all, those who have generously sent checks to charitable organizations did not think that their contributions would reduce Federal compensation. In effect, such a reduction would be a tax on people who have contributed their own funds in an effort to help. In addition, without such a clarification, charities may withhold funds for victims until after they recover from the fund, in order to avoid an offset.

Recovery under the Victims' Compensation Fund is not the only relief that these grieving families need. Although charities have provided some assistance to families over the past three months, that funding has only been a stopgap measure. These families need immediate tax relief. I am pleased that just before Thanksgiving the Senate passed a comprehensive victims' tax relief bill, but unfortunately the House has only passed a more narrow version of the legislation.

These families need immediate relief so that they can plan and provide for their families. They need: a waiver of federal income tax liability for this year and last year; payroll tax relief—this is particularly important to low-wage workers, who are less likely to benefit from the waiver of income tax liability, and are also less likely to have left their families with life insurance and pensions; reduced estate taxes; exclusion of survivor, disability and emergency relief benefits from taxation; and finally, we need to make it easier for charitable organizations to make disaster relief payments to help victims and their families with both short-term and long-term needs, such as scholarships for victims' children.

Many of these proposals are based on provisions in current law that provide tax relief to soldiers who die in combat and government employees who die in terrorist attacks outside the United States. Extending these provisions to the victims of the terrorist attacks is appropriate because the attacks of September 11 were attacks on our entire nation.

Last week some families came down here to meet with the New Jersey delegation and House and Senate leadership to plead for immediate assistance, so that they can pay their mortgages, keep children in school, and keep their heads above water. They made their case powerfully and effectively, and we in Congress must no let them down.

I urge my colleagues to stand up for these victims and support my legislation. I asks unanimous consent the text of the bill be printed in the RECORD.

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

S. 1812

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 ''September 11th Victim Compensation Fund Fairness Act''.

SEC. 2. REPEAL OF COLLATERAL COMPENSATION PROVISION.

(a) REPEAL OF COLLATERAL COMPENSATION PROVISION.—Section 405(b)(6) of the September 11th Victim Compensation Fund of 2001 (49 U.S.C. 40101 note) is hereby repealed.

(b) APPLICATION OF THE SEPTEMBER 11TH VICTIM COMPENSATION FUND OF 2001.—The compensation program established under the September 11th Victim Compensation Fund of 2001 (49 U.S.C. 40101 note) shall be administered as if section 405(b)(6) of that Act had not been enacted.

SEC. 3. AMENDMENT OF COLLATERAL SOURCE DEFINITION.

Paragraph (6) of section 402 of the September 11th Victim Compensation Fund of 2001 (49 U.S.C. 40101 note) is amended by adding at the end the following: ''The term 'collateral source' does not include payments or other assistance received from a nonprofit organization, if such organization is described in paragraph (3) or (4) of section 501(c) of the Internal Revenue Code of 1986 and is exempt from tax under section 501(a) of such Code.''.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2481. Mr. ALLEN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table.

SA 2482. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2483. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 1650, to amend the Public Health Service Act to change provisions regarding emergencies; which was referred to

the Committee on Health, Education, Labor, and Pensions.

SA 2484. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 1765, to improve the ability of the United States to prepare for and respond to a biological threat or attack; which was ordered to lie on the table.

SA 2485. Mr. TORRICELLI (for himself and Mr. REID) submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table.

SA 2486. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2487. Mr. STEVENS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2488. Mr. STEVENS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2489. Mr. STEVENS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2490. Mr. STEVENS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2491. Mr. SANTORUM submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2492. Mrs. MURRAY (for herself, Ms. CANTWELL, Mr. INOUYE, Mr. BAUCUS, Mr. WELLSTONE, and Mr. DASCHLE) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2493. Mrs. MURRAY (for herself, Ms. CANTWELL, Mr. INOUYE, Mr. BAUCUS, Mr. WELLSTONE, and Mr. DASCHLE) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2494. Mr. SMITH, of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2495. Mr. SMITH, of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2496. Mr. SANTORUM (for himself, Mr. DURBIN, and Mr. FEINGOLD) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2497. Mr. SMITH, of Oregon submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2498. Mr. SMITH, of Oregon submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2499. Mr. BYRD submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2500. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2501. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2502. Mr. DOMENICI (for himself, Mr. CRAIG, Mr. BURNS, Mr. CRAPO, Mrs. HUTCHISON, Mr. ENZI, Mr. THOMAS, Mr. KYL, Mr. SMITH, of Oregon, Mr. HATCH, Mr. ALLARD, and Mr. CAMPBELL) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2503. Mr. REID (for Mr. KENNEDY (for himself, Mr. WARNER, Mr. FRIST, Mrs. CLINTON, Mr. WELLSTONE, Ms. COLLINS, Mrs. MURRAY, and Mr. DOMENICI)) proposed an amendment to the bill S. 1729, to provide assistance with respect to the mental health needs of individuals affected by the terrorist attacks of September 11, 2001.

SA 2504. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table.

SA 2505. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2506. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2507. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2508. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2509. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2510. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2511. Mr. DASCHLE (for himself and Mr. LUGAR) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2512. Mr. CRAIG (for himself and Mr. GREGG) proposed an amendment to amendment SA 2511 submitted by Mr. DASCHLE and intended to be proposed to the amendment SA 2471 proposed by Mr. DASCHLE to the bill (S. 1731) supra.

SA 2513. Mr. BOND (for himself, Mr. GRASSLEY, Mr. ENZI, Mr. HAGEL, and Mr. MILLER) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2514. Mr. SMITH, of Oregon submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2515. Mr. REID (for Mr. LIEBERMAN) proposed an amendment to the bill H.R. 1499, An act to amend the District of Columbia College Access Act of 1999 to permit individuals who enroll in an institution of higher education more than 3 years after graduating from a secondary school and individuals who attend private historically black colleges and universities nationwide to participate in the tuition assistance programs under such Act, and for other purposes.

TEXT OF AMENDMENTS

SA 2481. Mr. ALLEN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Homestead Preservation Act''.

SEC. 2. MORTGAGE PAYMENT ASSISTANCE.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Labor (referred to in this section as the ''Secretary'') shall establish a program under which the Secretary shall award low-interest loans to eligible individuals to enable such individuals to continue to make mortgage payments with respect to the primary residences of such individuals.

(b) ELIGIBILITY.—To be eligible to receive a loan under the program established under subsection (a), an individual shall—

(1) be—

(A) an adversely affected worker who is receiving benefits under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.); or

(B) an individual who would be an individual described in subparagraph (A) but who resides in a State that has not entered into an agreement under section 239 of such Act (19 U.S.C. 2311);

(2) be a borrower under a loan which requires the individual to make monthly mortgage payments with respect to the primary place of residence of the individual; and

(3) be enrolled in a job training or job assistance program.

(c) LOAN REQUIREMENTS.—

(1) IN GENERAL.—A loan provided to an eligible individual under this section shall—

(A) be for a period of not to exceed 12 months;

(B) be for an amount that does not exceed the sum of—

(i) the amount of the monthly mortgage payment owed by the individual; and

(ii) the number of months for which the loan is provided;

(C) have an applicable rate of interest that equals 4 percent;

(D) require repayment as provided for in subsection (d); and

(E) be subject to such other terms and conditions as the Secretary determines appropriate.

(2) ACCOUNT.—A loan awarded to an individual under this section shall be deposited into an account from which a monthly mortgage payment will be made in accordance with the terms and conditions of such loan.

(d) REPAYMENT.—

(1) IN GENERAL.—An individual to which a loan has been awarded under this section shall be required to begin making repayments on the loan on the earlier of—

(A) the date on which the individual has been employed on a full-time basis for 6 consecutive months; or

(B) the date that is 1 year after the date on which the loan has been approved under this section.

(2) REPAYMENT PERIOD AND AMOUNT.—

(A) REPAYMENT PERIOD.—A loan awarded under this section shall be repaid on a monthly basis over the 5-year period beginning on the date determined under paragraph (1).

(B) AMOUNT.—The amount of the monthly payment described in subparagraph (A) shall be determined by dividing the total amount provided under the loan (plus interest) by 60.

(C) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit an individual from—

(i) paying off a loan awarded under this section in less than 5 years; or

(ii) from paying a monthly amount under such loan in excess of the monthly amount determined under subparagraph (B) with respect to the loan.

(e) REGULATIONS.—Not later than 6 weeks after the date of enactment of this Act, the Secretary shall promulgate regulations necessary to carry out this section, including regulations that permit an individual to certify that the individual is an eligible individual under subsection (b).

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $10,000,000 for each of fiscal years 2003 through 2007.

SA 2482. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Homestead Preservation Act''.

SEC. 2. MORTGAGE PAYMENT ASSISTANCE.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Labor (referred to in this section as the ''Secretary'') shall establish a program under which the Secretary shall award low-interest loans to eligible individuals to enable such individuals to continue to make mortgage payments with respect to the primary residences of such individuals.

(b) ELIGIBILITY.—To be eligible to receive a loan under the program established under subsection (a), an individual shall—

(1) be—

(A) an adversely affected worker who is receiving benefits under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.); or

(B) an individual who would be an individual described in subparagraph (A) but who resides in a State that has not entered into an agreement under section 239 of such Act (19 U.S.C. 2311);

(2) be a borrower under a loan which requires the individual to make monthly mortgage payments with respect to the primary place of residence of the individual; and

(3) be enrolled in a job training or job assistance program.

(c) LOAN REQUIREMENTS.—

(1) IN GENERAL.—A loan provided to an eligible individual under this section shall—

(A) be for a period of not to exceed 12 months;

(B) be for an amount that does not exceed the sum of—

(i) the amount of the monthly mortgage payment owed by the individual; and

(ii) the number of months for which the loan is provided;

(C) have an applicable rate of interest that equals 4 percent;

(D) require repayment as provided for in subsection (d); and

(E) be subject to such other terms and conditions as the Secretary determines appropriate.

(2) ACCOUNT.—A loan awarded to an individual under this section shall be deposited into an account from which a monthly mortgage payment will be made in accordance with the terms and conditions of such loan.

(d) REPAYMENT.—

(1) IN GENERAL.—An individual to which a loan has been awarded under this section shall be required to begin making repayments on the loan on the earlier of—

(A) the date on which the individual has been employed on a full-time basis for 6 consecutive months; or

(B) the date that is 1 year after the date on which the loan has been approved under this section.

(2) REPAYMENT PERIOD AND AMOUNT.—

(A) REPAYMENT PERIOD.—A loan awarded under this section shall be repaid on a monthly basis over the 5-year period beginning on the date determined under paragraph (1).

(B) AMOUNT.—The amount of the monthly payment described in subparagraph (A) shall be determined by dividing the total amount provided under the loan (plus interest) by 60.

(C) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit an individual from—

(i) paying off a loan awarded under this section in less than 5 years; or

(ii) from paying a monthly amount under such loan in excess of the monthly amount determined under subparagraph (B) with respect to the loan.

(e) REGULATIONS.—Not later than 6 weeks after the date of enactment of this Act, the Secretary shall promulgate regulations necessary to carry out this section, including regulations that permit an individual to certify that the individual is an eligible individual under subsection (b).

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $10,000,000 for each of fiscal years 2003 through 2007.

SA 2483. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 1650, to amend the Public Health Service Act to change provisions regarding emergencies; which was referred to the Committee on Health, Education, Labor, and Pensions; as follows:

At the end of the bill, add the following:

SEC. ____. PUBLIC HEALTH EMERGENCIES.

(a) SHORT TITLE.—This section may be cited as the ''Public Health Emergencies Accountability Act''.

(b) AMENDMENT.—Part B of title III of the Public Health Service Act (42 U.S.C. 243 et seq.) is amended by striking section 319 and inserting the following:

''SEC. 319. PUBLIC HEALTH EMERGENCIES.

''(a) EMERGENCIES.—If the Secretary determines, after consultation with the Director of the Centers for Disease Control and Prevention and other public health officials as may be necessary, that—

''(1) a disease or disorder presents a public health emergency; or

''(2) a detected or suspected public health emergency, including significant outbreaks of infectious diseases or terrorist attacks involving biological, chemical, or radiological weapons, otherwise exists,

the Secretary may take such action as may be appropriate to respond to the public health emergency, including making grants and entering into contracts and, acting through the Centers for Disease Control and Prevention, conducting and supporting investigations into cause, treatment, or prevention of a disease or disorder as described in paragraphs (1) and (2), directing the response of other Federal departments and agencies with respect to the safety of the general public and Federal employees and facilities, and disseminating necessary information to assist States, localities, and the general public in responding to a disease or disorder as described in paragraphs (1) and (2).

''(b) DETERMINATION.—A determination of an emergency by the Secretary under subsection (a) shall supersede all other provisions of law with respect to actions and responsibilities of the Federal Government, but in all such cases the Secretary shall keep the relevant Federal departments and agencies, including but not limited to the Department of Justice, the Federal Bureau of Investigation, the Office of Homeland Security, and the committees of Congress listed in subsection (f), fully and currently informed.

''(c) FULL DISCLOSURE.—In cases involving, or potentially involving, a public health emergency, but where no determination of an emergency by the Secretary, under the provisions of subsection (a), has been made, all relevant Federal departments and agencies, including but not limited to the Department of Justice, the Federal Bureau of Investigation, the Office of Homeland Security, shall keep the Secretary and the Centers for Disease Control and Prevention and the committees of Congress listed in subsection (f), fully and currently informed.

''(d) PUBLIC HEALTH EMERGENCY FUND.—

''(1) IN GENERAL.—There is established in the Treasury a fund to be designated as the ''Public Health Emergency Fund'' to be made available to the Secretary without fiscal year limitation to carry out subsection (a) only if a public health emergency has been declared by the Secretary under such subsection. There is authorized to be appropriated to the Fund such sums as may be necessary.

''(2) REPORT.—Not later than 90 days after the end of each fiscal year, the Secretary shall prepare and submit to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on Commerce and the Committee on Appropriations of the House of Representatives a report describing—

''(A) the expenditures made from the Public Health Emergency Fund in such fiscal year; and

''(B) each public health emergency for which the expenditures were made and the activities undertaken with respect to each emergency which was conducted or supported by expenditures from the Fund.

''(e) SUPPLEMENT NOT SUPPLANT.—Funds appropriated under this section shall be used to supplement and not supplant other Federal, State, and local public funds provided for activities under this section.

''(f) EMERGENCY DECLARATION PERIOD.—A determination by the Secretary under subsection (a) that a public health emergency exists shall remain in effect for a time period specified by the Secretary but not longer than the 180-day period beginning on the date of the determination. Such period may be extended by the Secretary if the Secretary determines that such an extension is appropriate and notifies the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Appropriations of the Senate and the Committee on Commerce of the House of Representatives and the Committee on Appropriations of the House of Representatives.''.

SA 2484. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 1765, to improve the ability of the United States to prepare for and respond to a biological threat or attack; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. DEVELOPMENT OF CAMPUSES OF THE CENTERS FOR DISEASE CONTROL AND PREVENTION.

Section 319D of the Public Health Service Act (42 U.S.C. 274d-4), as amended by section 202, is further amended by adding at the end the following:

''(d) DEVELOPMENT OF CAMPUSES OF THE CENTERS FOR DISEASE CONTROL AND PREVENTION.—

''(1) IN GENERAL.—Notwithstanding the provisions of the Public Buildings Act of 1959 (40 U.S.C. 601 et seq), or any other provision of law inconsistent with this subsection other than Federal environmental and historic preservation laws, the Secretary, in order to relocate the Centers for Disease Control and Prevention's public health research, policy making, and administrative operations that are housed on the date of enactment of this title in various leased properties, may enter into leases with any public or private person or entity to develop or facilitate the development of real property that is under the jurisdiction or control of the Secretary at the Edward R. Roybal and Chamblee Campuses of the Centers for Disease Control and Prevention in Atlanta, Georgia. Any such lease shall be referred to as a 'cooperative development lease'.

''(2) PRE-LEASE REQUIREMENTS.—

''(A) IN GENERAL.—The Secretary may not enter into a cooperative development lease under this subsection until—

''(i) the Secretary submits to the appropriate committees of Congress a business plan for the development of the Edward R. Roybal and Chamblee Campuses;

''(ii) the expiration of the 30-day period beginning on the date on which the business plan is received by such committees; and

''(iii) the Secretary has conduct 2 public meetings, 1 of which shall be held at or near the Edward R. Roybal Campus, and the other of which shall be held at or near the Chamblee Campus, for purposes of informing the local community of the pending cooperative development lease proposal.

''(B) CONTENTS OF BUSINESS PLANS.—A business plan submitted under subparagraph (A) shall include the following information:

''(i) The Proposed location of the building as shown on a campus site plan.

''(ii) The gross and net usable square feet of the building and adjacent parking areas and structures.

''(iii) The proposed organizational units and personnel of the Centers for Disease Control and Prevention to be housed in the building.

''(iv) The estimated design, construction, and financing costs and terms of the building.

''(v) A projected milestone schedule for the design, construction, and occupancy of the building.

''(C) NOTICE.—The Secretary shall provide reasonable notice of the public meetings under subparagraph (A)(iii) in a newspaper of local circulation, and by other means as necessary, at least 15 days in advance of the meetings.

''(D) DEFINITION.—In subparagraph (A), the term 'appropriate committees of Congress' means the authorizing and appropriations committees for the Department of Health and Human Services.

''(3) PROPERTY NOT UNUTILIZED OR UNDERUTILIZED.—Property that is leased to another party under a cooperative development lease may not be considered to be unutilized or underutilized for purposes of Section 501 of the Stewart B. McKinney Homeless Assistance Act.

''(4) SELECTION PROCESS.—In awarding a cooperative development lease, the Secretary shall use selection procedures determined appropriate by the Secretary that ensure the integrity of the selection process.

''(5) TERM OF LEASE.—The term of a cooperative development lease may not exceed 50 years.

''(6) CONSIDERATION.—Any cooperative development lease shall be for fair consideration, as determined appropriate by the Secretary. Consideration under such a lease may be provided in whole or in part through consideration-in-kind. Such consideration-in-kind may include the provision of goods or services that are of benefit to the Centers for Disease Control and Prevention, including construction, repair and improvements, and maintenance of property and improvements of the Centers, or the provision of office, storage, or other usable space.

