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Senate

The Senate met at 9:31 a.m. and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer to Almighty God, the supreme Judge of the world, will be led by the Senate Chaplain, the Rev. Dr. Lloyd J. Ogilvie. Dr. Ogilvie, please.

PRAYER

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

Almighty God, Creator, Sustainer and Providential source of all our blessings. We praise you for the freedom of religion in America guaranteed by the Bill of Rights and the Constitution. There is no separation between God and State. With gratitude we declare our motto "In God we trust." Though that trust may be expressed in different religions, we do proclaim You as ultimate Sovereign of our Nation. Our Founders declared their trust in You and in each stage of our development You have guided us through peril and prosperity, peace and war. Thank You for Your faithfulness to respond to our confession of trust in You.

It is with reverence that in a moment we will repeat the words of commitment to trust You which are part of our Pledge of Allegiance to our flag: "One Nation under God, indivisible."

Help us to savor these words this morning. May we never lose a profound sense of awe and wonder over the privilege You have given us to live in this religiously free land. Renew our sense of accountability to You, and never take for granted the freedom we enjoy or the accountability we have to You. As we declare our convictions in the Pledge, we affirm that patriotism is an essential expression of our trust in You.

Specifically for today and its pressing agenda and challenges we affirm we are one Senate united under You to lead a nation that is free to say confidently, "In God We Trust."

God our Sovereign, we continue the work of this busy week with the words

and music of the Fourth of July celebration sounding in our souls. We pray together today, remembering the first prayer of dependence prayed for the delegates to the Continental Congress in 1774 that eventually led to the Declaration of Independence in 1776.

Now before the fireworks begin, work in us the fire of that same dependence on You that has been the secret of truly great leaders throughout our history. We pray for the women and men of this Senate. Enlarge their hearts until they are big enough to contain the gift of Your Spirit; expand their minds until they are capable of thinking Your thoughts; deepen their mutual trust so that they can work harmoniously for what is best for this Nation. You know all the legislation to be debated and voted on before recess. Grant the Senators an unprecedented dependence on You, an unreserved desire to seek Your will, and an unlimited supply of Your supernatural strength.

With renewed dependence on You and renewed interdependence on one another as fellow patriots, help us to be willing, in the spirit of our Founders, to stake our reliance on You and pledge our lives, fortunes, and sacred honor for the next stage of Your strategy for America: God bless America! Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore [Mr. BYRD] 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.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THANKING THE CHAPLAIN

Mr. DASCHLE. Mr. President, I know I speak for all of our colleagues in thanking Chaplain Ogilvie for his wonderful prayer this morning. He spoke for all of us. We are one nation under God, and we reaffirm that today as Americans—not as Republicans or as Democrats—and we do so proudly.

SCHEDULE

Mr. DASCHLE. Mr. President, there will be a vote on cloture at 10:30 this morning. The time between now and then will be divided equally between the Republican leader or his designee, who will have the first half of the time, and the Democratic leader or his designee for the second half. Senators should be aware that within the next 50 minutes, we will have a cloture vote, and we will proceed in an effort to try to complete work on the Defense bill today.

I yield the floor.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for up to 10 minutes each. The first half of the time shall be under the control of the Republican leader or his designee; the second half of the time shall be under the control of the majority leader or his designee.

Who seeks recognition?

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

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

• 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 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 (Mr. REED). Without objection, it is so ordered.

The Senator from Minnesota should be aware that the time is presently controlled by the Republican leader.

The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I ask the Senator from Minnesota how long he is intending to speak?

Mr. WELLSTONE. I say to my colleague from Texas, probably about 3 minutes. I want to talk about disaster assistance in Minnesota.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the Senator from Minnesota be allowed to speak for approximately 3 to 4 minutes, after which I ask unanimous consent to be recognized.

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

FLOODS IN MINNESOTA

Mr. WELLSTONE. Mr. President, as any number of my colleagues may have noted, if they have been watching CNN, northwest Minnesota in the last 3 weeks has been deluged by heavy rainfall causing disasters in 13 northwestern Minnesota counties. We have had massive flooding.

Earlier this week, the President rightly declared these counties disaster areas, which will bring much needed FEMA assistance to individuals and businesses. More help is needed, and the Minnesota Farm Service Agency has estimated that we have 2 million acres in northwest Minnesota that are affected by the flooding, and the losses are expected to be about 70 percent. Most of the producers have carried crop insurance, but the crop insurance cannot come close to compensating for these losses. What I am worried about is FEMA can help us with public infrastructure and SBA can help some of our small businesses, but we need disaster relief for our farmers. Without disaster relief, there is no future for them at all.

The President and the administration are saying that there will not be any more disaster relief money and that whatever assistance goes to these farmers has to come from the farm bill. In other words, money has to be taken from other farmers, taken from corn growers, wheat growers, soybean growers. The President and the administration are saying that our farmers cannot expect any relief until the year 2008, no matter what. That is not going to work for northwestern Minnesota.

The farm bill which we passed is not a disaster assistance bill. It is a bill to stabilize farm income. It is a bill about the rural economies, but it is not about disaster relief. Disaster relief is all about "there but the grace of God go I"—fire in Arizona, drought in South Dakota, flooding in northwest Minnesota.

When the Congress decides to help areas affected by hurricanes and fires, we do not tell people to pull their emergency assistance out of somebody else's highway fund.

Sometimes the Federal Government needs to be there for people, and this is one of those cases. I will be visiting northwest Minnesota again this week on Saturday afternoon. It is very important that the administration provide this much needed assistance. I do not think as a Senator, in the almost 12 years I have been in the Senate, I have ever voted against disaster relief for any part of the country, because, again, I think this goes to the essence of who we are as a community. Nobody asked for the flooding. Nobody asked for 2 million acres of farmland, 70 percent of it, to be destroyed. Nobody asks for hurricanes or tornados. Nobody asked for the drought. It is "there but for the grace of God go I." We come together as a community and we provide the help for people. That is what disaster relief is about.

I come to the floor to call on the administration to change their mind and to make a commitment to providing this assistance. We had it in the farm bill in the Senate. It was taken out in conference committee for 2001. Now we are talking about even more damage for 2002.