''(7) SPECIFICATIONS FOR LEASE.—The specifications of a cooperative development lease may provide that the Secretary will—

''(A) obtain facilities, space, or services on the leased property under such terms as the Secretary considers appropriate to protect the interests of the United States and to promote the purposes of this section;

''(B) use appropriated funds for any payments, including rental of space, and for capital contribution payments applicable to the operation, maintenance, and security of real property, personal property, or facilities on the leased property; and

''(C) provide any service determined by the Secretary to be a service that supports the operation, maintenance, and security of real property, personal property, or facilities on the leased property.

''(8) CONSTRUCTION STANDARDS.—

''(A) IN GENERAL.—Unless other provided for by the Secretary, the construction, alteration, repair, remodeling, or improvement of the property that is the subject of a cooperative development lease shall be carried out so as to comply with all standards applicable to Federal buildings. Any such construction, alteration, repair, remodeling, or improvement shall not be subject to any State or local law relating to building codes, permits, or inspections unless otherwise applicable to Federal buildings or unless the Secretary provides otherwise.

''(B) INSPECTIONS.—If Federal construction standards are applicable to a property under this subsection, the Secretary shall conduct periodic inspections of any such construction, alteration, repair, remodeling, or improvement for the purpose of ensuring that such standards are complied with.

''(9) APPLICABILITY OF STATE OR LOCAL LAWS.—The interest of the United States in any property subject to a cooperative development lease, and any use by the United States of such property during such lease, shall not be subject, directly or indirectly, to any State or local law relative to taxation, fees, assessments, or special assessments, except sales tax charged in connection with any construction, alteration, repair, remodeling, or improvement project carried out under the lease.

''(10) TREATMENT AS OPERATING LEASE.—A cooperative development lease shall be considered an operating lease in accordance with the Budget Enforcement Act of 1990, if the term of legal obligation of the Centers for Disease Control and Prevention under the lease does not exceed 75 percent of the estimated economic life of the asset or assets that are subject to the lease, and the present value of the Centers' legal obligation during any lease term does not exceed 90 percent of the market value of such asset or assets at the beginning of the lease.

''(11) EXPIRATION.—The authority of the Secretary to enter into cooperative development leases under this subsection shall expire on September 30, 2009.''.

SA 2485. Mr. TORRICELLI (for himself and Mr. REID) submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of subtitle C of title X and insert a period and the following:

SEC. 10___. PEST MANAGEMENT IN SCHOOLS.

(a) SHORT TITLE.—This section may be cited as the ''School Environment Protection Act of 2001''.

(b) PEST MANAGEMENT.—The Federal Insecticide, Fungicide, and Rodenticide Act is amended—

(1) by redesignating sections 33 and 34 (7 U.S.C. 136x, 136y) as sections 34 and 35, respectively; and

(2) by inserting after section 32 (7 U.S.C. 136w–7) the following:

''SEC. 33. PEST MANAGEMENT IN SCHOOLS.

''(a) DEFINITIONS.—In this section:

''(1) BAIT.—The term 'bait' means a pesticide that contains an ingredient that serves as a feeding stimulant, odor, pheromone, or other attractant for a target pest.

''(2) CONTACT PERSON.—The term 'contact person' means an individual who is—

''(A) knowledgeable about school pest management plans; and

''(B) designated by a local educational agency to carry out implementation of the school pest management plan of a school.

''(3) EMERGENCY.—The term 'emergency' means an urgent need to mitigate or eliminate a pest that threatens the health or safety of a student or staff member.

''(4) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given the term in section 3 of the Elementary and Secondary Education Act of 1965.

''(5) SCHOOL.—

''(A) IN GENERAL.—The term 'school' means a public—

''(i) elementary school (as defined in section 3 of the Elementary and Secondary Education Act of 1965);

''(ii) secondary school (as defined in section 3 of that Act);

''(iii) kindergarten or nursery school that is part of an elementary school or secondary school; or

''(iv) tribally-funded school.

''(B) INCLUSIONS.—The term 'school' includes any school building, and any area outside of a school building (including a lawn, playground, sports field, and any other property or facility), that is controlled, managed, or owned by the school or school district.

''(6) SCHOOL PEST MANAGEMENT PLAN.—The term 'school pest management plan' means a pest management plan developed under subsection (b).

''(7) STAFF MEMBER.—

''(A) IN GENERAL.—The term 'staff member' means a person employed at a school or local educational agency.

''(B) EXCLUSIONS.—The term 'staff member' does not include—

''(i) a person hired by a school, local educational agency, or State to apply a pesticide; or

''(ii) a person assisting in the application of a pesticide.

''(8) STATE AGENCY.—The term 'State agency' means the an agency of a State, or an agency of an Indian tribe or tribal organization (as those terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), that exercises primary jurisdiction over matters relating to pesticide regulation.

''(9) UNIVERSAL NOTIFICATION.—The term 'universal notification' means notice provided by a local educational agency or school to—

''(A) parents, legal guardians, or other persons with legal standing as parents of each child attending the school; and

''(B) staff members of the school.

''(b) SCHOOL PEST MANAGEMENT PLANS.—

''(1) STATE PLANS.—

''(A) GUIDANCE.—As soon as practicable (but not later than 180 days) after the date of enactment of the School Environment Protection Act of 2001, the Administrator shall develop, in accordance with this section—

''(i) guidance for a school pest management plan; and

''(ii) a sample school pest management plan.

''(B) PLAN.—As soon as practicable (but not later than 1 year) after the date of enactment of the School Environment Protection Act of 2001, each State agency shall develop and submit to the Administrator for approval, as part of the State cooperative agreement under section 23, a school pest management plan for local educational agencies in the State.

''(C) COMPONENTS.—A school pest management plan developed under subparagraph (B) shall, at a minimum—

''(i) implement a system that—

''(I) eliminates or mitigates health risks, or economic or aesthetic damage, caused by pests;

''(II) employs—

''(aa) integrated methods;

''(bb) site or pest inspection;

''(cc) pest population monitoring; and

''(dd) an evaluation of the need for pest management; and

''(III) is developed taking into consideration pest management alternatives (including sanitation, structural repair, and mechanical, biological, cultural, and pesticide strategies) that minimize health and environmental risks;

''(ii) require, for pesticide applications at the school, universal notification to be provided—

''(I) at the beginning of the school year;

''(II) at the midpoint of the school year; and

''(III) at the beginning of any summer session, as determined by the school;

''(iii) establish a registry of staff members of a school, and of parents, legal guardians, or other persons with legal standing as parents of each child attending the school, that have requested to be notified in advance of any pesticide application at the school;

''(iv) establish guidelines that are consistent with the definition of a school pest management plan under subsection (a);

''(v) require that each local educational agency use a certified applicator or a person authorized by the State agency to implement the school pest management plans;

''(vi) be consistent with the State cooperative agreement under section 23; and

''(vii) require the posting of signs in accordance with paragraph (4)(G).

''(D) APPROVAL BY ADMINISTRATOR.—Not later than 90 days after receiving a school pest management plan submitted by a State agency under subparagraph (B), the Administrator shall—

''(i) determine whether the school pest management plan, at a minimum, meets the requirements of subparagraph (C); and

''(ii)(I) if the Administrator determines that the school pest management plan meets the requirements, approve the school pest management plan as part of the State cooperative agreement; or

''(II) if the Administrator determines that the school pest management plan does not meet the requirements—

''(aa) disapprove the school pest management plan;

''(bb) provide the State agency with recommendations for and assistance in revising the school pest management plan to meet the requirements; and

''(cc) provide a 90-day deadline by which the State agency shall resubmit the revised school pest management plan to obtain approval of the plan, in accordance with the State cooperative agreement.

''(E) DISTRIBUTION OF STATE PLAN TO SCHOOLS.—On approval of the school pest management plan of a State agency, the State agency shall make the school pest management plan available to each local educational agency in the State.

''(F) EXCEPTION FOR EXISTING STATE PLANS.—If, on the date of enactment of the School Environment Protection Act of 2001, a State has implemented a school pest management plan that, at a minimum, meets the requirements under subparagraph (C) (as determined by the Administrator), the State agency may maintain the school pest management plan and shall not be required to develop a new school pest management plan under subparagraph (B).

''(2) IMPLEMENTATION BY LOCAL EDUCATIONAL AGENCIES.—

''(A) IN GENERAL.—Not later than 1 year after the date on which a local educational agency receives a copy of a school pest management plan of a State agency under paragraph (1)(E), the local educational agency shall develop and implement in each of the schools under the jurisdiction of the local educational agency a school pest management plan that meets the standards and requirements under the school pest management plan of the State agency, as determined by the Administrator.

''(B) EXCEPTION FOR EXISTING PLANS.—If, on the date of enactment of the School Environment Protection Act of 2001, a State maintains a school pest management plan that, at a minimum, meets the standards and criteria established under this section (as determined by the Administrator), and a local educational agency in the State has implemented the State school pest management plan, the local educational agency may maintain the school pest management plan and shall not be required to develop and implement a new school pest management plan under subparagraph (A).

''(C) APPLICATION OF PESTICIDES AT SCHOOLS.—A school pest management plan shall prohibit—

''(i) the application of a pesticide (other than a pesticide, including a bait, gel or paste, described in paragraph (4)(C)) to any area or room at a school while the area or room is occupied or in use by students or staff members (except students or staff members participating in regular or vocational agricultural instruction involving the use of pesticides); and

''(ii) the use by students or staff members of an area or room treated with a pesticide by broadcast spraying, baseboard spraying, tenting, or fogging during—

''(I) the period specified on the label of the pesticide during which a treated area or room should remain unoccupied; or

''(II) if there is no period specified on the label, the 24-hour period beginning at the end of the treatment.

''(3) CONTACT PERSON.—

''(A) IN GENERAL.—Each local educational agency shall designate a contact person to carry out a school pest management plan in schools under the jurisdiction of the local educational agency.

''(B) DUTIES.—The contact person of a local educational agency shall—

''(i) maintain information about the scheduling of pesticide applications in each school under the jurisdiction of the local educational agency;

''(ii) act as a contact for inquiries, and disseminate information requested by parents or guardians, about the school pest management plan;

''(iii) maintain and make available to parents, legal guardians, or other persons with legal standing as parents of each child attending the school, before and during the notice period and after application—

''(I) copies of material safety data sheet for pesticides applied at the school, or copies of material safety data sheets for end-use dilutions of pesticides applied at the school, if data sheets are available;

''(II) labels and fact sheets approved by the Administrator for all pesticides that may be used by the local educational agency; and

''(III) any final official information related to the pesticide, as provided to the local educational agency by the State agency; and

''(iv) for each school, maintain all pesticide use data for each pesticide used at the school (other than antimicrobial pesticides (as defined in clauses (i) and (ii) of section 2(mm)(1)(A))) for at least 3 years after the date on which the pesticide is applied; and

''(v) make that data available for inspection on request by any person.

''(4) NOTIFICATION.—

''(A) UNIVERSAL NOTIFICATION.—At the beginning of each school year, at the midpoint of each school year, and at the beginning of any summer session (as determined by the school), a local educational agency or school shall provide to staff members of a school, and to parents, legal guardians, and other persons with legal standing as parents of students enrolled at the school, a notice describing the school pest management plan that includes—

''(i) a summary of the requirements and procedures under the school pest management plan;

''(ii) a description of any potential pest problems that the school may experience (including a description of the procedures that may be used to address those problems);

''(iii) the address, telephone number, and website address of the Office of Pesticide Programs of the Environmental Protection Agency; and

''(iv) the following statement (including information to be supplied by the school as indicated in brackets):

'As part of a school pest management plan, _____ (insert school name) may use pesticides to control pests. The Environmental Protection Agency (EPA) and _____ (insert name of State agency exercising jurisdiction over pesticide registration and use) registers pesticides for that use. EPA continues to examine registered pesticides to determine that use of the pesticides in accordance with instructions printed on the label does not pose unreasonable risks to human health and the environment. Nevertheless, EPA cannot guarantee that registered pesticides do not pose risks, and unnecessary exposure to pesticides should be avoided. Based in part on recommendations of a 1993 study by the National Academy of Sciences that reviewed registered pesticides and their potential to cause unreasonable adverse effects on human health, particularly on the health of pregnant women, infants, and children, Congress enacted the Food Quality Protection Act of 1996. That law requires EPA to reevaluate all registered pesticides and new pesticides to measure their safety, taking into account the unique exposures and sensitivity that pregnant women, infants, and children may have to pesticides. EPA review under that law is ongoing. You may request to be notified at least 24 hours in advance of pesticide applications to be made and receive information about the applications by registering with the school. Certain pesticides used by the school (including baits, pastes, and gels) are exempt from notification requirements. If you would like more information concerning any pesticide application or any product used at the school, contact _____ (insert name and phone number of contact person).'.

''(B) NOTIFICATION TO PERSONS ON REGISTRY.—

''(i) IN GENERAL.—Except as provided in clause (ii) and paragraph (5)—

''(I) notice of an upcoming pesticide application at a school shall be provided to each person on the registry of the school not later than 24 hours before the end of the last business day during which the school is in session that precedes the day on which the application is to be made; and

''(II) the application of a pesticide for which a notice is given under subclause (I) shall not commence before the end of the business day.

''(ii) NOTIFICATION CONCERNING PESTICIDES USED IN CURRICULA.—If pesticides are used as part of a regular vocational agricultural curriculum of the school, a notice containing the information described in subclauses (I), (IV), (VI), and (VII) of clause (iii) for all pesticides that may be used as a part of that curriculum shall be provided to persons on the registry only once at the beginning of each academic term of the school.

''(iii) CONTENTS OF NOTICE.—A notice under clause (i) shall contain—

''(I) the trade name, common name (if applicable), and Environmental Protection Agency registration number of each pesticide to be applied;

''(II) a description of each location at the school at which a pesticide is to be applied;

''(III) a description of the date and time of application, except that, in the case of an outdoor pesticide application, a notice shall include at least 3 dates, in chronological order, on which the outdoor pesticide application may take place if the preceding date is canceled;

''(IV) information that the State agency shall provide to the local educational agency, including a description of potentially acute and chronic effects that may result from exposure to each pesticide to be applied based on—

''(aa) a description of potentially acute and chronic effects that may result from exposure to each pesticide to be applied, as stated on the label of the pesticide approved by the Administrator;

''(bb) information derived from the material safety data sheet for the end-use dilution of the pesticide to be applied (if available) or the material safety data sheets; and

''(cc) final, official information related to the pesticide prepared by the Administrator and provided to the local educational agency by the State agency;

''(V) a description of the purpose of the application of the pesticide;

''(VI) the address, telephone number, and website address of the Office of Pesticide Programs of the Environmental Protection Agency; and

''(VII) the statement described in subparagraph (A)(iv) (other than the ninth sentence of that statement).

''(C) NOTIFICATION AND POSTING EXEMPTION.—A notice or posting of a sign under subparagraph (A), (B), or (G) shall not be required for the application at a school of—

''(i) an antimicrobial pesticide;

''(ii) a bait, gel, or paste that is placed—

''(I) out of reach of children or in an area that is not accessible to children; or

''(II) in a tamper-resistant or child-resistant container or station; and

''(iii) any pesticide that, as of the date of enactment of the School Environment Protection Act of 2001, is exempt from the requirements of this Act under section 25(b) (including regulations promulgated at section 152 of title 40, Code of Federal Regulations (or any successor regulation)).

''(D) NEW STAFF MEMBERS AND STUDENTS.—After the beginning of each school year, a local educational agency or school within a local educational agency shall provide each notice required under subparagraph (A) to—

''(i) each new staff member who is employed during the school year; and

''(ii) the parent or guardian of each new student enrolled during the school year.

''(E) METHOD OF NOTIFICATION.—A local educational agency or school may provide a notice under this subsection, using information described in paragraph (4), in the form of—

''(i) a written notice sent home with the students and provided to staff members;

''(ii) a telephone call;

''(iii) direct contact;

''(iv) a written notice mailed at least 1 week before the application; or

''(v) a notice delivered electronically (such as through electronic mail or facsimile).

''(F) REISSUANCE.—If the date of the application of the pesticide needs to be extended beyond the period required for notice under this paragraph, the school shall issue a notice containing only the new date and location of application.

''(G) POSTING OF SIGNS.—

''(i) IN GENERAL.—Except as provided in paragraph (5)—

''(I) a school shall post a sign not later than the last business day during which school is in session preceding the date of application of a pesticide at the school; and

''(II) the application for which a sign is posted under subclause (I) shall not commence before the time that is 24 hours after the end of the business day on which the sign is posted.

''(ii) LOCATION.—A sign shall be posted under clause (i)—

''(I) at a central location noticeable to individuals entering the building; and

''(II) at the proposed site of application.

''(iii) ADMINISTRATION.—A sign required to be posted under clause (i) shall—

''(I) remain posted for at least 24 hours after the end of the application;

''(II) be—

''(aa) at least 8½ inches by 11 inches for signs posted inside the school; and

''(bb) at least 4 inches by 5 inches for signs posted outside the school; and

''(III) contain—

''(aa) information about the pest problem for which the application is necessary;

''(bb) the name of each pesticide to be used;

''(cc) the date of application;

''(dd) the name and telephone number of the designated contact person; and

''(ee) the statement contained in subparagraph (A)(iv).

''(iv) OUTDOOR PESTICIDE APPLICATIONS.—

''(I) IN GENERAL.—In the case of an outdoor pesticide application at a school, each sign shall include at least 3 dates, in chronological order, on which the outdoor pesticide application may take place if the preceding date is canceled.

''(II) DURATION OF POSTING.—A sign described in subclause (I) shall be posted after an outdoor pesticide application in accordance with clauses (ii) and (iii).

''(5) EMERGENCIES.—

''(A) IN GENERAL.—A school may apply a pesticide at the school without complying with this part in an emergency, subject to subparagraph (B).

''(B) SUBSEQUENT NOTIFICATION OF PARENTS, GUARDIANS, AND STAFF MEMBERS.—Not later than the earlier of the time that is 24 hours after a school applies a pesticide under this paragraph or on the morning of the next business day, the school shall provide to each parent or guardian of a student listed on the registry, a staff member listed on the registry, and the designated contact person, notice of the application of the pesticide in an emergency that includes—

''(i) the information required for a notice under paragraph (4)(G); and

''(ii) a description of the problem and the factors that required the application of the pesticide to avoid a threat to the health or safety of a student or staff member.