There is no more important issue for the State of Minnesota than to get the help for these farmers. Otherwise, they will not be there. It will be all over. I appeal to the White House: Please change your mind on this matter. We need the help in Minnesota. There will be other States that will need the assistance, as well.

I yield the floor.

ORDER OF BUSINESS

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

Mr. WARNER. Mr. President, the Senator from Texas has an important measure, which I have reviewed. Given the current status of the bill, it is questionable whether it can be brought up on the bill. The Senator is anxious to speak about it. I suggest the Senator send the amendment to the desk and leave it there, making it part of the RECORD as a colloquy.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent the amendment be brought up, and I will speak on it, after which I will withdraw the amendment.

The PRESIDING OFFICER. The Senate is not currently on the bill. The Senate is in a period of morning business.

Mr. WARNER. At some point it may be reviewed in committee or by the Senate, but it is important to be part of the RECORD.

Mrs. HUTCHISON. When does morning business end?

Mr. REID. After the cloture vote.

The PRESIDING OFFICER. Morning business is scheduled to end at 10:30.

Mrs. HUTCHISON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mrs. HUTCHISON. Mr. President, I ask unanimous consent it be in order for me to call up amendment No. 3928 to the Defense authorization bill.

Mr. REID. Reserving the right to object, I have no objection for calling the bill up as long as the amendment will be withdrawn subsequently.

Mrs. HUTCHISON. That is correct.

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

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2003—Resumed

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2514) to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 3928

The PRESIDING OFFICER (Mr. MILLER). The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for herself, Mr. BINGAMAN, Mr. LOTT, Mr. STEVENS, Mr. INOUE, Mr. BUNNING, Mrs. FEINSTEIN, Mr. CRAIG, Ms. COLLINS, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. BOND, Mr. DOMENICI, Mr. BAYH, Mr. NELSON of Nebraska, Mr. BURNS, and Ms. SNOWE, proposes amendment No. 3928.

Mrs. HUTCHISON. I ask unanimous consent reading of the amendment be dispensed.

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

The amendment is as follows:

(Purpose: To specify additional selection criteria for the 2005 round of defense base closures and realignments under the Defense Base Closure and Realignment Act of 1990)

At the end of subtitle B of title XXVIII, add the following:

SEC. 2814. ADDITIONAL SELECTION CRITERIA FOR 2005 ROUND OF DEFENSE BASE CLOSURE AND REALIGNMENT.

(a) ADDITIONAL SELECTION CRITERIA.—Section 2913 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively; and

(2) by inserting after subsection (c) the following new subsection (d):

“(d) ADDITIONAL CONSIDERATIONS.—The selection criteria for military installations shall also address the following:

“(1) Force structure and mission requirements through 2020, as specified by the document entitled ‘Joint Vision 2020’ issued by the Joint Chiefs of Staff, including—

“(A) mobilization requirements; and

“(B) requirements for utilization of facilities by the Department of Defense and by other departments and agencies of the United States, including—

“(i) joint use by two or more Armed Forces; and

“(ii) use by one or more reserve components.

“(2) The availability and condition of facilities, land, and associated airspace, including—

“(A) proximity to mobilization points, including points of embarkation for air or rail transportation and ports; and

“(B) current, planned, and programmed military construction.

“(3) Considerations regarding ranges and airspace, including—

“(A) uniqueness; and

“(B) existing or potential physical, electromagnetic, or other encroachment.

“(4) Force protection.

“(5) Costs and effects of relocating critical infrastructure, including—

“(A) military construction costs at receiving military installations and facilities;

“(B) environmental costs, including costs of compliance with Federal and State environmental laws;

“(C) termination costs and other liabilities associated with existing contracts or agreements involving outsourcing or privatization of services, housing, or facilities used by the Department;

“(D) effects on co-located entities of the Department;

“(E) effects on co-located Federal agencies;

“(F) costs of transfers and relocations of civilian personnel, and other workforce considerations.

“(6) Homeland security requirements.

“(7) State or local support for a continued presence by the Department, including—

“(A) current or potential public or private partnerships in support of Department activities; and

“(B) the capacity of States and localities to respond positively to economic effects and other effects.

“(8) Applicable lessons from previous rounds of defense base closure and realignment, including disparities between anticipated savings and actual savings.

“(9) Anticipated savings and other benefits, including—

“(A) enhancement of capabilities through improved use of remaining infrastructure; and

“(B) the capacity to relocate units and other assets.

“(10) Any other considerations that the Secretary of Defense determines appropriate.”

(b) **WEIGHTING OF CRITERIA FOR TRANSPARENCY PURPOSES.**—Subsection (a) of such section 2913 is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph (2):

“(2) **WEIGHTING OF CRITERIA.**—At the same time the Secretary publishes the proposed criteria under paragraph (1), the Secretary shall publish in the Federal Register the formula proposed to be used by the Secretary in assigning weight to the various proposed criteria in making recommendations for the closure or realignment of military installations inside the United States under this part in 2005.”

Mrs. HUTCHISON. Mr. President, I rise today to speak in support of an amendment that 16 of my colleagues on both sides of the aisle have cosponsored. The amendment is very straightforward. It is to improve the minimum

criteria for the 2005 BRAC Commission, that the military and the department must follow when evaluating the Nation's military infrastructure. The amendment would also make the process more transparent.

I want to be clear that by offering this amendment, I do not intend to revisit the debate we had last year. While this Chamber remains sharply divided over the merits of another round of base closures, we can certainly agree a round of closures riddled with mistakes could be more costly than no closures at all.

In fiscal year 2002, the National Defense Authorization Act unleashed a powerful bureaucratic process when it authorized another round of closures in 2005. The Pentagon has often said that there are 20 to 25 percent excess military structures and that nine members of the commission may well recommend the closure of as many as 100 military installations in this Nation.

Those are not decisions to be taken lightly. We have seen from the Vieques fiasco that once a national asset like a training range is closed, it cannot be replaced.