''(C) METHOD OF NOTIFICATION.—The school may provide the notice required by paragraph (B) by any method of notification described in paragraph (4)(E).

''(D) POSTING OF SIGNS.—Immediately after the application of a pesticide under this paragraph, a school shall post a sign warning of the pesticide application in accordance with clauses (ii) through (iv) of paragraph (4)(B).

''(c) RELATIONSHIP TO STATE AND LOCAL REQUIREMENTS.—Nothing in this section (including regulations promulgated under this section)—

''(1) precludes a State or political subdivision of a State from imposing on local educational agencies and schools any requirement under State or local law (including regulations) that is more stringent than the requirements imposed under this section; or

''(2) establishes any exception under, or affects in any other way, section 24(b).

''(d) EXCLUSION OF CERTAIN PEST MANAGEMENT ACTIVITIES.—Nothing in this section (including regulations promulgated under this section) applies to a pest management activity that is conducted—

''(1) on or adjacent to a school; and

''(2) by, or at the direction of, a State or local agency other than a local educational agency.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.''.

(c) CONFORMING AMENDMENT.—The table of contents in section 1(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. prec. 121) is amended by striking the

items relating to sections 30 through 32 and inserting the following:

''Sec. 30. Minimum requirements for training of maintenance applicators and service technicians.
''Sec. 31. Environmental Protection Agency minor use program.
''Sec. 32. Department of Agriculture minor use program.
''(a) In general.
''(b)(1) Minor use pesticide data.
''(2) Minor Use Pesticide Data Revolving Fund.
''Sec. 33. Pest management in schools.
''(a) Definitions.
''(1) Bait.
''(2) Contact person.
''(3) Emergency.
''(4) Local educational agency.
''(5) School.
''(6) Staff member.
''(7) State agency.
''(8) Universal notification.
''(b) School pest management plans.
''(1) State plans.
''(2) Implementation by local educational agencies.
''(3) Contact person.
''(4) Notification.
''(5) Emergencies.
''(c) Relationship to State and local requirements.
''(d) Exclusion of certain pest management activities.
''(e) Authorization of appropriations.
''Sec. 34. Severability.
''Sec. 35. Authorization of appropriations.''.

(d) EFFECTIVE DATE.—This section and the amendments made by this section take effect on October 1, 2001.

SA 2486. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

In section 605, in the matter proposed to be added to section 601 of the Rural Electrification Act of 1936, insert after subsection (i) the following new subsection (j):

''(j) GRANTS FOR PLANNING AND FEASIBILITY STUDIES ON BROADBAND DEPLOYMENT.—

''(1) IN GENERAL.—In addition to any other grants, loans, or loan guarantees made under this section, the Secretary shall make grants to eligible entities specified in paragraph (2) for planning and feasibility studies by such entities on the deployment of broadband services in the areas served by such entities.

''(2) ELIGIBLE ENTITIES.—The entities eligible for grants under this subsection are State governments, consortia of local governments, tribal governments, telecommunications cooperatives, and appropriate State and regional non-profit entities (as determined by the Secretary).

''(3) ELIGIBILITY CRITERIA.—The Secretary shall establish criteria for eligibility for grants under this subsection, including criteria for the scope of the planning and feasibility studies to be carried out with grants under this subsection.

''(4) APPLICATION.—An entity seeking a grant under this subsection shall submit to the Secretary an application for such grant. The application shall be in such form, and contain such information, as the Secretary shall require.

''(5) USE OF GRANT AMOUNTS.—An entity receiving a grant under this section shall use the grant amount for planning and feasibility studies on the deployment of broadband services in the area of an Indian tribe, State, region of a State, or region of States.

''(6) LIMITATION ON GRANT AMOUNTS.—

''(A) STATEWIDE GRANTS.—The amount of the grants made under this subsection in or with respect to any State in any fiscal year may not exceed $250,000.

''(B) REGIONAL OR TRIBAL GRANTS.—The amount of the grants made under this subsection in or with respect to any region or tribal government in any fiscal year may not exceed $100,000.

''(7) FUNDING.—

''(A) IN GENERAL.—Of the amount available for grants, loans, and loan guarantees under this section in any fiscal year, up to $5,000,000 shall be available for grants under this subsection in such fiscal year.

''(B) DATE OF RELEASE.—The amount available under subparagraph (A) in a fiscal year for grants under this subsection may not be granted under this subsection until after March 31 of the fiscal year.

''(8) SUPPLEMENT NOT SUPPLANT.—Eligibility for a grant under this subsection shall not affect eligibility for a grant, loan, or loan guarantee under another subsection of this section. The Secretary shall not take into account the award of a grant under this subsection, or the award of a grant, loan, or loan guarantee under another subsection of this section, in awarding a grant, loan, or loan guarantee under this subsection or another subsection of this section, as the case may be.

SA 2487. Mr. STEVENS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of chapter 1 of subtitle C of title I and insert a period and the following:

SEC. 1___. LOANS AND GRANTS TO IMPROVE MILK PROCESSING FACILITIES IN MILK SHORTAGE STATES.

Chapter 1 of subtitle D of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7251 et seq.) is amended by adding at the end the following:

''SEC. 153. LOANS AND GRANTS TO IMPROVE MILK PROCESSING FACILITIES IN MILK SHORTAGE STATES.

''(a) DEFINITION OF MILK SHORTAGE STATE.—In this section, the term 'milk shortage State' means a State in which at least 70 percent of the milk consumed in the State is produced outside the State on the date of enactment of this section.

''(b) LOANS; GRANTS.—The Secretary shall make loans and grants to milk shortage States to promote and expand milk processing facilities and the dairy industry in the milk shortage States.

''(c) USES.—A loan or grant under this section may be used—

''(1) to upgrade, design, and construct milk processing facilities;

''(2) to improve methods of packaging and delivering to market of Class I and Class II milk and milk products;

''(3) to purchase milk processing and related equipment; and

''(4) for such other uses as are approved by the Secretary.

''(d) ELIGIBILITY OF MILK PROCESSING FACILITIES.—To be eligible to obtain a loan or grant under this section (other than for a use described in subsection (c)(1)), a milk processing facility in a milk shortage State must be located, incorporated, and operating in the milk shortage State.

''(e) MAINTENANCE OF EFFORT.—The expenditure of funds by a milk shortage State or an eligible milk processing facility for the purposes described in subsection (c), as of January 1, 2001, shall not be diminished as a result of loans and grants made under this section.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2002 through 2005.''.

SA 2488. Mr. STEVENS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following new section:

SEC. . REPORT TO CONGRESS ON POUCHED AND CANNED SALMON.

Not later than 120 days from the date of enactment of this Act, the Secretary shall issue a report to Congress on efforts to expand the promotion, marketing and purchase of pouched and canned salmon harvested and processed in the United States within the food and nutrition programs under his jurisdiction. The report shall include: an analysis of existing pouched and canned salmon inventories in the United States available for purchase; an analysis of the demand for pouched and canned salmon as well as for value-added products such as salmon ''nuggets'' by the Department's partners, including other appropriate Federal agencies, and customers; a marketing strategy to stimulate and increase that demand; and, a purchasing strategy to ensure that adequate supplies of pouched and canned salmon as well as other value-added salmon products are available to meet that demand.

SA 2489. Mr. STEVENS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Amendment 2471 is amended—

(1) on page 932, by inserting after line 5 the following:

''(9) WILD FISH.—The term ''wild fish'' includes naturally-born and hatchery-raised fish and shellfish harvested in the wild, including fillets, steaks, nuggets, and any other flesh from wild fish or shellfish, and does not include net-pen aquaculture or other farm-raised fish'';

(2) on page 932, line 22 by inserting ''(I)'' after ''(B)'';

(3) on page 932, by inserting after line 23 the following:

''(II) in the case of wild fish, is harvested in waters of the United States, its territories, or a State and is processed in the United States, its territories, or a State, including the waters thereof; and''; and

(4) on page 933, by inserting after line 3 the following:

''(3) WILD AND FARM-RAISED FISH.—The notice of country of origin for wild fish and farm-raised fish shall distinguish between wild fish and farm-raised fish, and in the case of wild salmon shall indicate State of origin.''.

SA 2490. Mr. STEVENS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agriculture producers to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table, as follows:

At the appropriate place, insert the following:

SEC. . CERTIFICATION AND LABELING OF ORGANIC WILD SEAFOOD.

''(a) EXCLUSIVE AUTHORITY OF SECRETARY OF COMMERCE.—The Secretary of Commerce shall have exclusive authority to provide for the certification and labeling of wild seafood as organic wild seafood.

''(b) RELATIONSHIP TO OTHER LAW.—The certification and labeling of wild seafood as organic wild seafood shall not be subject to the provisions of the Organic Foods Production Act of 1990 (title XXI of Public Law 101–624; 104 Stat. 3935, 7 U.S.C. 6501 et. seq.).

''(c) REGULATIONS.—

''(1) IN GENERAL.—The Secretary of Commerce shall prescribe regulations for the certification and labeling of wild seafood as organic wild seafood.

''(2) CONSIDERATIONS.—In prescribing the regulations, the Secretary—

''(A) may take into consideration, as guidance, to the extent practicable, the provisions of the Organic Foods Production Act of 1990 and the regulations prescribed in the administration of that Act; and

''(B) shall accommodate the nature of the commercial harvesting and processing of wild fish in the United States.

''(3) TIME FOR INITIAL IMPLEMENTATION.—The Secretary shall promulgate the initial regulations to carry out this section not later than one year after the date of enactment of this Act.''.

SA 2491. Mr. SANTORUM submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table, as follows:

Strike section 132 and insert the following:

SEC. 132. DAIRY FARMERS PROGRAM.

The Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 772(b) of Public Law 107–76) is amended by inserting after section 141 (7 U.S.C. 7251) the following:

''SEC. 142. DAIRY FARMERS PROGRAM.

''(a) DEFINITIONS.—In this section:

''(1) APPLICABLE FISCAL YEAR.—The term 'applicable fiscal year' means each of fiscal years 2001 through 2006.

''(2) CLASS III MILK.—The term 'Class III milk' means milk classified as Class III milk under a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.

''(b) PAYMENTS.—For each applicable fiscal year, the Secretary shall make a payment to producers on a farm that, during the applicable fiscal year, produced milk for commercial sale, in the amount obtained by multiplying—

''(1) the payment rate for the applicable fiscal year determined under subsection (c); by

''(2) the payment quantity for the applicable fiscal year determined under subsection (d).

''(c) PAYMENT RATE.—

''(1) IN GENERAL.—Subject to paragraph (2), the payment rate for a payment made to producers on a farm for an applicable fiscal year under subsection (b) shall be determined as follows:

''If the average price received by producers in the United States for Class III milk during the preceding fiscal year was (per hundredweight)—	The payment rate for a payment made to producers on a farm for the applicable fiscal year under subsection (b) shall be (per hundredweight)—
$10.50 or less	.50
$10.51 through $11.00	.42
$11.01 through $11.50	.34
$11.51 through $12.00	.26
$12.01 through $12.50	.18.

''(2) INCREASED PAYMENT RATE.—If the producers on a farm produce during an applicable fiscal year a quantity of all milk that is not more than the quantity of all milk produced by the producers on the farm during the preceding fiscal year, the payment rate for a payment to the producers on the farm for the applicable fiscal year under paragraph (1) shall be increased as follows:

''If the average price received by producers in the United States for Class III milk during the preceding fiscal year was (per hundredweight)—	The payment rate for a payment made to the producers on the farm for the applicable fiscal year under paragraph (1) shall be increased by (per hundredweight)—
$10.50 or less	.30
$10.51 through $11.00	.26
$11.01 through $11.50	.22
$11.51 through $12.00	.18
$12.01 through $12.50	.14.

''(d) PAYMENT QUANTITY.—

''(1) IN GENERAL.—Subject to paragraph (2), the quantity of all milk for which the producers on a farm shall receive a payment for an applicable fiscal year under subsection (b) shall be equal to the quantity of all milk produced by the producers on the farm during the applicable fiscal year.

''(2) MAXIMUM QUANTITY.—The quantity of all milk for which the producers on a farm shall receive a payment for an applicable year under subsection (b) shall not exceed 26,000 hundredweight of all milk.''.

SA 2492. Mrs. MURRAY (for herself, Ms. CANTWELL, Mr. INOUYE, Mr. BAUCUS, Mr. WELLSTONE, and Mr. DASCHLE) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 816, strike line 23 and insert the following:

SEC. 8___. TRIBAL COOPERATIVE AND CONSERVATION PROGRAMS.

The Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.) is amended by adding at the end the following:

''SEC. 21. ASSISTANCE TO TRIBAL GOVERNMENTS.

''(a) DEFINITION OF INDIAN TRIBE.—In this section, the term 'Indian tribe' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

''(b) ESTABLISHMENT.—The Secretary may provide financial, technical, educational and related assistance to Indian tribes for—

''(1) tribal consultation and coordination with the Forest Service on issues relating to—

''(A) tribal rights and interests on Forest Service land (including national forests and national grassland);

''(B) coordinated or cooperative management of resources shared by the Forest Service and Indian tribes; and

''(C) provision of tribal traditional, cultural, or other expertise or knowledge;

''(2) projects and activities for conservation education and awareness with respect to forest land under the jurisdiction of Indian tribes;

''(3) technical assistance for forest resources planning, management, and conservation on land under the jurisdiction of Indian tribes; and

''(4) the acquisition by Indian tribes, from willing sellers, of conservation interests (including conservation easements) in forest land and resources on land under the jurisdiction of the Indian tribes.

''(c) IMPLEMENTATION.—

''(1) IN GENERAL.—Not later than 18 months after the date of enactment of this section, the Secretary shall promulgate regulations to implement subsection (b) (including regulations for determining the distribution of assistance under that subsection).

''(2) CONSULTATION.—In developing regulations under paragraph (1), the Secretary shall engage in full, open, and substantive consultation with Indian tribes and representatives of Indian tribes.

''(d) COORDINATION WITH THE SECRETARY OF THE INTERIOR.—The Secretary shall coordinate with the Secretary of the Interior during the establishment, implementation, and administration of subsection (b) to ensure that programs under that subsection—

''(1) do not conflict with tribal programs provided under the authority of the Department of the Interior; and

''(2) meet the goals of the Indian tribes.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for fiscal year 2002 and each fiscal year thereafter.''.

TITLE IX—ENERGY

SA 2493. Mrs. MURRAY (for herself, Ms. CANTWELL, Mr. INOUYE, Mr. BAUCUS, Mr. WELLSTONE, and Mr. DASCHLE) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource

conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 871, strike line 23 and insert the following:

SEC. 8___. OFFICE OF TRIBAL RELATIONS.

The Cooperative Forestry Assistance Act of 1978 is amended by inserting after section 19 (16 U.S.C. 2113) the following:

"SEC. 19A. OFFICE OF TRIBAL RELATIONS.

''(a) DEFINITIONS.—In this section:

''(1) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

''(2) OFFICE.—The term 'Office' means the Office of Tribal Relations established under subsection (b)(1).

''(3) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture, acting through the Chief of the Forest Service.

''(b) ESTABLISHMENT.—

''(1) IN GENERAL.—The Secretary shall establish within the Forest Service the Office of Tribal Relations.

''(2) DIRECTOR.—The Office shall be headed by a Director, who shall—be appointed by the Chief, in consultation with interested Indian tribe.

''(3) ADMINISTRATIVE SUPPORT.—The Secretary shall ensure, to the maximum extent practicable, that adequate staffing and funds are made available to enable the Office to carry out the duties described in subsection (c).

''(c) DUTIES OF THE OFFICE.—

''(1) IN GENERAL.—The Office shall—

''(A) provide advice to the Secretary on all issues, policies, actions, and programs of the Forest Service that affect Indian tribes, including—

''(i) consultation with tribal governments;

''(ii) programmatic review for equitable tribal participation;

''(iii) monitoring and evaluation of relations between the Forest Service and Indian tribes;

''(iv) the coordination and integration of programs of the Forest Service that affect, or are of interest to, Indian tribes;

''(v) training of Forest Service personnel for competency in tribal relations; and

''(vi) the development of legislation affecting Indian tribes;

''(B) coordinate organizational responsibilities within the administrative structure of the Forest Service to ensure that matters affecting the rights and interests of Indian tribes are handled in a manner that is—

''(i) comprehensive;

''(ii) responsive to tribal needs; and

''(iii) consistent with policy guidelines of the Forest Service;

''(C)(i) develop generally applicable policies and procedures of the Forest Service pertaining to Indian tribes; and

''(ii) monitor the application of those policies and procedures throughout the administrative regions of the Forest Service;

''(D) provide such information or guidance to personnel of the Forest Service that are responsible for tribal relations as is required, as determined by the Secretary;

''(E) exercise such direct administrative authority pertaining to tribal relations programs as may be delegated by the Secretary;

''(F) for the purpose of coordinating programs and activities of the Forest Service with programs and actions of other agencies or departments that affect Indian tribes, consult with—

''(i) other agencies of the Department of Agriculture, including the Natural Resources Conservation Service; and

''(ii) other Federal agencies, including—

''(I) the Department of the Interior; and

''(II) the Environmental Protection Agency;

''(G) submit to the Secretary an annual report on the status of relations between the Forest Service and Indian tribes that includes, at a minimum—

''(i) an examination of the participation of Indian tribes in programs administered by the Secretary;

''(ii) a description of the status of initiatives being carried out to improve working relationships with Indian tribes; and

''(iii) recommendations for improvements or other adjustments to operations of the Forest Service that would be beneficial in strengthening working relationships with Indian tribes; and

''(H) carry out such other duties as the Secretary may assign.

''(d) COORDINATION.—In carrying out this section, the Office and other offices within the Forest Service shall consult on matters involving the rights and interests of Indian tribes.''.

TITLE IX—ENERGY

SA 2494. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the end of Section 335, add the following:

(c) EFFECTIVE DATE.—The amendments made by this section shall not take effect until the President certifies to Congress that Cuba is not a state sponsor of international terrorism.

SA 2495. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the end of Section 336, add the following:

(d) AGRICULTURE TRADE WITH NATIONS SUPPORTING INTERNATIONAL TERRORISM.—It is the sense of the Congress that an important factor in agricultural trade in all multilateral, regional, and bilateral negotiations is to make sure that the national security of the United States is not aversely effected by favorable trade agreements with nations that support international terrorist organizations.

SA 2496. Mr. SANTORUM (for himself, Mr. DURBIN, and Mr. FEINGOLD) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 945, line 5, strike the period at the end and insert a period and the following:

SEC. 1024. IMPROVED STANDARDS FOR THE CARE AND TREATMENT OF CERTAIN ANIMALS.

(a) SOCIALIZATION PLAN; BREEDING RESTRICTIONS.—Section 13(a)(2) of the Animal Welfare Act (7 U.S.C. 2143(a)(2)) is amended—

(1) in subparagraph (A), by striking ''and'' at the end;

(2) in subparagraph (B), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(C) for the socialization of dogs with other dogs and people, through compliance with a standard developed by the Secretary based on the recommendations of animal welfare and behavior experts that—

''(i) prescribes a schedule of activities and other requirements that dealers and inspectors shall use to ensure adequate socialization; and

''(ii) identifies a set of behavioral measures that inspectors shall use to evaluate adequate socialization; and

''(D) for addressing the initiation and frequency of breeding of female dogs so that a female dog is not—

''(i) bred before the female dog has reached at least 1 year of age; and

''(ii) whelped more frequently than 3 times in any 24-month period.''.

(b) SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES.—Section 19 of the Animal Welfare Act (7 U.S.C. 2149) is amended—

(1) by striking ''SEC. 19. (a) If the Secretary'' and inserting the following:

"SEC. 19. SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES.

''(a) SUSPENSION OR REVOCATION OF LICENSE.—

''(1) IN GENERAL.—If the Secretary'';

(2) in subsection (a)—

(A) in paragraph (1) (as designated by paragraph (1)), by striking ''if such violation'' and all that follows and inserting ''if the Secretary determines that 1 or more violations have occurred.''; and

(B) by adding at the end the following:

''(2) MANDATORY REVOCATION.—If the Secretary has reason to believe that any person licensed as a dealer, exhibitor, or operator of an auction sale subject to section 12, has violated any of the rules, regulations, or standards governing the humane handling, transportation, veterinary care, housing, breeding, socialization, feeding, watering, or other humane treatment of dogs under section 12 or 13 on 3 or more separate inspections within any 8-year period, the Secretary shall immediately suspend the license of the person for 21 days and, after providing notice and a hearing not more than 30 days after the third violation is noted on an inspection report, shall revoke the license of the person unless the Secretary makes a written finding that the violations were minor and inadvertent, that the violations did not pose a threat to the dogs, or that revocation is inappropriate for other good cause.'';

(3) in subsection (b), by striking ''(b) Any dealer'' and inserting ''(b) CIVIL PENALTIES.—Any dealer'';

(4) in subsection (c), by striking ''(c) Any dealer'' and inserting ''(c) JUDICIAL REVIEW.—Any dealer''; and

(5) in subsection (d), by striking ''(d) Any dealer'' and inserting ''(d) CRIMINAL PENALTIES.—Any dealer''.

(c) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall promulgate such regulations as are necessary to carry out the amendments made by this Act, including development of the standards required by the amendment made by subsection (a).

SA 2497. Mr. SMITH of Oregon submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 322 on line 3, strike ''Force.'' and insert in lieu thereof ''Force, in conjunction with the Secretary of the Interior.

At the end of Section 262(b)(2)(I), strike ''and''.

At the end of Section 262 262(b)(2)(J), strike ''Survey.'' and insert the following: ''Survey;

''(K) the Secretary of the Interior;

''(L) The Secretary of Commerce; and

''(M) the Secretary of Agriculture.''

In Section 262(b)(3), following ''for the purposes of—'', insert:

''(A) sustaining and strengthening a healthy agricultural economy in the Klamath Basin;''

and reletter the subsequent phrases accordingly.

SA 2498. Mr. SMITH of Oregon submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 258, strike lines 10 through 16, inclusive.

SA 2499. Mr. BYRD submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 1 . COMMODITY CREDIT CORPORATION FUNDING.

Notwithstanding any other provision of this Act or an amendment made by this Act, any funds that would otherwise be made available through the transfer of funds from the Secretary of the Treasury to the Secretary of Agriculture under this Act or an amendment made by this Act (other than funds made available through a user fee) shall be available through funds of the Commodity Credit Corporation.

SA 2500. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in subtitle B of title X, insert the following:

SEC. 10 . ADJUSTED GROSS INCOME CROP INSURANCE PILOT PROGRAM.

The Federal Crop Insurance Corporation shall—

(1) convert the adjusted gross income crop insurance pilot program under section 523(a) of the Federal Crop Insurance Act (7 U.S.C. 1523(a)) to a permanent program of insurance; and

(2) extend the program to the State of California beginning with crop year 2003.

SA 2501. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 629, lines 19 and 20, strike ''that is located in a rural area''.

SA 2502. Mr. DOMENICI (for himself, Mr. CRAIG, Mr. BURNS, Mr. CRAPO, Mrs. HUTCHISON, Mr. ENZI, Mr. THOMAS, Mr. KYL, Mr. SMITH of Oregon, Mr. HATCH, Mr. ALLARD, and Mr. CAMPBELL) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 202, strike lines 14 through 22 and insert the following: ''technical assistance)'' after ''the programs''; and

(3) in paragraph (2), by striking ''subchapter C'' and inserting ''subchapters C and D''.

Beginning on page 121–118, strike line 4 and all that follows through page 121–130, line 19.

SA 2503. Mr. REID (for Mr. KENNEDY (for himself, Mr. WARNER, Mr. FRIST, Mrs. CLINTON, Mr. WELLSTONE, Ms. COLLINS, Mrs. MURRAY, and Mr. DOMENICI)) proposed an amendment to the bill S. 1729, to provide assistance with respect to the mental health needs of individuals affected by the terrorist attacks of September 11, 2001; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Post Terrorism Mental Health Improvement Act''.

SEC. 2. PLANNING AND TRAINING GRANTS.

Section 520A of the Public Health Service Act (42 U.S.C. 290bb-32) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by inserting before the semicolon the following: '', including the training of mental health professionals with respect to evidence-based practices in the treatment of individuals who are victims of a disaster'';

(B) in paragraph (3), by striking ''and'' at the end;

(C) in paragraph (4), by striking the period and inserting a semicolon; and

(D) by inserting after paragraph (4), the following:

''(5) the development of coordinated response plans for responding to the mental health needs (including the response efforts of private organizations) that arise from a disaster, including the development and expansion of the 2-1-1 or other universal hotline as appropriate; and

''(6) the establishment of a mental health disaster response clearinghouse.'';

(2) by redesignating subsection (f) as subsection (h); and

(3) by inserting after subsection (e) the following:

''(f) STATE COMMENTS.—With respect to a State or local public entity that submits an application for assistance under this section and that intends to use such assistance as provided for in subsection (a)(5), such entity shall provide notice of such application to the chief executive officer of the State, the State mental health department, and the State office responsible for emergency preparedness who shall consult with providers and organizations serving public safety officials and others involved in responding to the crisis, and provide such officer, department and office with the opportunity to comment on such application.

''(g) DEFINITION.—For purposes of subsection (a)(2) ,the term 'mental health professional' includes psychiatrists, psychologists, clinical psychiatric nurse specialists, mental health counselors, marriage and family therapists, clinical social workers, pastoral counselors, school psychologists, licensed professional counselors, school guidance counselors, and any other individual practicing in a mental health profession that is licensed or regulated by a State agency.''.

SEC. 3. GRANTS TO DIRECTLY AFFECTED AREAS TO ADDRESS LONG-TERM NEEDS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the ''Secretary'') shall award grants to eligible State and local governments and other public entities to enable such entities to respond to the long-term mental health needs arising from the terrorist attacks of September 11, 2001.

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a) an entity shall—

(1) be a State or local government or other public entity that is located in an area that is directly affected (as determined by the Secretary) by the terrorist attacks of September 11, 2001; and

(2) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) USE OF FUNDS.—A grantee shall use amounts received under a grant under subsection (a)—

(1) to carry out activities to locate individuals who may be affected by the terrorist attacks of September 11, 2001 and in need of mental health services;

(2) to provide treatment for those individuals identified under paragraph (1) who are suffering from a serious psychiatric illness as a result of such terrorist attack, including paying the costs of necessary medications; and

(3) to carry out other activities determined appropriate by the Secretary.

(d) SUPPLEMENT NOT SUPPLANT.—Amounts expended for treatments under subsection (c)(2) shall be used to supplement and not supplant amounts otherwise made available for such treatments (including medications) under any other Federal, State, or local program or under any health insurance coverage.

(e) USE OF PRIVATE ENTITIES AND EXISTING PROVIDERS.—To the extent appropriate, a grantee under subsection (a) shall—

(1) enter into contracts with private, nonprofit entities to carry out activities under the grant; and

(2) to the extent feasible, utilize providers that are already serving the affected population, including providers used by public safety officials.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary in each of fiscal years 2002 through 2005.

SEC. 4. RESEARCH.

Part A of title II of the Public Health Service Act (42 U.S.C. 202 et seq.) is amended by adding at the end the following:

"SEC. 229. RESEARCH.

''Notwithstanding any other provision of law, the Secretary may waive any restriction on the amount of supplemental funding that may be provided to any disaster-related scientific research project that is funded by the Secretary.''.

SEC. 5. CHILDREN WHO EXPERIENCE VIOLENCE-RELATED STRESS.

(a) IN GENERAL.—Section 582(f) of the Public Health Service Act (42 U.S.C. 290hh-1(f)) is amended by striking ''2002 and 2003'' and inserting ''2002 through 2005''.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the program established under section 582 of the Public Health Service Act (42 U.S.C. 290hh-1) should be fully funded.

SA 2504. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 479, strike line 7 and insert the following:

SEC. 460. SENSE OF CONGRESS REGARDING ELIGIBILITY OF ELDERLY INDIVIDUALS TO PARTICIPATE IN THE COMMODITY SUPPLEMENTAL FOOD PROGRAM.

It is the sense of Congress that the Secretary of Agriculture should restore to 185 percent of the poverty line the elderly income guidelines for participation in the commodity supplemental food program under section 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93–86) so that the guidelines are the same as the income guidelines for participation by mothers, infants, and children in the program.

SEC. 461. EFFECTIVE DATE.

SA 2505. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 382, strike line 15 and insert the following:

SEC. 337. FARMERS FOR AFRICA AND CARIBBEAN BASIN PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) many farmers in Africa and the Caribbean Basin use antiquated techniques to produce crops, resulting in poor crop quality and low crop yields;

(2) many of those farmers are losing business to farmers in Europe and Asia who use advanced planting and production techniques and are supplying agricultural produce to restaurants, resorts, tourists, grocery stores, and other consumers in Africa and the Caribbean Basin;

(3) a need exists for the training of farmers in Africa and the Caribbean Basin and other developing countries in farming techniques that are appropriate for the majority of eligible farmers in Africa or the Caribbean Basin, including—

(A) standard growing practices;

(B) insecticide and sanitation procedures; and

(C) other farming methods that will produce increased yields of more nutritious and healthful crops;

(4) African-American and other American farmers and banking and insurance professionals are a ready source of agribusiness expertise that would be invaluable for farmers in Africa and the Caribbean Basin;

(5) it is appropriate for the United States to make a commitment to support the development of a comprehensive agricultural skills training program for farmers in Africa and the Caribbean Basin that focuses on—

(A) improving knowledge of insecticide and sanitation procedures to prevent crop destruction;

(B) teaching modern farming techniques that would facilitate a continual analysis of crop production, including—

(i) the identification and development of standard growing practices; and

(ii) the establishment of systems for recordkeeping;

(C) the use and maintenance of farming equipment that is appropriate for the majority of eligible farmers in Africa and the Caribbean Basin;

(D) expanding small farming operations into agribusiness enterprises through the development and use of village banking systems and the use of agricultural risk insurance pilot products, resulting in increased access to credit for the farmers; and

(E) marketing crop yields to prospective purchasers for local needs and export;

(6) the participation of African-American and other American farmers and American agricultural farming specialists in such a training program promises the added benefit of improving—

(A) market access in African and Caribbean Basin markets for American agricultural commodities and farm equipment; and

(B) business linkages for American insurance providers offering technical assistance on agricultural risk insurance and other matters; and

(7)(A) programs that promote the exchange of agricultural knowledge and expertise through the exchange of American and foreign farmers have been effective in promoting improved agricultural techniques and food security; and

(B) accordingly, the extension of additional resources to such farmer-to-farmer exchanges is warranted.

(b) DEFINITIONS.—In this section:

(1) AGRICULTURAL FARMING SPECIALIST.—The term ''agricultural farming specialist'' means an individual trained to transfer information and technical support relating to—

(A) agribusiness;

(B) food security;

(C) mitigation and alleviation of hunger;

(D) mitigation of agricultural risk;

(E) maximization of crop yields;

(F) agricultural trade; and

(G) other needs specific to a geographical area, as determined by the President.

(2) CARIBBEAN BASIN COUNTRY.—The term ''Caribbean Basin country'' means a country that is eligible for designation as a beneficiary country under section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702).

(3) ELIGIBLE FARMER.—The term ''eligible farmer'' means an individual who owns or works on farm land (as defined by the law of the country in which the land is situated) in—

(A) the sub-Saharan region of Africa;

(B) a Caribbean Basin country; or

(C) any other developing country in which the President determines there is a need for farming expertise or for information or technical support described in paragraph (1).

(4) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

(A) a college or university (including a historically black college or university) or a foundation maintained by a college or university; and

(B) a private organization (including a grassroots organization) or corporation with an established and demonstrated capacity to carry out a bilateral exchange program described in subsection (c).

(5) PROGRAM.—The term ''program'' means the Farmers for Africa and Caribbean Basin Program established under subsection (c).

(c) ESTABLISHMENT OF PROGRAM.—The President shall establish a grant program, to be known as the ''Farmers for Africa and Caribbean Basin Program'', to assist eligible entities in carrying out bilateral exchange programs under which African-American and other American farmers and American agricultural farming specialists share technical knowledge with eligible farmers regarding—

(1) maximization of crop yields;

(2) use of agricultural risk insurance as a financial tool and a means of risk management (as allowed by Annex II of the World Trade Organization rules);

(3) expansion of trade in agricultural products;

(4) enhancement of local food security;

(5) mitigation and alleviation of hunger;

(6) marketing of agricultural products in local, regional, and international markets; and

(7) other means of improving farming by eligible farmers.

(d) GOAL.—The goal of the program shall be to have at least 1,000 farmers participating in the training program by December 31, 2005, of whom—

(1) 80 percent of the number of participating farmers should be eligible farmers in developing countries; and

(2) 20 percent of the number of participating farmers should be American farmers.

(e) TRAINING.—Under the program—

(1) training shall be provided to eligible farmers in groups to ensure that information is shared and passed on to other eligible farmers; and

(2) eligible farmers shall be trained to be specialists in their home communities and encouraged not to retain enhanced farming technology for their own personal enrichment.

(f) USE OF COMMERCIAL AND INDUSTRIAL CAPABILITIES.—Through partnerships with American businesses in the agricultural sector, the program shall use the commercial and industrial capabilities of the businesses to—

(1) train eligible farmers on farming equipment that is appropriate for the majority of eligible farmers in their home countries; and

(2) introduce eligible farmers to the use of insurance as a risk management tool.

(g) SELECTION OF PARTICIPANTS.—

(1) APPLICATION.—To participate in the program, an eligible farmer or African-American and other American farmer or agricultural farming specialist, shall submit to the President an application in such form as the President may require.

(2) QUALIFICATIONS OF AMERICAN PARTICIPANTS.—To participate in the program, an American farmer or agricultural farming specialist—

(A) shall have sufficient farm or agribusiness experience, as determined by the President; and

(B) shall have obtained certain targets, specified by the President, regarding the productivity of the farm or business of the American farmer or agricultural farming specialist.

(h) GRANT PERIOD.—Under the program, the President may make grants for a period of 5 years beginning on October 1 of the first fiscal year for which funds are made available to carry out the program.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2002 through 2006.

TITLE IV—NUTRITION

SA 2506. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 961, line 11, strike ''fiscal year 2002'' and insert ''each of fiscal years 2002 through 2006''.

SA 2507 Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other proposes; which was ordered to lie on the table; as follows:

On page 911, strike lines 7 through 10 and insert the following:

''(A) a college or university or a research foundation maintained by a college or university;''.

SA 2508. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of section 1023 and insert a period and the following:

SEC. 10. LIMITATION ON EXHIBITION OF POLAR BEARS.

The Animal Welfare Act is amended by inserting after section 17 (7 U.S.C. 2147) the following:

''SEC. 18. LIMITATION ON EXHIBITION OF POLAR BEARS.

''An exhibitor that is a carnival, circus, or traveling show (as determined by the Secretary) shall not exhibit polar bears.''.

SA 2509. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 452 and renumber subsequent sections accordingly.

SA 2510. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

''Notwithstanding any other provision of law or of this bill, any individual whose annual income is equal to or greater than 300% of the national median family income, as last reported by the Bureau of the Census (adjusted for family size and inflation), shall not be eligible to receive any cash benefit, subsidy, loan, or payment authorized by this bill.''

SA 2511. Mr. DASCHLE (for himself and Mr. LUGAR) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Strike the period at the end of section 1021 and insert a period and the following:

SEC. 1022. ASSISTANT SECRETARY OF AGRICULTURE FOR CIVIL RIGHTS.

(a) IN GENERAL.—Section 218 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6918) is amended by adding at the end the following:

''(f) ASSISTANT SECRETARY OF AGRICULTURE FOR CIVIL RIGHTS.—

''(1) DEFINITION OF SOCIALLY DISADVANTAGED FARMER OR RANCHER.—In this subsection, the term 'socially disadvantaged farmer or rancher' has the meaning given the term in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)).

''(2) ESTABLISHMENT OF POSITION.—The Secretary shall establish within the Department the position of Assistant Secretary of Agriculture for Civil Rights.

''(3) APPOINTMENT.—The Assistant Secretary of Agriculture for Civil Rights shall be appointed by the President, by and with the advice and consent of the Senate.