We have also seen past commissions commit costly blunders. In 1995, the commission recommended the closure of Reese Air Force Base in Lubbock, TX. The Air Force said it had surplus undergraduate training capacity. Only a few years later, the Air Force reported it was nearly 2,000 pilots short of its authorized end strength. At great expense to the taxpayer, the Air Force responded by standing up Moody Air Force Base.

In 1995, Fort Buchanan, Puerto Rico was realigned, and all of its housing was conveyed to the community. Two years later, U.S. Army South was relocated there from Panama. The Secretary was forced to come back to Congress to seek permission to rescind the housing conveyance.

In 1995, Fort Greeley, AK, was realigned, its tenants relocated, and the housing area was relinquished. Five years later, the decision was made to utilize Greeley as the critical test bed for our emerging national missile defense system.

As we can see, even in peacetime, correctly forecasting requirements, even just a few years into the future, is nearly impossible.

The authorization bill already directs the commissioners to consider a handful of very broad criteria when evaluating our military infrastructure. But in an era where the meaning of commonly understood words is a matter of debate, specificity is everything.

The amendment goes one step further. The Commissioners are authorized to consider additional criteria, many not included in last year's authorization bill. One of these is force protection. The threat posed by terrorists to our forces has been demonstrated too vividly to leave this out. Look at Khobar Towers, look at the USS *Cole*. We must have force protec-

tion wherever our troops are in the field, and it should be an additional criterion for any enduring installation.

Lessons learned from previous rounds of closures include the disparities between anticipated and actual savings in another suggested criterion—who could oppose this commonsense suggestion?

Of course, there are bases overseas as well as those in America that are affected by the base-closing commission, so the criteria in this amendment are in no way exhaustive or restrictive. The Commission may consider any other criteria it considers appropriate. But it is an attempt to enumerate a minimum number of criteria that would have to be addressed by the Commission when they are making their very important decisions potentially closing as many as 100 military installations.

In addition to sharpening focus, this amendment would also increase transparency. It requires the formula to be used in assigning weight to the various criteria to be published in the Federal Register. By permitting greater insight into the workings of the Commission, we can reduce some of the anxiety communities will experience as we near 2005. Greater transparency will also help us limit the number of potential and very costly mistakes.

We will place a tremendous amount of trust in the nine members of the Commission. Their decisions will impact hundreds of communities across our Nation. It is entirely reasonable to demand a degree of transparency into the process.

In a recent letter, the general counsel of the Department of Defense wrote to express the Department's opposition to this amendment. The counsel justifies the Department's opposition by arguing that the proposed criteria “are redundant to existing provisions,” and “the proposed requirement to weight the selection criteria is unnecessary.”

As an example of this alleged redundancy, the counsel points out that our amendment requires that the selection process address “force structure and mission requirements through 2020,” and that the current law also requires the Secretary of Defense to develop a force structure plan based on, among other factors, an assessment of the probable threats to national security through 2025.

This is true. However, the general counsel fails to mention that the current law requires the Secretary of Defense to submit the plan in support of the Department's fiscal year 2005 budget. That budget will not be submitted to Congress until February or March of 2004, months after the December 31, 2003 deadline for publishing the proposed criteria for base closing in the Federal Register. Without our amendment, the criteria will be established before the Secretary has reported his assessment of our long-term threat, the necessary force structure, and hence the most appropriate infrastructure needs of the military.

Members of this administration have said on previous occasions that doing a BRAC before our future force structure has been determined is like getting the cart before the horse.

The general counsel also contended in the letter that the amendment's requirements that the criteria be weighted is unnecessary because the current law:

. . . requires the Secretary of Defense to ensure that military value is the primary consideration. . . .

True. Our legislation would not change this. The real question is, Exactly how will the Department measure military value? Clearly, there are many factors that comprise this measurement. The current law contains at least five components of military value. Is it unreasonable to ask which of these is the more important? They can't all be of equal value. At some point the Commission will rank them, giving each criterion a different relative weight. All we are seeking is insight into the process. Without knowledge of how the Commission weights the criteria, we will once again be left, as we have seen in past BRACs, with a secretive process in which the nine members of the Commission go into a room with a list of bases and then reappear with a final list of closings. There is no public insight into the Commission's rationale at this point.

Our legislation would require that the relative weighting be published, and thus provide the public with a greater understanding of the process.

I think the general counsel's response shows a level of misunderstanding of the concern that people have about base closings. This has been a secretive process in the past, one in which there has been no necessity to reveal the rationale and the Commission has not.

I do not doubt the Department will eventually start looking at these criteria more carefully. I certainly hope, before we go into this 2005 round, which will probably be the last round of base closings, that the Department will report on what our 20-year strategy is going to be, what our necessary force strength will be, and what our training infrastructure requirements will be.

Today we don't know that. We could not know that today for 2020. The Department has not put that forward. Clearly the Department has been focusing on the war on terrorism, as they should. But to go into the next round of base closings, we must determine what our threats are going to be for 20 years and assess just how much it is going to cost to close a base or how much it would cost if we need to reopen it.

It is clear that did not happen in all cases during the 1995 round. Costs continue to be much more than were estimated by the Commission.

The environmental cleanup is still costing us hundreds of millions of dollars in the Military Construction Subcommittee, where I am the ranking

member, and we are paying costs that were never envisioned by the 1995 base-closing commission.

I am going to withdraw my amendment because I do think the Department of Defense has other concerns that are clearly taking priority at this time, and I understand that. But I am going to keep this amendment alive for the future because I believe the Department needs to come forth with weighted criteria, with a clear 20-year strategy before they set the criteria for base closings.

We need to know what the war on terrorism is going to entail over the next 20 years. How are we going to protect our troops wherever they may be? How are we going to make sure we have the training capability that we thought we had at Vieques, but then all of a sudden people protested and we withdrew? So now we do not have a good live-firing training range for the Navy to substitute.

How could we possibly go forward in 2005 without this information?

I urge the Department of Defense to work with me to come up with clear, weighted criteria prior to the 2005 round of base closings.

I withdraw the amendment and yield the floor.

The PRESIDING OFFICER. The amendment is withdrawn.

The time is controlled by the majority leader or his designee.

Mr. WARNER. Mr. President, I just wished 2 minutes for comment.

Mr. REID. I have a problem. We have a lot of time after the cloture vote. Senator STABENOW has about 30 minutes of material to jam into 20 minutes, so I think we should start with that.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

PRESCRIPTION DRUG PRICES

Ms. STABENOW. Mr. President, I rise this morning to speak about an incredibly important subject that affects every senior, every family, every worker, every business owner in our country. This is something we have been talking about for a long time but we are now poised to act. I want to commend our Senate majority leader, Senator DASCHLE, for understanding the critical nature of prescription drug prices for our seniors, for our families, for our businesses in the country, and for scheduling this debate in July, an important time in the midst of so many issues that we know are pressing. He understands—and I appreciate that our leadership understands—the critical nature of our seniors having to struggle to get their prescription drugs every day and the gigantic rising costs for our business community. The fact is that workers have to negotiate pay freezes in order to have the health care they need.

This is an issue that affects everybody. We have the opportunity to act in the Senate. There are those who will

be acting in the House of Representatives on a plan that, with all due respect, I believe and many colleagues believe, just isn't good enough. We have the opportunity to do the right thing to make a real difference to provide for a Medicare prescription drug plan that will pay for the majority of the bill for the average senior, and also lower prices for everyone.

I want to share with colleagues today results from a study that was done by Families U.S.A. and released on Monday that tracks the rising prices of prescription drugs. It continues to be astounding. They have indicated that over the 5-year period—from January 1997 to January of this year—the prices of the prescription drugs most frequently used by older Americans rose, on average, 27.6 percent—way above the rate of inflation.

No wonder our seniors are having to choose between food and paying the electric bill and getting their medicine. No wonder our small business community is seeing premiums rise by 30 or 40 percent. The Big Three automakers in my State are struggling with the huge price increases for health insurance.

We are seeing an explosion of prices for prescription drugs which is absolutely not sustainable, and it is absolutely not justified.

Let me read from two of the many examples that were given by Families U.S.A. Premarin, an estrogen replacement drug, rose 17.5 percent—nearly seven times the rate of inflation. Lipitor, which we hear so much about, a cholesterol-lowering drug, rose 13.5 percent—more than five times the rate of inflation.

That is astounding when we look at the fact that the taxpayers of America underwrite basic research; we provide tax incentives, tax credits, and tax deductions so the drug companies can write off the cost of research. We give them patents so they do not have competition for up to 20 years in order to recover their costs. Then we see the highest prices in the world being paid by our seniors—being paid by everyone in the United States. This explosion in prices makes no sense.

I am so pleased, as we come to this debate in the Senate, that out of the debate we will include not only a Medicare prescription drug benefit, which is authored by the Presiding Officer, as well as Senator GRAHAM of Florida, Senator KENNEDY, and many of us who join together to provide real coverage and real help for seniors, but we also intend to tackle the pricing issue.

One of the things I found astounding in this study is the fact that up to 10 top generic drugs—in other words, unadvertised brands that are equivalent to the advertised brands, but they just don't cost as much—of the 10 generic drugs, 9 did not increase in price at all last year. Nine out of ten of the generic drugs looked at did not increase at all. On the other hand, by contrast, only 3 of the 40 brand-named drugs did not increase last year.

I have talked about the fact that in our plan we provide incentives and encourage the use of unadvertised brands. We will be offering important amendments to close loopholes which allow brand-name companies to stop the generic companies from going on the market to compete with lower prices.

These are very important issues.

We have two goals in the Senate: To provide a real Medicare prescription drug benefit, and at the same time to lower prices for everyone.

We want to open the border to Canada so we can get prescription drugs at lower prices. We want to provide other opportunities, such as tackling exorbitant costs of advertising that cause these prescription drugs to rise so quickly.

What does this mean for real people? We know there is a real difference between the House and the Senate. The House plan will cover about 15 to 20 percent of the average bill for an average senior. We are looking at covering 70 to 80 percent—a huge difference.

What does that mean to the average senior?

I have set up a Prescription Drug People's Lobby in Michigan where we ask people to come to my Web site. They can log onto my Web site by logging onto Senator DEBBIE STABENOW, and they can find out what we are doing to lower prices and to provide Medicare prescription drug coverage. I have asked people to share their stories and their struggles. I want to share two of those today.

Shawn Somerville from Ypsilanti, MI, is a granddaughter who is expressing great concern for her grandmother. She said:

Just this last Christmas, my grandmother was hospitalized because she stopped taking her prescription so she could afford Christmas presents for all of us grandkids. She later died from an undiagnosed ulcer. It was very sad to me that these drugs are so expensive.

Do they need to be?

Do they need to be? No, Shawn. They do not need to be.

We don't need another grandma choosing not taking her medicine this Christmas so she can buy Christmas presents for her grandchildren. This is the United States of America. We can do better. It is shameful that we have not done better. We intend in the Senate to come forward with a plan that will do better.

I have been getting e-mail from the Prescription Drug People's Lobby from around the country. I will share one more before turning to my colleague from Minnesota, who has been such a leader on this issue.

This is from Lydell Howard from Inglewood, CA. She wrote:

My grandfather, Esco Howard, a 75-year-old retired LTV Steel worker recently experienced what we thought to be impossible. He and his spouse in March 2002 were sent a letter to advise them that they would no longer be covered by a medical plan as provided by LTV Steel, as of March 31, 2002. This was due to the financial constraints of the company.

This is happening all across our country.

We (the family and grandparents included) were devastated. What would they do? How could they then survive?

What would they do?

Since March 31, my grandparents have been faced with exorbitant medical prescription costs. Their finances absorbed by the cost of medical and prescription costs, now average nearly \$900 per month for prescription costs alone, with an income of about \$1,300 per month.

Nine hundred dollars a month. That is hard to fathom—somebody retired coming up with \$900 a month.

This way of living is terrorizing seniors, disabled persons, and their families. This movement to expand Medicare to include a description plan is the answer. But it also must be affordable to all people of concern.