''(4) DUTIES.—The Assistant Secretary of Agriculture for Civil Rights shall—

''(A) enforce and coordinate compliance with all civil rights laws and related laws—

''(i) by the agencies of the Department; and

''(ii) under all programs of the Department (including all programs supported with Department funds);

''(B) ensure that—

''(i) the Department has measurable goals for treating customers and employees fairly and on a nondiscriminatory basis; and

''(ii) the goals and the progress made in meeting the goals are included in—

''(I) strategic plans of the Department; and

''(II) annual reviews of the plans;

''(C) ensure the compilation and public disclosure of data critical to assessing Department civil rights compliance in achieving on a nondiscriminatory basis participation of socially disadvantaged farmers and ranchers in programs of the Department on a nondiscriminatory basis;

''(D)(i) hold Department agency heads and senior executives accountable for civil rights compliance and performance; and

''(ii) assess performance of Department agency heads and senior executives on the basis of success made in those areas;

''(E) ensure, to the maximum extent practicable—

''(i) a sufficient level of participation by socially disadvantaged farmers and ranchers in deliberations of county and area committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)); and

''(ii) that participation data and election results involving the committees are made available to the public; and

''(F) perform such other functions as may be prescribed by the Secretary.''.

(b) COMPENSATION.—Section 5315 of title 5, United States Code, is amended by striking ''Assistant Secretaries of Agriculture (2)'' and inserting ''Assistant Secretaries of Agriculture (3)''.

(c) CONFORMING AMENDMENTS.—Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended—

(1) in paragraph (3), by striking ''or'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(5) the authority of the Secretary to establish within the Department the position

of Assistant Secretary of Agriculture for Civil Rights under section 218(f).''.

SA 2512. Mr. CRAIG (for himself and Mr. GREGG) proposed an amendment to amendment SA 2511 submitted by Mr. DASCHLE and intended to be proposed to the amendment SA 2471 proposed by Mr. DASCHLE to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

At the appropriate place, add the following:

SEC. . SENSE OF THE SENATE.

It is the sense of the Senate that, before Congress creates new positions that require the advice and consent of the Senate, such as the position of Assistant Secretary for Civil Rights of the Department of Agriculture, the Senate should vote on nominations that have been reported by committees and are currently awaiting action by the full Senate, such as the nomination of Eugene Scalia to be Solicitor of the Department of Labor.

SA 2513. Mr. BOND (for himself, Mr. GRASSLEY, Mr. ENZI, and Mr. MILLER) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Strike the period at the end of section 1034 and insert a period and the following:

SEC. 1035. REVIEW OF FEDERAL AGENCY ACTIONS AFFECTING AGRICULTURAL PRODUCERS.

(a) DEFINITIONS.—In this section:

(1) AGENCY ACTION.—The term ''agency action'' has the meaning given the term in section 551 of title 5, United States Code.

(2) AGENCY HEAD.—The term ''agency head'' means the head of a Federal agency.

(3) AGRICULTURAL PRODUCER.—The term ''agricultural producer'' means the owner or operator of a small or medium-sized farm or ranch.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(b) REVIEW OF AGENCY ACTION BY SECRETARY.—

(1) IN GENERAL.—The Secretary may review any agency action proposed by any Federal agency to determine whether the agency action would be likely to have a significant adverse economic impact on, or jeopardize the personal safety of, agricultural producers.

(2) CONSULTATION; ALTERNATIVES.—If the Secretary determines that a proposed agency action is likely to have a significant adverse economic impact on or jeopardize the personal safety of agricultural producers, the Secretary—

(A) shall consult with the agency head; and

(B) may advise the agency head on alternatives to the agency action that would be least likely to have a significant adverse economic impact on, or least likely to jeopardize the personal safety of, agricultural producers.

(c) PRESIDENTIAL REVIEW.—

(1) IN GENERAL.—If, after a proposed agency action is finalized, the Secretary determines that the agency action would be likely to have a significant adverse economic impact on or jeopardize the safety of agricultural producers, the President may, not later than 60 days after the date on which the agency action is finalized—

(A) review the determination of the Secretary; and

(B) reverse, preclude, or amend the agency action if the President determines that reversal, preclusion, or amendment—

(i) is necessary to prevent significant adverse economic impact on or jeopardize the personal safety of agricultural producers; and

(ii) is in the public interest.

(2) CONSIDERATIONS.—In conducting a review under paragraph (1)(A), the President shall consider—

(A) the determination of the Secretary under subsection (c)(1);

(B) the public record;

(C) any competing economic interests; and

(D) the purpose of the agency action.

(3) CONGRESSIONAL NOTIFICATION.—If the President reverses, precludes, or amends the agency action under paragraph (1)(B), the President shall—

(A) notify Congress of the decision to reverse, preclude, or amend the agency action; and

(B) submit to Congress a detailed justification for the decision.

(4) LIMITATION.—The President shall not reverse, preclude, or amend an agency action that is necessary to protect—

(A) human health;

(B) safety; or

(C) national security.

(d) CONGRESSIONAL REVIEW.—Reversal, preclusion, or amendment of an agency action under subsection (c)(1)(B) shall be subject to section 802 of title 5, United States Code.

SA 2514. Mr. SMITH of Oregon submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 937, between lines 16 and 17, insert the following:

SEC. 10 . CROP INSURANCE AND NONINSURED CROP DISASTER ASSISTANCE PROGRAM.

(a) 7. U.S.C. 7333, as amended by P.L. 104–127, is amended—

(1) in Section (a)(3) by striking ''or'' and

(2) in Section (a)(3) by striking ''as determined by the Secretary.'' and inserting in lieu thereof ''as determined by the Secretary, or disaster caused by direct federal regulatory implementation or resource management decision, action, or water allocation.'' and

(3) in Section (c)(2) by striking ''or other natural disaster, as determined by the Secretary.'' and inserting in lieu thereof ''other natural disaster (as determined by the Secretary), or disaster caused by direct federal regulatory implementation or resource management decision, action, or water allocation,''.

(b) 7 U.S.C. 1508 is amended—

(1) in Section (a)(1) by striking ''or other natural disaster (as determined by the Secretary).'' and inserting ''natural disaster (as determined by the Secretary), or disaster caused by direct federal regulatory implementation or resource management decision, action, or water allocation.'' and

(2) in Section (b)(1) by striking ''or other natural disaster (as determined by the Secretary),'' and inserting in lieu thereof ''other natural disaster (as determined by the Secretary), or direct federal regulatory implementation or resource management decision, action, or water allocation,''.

(c) The Secretary is encouraged to review and amend administration rules and guidelines describing disaster conditions to accommodate situations where planting decisions are based on federal water allocations. The Secretary is further encouraged to review the level of disaster payments to irrigated agriculture producers in such cases where federal water allocations are withheld prior to the planting period.

SA 2515. Mr. REID (for Mr. LIEBERMAN) proposed an amendment to the bill H.R. 1499, An act to amend the District of Columbia College Access Act of 1999 to permit individuals who enroll in an institution of higher education more than 3 years after graduating from a secondary school and individuals who attend private historically black colleges and universities nationwide to participate in the tuition assistance programs under such Act, and for other purposes; as follows:

In subparagraph (A) of section 3(c)(2) of the District of Columbia College Access Act of 1999, as added by section 2—

(1) in clause (i), strike ''or'' after the semicolon;

(2) redesignate clause (ii) as clause (iii); and

(3) insert after clause (i) the following:

''(ii) for individuals who graduated from a secondary school or received the recognized equivalent of a secondary school diploma before January 1, 1998, and is currently enrolled at an eligible institution as of the date of enactment of the District of Columbia College Access Improvement Act of 2001, was domiciled in the District of Columbia for not less than the 12 consecutive months preceding the commencement of the Freshman year at an institution of higher education; or''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, December 12, 2001, at 2:30 p.m. to hold a business meeting.

Agenda

The committee will consider and vote on the following agenda:

Legislation

S. 1779, A bill to authorize Radio Free Afghanistan.

H.R. 3167, The Gerald B.H. Solomon Freedom Consolidation Act of 2001, A bill to endorse the vision of further enlargement of the NATO Alliance articulated by President George W. Bush on June 15, 2001, and by former President William J. Clinton on October 22, 1996, and for other purposes.

S. Con. Res. 86, A concurrent resolution expressing the sense of Congress

that women from all ethnic groups in Afghanistan should participate in the economic and political reconstruction of Afghanistan.

H. Con. Res. 77, A concurrent resolution expressing the sense of the Congress regarding the efforts of people of the United States of Korean ancestry to reunite with their family members in North Korea.

H. Con. Res. 211, A concurrent resolution commending Daw Aung San Suu Kyi on the 10th anniversary of her receiving the Nobel Peace Prize and expressing the sense of the Congress with respect to the Government of Burma.

Nominations:

Jorge L. Arrizurieta, of Florida, to be United States Alternate Executive Director of the Inter-American Development Bank.

William R. Brownfield, of Texas, to be Ambassador to the Republic of Chile.

Arthur E. Dewey, of Maryland, to be Assistant Secretary of State (Population, Refugees, and Migration).

Adolfo Franco, of Virginia, to be an Assistant Administrator (Latin America and the Caribbean) of the United States Agency for International Development.

John V. Hanford, III, of Virginia, to be Ambassador at Large for International Religious Freedom.

Donna Hrinak, of Virginia, to be Ambassador to the Federative Republic of Brazil.

James McGee, of Florida, to be Ambassador to the Kingdom of Swaziland.

Kenneth P. Moorefield, of Florida, to be Ambassador to the Gabonese Republic and to serve concurrently and without additional compensation as Ambassador to the Democratic Republic of Sao Tome and Principe.

Josephine K. Olsen, of Maryland, to be Deputy Director of the Peace Corps.

John D. Ong, of Ohio, to be Ambassador to Norway.

Earl Phillips, Jr., of North Carolina. to be Ambassador to Barbados, and to serve concurrently and without additional compensation as Ambassador to St. Kitts and Nevis, Saint Lucia, Antigua and Barbuda, the Commonwealth of Dominica, Grenada, and Saint Vincent and the Grenadines.

Frederick Schiek, of Virginia, to be Deputy Administrator of the United States Agency for International Development.

Charles S. Shapiro, of Georgia, to be Ambassador to the Bolivarian Republic of Venezuela.

Gaddi H. Vasquez, of California, to be Director of the Peace Corps.

Roger Winter, of Maryland, to be an Assistant Administrator (Democracy, Conflict, and Humanitarian Assistance) of the United States Agency for International Development.

Additional nominees to be announced.

Foreign Service Officer Promotion List

Mr. Dobbins, et al., dated October 16, 2001. (With the exception of James Dobbins)

Mr. Hughes, et a., dated November 27, 2001.

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

PRIVILEGE OF THE FLOOR

Mr. BOND. Madam President, I ask unanimous consent that John Stoody, a detailee to my office from the Environmental Protection Agency, be given the privilege of the floor for the remainder of the consideration of S. 1731.

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

BEST PHARMACEUTICALS FOR CHILDREN ACT

Mr. REID. Madam President, this has been approved by the minority.

I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 271, S. 1789.

The PRESIDING OFFICER. The clerk will report the bill by title.

The senior assistant bill clerk read as follows:

A bill (S. 1789) to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children.

There being no objection, the Senate proceeded to consider the bill.

Mr. KENNEDY. I congratulate my friend from Connecticut, Senator DODD, and my friend from Ohio, Senator DEWINE, for bringing us the Best Pharmaceuticals for Children Act. Since 1977, we've had great success increasing the number of studies of drugs in children, and it's important that we reauthorize pediatric exclusivity to continue this success. One improvement in this reauthorization is that section 4 of your bill will see to it that, when a drug company declines an FDA request to study its patented drug for children, the drug will nonetheless be studied for children.

Mr. DODD. That is correct.

Mr. KENNEDY. You bill has these studies being conducted by, for example, universities, hospitals, contract research organizations, and pediatric pharmacology units. The studies will happen after referral to the Foundation for the National Institutes of Health, which, if it has the money to do so, provides money to the NIH for it to fund the studies, or passes it on to the NIH to pay for the studies with money that the bill itself authorizes.

Mr. DEWINE. Yes, that's how the process works.

Mr. KENNEDY. And after the research is conducted, the results are submitted to the Secretary of Health of Human Services. Once the Secretary has received the results, the Secretary, through the FDA, analyzes the information from the studies and determines what is necessary to provide appropriate pediatric labeling of the drug.

Mf. DODD. Yes, that is what we intend.

Mr. KENNEDY. So, it is fair to conclude that pediatric research conducted by third parties, using a commercially available drug, and paid for by the Foundation of the National Institutes of Health or by NIH under your bill, will not infringe any patent on the drug and shall be considered to be an activity conducted for the purpose of development and submission of information to the Secretary of Health and Human Services under the Federal Food, Drug, and Cosmetic Act?

Mr. DEWINE. Yes, I agree with that conclusion.

Mr. DEWINE. Madam President, I rise today to thank my colleagues for supporting and passing the conference report on a bill that Senator DODD and I have been working on for some time. This bill, S. 1789, the Best Pharmaceuticals for Children Act, is reauthorization legislation designed to ensure that more medicines are tested for children and that useful prescribing and dosing information appears on labels.

Before I say anything else, I'd like to thank Senator DODD for his tireless efforts on behalf of children. He is a true champion for children. And, passage of our bill today, is just one more example of how he has dedicated so much of his time and energy to protect our Nation's kids, our Nation's future.

Our Best Pharmaceuticals bill is really vital in protecting our children when they are sick. This bill will make sure that we test drugs for kids on kids. Right now, most drugs are designed and tested on and for use by adults. Prescribing medicine for children is difficult for a variety of reasons. Proper dosing depends on a child's weight and metabolisms. Furthermore, children's bodies grow and change quickly. Children also may not give doctors accurate information about how medicines are affecting them, making diagnoses difficult, involving a large-degree of guess work.

A recent six-week study in Boston, at two of its most well-respected hospitals, found that over that time, 616 prescriptions written for children contained errors. Of those, 26 actually harmed children. Of the errors that were caught before the medication was administered, 18 could have been fatal. And, a study in the a recent Journal of the American Medical Association, found that medication errors in hospitals occur three times more frequently with children than with adults.

Four years ago, Senator DODD and I first learned that the vast majority of drugs in this country that came on the market every week, in fact over 80 percent, had never been formally tested or approved for pediatric use and therefore lacked even the most basic labeling information regarding dosing recommendations for children. When we found that out, we began writing what is now referred to as the pediatric exclusivity law. In the three years since that law went into effect, the FDA has issued about 200 written requests for pediatric studies.

Companies have undertaken over 400 pediatric studies, of which over 58 studies have been completed, for a wide range of critical diseases, including juvenile diabetes, the problem of pain, asthma, and hypertension.

Thirty-seven drugs have been granted pediatric exclusivity. Some studies generated by this incentive have led to essential dosing information. Take, for example, the drug, Luvox. Luvox is a drug prescribed to treat obsessive-compulsive disorder. Pediatric studies performed pursuant to our law have shown inadequate dosing for adolescents, which resulted in ineffective treatment. The studies also have shown that some girls between the ages of eight and 11 were potentially overdosed, with levels up to two to three times that which was really needed.

Our Better Pharmaceuticals law has done a great deal of good. We are seeing more drugs for children on the market that have a label that tells how they can be used, and more basic information for pediatricians. So when they look at that little child and they know the age of that child and they know the weight of that child, doctors can look it up and see exactly what the prescription should be, what the dosage should be, what the indicators are for that child. They can do that because we have given the pharmaceutical companies an incentive to do the research, research they were doing in only 20 percent of the cases prior to passage of the Better Pharmaceuticals law.

Despite our progress, we have further to go. That's why we passed the Best Pharmaceuticals conference report today. Senator DODD and I and the other cosponsors knew that the Better Pharmaceuticals bill, could be improved. We knew that it had some holes in it. We set out to fill those gaps and address the outstanding issues, such as the testing of off-patent drugs, which the original law was never designed to include.

In the conference report we passed today, we have built upon the existing law's basic incentive structure to further ensure that we will help improve the medication labeling process. Since our law has not been implemented for very long, many labels are still in the process of being requested and negotiated by the FDA. In our legislation, the new timeframes established for labeling negotiations, together with the enforcement authority under the existing misbranding statute, will help ensure that essential pediatric information generated from studies implemented under this law, will result in necessary and timely labeling changes. tested for children.

Our legislation creates a mechanism to ''capture'' the off-patent drugs for which the Secretary determines additional studies are needed to assess the safety and effectiveness of the drug's use in the pediatric population. In other words, our bill provides for the testing of some cases of these off-patent drugs.

By expanding the mission of the existing NIH Foundation to include collecting and awarding grants for conducting certain pediatric studies, we have provided a funding mechanism for ensuring studies that are completed for both off-patent drugs and those marketed on-patent drugs that a company declines to study—and for which the Secretary determines there is a continuing need for information relating to the use of the drug in the pediatric population.

By first seeking funding through the Foundation, we provide a mechanism for drug companies to contribute to the funding of mainly off-patent drugs and also to a narrow group of on-patent drugs, including those for neonates, for which companies have declined to accept the written request to pursue the six month market exclusivity extension.

Finally, to further ensure that the safety of children in clinical trials is protected, our legislation requires that the Institute of Medicine, IOM, conduct a review of Federal regulations, reports, and research involving children and provide recommendations on best practices relating to research Senator DODD and I included as part of the Children's Health Act last year.

In conclusion, I again thank Senator DODD for his efforts, along with Senators FRIST, KENNEDY, BOND, COLLINS, and CLINTON. Their support and dedication to children is what is behind this legislation. Because of them, we are sending this conference report to the President for his signature. I thank them for their work and their commitment to children.

Mr. REID. Madam President, I ask unanimous consent that the bill be read three times, passed, the motion to reconsider be laid upon the table, and any statements relating thereto be printed in the RECORD, with no intervening action or debate.

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

The bill (S. 1789) was read the third time and passed, as follows:

S. 1789

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 ''Best Pharmaceuticals for Children Act''.

SEC. 2. PEDIATRIC STUDIES OF ALREADY-MARKETED DRUGS.

Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) is amended—

(1) by striking subsection (b); and

(2) in subsection (c)—

(A) by inserting after ''the Secretary'' the following: ''determines that information relating to the use of an approved drug in the pediatric population may produce health benefits in that population and''; and

(B) by striking ''concerning a drug identified in the list described in subsection (b)''.

SEC. 3. RESEARCH FUND FOR THE STUDY OF DRUGS.

Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.) is amended—

(1) by redesignating the second section 409C, relating to clinical research (42 U.S.C. 284k), as section 409G;

(2) by redesignating the second section 409D, relating to enhancement awards (42 U.S.C. 284l), as section 409H; and

(3) by adding at the end the following:

''SEC. 409I. PROGRAM FOR PEDIATRIC STUDIES OF DRUGS.

''(a) LIST OF DRUGS FOR WHICH PEDIATRIC STUDIES ARE NEEDED.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Secretary, acting through the Director of the National Institutes of Health and in consultation with the Commissioner of Food and Drugs and experts in pediatric research, shall develop, prioritize, and publish an annual list of approved drugs for which—

''(A)(i) there is an approved application under section 505(j) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j));

''(ii) there is a submitted application that could be approved under the criteria of section 505(j) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j));

''(iii) there is no patent protection or market exclusivity protection under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.); or

''(iv) there is a referral for inclusion on the list under section 505A(d)(4)(C) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a(d)(4)(C)); and

''(B) in the case of a drug referred to in clause (i), (ii), or (iii) of subparagraph (A), additional studies are needed to assess the safety and effectiveness of the use of the drug in the pediatric population.

''(2) CONSIDERATION OF AVAILABLE INFORMATION.—In developing and prioritizing the list under paragraph (1), the Secretary shall consider, for each drug on the list—

''(A) the availability of information concerning the safe and effective use of the drug in the pediatric population;

''(B) whether additional information is needed;

''(C) whether new pediatric studies concerning the drug may produce health benefits in the pediatric population; and

''(D) whether reformulation of the drug is necessary.

''(b) CONTRACTS FOR PEDIATRIC STUDIES.—The Secretary shall award contracts to entities that have the expertise to conduct pediatric clinical trials (including qualified universities, hospitals, laboratories, contract research organizations, federally funded programs such as pediatric pharmacology research units, other public or private institutions, or individuals) to enable the entities to conduct pediatric studies concerning one or more drugs identified in the list described in subsection (a).

''(c) PROCESS FOR CONTRACTS AND LABELING CHANGES.—

''(1) WRITTEN REQUEST TO HOLDERS OF APPROVED APPLICATIONS FOR DRUGS LACKING EXCLUSIVITY.—The Commissioner of Food and Drugs, in consultation with the Director of the National Institutes of Health, may issue a written request (which shall include a timeframe for negotiations for an agreement) for pediatric studies concerning a drug identified in the list described in subsection (a)(1)(A) (except clause (iv)) to all holders of an approved application for the drug under section 505 of the Federal Food, Drug, and Cosmetic Act. Such a written request shall be made in a manner equivalent to the manner in which a written request is made under subsection (a) or (b) of section 505A of the Federal Food, Drug, and Cosmetic Act, including with respect to information provided on the pediatric studies to be conducted pursuant to the request.

''(2) REQUESTS FOR CONTRACT PROPOSALS.—If the Commissioner of Food and Drugs does not receive a response to a written request issued under paragraph (1) within 30 days of the date on which a request was issued, or if a referral described in subsection (a)(1)(A)(iv) is made, the Secretary, acting through the Director of the National Institutes of Health and in consultation with the Commissioner of Food and Drugs, shall publish a request for contract proposals to conduct the pediatric studies described in the written request.

''(3) DISQUALIFICATION.—A holder that receives a first right of refusal shall not be entitled to respond to a request for contract proposals under paragraph (2).

''(4) GUIDANCE.—Not later than 270 days after the date of enactment of this section, the Commissioner of Food and Drugs shall promulgate guidance to establish the process for the submission of responses to written requests under paragraph (1).

''(5) CONTRACTS.—A contract under this section may be awarded only if a proposal for the contract is submitted to the Secretary in such form and manner, and containing such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

''(6) REPORTING OF STUDIES.—

''(A) IN GENERAL.—On completion of a pediatric study in accordance with a contract awarded under this section, a report concerning the study shall be submitted to the Director of the National Institutes of Health and the Commissioner of Food and Drugs. The report shall include all data generated in connection with the study.

''(B) AVAILABILITY OF REPORTS.—Each report submitted under subparagraph (A) shall be considered to be in the public domain (subject to section 505A(d)(4)(D) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a(d)(4)(D)) and shall be assigned a docket number by the Commissioner of Food and Drugs. An interested person may submit written comments concerning such pediatric studies to the Commissioner of Food and Drugs, and the written comments shall become part of the docket file with respect to each of the drugs.

''(C) ACTION BY COMMISSIONER.—The Commissioner of Food and Drugs shall take appropriate action in response to the reports submitted under subparagraph (A) in accordance with paragraph (7).

''(7) REQUESTS FOR LABELING CHANGE.—During the 180-day period after the date on which a report is submitted under paragraph (6)(A), the Commissioner of Food and Drugs shall—

''(A) review the report and such other data as are available concerning the safe and effective use in the pediatric population of the drug studied;

''(B) negotiate with the holders of approved applications for the drug studied for any labeling changes that the Commissioner of Food and Drugs determines to be appropriate and requests the holders to make; and

''(C)(i) place in the public docket file a copy of the report and of any requested labeling changes; and

''(ii) publish in the Federal Register a summary of the report and a copy of any requested labeling changes.

''(8) DISPUTE RESOLUTION.—

''(A) REFERRAL TO PEDIATRIC ADVISORY SUBCOMMITTEE OF THE ANTI-INFECTIVE DRUGS ADVISORY COMMITTEE.—If, not later than the end of the 180-day period specified in paragraph (7), the holder of an approved application for the drug involved does not agree to any labeling change requested by the Commissioner of Food and Drugs under that paragraph, the Commissioner of Food and Drugs shall refer the request to the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee.

''(B) ACTION BY THE PEDIATRIC ADVISORY SUBCOMMITTEE OF THE ANTI-INFECTIVE DRUGS ADVISORY COMMITTEE.—Not later than 90 days after receiving a referral under subparagraph (A), the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee shall—

''(i) review the available information on the safe and effective use of the drug in the pediatric population, including study reports submitted under this section; and

''(ii) make a recommendation to the Commissioner of Food and Drugs as to appropriate labeling changes, if any.

''(9) FDA DETERMINATION.—Not later than 30 days after receiving a recommendation from the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee under paragraph (8)(B)(ii) with respect to a drug, the Commissioner of Food and Drugs shall consider the recommendation and, if appropriate, make a request to the holders of approved applications for the drug to make any labeling change that the Commissioner of Food and Drugs determines to be appropriate.

''(10) FAILURE TO AGREE.—If a holder of an approved application for a drug, within 30 days after receiving a request to make a labeling change under paragraph (9), does not agree to make a requested labeling change, the Commissioner may deem the drug to be misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).

''(11) NO EFFECT ON AUTHORITY.—Nothing in this subsection limits the authority of the United States to bring an enforcement action under the Federal Food, Drug, and Cosmetic Act when a drug lacks appropriate pediatric labeling. Neither course of action (the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee process or an enforcement action referred to in the preceding sentence) shall preclude, delay, or serve as the basis to stay the other course of action.

''(12) RECOMMENDATION FOR FORMULATION CHANGES.—If a pediatric study completed under public contract indicates that a formulation change is necessary and the Secretary agrees, the Secretary shall send a nonbinding letter of recommendation regarding that change to each holder of an approved application.

''(d) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this section—

''(A) $200,000,000 for fiscal year 2002; and

''(B) such sums as are necessary for each of the 5 succeeding fiscal years.

''(2) AVAILABILITY.—Any amount appropriated under paragraph (1) shall remain available to carry out this section until expended.''.

SEC. 4. WRITTEN REQUEST TO HOLDERS OF APPROVED APPLICATIONS FOR DRUGS THAT HAVE MARKET EXCLUSIVITY.

Section 505A(d) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a(d)) is amended by adding at the end the following:

''(4) WRITTEN REQUEST TO HOLDERS OF APPROVED APPLICATIONS FOR DRUGS THAT HAVE MARKET EXCLUSIVITY.—

''(A) REQUEST AND RESPONSE.—If the Secretary makes a written request for pediatric studies (including neonates, as appropriate) under subsection (c) to the holder of an application approved under section 505(b)(1), the holder, not later than 180 days after receiving the written request, shall respond to the Secretary as to the intention of the holder to act on the request by—

''(i) indicating when the pediatric studies will be initiated, if the holder agrees to the request; or

''(ii) indicating that the holder does not agree to the request.

''(B) NO AGREEMENT TO REQUEST.—

''(i) REFERRAL.—If the holder does not agree to a written request within the time period specified in subparagraph (A), and if the Secretary determines that there is a continuing need for information relating to the use of the drug in the pediatric population (including neonates, as appropriate), the Secretary shall refer the drug to the Foundation for the National Institutes of Health established under section 499 of the Public Health Service Act (42 U.S.C. 290b) (referred to in this paragraph as the 'Foundation') for the conduct of the pediatric studies described in the written request.

''(ii) PUBLIC NOTICE.—The Secretary shall give public notice of the name of the drug, the name of the manufacturer, and the indications to be studied made in a referral under clause (i).

''(C) LACK OF FUNDS.—On referral of a drug under subparagraph (B)(i), the Foundation shall issue a proposal to award a grant to conduct the requested studies unless the Foundation certifies to the Secretary, within a timeframe that the Secretary determines is appropriate through guidance, that the Foundation does not have funds available under section 499(j)(9)(B)(i) to conduct the requested studies. If the Foundation so certifies, the Secretary shall refer the drug for inclusion on the list established under section 409I of the Public Health Service Act for the conduct of the studies.

''(D) EFFECT OF SUBSECTION.—Nothing in this subsection (including with respect to referrals from the Secretary to the Foundation) alters or amends section 301(j) of this Act or section 552 of title 5 or section 1905 of title 18, United States Code.

''(E) NO REQUIREMENT TO REFER.—Nothing in this subsection shall be construed to require that every declined written request shall be referred to the Foundation.

''(F) WRITTEN REQUESTS UNDER SUBSECTION (b).—For drugs under subsection (b) for which written requests have not been accepted, if the Secretary determines that there is a continuing need for information relating to the use of the drug in the pediatric population (including neonates, as appropriate), the Secretary shall issue a written request under subsection (c) after the date of approval of the drug.''.

SEC. 5. TIMELY LABELING CHANGES FOR DRUGS GRANTED EXCLUSIVITY; DRUG FEES.

(a) ELIMINATION OF USER FEE WAIVER FOR PEDIATRIC SUPPLEMENTS.—Section 736(a)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379h(a)(1)) is amended—

(1) by striking subparagraph (F); and

(2) by redesignating subparagraph (G) as subparagraph (F).

(b) LABELING CHANGES.—

(1) DEFINITION OF PRIORITY SUPPLEMENT.—Section 201 of the Federal Food Drug, and Cosmetic Act (21 U.S.C. 321) is amended by adding at the end the following:

''(kk) PRIORITY SUPPLEMENT.—The term 'priority supplement' means a drug application referred to in section 101(4) of the Food and Drug Administration Modernization Act of 1997 (111 Stat. 2298).''.

(2) TREATMENT AS PRIORITY SUPPLEMENTS.—Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) is amended by adding at the end the following:

''(l) LABELING SUPPLEMENTS.—

''(1) PRIORITY STATUS FOR PEDIATRIC SUPPLEMENTS.—Any supplement to an application under section 505 proposing a labeling change pursuant to a report on a pediatric study under this section—

''(A) shall be considered to be a priority supplement; and

''(B) shall be subject to the performance goals established by the Commissioner for priority drugs.

''(2) DISPUTE RESOLUTION.—

''(A) REQUEST FOR LABELING CHANGE AND FAILURE TO AGREE.—If the Commissioner determines that an application with respect to which a pediatric study is conducted under this section is approvable and that the only open issue for final action on the application is the reaching of an agreement between the sponsor of the application and the Commissioner on appropriate changes to the labeling for the drug that is the subject of the application, not later than 180 days after the date of submission of the application—

''(i) the Commissioner shall request that the sponsor of the application make any labeling change that the Commissioner determines to be appropriate; and

''(ii) if the sponsor of the application does not agree to make a labeling change requested by the Commissioner, the Commissioner shall refer the matter to the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee.

''(B) ACTION BY THE PEDIATRIC ADVISORY SUBCOMMITTEE OF THE ANTI-INFECTIVE DRUGS ADVISORY COMMITTEE.—Not later than 90 days after receiving a referral under subparagraph (A)(ii), the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee shall—

''(i) review the pediatric study reports; and

''(ii) make a recommendation to the Commissioner concerning appropriate labeling changes, if any.

''(C) CONSIDERATION OF RECOMMENDATIONS.—The Commissioner shall consider the recommendations of the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee and, if appropriate, not later than 30 days after receiving the recommendation, make a request to the sponsor of the application to make any labeling change that the Commissioner determines to be appropriate.

''(D) MISBRANDING.—If the sponsor of the application, within 30 days after receiving a request under subparagraph (C), does not agree to make a labeling change requested by the Commissioner, the Commissioner may deem the drug that is the subject of the application to be misbranded.

''(E) NO EFFECT ON AUTHORITY.—Nothing in this subsection limits the authority of the United States to bring an enforcement action under this Act when a drug lacks appropriate pediatric labeling. Neither course of action (the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee process or an enforcement action referred to in the preceding sentence) shall preclude, delay, or serve as the basis to stay the other course of action.''.

SEC. 6. OFFICE OF PEDIATRIC THERAPEUTICS.

(a) ESTABLISHMENT.—The Secretary of Health and Human Services shall establish an Office of Pediatric Therapeutics within the Food and Drug Administration.

(b) DUTIES.—The Office of Pediatric Therapeutics shall be responsible for coordination and facilitation of all activities of the Food and Drug Administration that may have any effect on a pediatric population or the practice of pediatrics or may in any other way involve pediatric issues.

(c) STAFF.—The staff of the Office of Pediatric Therapeutics shall coordinate with employees of the Department of Health and Human Services who exercise responsibilities relating to pediatric therapeutics and shall include—

(1) 1 or more additional individuals with expertise concerning ethical issues presented by the conduct of clinical research in the pediatric population; and

(2) 1 or more additional individuals with expertise in pediatrics as may be necessary to perform the activities described in subsection (b).

SEC. 7. NEONATES.

Section 505A(g) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a(g)) is amended by inserting ''(including neonates in appropriate cases)'' after ''pediatric age groups''.

SEC. 8. SUNSET.

Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) is amended by striking subsection (j) and inserting the following:

''(j) SUNSET.—A drug may not receive any 6-month period under subsection (a) or (c) unless—

''(1) on or before October 1, 2007, the Secretary makes a written request for pediatric studies of the drug;

''(2) on or before October 1, 2007, an application for the drug is accepted for filing under section 505(b); and

''(3) all requirements of this section are met.''.

SEC. 9. DISSEMINATION OF PEDIATRIC INFORMATION.

Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) (as amended by section 5(b)(2)) is amended by adding at the end the following:

''(m) DISSEMINATION OF PEDIATRIC INFORMATION.—

''(1) IN GENERAL.—Not later than 180 days after the date of submission of a report on a pediatric study under this section, the Commissioner shall make available to the public a summary of the medical and clinical pharmacology reviews of pediatric studies conducted for the supplement, including by publication in the Federal Register.

''(2) EFFECT OF SUBSECTION.—Nothing in this subsection alters or amends section 301(j) of this Act or section 552 of title 5 or section 1905 of title 18, United States Code.''.

SEC. 10. CLARIFICATION OF INTERACTION OF PEDIATRIC EXCLUSIVITY UNDER SECTION 505A OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT AND 180-DAY EXCLUSIVITY AWARDED TO AN APPLICANT FOR APPROVAL OF A DRUG UNDER SECTION 505(j) OF THAT ACT.

Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) (as amended by section 9) is amended by adding at the end the following:

''(n) CLARIFICATION OF INTERACTION OF MARKET EXCLUSIVITY UNDER THIS SECTION AND MARKET EXCLUSIVITY AWARDED TO AN APPLICANT FOR APPROVAL OF A DRUG UNDER SECTION 505(j).—If a 180-day period under section 505(j)(5)(B)(iv) overlaps with a 6-month exclusivity period under this section, so that the applicant for approval of a drug under section 505(j) entitled to the 180-day period under that section loses a portion of the 180-day period to which the applicant is entitled for the drug, the 180-day period shall be extended from—

''(1) the date on which the 180-day period would have expired by the number of days of the overlap, if the 180-day period would, but for the application of this subsection, expire after the 6-month exclusivity period; or

''(2) the date on which the 6-month exclusivity period expires, by the number of days of the overlap if the 180-day period would, but for the application of this subsection, expire during the 6 month exclusivity period.''.

SEC. 11. PROMPT APPROVAL OF DRUGS UNDER SECTION 505(j) WHEN PEDIATRIC INFORMATION IS ADDED TO LABELING.

(a) IN GENERAL.—Section 505A of the Federal Food, Drug, and Cosmetics Act (21 U.S.C. 355a) (as amended by section 10) is amended by adding at the end the following:

''(o) PROMPT APPROVAL OF DRUGS UNDER SECTION 505(j) WHEN PEDIATRIC INFORMATION IS ADDED TO LABELING.—

''(1) GENERAL RULE.—A drug for which an application has been submitted or approved under section 505(j) shall not be considered ineligible for approval under that section or misbranded under section 502 on the basis that the labeling of the drug omits a pediatric indication or any other aspect of labeling pertaining to pediatric use when the omitted indication or other aspect is protected by patent or by exclusivity under clause (iii) or (iv) of section 505(j)(5)(D).

''(2) LABELING.—Notwithstanding clauses (iii) and (iv) of section 505(j)(5)(D), the Secretary may require that the labeling of a drug approved under section 505(j) that omits a pediatric indication or other aspect of labeling as described in paragraph (1) include—

''(A) a statement that, because of marketing exclusivity for a manufacturer—

''(i) the drug is not labeled for pediatric use; or

''(ii) in the case of a drug for which there is an additional pediatric use not referred to in paragraph (1), the drug is not labeled for the pediatric use under paragraph (1); and

''(B) a statement of any appropriate pediatric contraindications, warnings, or precautions that the Secretary considers necessary.