Lydell Howard, I couldn't agree more. That is what this is all about—providing real medical help, and real Medicare help for prescriptions for your grandparents, and making sure prescriptions are affordable to everyone.

I will say, as I have said so many times before, that we know this is an uphill battle. There are six drug company lobbyists for every Member of the Senate. People have to be involved and have their voices heard in order for us to be successful.

I will conclude by once again encouraging people to join us by going to fairdrugprices.org, and sign a petition calling on Congress to act—get involved and share your stories with us.

I now yield to my colleague from Minnesota, who has been such a champion and a voice for people on this issue and so many others. I know he is standing up every day on behalf of our seniors and our families to lower prescription drug prices.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I would like to not rush through this. We only have 10 minutes. I will use 5 minutes and then yield 5 minutes to my colleague from Florida, who has been such a leader on this issue, along with the Presiding Officer. Listen, I could go through this for hours. I don't know how to do this in 5 minutes, but let me try.

I thank the Senator from Michigan. I think people get a whole lot more faith in politics and then people in politics when they not only campaign and say they are going to do something but, once in the Senate, they make this their passion and their goal. I say to the Senator from Michigan, you have done that. Every single day you have been focused on prescription drug coverage for people. I thank you for that.

The House has a plan, and I simply have to point out to the Senate that I do not see it as a great step forward. I see it as a great leap sideways. I think people will come to see it the same way. People in Minnesota will.

There are a number of problems. Part of it is ideological. When we passed

Medicare in 1965, it was an enormous step forward. I will tell you, for my mom and dad, who are no longer alive, it made all the difference in the world. It meant there would be coverage for them.

This was a Government program that, really, I put in the same category as Social Security. It was an enormous step forward, not just for senior citizens but made our country better. It made us a better country.

What we want to do on the Senate side is extend prescription drugs as a part of Medicare. On the House side, basically what they are saying is, there is no guarantee of any benefit. But what they do say is, seniors will be entitled to some sort of coverage through drug-only insurance plans or through Medicare HMOs. By the way, a number of these private health insurance plans, I say to my colleagues from Ohio and Michigan, are telling me they are not going to provide the coverage for them because it will not work for them. The only people it will work for are people who will not need it, and they will not have a large enough pool, so it will not be profitable.

But on the House side, apparently Republicans have said they do not want to extend this on to Medicare, in which case, really, they are interested in going down the road of privatizing Medicare. We are not.

The second point is a real important one. If you are going to have prescription drug coverage that works for people, you have to keep the copays or deductibles sufficiently low and premiums sufficiently low so they can afford it. And it has to provide real catastrophic coverage. That is what people worry about the most.

On the House side, you have this peculiar feature of between \$2,000 and \$3,700 there is no coverage. While people continue to pay premiums, they do not get any coverage. I think probably close to half of the senior citizens in this country actually are paying more than the \$2,000 in expenses for prescription drugs; and they do not get any coverage whatsoever in the House plan. It does not make a whole lot of sense. This is truly one of those examples where the Devil is in the details.

I guarantee you, when senior citizens—and it is not just about senior citizens; it is their children and their families; we are all in this together—see there isn't any coverage, people are going to say: What is this about? This does not meet our needs.

The third issue which is important to me is that the House plan says we want to make sure that low-income seniors—the profile is not very high; it is not true the majority of senior citizens are "greedy geezers" playing all the swank golf courses around the country—probably a full 75 percent have incomes below \$30,000 or \$35,000 a year.

For low-income seniors, the House says, of course we would not have people paying, that it would be coverage they could afford, it would be free coverage, except then they have an assets

test so that if you have a savings account of more than \$2,000, or you have a car that is worth \$4,500, or you have a burial plot worth more than \$1,500, you would not necessarily be eligible for any help whatsoever. That strikes me as being stingy. To tell you the truth, it defies common sense. We ought not to be having this kind of stringent assets test when it comes to whether people can afford prescription drugs.

My final point—and I could spend a lot of time on this—I am a cosponsor of the Senate bill. I think it is extremely important. I thank both my colleagues. I would love to see us have some cost containment. I think we should do it. I could talk about three options, but with only 30 seconds, I am only going to talk about one, because I have been working on it for several years. And so have Senator STABENOW, Senator DORGAN, and Senator JEFFORDS.

I do believe at the very minimum we ought to allow our citizens to reimport these prescription drugs from Canada, according to all of the FDA safety guidelines. There is no reason in the world why our pharmacists, our wholesalers, and our families cannot reimport drugs, where they can get a 30-, 40-, or 50-percent discount. There is no reason whatsoever. I grant you, the pharmaceutical industry will not like this.

But what we also have to do is make sure there is a way we can reduce the costs. I think that would be a helpful addition to what I think is a very important piece of legislation.

I say to my colleagues, I think the House bill is a nonstarter. I think it is a great leap backwards. I think we have a much stronger bill. I look forward to the debate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, first, I commend my two colleagues for their eloquent statements. I commend the Presiding Officer for his great leadership on this effort to pass a prescription drug benefit this year.

The most fundamental reform for our Nation's Medicare Program is its transformation from a program that has focused, since 1965, on dealing with people's needs after they were sick enough to go to the doctor or the hospital and to create a modern commitment to good health.

Access to medications is an absolutely central part of that commitment to good health. Access to medications not only helps people live longer, happier, healthier lives, but it also will help Medicare save money.

These truths are particularly important to the most vulnerable of our elderly, those who are too well off to qualify for Medicaid, the program for poor Americans, but are too poor to afford their medically necessary prescription drugs.

There are approximately 10 million older Americans living on an annual

income of \$13,000 or less per year. Of that 10 million, 5.5 million have no prescription drug coverage because they do not qualify for Medicaid.

These Americans face the tough choices of deciding whether they can afford their prescription drugs. One example of this is Mrs. Olga Butler of a beautiful community in central Florida, Avon Park.

Mrs. Butler receives a monthly Social Security check of \$672, which makes her barely over the income limit for Medicaid coverage. This means that the 67-year-old Olga has to pay for her own medications, sometimes having to make the choice among food, rent, and her prescriptions.