''(3) PRESERVATION OF PEDIATRIC EXCLUSIVITY AND OTHER PROVISIONS.—This subsection does not affect—

''(A) the availability or scope of exclusivity under this section;

''(B) the availability or scope of exclusivity under section 505 for pediatric formulations;

''(C) the question of the eligibility for approval of any application under section 505(j) that omits any other conditions of approval entitled to exclusivity under clause (iii) or (iv) of section 505(j)(5)(D); or

''(D) except as expressly provided in paragraphs (1) and (2), the operation of section 505.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the date of enactment of this Act, including with respect to applications under section 505(j) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)) that are approved or pending on that date.

SEC. 12. STUDY CONCERNING RESEARCH INVOLVING CHILDREN.

(a) CONTRACT WITH INSTITUTE OF MEDICINE.—The Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine for—

(1) the conduct, in accordance with subsection (b), of a review of—

(A) Federal regulations in effect on the date of the enactment of this Act relating to research involving children;

(B) federally prepared or supported reports relating to research involving children; and

(C) federally supported evidence-based research involving children; and

(2) the submission to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives, not later than 2 years after the date of enactment of this Act, of a report concerning the review conducted under paragraph (1) that includes recommendations on best practices relating to research involving children.

(b) AREAS OF REVIEW.—In conducting the review under subsection (a)(1), the Institute of Medicine shall consider the following:

(1) The written and oral process of obtaining and defining ''assent'', ''permission'' and ''informed consent'' with respect to child clinical research participants and the parents, guardians, and the individuals who may

serve as the legally authorized representatives of such children (as defined in subpart A of part 46 of title 45, Code of Federal Regulations).

(2) The expectations and comprehension of child research participants and the parents, guardians, or legally authorized representatives of such children, for the direct benefits and risks of the child's research involvement, particularly in terms of research versus therapeutic treatment.

(3) The definition of ''minimal risk'' with respect to a healthy child or a child with an illness.

(4) The appropriateness of the regulations applicable to children of differing ages and maturity levels, including regulations relating to legal status.

(5) Whether payment (financial or otherwise) may be provided to a child or his or her parent, guardian, or legally authorized representative for the participation of the child in research, and if so, the amount and type of payment that may be made.

(6) Compliance with the regulations referred to in subsection (a)(1)(A), the monitoring of such compliance (including the role of institutional review boards), and the enforcement actions taken for violations of such regulations.

(7) The unique roles and responsibilities of institutional review boards in reviewing research involving children, including composition of membership on institutional review boards.

(c) REQUIREMENTS OF EXPERTISE.—The Institute of Medicine shall conduct the review under subsection (a)(1) and make recommendations under subsection (a)(2) in conjunction with experts in pediatric medicine, pediatric research, and the ethical conduct of research involving children.

SEC. 13. FOUNDATION FOR THE NATIONAL INSTITUTES OF HEALTH.

Section 499 of the Public Health Service Act (42 U.S.C. 290b) is amended—

(1) in subsection (b), by inserting ''(including collection of funds for pediatric pharmacologic research)'' after ''mission'';

(2) in subsection (c)(1)—

(A) by redesignating subparagraph (C) as subparagraph (D); and

(B) by inserting after subparagraph (B) the following:

''(C) A program to collect funds for pediatric pharmacologic research and studies listed by the Secretary pursuant to section 409I(a)(1)(A) of this Act and referred under section 505A(d)(4)(C) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a(d)(4)(C)).'';

(3) in subsection (d)—

(A) in paragraph (1)—

(i) in subparagraph (B)—

(I) in clause (ii), by striking ''and'' at the end;

(II) in clause (iii), by striking the period and inserting ''; and''; and

(III) by adding at the end the following:

''(iv) the Commissioner of Food and Drugs.''; and

(ii) by striking subparagraph (C) and inserting the following:

''(C) The ex officio members of the Board under subparagraph (B) shall appoint to the Board individuals from among a list of candidates to be provided by the National Academy of Science. Such appointed members shall include—

''(i) representatives of the general biomedical field;

''(ii) representatives of experts in pediatric medicine and research;

''(iii) representatives of the general biobehavioral field, which may include experts in biomedical ethics; and

''(iv) representatives of the general public, which may include representatives of affected industries.''; and

(B) in paragraph (2), by realigning the margin of subparagraph (B) to align with subparagraph (A);

(4) in subsection (k)(9)—

(A) by striking ''The Foundation'' and inserting the following:

''(A) IN GENERAL.—The Foundation''; and

(B) by adding at the end the following:

''(B) GIFTS, GRANTS, AND OTHER DONATIONS.—

''(i) IN GENERAL.—Gifts, grants, and other donations to the Foundation may be designated for pediatric research and studies on drugs, and funds so designated shall be used solely for grants for research and studies under subsection (c)(1)(C).

''(ii) OTHER GIFTS.—Other gifts, grants, or donations received by the Foundation and not described in clause (i) may also be used to support such pediatric research and studies.

''(iii) REPORT.—The recipient of a grant for research and studies shall agree to provide the Director of the National Institutes of Health and the Commissioner of Food and Drugs, at the conclusion of the research and studies—

''(I) a report describing the results of the research and studies; and

''(II) all data generated in connection with the research and studies.

''(iv) ACTION BY THE COMMISSIONER OF FOOD AND DRUGS.—The Commissioner of Food and Drugs shall take appropriate action in response to a report received under clause (iii) in accordance with paragraphs (7) through (12) of section 409I(c), including negotiating with the holders of approved applications for the drugs studied for any labeling changes that the Commissioner determines to be appropriate and requests the holders to make.

''(C) APPLICABILITY.—Subparagraph (A) does not apply to the program described in subsection (c)(1)(C).'';

(5) by redesignating subsections (f) through (m) as subsections (e) through (l), respectively;

(6) in subsection (h)(11) (as so redesignated), by striking ''solicit'' and inserting ''solicit,''; and

(7) in paragraphs (1) and (2) of subsection (j) (as so redesignated), by striking ''(including those developed under subsection (d)(2)(B)(i)(II))'' each place it appears.

SEC. 14. PEDIATRIC PHARMACOLOGY ADVISORY COMMITTEE.

(a) IN GENERAL.—The Secretary of Health and Human Services shall, under section 222 of the Public Health Service Act (42 U.S.C. 217a), convene and consult an advisory committee on pediatric pharmacology (referred to in this section as the ''advisory committee'').

(b) PURPOSE.—

(1) IN GENERAL.—The advisory committee shall advise and make recommendations to the Secretary, through the Commissioner of Food and Drugs and in consultation with the Director of the National Institutes of Health, on matters relating to pediatric pharmacology.

(2) MATTERS INCLUDED.—The matters referred to in paragraph (1) include—

(A) pediatric research conducted under sections 351, 409I, and 499 of the Public Health Service Act and sections 501, 502, 505, and 505A of the Federal Food, Drug, and Cosmetic Act;

(B) identification of research priorities related to pediatric pharmacology and the need for additional treatments of specific pediatric diseases or conditions; and

(C) the ethics, design, and analysis of clinical trials related to pediatric pharmacology.

(c) COMPOSITION.—The advisory committee shall include representatives of pediatric health organizations, pediatric researchers, relevant patient and patient-family organizations, and other experts selected by the Secretary.

SEC. 15. PEDIATRIC SUBCOMMITTEE OF THE ONCOLOGIC DRUGS ADVISORY COMMITTEE.

(a) CLARIFICATION OF AUTHORITIES.—

(1) IN GENERAL.—The Pediatric Subcommittee of the Oncologic Drugs Advisory Committee (referred to in this section as the ''Subcommittee''), in carrying out the mission of reviewing and evaluating the data concerning the safety and effectiveness of marketed and investigational human drug products for use in the treatment of pediatric cancers, shall—

(A) evaluate and, to the extent practicable, prioritize new and emerging therapeutic alternatives available to treat pediatric cancer;

(B) provide recommendations and guidance to help ensure that children with cancer have timely access to the most promising new cancer therapies; and

(C) advise on ways to improve consistency in the availability of new therapeutic agents.

(2) MEMBERSHIP.—

(A) IN GENERAL.—The Secretary shall appoint not more than 11 voting members to the Pediatric Subcommittee from the membership of the Pediatric Pharmacology Advisory Committee and the Oncologic Drugs Advisory Committee.

(B) REQUEST FOR PARTICIPATION.—The Subcommittee shall request participation of the following members in the scientific and ethical consideration of topics of pediatric cancer, as necessary:

(i) At least 2 pediatric oncology specialists from the National Cancer Institute.

(ii) At least 4 pediatric oncology specialists from—

(I) the Children's Oncology Group;

(II) other pediatric experts with an established history of conducting clinical trials in children; or

(III) consortia sponsored by the National Cancer Institute, such as the Pediatric Brain Tumor Consortium, the New Approaches to Neuroblastoma Therapy or other pediatric oncology consortia.

(iii) At least 2 representatives of the pediatric cancer patient and patient-family community.

(iv) 1 representative of the nursing community.

(v) At least 1 statistician.

(vi) At least 1 representative of the pharmaceutical industry.

(b) PRE-CLINICAL MODELS TO EVALUATE PROMISING PEDIATRIC CANCER THERAPIES.—Section 413 of the Public Health Service Act (42 U.S.C. 285a–2) is amended by adding at the end the following:

''(c) PRE-CLINICAL MODELS TO EVALUATE PROMISING PEDIATRIC CANCER THERAPIES.—

''(1) EXPANSION AND COORDINATION OF ACTIVITIES.—The Director of the National Cancer Institute shall expand, intensify, and coordinate the activities of the Institute with respect to research on the development of preclinical models to evaluate which therapies are likely to be effective for treating pediatric cancer.

''(2) COORDINATION WITH OTHER INSTITUTES.—The Director of the Institute shall coordinate the activities under paragraph (1) with similar activities conducted by other national research institutes and agencies of the National Institutes of Health to the extent that those Institutes and agencies have responsibilities that are related to pediatric cancer.''.

(c) CLARIFICATION OF AVAILABILITY OF INVESTIGATIONAL NEW DRUGS FOR PEDIATRIC STUDY AND USE.—

(1) AMENDMENT OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT.—Section 505(i)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(i)(1)) is amended—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(D) the submission to the Secretary by the manufacturer or the sponsor of the investigation of a new drug of a statement of intent regarding whether the manufacturer or sponsor has plans for assessing pediatric safety and efficacy.''.

(2) AMENDMENT OF THE PUBLIC HEALTH SERVICE ACT.—Section 402(j)(3)(A) of the Public Health Service Act (42 U.S.C. 282(j)(3)(A)) is amended in the first sentence—

(A) by striking ''trial sites, and'' and inserting ''trial sites,''; and

(B) by striking ''in the trial,'' and inserting ''in the trial, and a description of whether, and through what procedure, the manufacturer or sponsor of the investigation of a new drug will respond to requests for protocol exception, with appropriate safeguards, for single-patient and expanded protocol use of the new drug, particularly in children,''.

(d) REPORT.—Not later than January 31, 2003, the Secretary of Health and Human Services, acting through the Commissioner of Food and Drugs and in consultation with the Director of the National Institutes of Health, shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on patient access to new therapeutic agents for pediatric cancer, including access to single patient use of new therapeutic agents.

SEC. 16. REPORT ON PEDIATRIC EXCLUSIVITY PROGRAM.

Not later than October 1, 2006, the Comptroller General of the United States, in consultation with the Secretary of Health and Human Services, shall submit to Congress a report that addresses the following issues, using publicly available data or data otherwise available to the Government that may be used and disclosed under applicable law:

(1) The effectiveness of section 505A of the Federal Food, Drug, and Cosmetic Act and section 409I of the Public Health Service Act (as added by this Act) in ensuring that medicines used by children are tested and properly labeled, including—

(A) the number and importance of drugs for children that are being tested as a result of this legislation and the importance for children, health care providers, parents, and others of labeling changes made as a result of such testing;

(B) the number and importance of drugs for children that are not being tested for their use notwithstanding the provisions of this legislation, and possible reasons for the lack of testing; and

(C) the number of drugs for which testing is being done, exclusivity granted, and labeling changes required, including the date pediatric exclusivity is granted and the date labeling changes are made and which labeling changes required the use of the dispute resolution process established pursuant to the amendments made by this Act, together with a description of the outcomes of such process, including a description of the disputes and the recommendations of the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee.

(2) The economic impact of section 505A of the Federal Food, Drug, and Cosmetic Act and section 409I of the Public Health Service Act (as added by this Act), including an estimate of—

(A) the costs to taxpayers in the form of higher expenditures by medicaid and other Government programs;

(B) sales for each drug during the 6-month period for which exclusivity is granted, as attributable to such exclusivity;

(C) costs to consumers and private insurers as a result of any delay in the availability of lower cost generic equivalents of drugs tested and granted exclusivity under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), and loss of revenue by the generic drug industry and retail pharmacies as a result of any such delay; and

(D) the benefits to the government, to private insurers, and to consumers resulting from decreased health care costs, including—

(i) decreased hospitalizations and fewer medical errors, due to more appropriate and more effective use of medications in children as a result of testing and re-labeling because of the amendments made by this Act;

(ii) direct and indirect benefits associated with fewer physician visits not related to hospitalization;

(iii) benefits to children from missing less time at school and being less affected by chronic illnesses, thereby allowing a better quality of life;

(iv) benefits to consumers from lower health insurance premiums due to lower treatment costs and hospitalization rates; and

(v) benefits to employers from reduced need for employees to care for family members.

(3) The nature and type of studies in children for each drug granted exclusivity under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), including—

(A) a description of the complexity of the studies;

(B) the number of study sites necessary to obtain appropriate data;

(C) the numbers of children involved in any clinical studies; and

(D) the estimated cost of each of the studies.

(4) Any recommendations for modifications to the programs established under section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) and section 409I of the Public Health Service Act (as added by section 3) that the Secretary determines to be appropriate, including a detailed rationale for each recommendation.

(5) The increased private and Government-funded pediatric research capability associated with this Act and the amendments made by this Act.

(6) The number of written requests and additional letters of recommendation that the Secretary issues.

(7) The prioritized list of off-patent drugs for which the Secretary issues written requests.

(8)(A) The efforts made by Secretary to increase the number of studies conducted in the neonate population; and

(B) the results of those efforts, including efforts made to encourage the conduct of appropriate studies in neonates by companies with products that have sufficient safety and other information to make the conduct of studies ethical and safe.

SEC. 17. ADVERSE-EVENT REPORTING.

(a) TOLL-FREE NUMBER IN LABELING.—Not later than one year after the date of the enactment of this Act, the Secretary of Health and Human Services shall promulgate a final rule requiring that the labeling of each drug for which an application is approved under section 505 of the Federal Food, Drug, and Cosmetic Act (regardless of the date on which approved) include the toll-free number maintained by the Secretary for the purpose of receiving reports of adverse events regarding drugs and a statement that such number is to be used for reporting purposes only, not to receive medical advice. With respect to the final rule:

(1) The rule shall provide for the implementation of such labeling requirement in a manner that the Secretary considers to be most likely to reach the broadest consumer audience.

(2) In promulgating the rule, the Secretary shall seek to minimize the cost of the rule on the pharmacy profession.

(3) The rule shall take effect not later than 60 days after the date on which the rule is promulgated.

(b) DRUGS WITH PEDIATRIC MARKET EXCLUSIVITY.—

(1) IN GENERAL.—During the one-year beginning on the date on which a drug receives a period of market exclusivity under 505A of the Federal Food, Drug, and Cosmetic Act, any report of an adverse event regarding the drug that the Secretary of Health and Human Services receives shall be referred to the Office of Pediatric Therapeutics established under section 6 of this Act. In considering the report, the Director of such Office shall provide for the review of the report by the Pediatric Advisory Subcommittee of the Anti-Infective Drugs Advisory Committee, including obtaining any recommendations of such Subcommittee regarding whether the Secretary should take action under the Federal Food, Drug, and Cosmetic Act in response to the report.

(2) RULE OF CONSTRUCTION.—Paragraph (1) may not be construed as restricting the authority of the Secretary of Health and Human Services to continue carrying out the activities described in such paragraph regarding a drug after the one-year period described in such paragraph regarding the drug has expired.

SEC. 18. MINORITY CHILDREN AND PEDIATRIC-EXCLUSIVITY PROGRAM.

(a) PROTOCOLS FOR PEDIATRIC STUDIES.—Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) is amended in subsection (d)(2) by inserting after the first sentence the following: ''In reaching an agreement regarding written protocols, the Secretary shall take into account adequate representation of children of ethnic and racial minorities.''.

(b) STUDY BY GENERAL ACCOUNTING OFFICE.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study for the purpose of determining the following:

(A) The extent to which children of ethnic and racial minorities are adequately represented in studies under section 505A of the Federal Food, Drug, and Cosmetic Act; and to the extent ethnic and racial minorities are not adequately represented, the reasons for such under representation and recommendations to increase such representation.

(B) Whether the Food and Drug Administration has appropriate management systems to monitor the representation of the children of ethnic and racial minorities in such studies.

(C) Whether drugs used to address diseases that disproportionately affect racial and ethnic minorities are being studied for their safety and effectiveness under section 505A of the Federal Food, Drug, and Cosmetic Act.

(2) DATE CERTAIN FOR COMPLETING STUDY.—Not later than January 10, 2003, the Comptroller General shall complete the study required in paragraph (1) and submit to the Congress a report describing the findings of the study.

SEC. 19. TECHNICAL AND CONFORMING AMENDMENTS.

Section 505A of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a) (as amended by sections 2(1), 5(b)(2), 9, 10, 11, and 17) is amended—

(1)(A) by striking ''(j)(4)(D)(ii)'' each place it appears and inserting ''(j)(5)(D)(ii)'';

(B) by striking ''(j)(4)(D)'' each place it appears and inserting ''(j)(5)(D)''; and

(C) by striking ''505(j)(4)(D)'' each place it appears and inserting ''505(j)(5)(D)'';

(2) by redesignating subsections (a), (g), (h), (i), (j), (k), (l), (m), (n), and (o) as subsections (b), (a), (g), (h), (n), (m), (i), (j), (k), and (l) respectively;

(3) by moving the subsections so as to appear in alphabetical order;

(4) in paragraphs (1), (2), and (3) of subsection (d), subsection (e), and subsection (m) (as redesignated by paragraph (2)), by striking ''subsection (a) or (c)'' and inserting ''subsection (b) or (c)''; and

(5) in subsection (g) (as redesignated by paragraph (2)), by striking ''subsection (a) or (b)'' and inserting ''subsection (b) or (c)''.