Olga is on Lipitor and clonidine for her hypertension and high cholesterol. She pays \$95 per month for Lipitor and \$22 per month for clonidine. These prescription drugs not only improve the quality of Olga's life, but they are helpful in warding off a possible stroke or heart attack, for which she is at great risk.

In addition to the personal devastation of having a stroke or a heart attack, these would cause significant additional costs to the Medicare Program.

An average hospitalization for a typical stroke patient costs Medicare \$7,127.59. Physicians' time, tests, and consultations will add, on average, another \$1,600 cost to Medicare. This is an avoidable event.

If Olga can continue to take her medications, chances are she will not have a stroke, she will not have a heart attack, and, if she is fortunate, she will not need further hospitalizations, nursing facility care, and rehabilitation services. This, of course, is expensive, but it is also avoidable.

You might ask, why are you discussing this issue of the poor, but above Medicaid eligibility, elderly? Don't both competing prescription drug plans that have been offered for Medicare offer similar benefits to Olga Butler? The answer is, not quite.

Under the House Republican plan, which I understand may be debated today and where I know there are considerable misgivings among Members on both sides of the aisle, maybe one of the reasons for those misgivings is the fact that, before Olga can receive any help with her drug costs, she must pass an assets test. An assets test?

For the first time in the history of Medicare—for the first time since 1965—we are about to impose an assets test in order for a low-income Medicare beneficiary to be eligible for prescription drug assistance.

What does this mean to Olga Butler? It means she must deplete her life's savings to less than \$4,000, sell off her furniture and personal property that is worth more than \$2,000, get rid of her burial fund if it exceeds \$1,500, and sell her car, if it has a value of more than \$4,500—all of these in order to qualify for low income assistance under the inadequate Republican proposal.

I ask unanimous consent for an additional 5 minutes to complete my remarks.

Mr. REID. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. GRAHAM. Mr. President, I look forward to an opportunity to continue to outline the circumstances under which Olga would be disadvantaged if the plan being considered in the House today were to improvidently be adopted.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2003

The PRESIDING OFFICER. Under the previous order, the Senate will now continue consideration of S. 2514 which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2514) to authorize appropriations for fiscal year 2003 for the military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

Mr. WARNER. Parliamentary inquiry: My understanding is the Senate now, by previous order, proceeds to the cloture vote; am I correct?

The PRESIDING OFFICER. The Senator is correct.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

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 S. 2514, the Defense authorization bill:

Harry Reid, Jon Corzine, Richard Durbin, Tom Harkin, Carl Levin, Mary Landrieu, Tom Carper, Ben Nelson, Ron Wyden, Daniel Akaka, Debbie Stabenow, Evan Bayh, Maria Cantwell, Herb Kohl, John Edwards, Jeff Bingaman, and Joseph Lieberman.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call under the rule is waived.

The question is, Is it the sense of the Senate that debate on S. 2514, a bill to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from New York (Mr. SCHUMER) is necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) is necessarily absent.

The yeas and nays resulted—yeas 98, nays 0, as follows:

[Rollcall Vote No. 164 Leg.]

YEAS—98

Akaka	Dorgan	Lugar
Allard	Durbin	McCain
Allen	Edwards	McConnell
Baucus	Ensign	Mikulski
Bayh	Enzi	Miller
Bennett	Feingold	Murkowski
Biden	Feinstein	Murray
Bingaman	Fitzgerald	Nelson (FL)
Bond	Frist	Nelson (NE)
Boxer	Graham	Nickles
Breaux	Gramm	Reed
Brownback	Grassley	Reid
Bunning	Gregg	Roberts
Burns	Hagel	Rockefeller
Byrd	Harkin	Santorum
Campbell	Hatch	Sarbanes
Cantwell	Hollings	Sessions
Carnahan	Hutchinson	Shelby
Carper	Hutchison	Smith (NH)
Chafee	Inhofe	Smith (OR)
Cleland	Inouye	Snowe
Clinton	Jeffords	Specter
Cochran	Johnson	Stabenow
Collins	Kennedy	Stevens
Conrad	Kerry	Thomas
Corzine	Kohl	Thompson
Craig	Kyl	Thurmond
Crapo	Landrieu	Torricelli
Daschle	Leahy	Voivovich
Dayton	Levin	Warner
DeWine	Lieberman	Wellstone
Dodd	Lincoln	Wyden
Domenici	Lott	

NOT VOTING—2

Helms Schumer

The PRESIDING OFFICER. On this vote, the yeas are 98, the nays are 0. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The Senator from Nevada is recognized.

Mr. REID. Mr. President, it is my understanding we are now postcloture on the Defense authorization bill and amendments that are germane can now be offered; is that correct?

The PRESIDING OFFICER. The Senator is correct.

The Senator from Georgia is recognized.

AMENDMENT NO. 4033

Mr. CLELAND. I thank the Chair. I call up amendment No. 4033.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. CLELAND], for himself and Mr. MCCAIN, proposes an amendment numbered 4033.

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

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

The amendment is as follows:

(Purpose: To increase active duty end strengths)

On page 91, strike lines 1 through 4, and insert the following:

- (1) The Army, 485,000.
- (2) The Navy, 379,200.
- (3) The Marine Corps, 175,000.
- (4) The Air Force, 362,500.

Mr. CLELAND. Mr. President, I thank my colleague and friend, my

Vietnam brother, Senator MCCAIN, for joining me in offering an amendment that I think is critical to the future of our military forces and particularly critical to the future outcome of the war against catastrophic terrorism. That phrase “catastrophic terrorism,” I borrow from Senator Sam Nunn, who once occupied this seat in this august body and whose opinion in terms of military and defense matters I respect tremendously.

Today I introduce, along with Senator MCCAIN, an amendment to the Defense authorization bill that begins to address the concerns expressed by the uniformed leadership of the Armed forces and reinforced by visits to our soldiers, sailors, airmen, marines, and their families around the world.

President Franklin Roosevelt once said to the members of his generation—which includes my mother and father. My father served at Pearl Harbor after the attack, so I grew up with the notion that this Nation should respond wholeheartedly to an attack on itself—“To some generations, much is given. From some generations much is required. This generation has a rendezvous with destiny.” I think this generation has our own rendezvous with destiny and that destiny is to win the war against catastrophic terrorism, to defend our homeland and to hang together as Americans while we are doing it.

Regarding our efforts militarily, I support the President and our military commanders 100 percent. However, I also firmly believe we must increase the numbers of our active duty military personnel if we are to be able to fight the war on catastrophic terrorism successfully. Our military is currently winning the battle. But we will lose the war if we continue to ignore the fact that our forces are critically over-deployed and being asked to do too much with too little.

There is a Latin phrase which tells us, “If you wish for peace, prepare for war.” The United States is increasing its resources to prepare to fight this war. This Defense authorization bill represents the largest defense authorization bill in American history—\$394 billion. Additionally, we are dramatically increasing our intelligence capabilities, especially human intelligence. We are boosting the CIA with more money and people, while the FBI is creating a super squad aimed at fighting terrorism around the globe. In the past 2 weeks, the President requested Congress create a Cabinet office of Homeland Security.

We are very fortunate to have a superb military force that is highly-skilled, highly-trained and highly-motivated.

The problem is that they are also over-committed. Our forces are over-deployed and they won't be able to do it much longer. We are out of balance, with our commitments far outpacing our troop levels, and the situation is only getting worse. As can be seen on

this chart, as the size of our force structure has continually declined since Vietnam, the number of contingency deployments has continued to grow with no end in sight. As a matter of fact, we all read in the papers almost daily where our military forces have been expanded in terms of commitments—to Yemen, Pakistan, the Philippines, the Republic of Georgia, and so on.

Since the end of Operation Desert Storm in 1991, the armed forces have downsized by more than half a million personnel. I do not think the American people really understand we won Desert Storm in 1991 with half a million more people on active duty, trained and ready to fight, than we have now. We do not have those half a million people, and our commitments have continued to increase. Today, a Desert-Storm size deployment to Iraq would require 86 percent of the Army's deployable end strength around the world, including all stateside deployable personnel, all overseas-deployed personnel, and most forward-stationed personnel.

Contrast that drop in personnel with the dramatic rise in the number of deployments for the same time frame. The Army alone is deployed in over 100 countries, with over 10,000 troops in Bosnia, Croatia and Hungary.

Even more dramatic is the fact that deployments have increased 300 percent since 1989, and the fall of the Soviet Union. The tempo of those deployments has increased from one every four years to one every 14 weeks.

That was prior to September 11. In the war on terrorism, we now face a far broader challenge and for a longer, unspecified duration. The Department of Defense has ordered new deployments in the last several months to Afghanistan, Yemen, the Philippines, Georgia, and Pakistan. To make this possible, we have activated more than 80,000 guard and reserve troops and instituted stop-loss for certain active and reserve component specialties. “Stop-loss” means you are not getting out of the military; we have a war on. That is what “stop-loss” means.

This is not a way to fight a war when our strategic national interests are at stake. The President has rightly told the country to be prepared for a long war. That is highly appropriate. However, the Department of Defense requested only a modest increase, a little over 2,000 personnel, in Marine Corps personnel this year. In the face of mounting evidence that our people and their families are hurting from the strain of this new war, there are no current plans by Department of Defense to increase end-strength for American soldiers, sailors or airmen. The Department of Defense may not have plans to increase our end-strength authorization, but I do, along with Senator MCCAIN and others.

As the chairman of the Personnel Subcommittee of the Senate Armed Services Committee, I propose to authorize an increase of 5,000 personnel

for the Army, 3,500 for the Navy, 3,500 for the Air Force and 2,400 additional Marines as part of the fiscal year 2003 budget. This represents an increased authorization of 12,000 personnel beyond the administration's request. This initial increase begins to address the needs of the armed forces, the needs they themselves feel are crucial.

During the past year, most of the senior uniformed leadership in Washington and around the globe have related manpower concerns and the strain it has created on their service either in testimony or in the media. It is time to respond to their concerns.

Recently, two-regional combatant commanders testified that their forces were stretched thin and inadequate to carry out their assigned missions if operations in the war on catastrophic terror continued at their current pace. I see no sign the war is abating. I see every sign it is escalating. In addition, the Joint Chiefs of Staff have apparently cited manpower needs as one criteria leading to a recommended delay in any possible military action against Iraq; a conclusion also reached during a Pentagon computer-simulated exercise this past Spring.

This authorization process is inevitably about setting priorities, and this amendment addresses the crucial need of our most important resource and highest priority, the men and women who serve in our armed forces.

In addition to this needed increase in authorized end-strength for the next fiscal year, I had hoped to offer a sense of the Senate resolution that would demonstrate the commitment of this body to the continuing need to address authorized end-strength levels as we fight this war on terror and simultaneously meet this Nation's military commitments around the globe. However, this resolution was ruled non-germaine and cloture prevents its offering. This does not negate the fact that there is a need for almost 26,000 additional personnel over a 5-year period to meet the shortages expressed by our senior uniformed leadership, soldiers, and families. My plan would bring our current commitments and authorized troop levels into greater balance.

If fully implemented, over the course of a 5-year period, the Army would grow by over 1 percent annually resulting in an army end-strength of an additional 25,000 extra soldiers.

The Air Force would require an increase of 2,500 airmen in fiscal year 2004 and 2,000 in fiscal year 2005.

The Navy would have a requirement for 1,000 additional sailors in fiscal year 2004.

This responsible and incremental increase in authorization acknowledges that the activation of the reserve components and stop-loss are only temporary fixes to a larger problem. In addition, this plan begins the dialogue on the long term personnel needs that this new war on terror requires. Though this multi-year plan will not be in-

cluded in this bill, I will continue to pursue this issue within this body. It is imperative that we continue to recognize that this is a long term problem that must be addressed with long term plans in order to meet the commitment our young service men and women deserve.