POST TERRORISM MENTAL HEALTH IMPROVEMENT ACT

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 236, S. 1729.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 1729) to provide assistance with respect to the mental health needs of individuals affected by the terrorist attacks of September 11, 2001.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2503

Mr. REID. Madam President, I understand that Senators KENNEDY and WARNER have a substitute amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. KENNEDY, for himself, Mr. WARNER, Mr. FRIST, Mrs. CLINTON, Mr. WELLSTONE, Ms. COLLINS, Mrs. MURRAY, and Mr. DOMENICI, proposes an amendment numbered 2503.

Mr. REID. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide for a complete substitute)

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Post Terrorism Mental Health Improvement Act''.

SEC. 2. PLANNING AND TRAINING GRANTS.

Section 520A of the Public Health Service Act (42 U.S.C. 290bb-32) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by inserting before the semicolon the following: '', including the training of mental health professionals with respect to evidence-based practices in the treatment of individuals who are victims of a disaster'';

(B) in paragraph (3), by striking ''and'' at the end;

(C) in paragraph (4), by striking the period and inserting a semicolon; and

(D) by inserting after paragraph (4), the following:

''(5) the development of coordinated response plans for responding to the mental health needs (including the response efforts of private organizations) that arise from a disaster, including the development and expansion of the 2-1-1 or other universal hotline as appropriate; and

''(6) the establishment of a mental health disaster response clearinghouse.'';

(2) by redesignating subsection (f) as subsection (h); and

(3) by inserting after subsection (e) the following:

''(f) STATE COMMENTS.—With respect to a State or local public entity that submits an application for assistance under this section and that intends to use such assistance as provided for in subsection (a)(5), such entity shall provide notice of such application to the chief executive officer of the State, the State mental health department, and the State office responsible for emergency preparedness who shall consult with providers and organizations serving public safety officials and others involved in responding to the crisis, and provide such officer, department and office with the opportunity to comment on such application.

''(g) DEFINITION.—For purposes of subsection (a)(2) ,the term 'mental health professional' includes psychiatrists, psychologists, clinical psychiatric nurse specialists, mental health counselors, marriage and family therapists, clinical social workers, pastoral counselors, school psychologists, licensed professional counselors, school guidance counselors, and any other individual practicing in a mental health profession that is licensed or regulated by a State agency.''.

SEC. 3. GRANTS TO DIRECTLY AFFECTED AREAS TO ADDRESS LONG-TERM NEEDS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the ''Secretary'') shall award grants to eligible State and local governments and other public entities to enable such entities to respond to the long-term mental health needs arising from the terrorist attacks of September 11, 2001.

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a) an entity shall—

(1) be a State or local government or other public entity that is located in an area that is directly affected (as determined by the Secretary) by the terrorist attacks of September 11, 2001; and

(2) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) USE OF FUNDS.—A grantee shall use amounts received under a grant under subsection (a)—

(1) to carry out activities to locate individuals who may be affected by the terrorist attacks of September 11, 2001 and in need of mental health services;

(2) to provide treatment for those individuals identified under paragraph (1) who are suffering from a serious psychiatric illness as a result of such terrorist attack, including paying the costs of necessary medications; and

(3) to carry out other activities determined appropriate by the Secretary.

(d) SUPPLEMENT NOT SUPPLANT.—Amounts expended for treatments under subsection (c)(2) shall be used to supplement and not supplant amounts otherwise made available for such treatments (including medications) under any other Federal, State, or local program or under any health insurance coverage.

(e) USE OF PRIVATE ENTITIES AND EXISTING PROVIDERS.—To the extent appropriate, a grantee under subsection (a) shall—

(1) enter into contracts with private, nonprofit entities to carry out activities under the grant; and

(2) to the extent feasible, utilize providers that are already serving the affected population, including providers used by public safety officials.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary in each of fiscal years 2002 through 2005.

SEC. 4. RESEARCH.

Part A of title II of the Public Health Service Act (42 U.S.C. 202 et seq.) is amended by adding at the end the following:

''SEC. 229. RESEARCH.

''Notwithstanding any other provision of law, the Secretary may waive any restriction on the amount of supplemental funding that may be provided to any disaster-related scientific research project that is funded by the Secretary.''.

SEC. 5. CHILDREN WHO EXPERIENCE VIOLENCE-RELATED STRESS.

(a) IN GENERAL.—Section 582(f) of the Public Health Service Act (42 U.S.C. 290hh-1(f)) is amended by striking ''2002 and 2003'' and inserting ''2002 through 2005''.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the program established under section 582 of the Public Health Service Act (42 U.S.C. 290hh-1) should be fully funded.

Mr. KENNEDY. Madam President, mental illnesses inflicted by tragedies like the assault on the World Trade Center and the Pentagon are a serious problem. Every American family is at risk, whether a loved one worked at the World Trade Center or the Pentagon, or whether the family simply watched the attack on television from a continent away. Studies of other disasters teach us that the most vulnerable are those who are most directly affected, but even those less directly touched by these tragedies are vulnerable.

The hearing on September 26 made it clear that Congress has an obligation to assure that these mental health needs are met and that we are better prepared for the mental health consequences of future tragedies. Our witnesses, as well as other experts in the field, identified four key needs: better advance planning and preparedness, training of mental health professionals to treat the specific mental health needs arising from disasters, resources to identify and treat those who will suffer long-term mental health problems as a result of the September 11 attack, research on how to improve our responses to the needs of disaster victims.

The legislation passed through the Senate today by unanimous consent intended to meet all four of these needs. This help is essential for the individuals and families who were injured or lost a loved one, for the brave public safety officers who put their lives on the line trying to rescue or recover victims, and for the many other Americans of all ages in communities across the country who have suffered psychological trauma as the result of these

attacks. The bill was developed in close collaboration with Senator WARNER. Senator FRIST, Senator CLINTON, Senator WELLSTONE, and Senator GREGG made important contributions and I thank them for their efforts.

It is my hope that it will be approved by the House, and that it will be followed by an adequate allocation of funds to help all those who need it.

Mr. WARNER. Madam President, yesterday marked the three month anniversary of one of the most tragic days in American history. While the loathsome, cowardly acts of terrorism that took place on September 11, 2001 have deeply wounded our country, they have not, and never will, dull the spirit and resolve of the American people.

My thoughts and prayers continue to be with those who lost loved ones on that horrific day. And, I continue to express my deepest appreciation to the thousands of individuals who stepped up on the face of danger to assist in the devastating aftermath at the Pentagon, the World Trade Center, and at the Pennsylvania crash site.

The Congress has come together, speaking with a unified bipartisan voice, on several pieces of legislation. Members of Congress have joined together in support of our President and his determination to punish the perpetrators of these attacks. We have joined together on legislation to help law enforcement prevent additional acts of terrorism and to help law enforcement bring terrorists to justice. We have also come together to provide additional resources to bolster our public health infrastructure to better prepare this country in the event of a more widespread biological attack.

I rise today to express my gratitude for my colleagues' willingness to work in a bipartisan fashion on yet another piece of legislation in response to the September 11 attacks. On November 27, 2001, the Health, Education, Labor, and Pensions Committee reported out legislation to provide assistance with the mental health needs of individuals affected by the terrorist attacks of September 11, 2001.

Today, I am pleased to report that this legislation, which I worked so closely on with Senators KENNEDY, FRIST, and GREGG, has passed the Senate by unanimous consent.

The legislation has three main components. First, it authorizes the Secretary of Health and Human Services to provide grants to areas that are directly affected by the attacks of September 11, 2001, such as Northern Virginia and New York City. Grants can be used by State and local governments to respond to the long-term mental health needs arising from that disaster, particularly for the treatment of those individuals who do not have mental health insurance coverage or who are under-insured.

Second, the bill permits the Secretary to provide grants for training mental health professionals in the treatment of certain disorders, such as post traumatic stress disorder, that may result from disasters.

Finally, the legislation permits the Secretary to make grants to States and localities to develop a coordinated mental health response plan in the event of a future disaster.

While the extent of the long term mental health consequences of September 11, 2001 are not entirely known, the needs are certain to be serious. This legislation makes it clear that Congress is committed to meeting the essential mental health needs of the individuals and families who were injured or killed in the terrorist attacks on this great Nation.

I thank my colleagues for their support of this legislation.

Mr. REID. Madam President, I ask unanimous consent that the amendment be agreed to, the motion to reconsider be laid upon the table; the bill, as amended, be read the third time and passed, the motion to reconsider be laid upon the table, with no intervening action, and that any statements related to the bill be printed in the RECORD.

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

The amendment (No. 2503) was agreed to.

The bill (S. 1729), as amended, was read the third time and passed.

ADMINISTRATIVE SIMPLIFICATION COMPLIANCE ACT

Mr. REID. Madam President, I ask unanimous consent that the Senate immediately proceed to Calendar No. 256, H.R. 3323.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3323) to ensure that covered entities comply with the standards for electronic health care transactions and code sets adopted under part C of title XI of the Social Security Act, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Madam President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD.

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

The bill (H.R. 3323) was read the third time and passed.

Mr. DORGAN. Madam President, today the Senate has passed H.R. 3323, a bill that waives the penalties for state health programs, health care providers, and health plans that are unable to comply with the transactions and code sets regulation of the Health Insurance Portability and Accountability Act by October 16, 2002. This bill is different from the bill passed by the Senate on November 27, and frankly, I would prefer that we simply provide the one-year extension to those entities that need it, as provided for in the Senate bill. However, the time remaining in this session of Congress is short, and the House bill will offer a measure of help to those in our states.

The House bill would require that, in order to receive a waiver, those entities needing more time to comply with the transactions and code sets regulation would have to submit a plan to the Secretary of Health and Human Services explaining how they plan to come into compliance by October 16, 2003. When Senator CRAIG and I first introduced legislation on this issue more than six months ago, we are attempting to help alleviate a burden on covered entities. It is not our intention in passing this bill to place a significant new burden on health care providers, states, and health plans.

Mr. CRAIG. Madam President, I share Senator DORGAN'S concern that the compliance plans called for in the House bill not be unduly burdensome. The terrorist attacks of September 11th, and concern about bioterrorism, are putting an additional pressure on our already overtaxed public health system, so imposing new burdens is something we should try to minimize. Therefore, we strongly encourage Health and Human Services Secretary Thompson to ensure that the requirement to file a compliance plan imposes as little a burden as possible.

Mr. BAYH. I want to associate myself with the remarks of my colleagues, Senators DORGAN and CRAIG. As a former governor, I also want to raise a potential concern that has been brought to my attention by some states. The Medicaid program is explicitly covered by HIPAA, but there are many other state programs with health components that may or may not be covered. Before states go through the potentially unnecessary work of submitting compliance plans that may not be needed, I feel strongly that HHS should provide guidance to states about what other plans are required. In addition, HHS should provide technical assistance as to what resources states can use for developing the compliance plans called for by the House bill. States should submit their plans for the Medicaid program and receive guidance from the HHS before submitting state plans that deal with other programs. Only with the appropriate and critical information can HHS and the states create a successful partnership.

Mr. DORGAN. I thank the Senator for raising this important concern. I agree that HHS should provide states with the necessary guidance. I also want to note that when Senator CRAIG and I first introduced legislation on this issue it was our intention not to affect the implementation of the medical privacy regulation. I'm pleased that this bill accomplishes that goal, and the medical records privacy rule will not be delayed or affected in any way.

Mr. CRAIG. I, too, am glad that we have been able to protect the privacy rule, and I want to make one final point in that regard. Nothing in this

bill is designed to create any new covered entities under the privacy rule. Our intention in safeguarding the privacy rule was to keep it intact but not to expand the class of covered entities currently contemplated by it.

Mr. DORGAN. In closing, I thank Senator CRAIG for his long and hard work on this issue, as well as Senators BAUCUS, GRASSLEY, KENNEDY, and the many cosponsors of our original legislation, for their help in reaching enactment of this bill.

EXPRESSING THE SENSE OF CONGRESS REGARDING TUBEROUS SCLEROSIS

Mr. REID. I ask unanimous consent that the health committee be discharged from further consideration of H. Con. Res. 25, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 25) expressing the sense of the Congress regarding tuberous sclerosis.

There being no objection, the Senate proceeded to the immediate consideration of the concurrent resolution.

Mr. REID. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid on the table, and that any statements be printed in the RECORD, with no intervening action or debate.

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

The resolution (H. Con. Res. 25) was agreed to.

The preamble was agreed to.

DISTRICT OF COLUMBIA COLLEGE ACCESS IMPROVEMENT ACT OF 2001

Mr. REID. I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 244, H.R. 1499.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1499) to amend the District of Columbia College Access Act of 1999 to permit individuals who graduated from a secondary school prior to 1998 and individuals who enroll in an institution of higher education more than 3 years after graduating from a secondary school to participate in the tuition assistance programs under such Act, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Governmental Affairs, 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 ''District of Columbia College Access Improvement Act of 2001''.

SEC. 2. PUBLIC SCHOOL PROGRAM.

Section 3(c)(2) of the District of Columbia College Access Act of 1999 is amended by striking subparagraphs (A) through (C) and inserting the following:

''(A)(i) for individuals who begin an undergraduate course of study within 3 calendar years (excluding any period of service on active duty in the armed forces, or service under the Peace Corps Act (22 U.S.C. 2501 et seq.) or subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.)) of graduation from a secondary school, or obtaining the recognized equivalent of a secondary school diploma, was domiciled in the District of Columbia for not less than the 12 consecutive months preceding the commencement of the freshman year at an institution of higher education; or

''(ii) for all other individuals and for those applicants re-enrolling after more than a 3–year break in their post-secondary education, has been domiciled in the District of Columbia for at least 5 consecutive years at the date of application;

''(B)(i) graduated from a secondary school or received the recognized equivalent of a secondary school diploma on or after January 1, 1998;

''(ii) for applicants that did not graduate from a secondary school or receive a recognized equivalent of a secondary school diploma, is accepted for enrollment as a freshman at an eligible institution on or after January 1, 2002; or

''(iii) for applicants who graduated from a secondary school or received the recognized equivalent of a secondary school diploma before January 1, 1998, is currently enrolled at an eligible institution as of the date of enactment of the District of Columbia College Access Improvement Act of 2001;

''(C) meets the citizenship and immigration status requirements described in section 484(a)(5) of the Higher Education Act of 1965 (20 U.S.C. 1091(a)(5));''.

SEC. 3. PRIVATE SCHOOL PROGRAM.

Section 5(c)(1)(B) of the District of Columbia College Access Act of 1999 is amended by striking ''The main campus of which is located in the State of Maryland or the Commonwealth of Virginia''.

SEC. 4. GENERAL REQUIREMENTS.

Section 6 of the District of Columbia College Access Act of 1999 is amended—

(1) by striking subsection (b) and inserting the following:

''(b) ADMINISTRATIVE EXPENSES.—

''(1) IN GENERAL.—The Mayor of the District of Columbia may not use more than 7 percent of the total amount of Federal funds appropriated for the program, retroactive to the date of enactment of this Act (the District of Columbia College Access Act of 1999), for the administrative expenses of the program.

''(2) DEFINITION.—In this subsection, the term 'administrative expenses' means any expenses that are not directly used to pay the cost of tuition and fees for eligible students to attend eligible institutions.'';

(2) by redesignating subsections (e) and (f) as subsections (f) and (g);

(3) by inserting after subsection (d) the following:

''(e) LOCAL FUNDS.—It is the sense of Congress that the District of Columbia may appropriate such local funds as necessary for the Program.''; and

(4) by inserting at the end the following:

''(h) DEDICATED ACCOUNT FOR THE RESIDENT TUITION SUPPORT PROGRAM.—The District of Columbia government shall establish a dedicated account for the Resident Tuition Support Program that shall consist of the Federal funds appropriated to the Program in this Act and any subsequent appropriations, any unobligated balances from prior fiscal years, and any interest earned in this or any fiscal years. The funds in this dedicated account may be used to help pay the cost of tuition and fees for eligible students to attend eligible institutions if the fiscal year appropriation for that year is insufficient to cover the cost of tuition and fees for that year.''.

Amend the title so as to read: ''An Act to amend the District of Columbia College Access Act of 1999 to permit individuals who enroll in an institution of higher education more than 3 years after graduating from a secondary school and individuals who attend private historically black colleges and universities nationwide to participate in the tuition assistance programs under such Act, and for other purposes.''.

Mr. REID. There is a Lieberman amendment at the desk, and I ask it be agreed to, the committee substitute amendment, as amended, be agreed to, and the motion to reconsider be laid upon the table, that the bill, as amended, be read the third time, passed, and the motion to reconsider be laid on the table, with no intervening action or debate, that any statements related thereto be printed in the RECORD, and that the title amendment be agreed to.

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

The amendment (No. 2515) was agreed to, as follows:

(Purpose: To clarify the intended inclusion of certain individuals)

In subparagraph (A) of section 3(c)(2) of the District of Columbia College Access Act of 1999, as added by section 2—

(1) in clause (i), strike ''or'' after the semicolon;

(2) redesignate clause (ii) as clause (iii); and

(3) insert after clause (i) the following:

''(ii) for individuals who graduated from a secondary school or received the recognized equivalent of a secondary school diploma before January 1, 1998, and is currently enrolled at an eligible institution as of the date of enactment of the District of Columbia College Access Improvement Act of 2001, was domiciled in the District of Columbia for not less than the 12 consecutive months preceding the commencement of the freshman year at an institution of higher education; or''.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill (H.R. 1499), as amended, was read the third time and passed.

The title amendment was agreed to.

ORDERS FOR THURSDAY, DECEMBER 13, 2001

Mr. REID. I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m., Thursday, December 13; that immediately following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the farm bill; further, that the live quorum with respect to the cloture motion be waived.

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

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:51 p.m., adjourned until Thursday, December 13, 2001, at 9:30 a.m.