Just a personal note: I have been on the short end of a no-cost, guns and butter policy before. It was called Vietnam. I don't want to hide the costs of the war on catastrophic terrorism. I don't want to see this happen again. In Vietnam, we had the men but not the mission. The draft easily provided us with the personnel we needed but never answered the question of how to properly use the troops we were putting in harm's way. American soldiers paid the price. In the war on terrorism, we have the mission, but we do not have the people. American servicemen and women will pay the price again if we do not act.

Right now, our military is on a collision course with the reality of families they do not see, training they are not receiving and divisions borrowing from each other to meet requirements and survive. We can prevent tomorrow's losses, but we have to act today. We must be on the strategic offensive against catastrophic terrorism with enough people and resources to make the terrorist lose. I support the Defense Department's internal look at reallocating spaces to the warfighting units. This however, should be complimentary to a plan to provide the most critical weapon in our arsenal—American service men and women. I respectfully request that my distinguished colleagues join me in supporting our men and women in uniform by providing them what they need to fight and win this war on terrorism and meet our commitments abroad at the same time.

I yield the floor.

Mr. REID. 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. McCAIN. 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. McCAIN. Mr. President, I rise in support of the amendment by my friend, Senator CLELAND of Georgia. The reality is there are some 80,000 reservists who are now being extended on active duty—some of those reservists voluntarily, some involuntarily—because of the dramatically increased commitments of manpower as a result of the war on terror precipitated by the events on September 11.

Some of our most valued members of the military are our reservists. They have filled incredibly important and vital missions in defense of this country not only since September 11 but in every previous conflict in which we have been engaged in the last century.

Right now, many of these men and women who are being involuntarily extended believe they have performed the function of a reservist, and that is to be called up in time of an emergency. Their lives have been disrupted; they are having to tell their families they do not know when they will be able to return to their homes, their families, and their jobs. Remember, these reservists, the overwhelming majority of them, have jobs and homes in their communities in which they live. Many of them are very far away from home on ships at sea and overseas in many places.

The reality is, as patriotic as these men and women are, they are not going to remain in the reserves if they are forced to remain involuntarily for an extended period of time.

The Pentagon has been very reluctant to increase the end strength of the military, which means that men and women who would be in active-duty forces would then take up these duties presently being performed by reservists. The reason is pretty obvious. What it does is it increases costs rather dramatically. When you look at the personnel costs associated with enlarging the size of the military, they have a very significant budgetary impact.

The Cleland amendment tries to increase end strength because we know we are in a protracted war, we are in a war that will not end soon, and it will require an increased number of personnel in the military. Senator CLELAND's amendment is rather simple. It increases the allowed end strength—in other words, to the layperson, this is the allowed number of men and women in the military. It gives significant flexibility to the Secretary of Defense and the administration.

But we need to send a signal to all of the military that we are willing to increase the size and strength of the military to whatever degree is necessary to successfully prosecute the war on terror. Part of that, obviously, reservists being extended involuntarily, is that we do not have enough men and women in the military. We are willing to provide the weapons systems, the increased procurement—some of it far less necessary than the increased number of personnel in the active-duty armed services.

Senator CLELAND, who keeps in very close touch with the men and women in the military, including those very large numbers who are based in the State of Georgia, and I have come to the conclusion that we need very badly to increase end strength, maintain the viability of the reserves, but also to successfully prosecute the war on terror.

I thank Senator CLELAND for his amendment. It is a worthy amendment. It provides a great deal of flexibility to the Defense Department. We need to send a signal, especially to the reservists who are being extended involuntarily for an indefinite period of time,

that we intend to increase the size of our military so they will not have to.

Here is a reality: They are not going to keep these men and women in the reserves if they believe they are going to be involuntarily extended. Senator CLELAND has information about how many times reservists have been called up, particularly in recent conflicts, including that in the Persian Gulf.

At least those conflicts were of relatively short duration. But these men and women who held jobs in their own communities and were members of the Reserves did serve their country at considerable sacrifice.

I thank Senator CLELAND for his amendment. I strongly support it, and I hope my colleagues will support it as well.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I share the views as expressed by our distinguished colleague from Arizona and, indeed, the distinguished colleague from Georgia, about the problems facing the men and women in the Armed Forces today, particularly the Reserves, the Guard, and others. They have very loyally and patriotically accepted the call to leave their families, their jobs, and go on an active duty status.

Further, both Senators are quite accurate as to the current stress that is being put on the active force, now augmented by the call-ups of the Guard and Reserve—nevertheless, the total force as we refer to it today—the stress that is being put on them and their families by the deployments worldwide. I take absolutely no exception to their observations.

I at this point want to seek some clarity as to the interpretation of the amendment before I ask the Chair to call up a second-degree amendment to see if, in fact, that may not be necessary.

I say to my distinguished colleagues—either Senator may answer—is this amendment paid for by offsets from other provisions in the bill?

Mr. CLELAND. I thank the Senator from Virginia for his support. This amendment is discretionary. There is no money to pay for it, so it is therefore discretionary on the services. If they meet this increased end strength, they have to take it out of their own hides. So it is discretionary upon the services.

Mr. WARNER. My next question would be: title X governs this process of the end strengths and has done so for many years. The practice of the committees of the armed services—certainly the Senate committee—is simply to establish new end strengths and then they are incorporated into the continuing language of title X, which is in permanent law and does not need to be revised annually. Does this amendment in any way revise the provisions of title X?

Mr. CLELAND. The distinguished Senator is correct. This does not revise title X.

Mr. WARNER. If I understood the Senator, it does not in any way seek to revise the language in permanent law of title X?

Mr. CLELAND. That is correct.

Mr. WARNER. I say to my distinguished colleagues, it has been the practice of the conference committee on the authorization side each year, in reconciling the differences between the House and the Senate—if the Senator from Georgia first would recite his understanding as to what is in the House bill now? And, should this measure be adopted on the floor today, what would be the differences that the House and the Senate would have to reconcile?

Mr. CLELAND. I say to my distinguished colleague from Virginia, my understanding from staff is that the House has raised the floor—the floor, not the ceiling. It has raised the floor. And we do not. We just establish a new ceiling that is discretionary.

Mr. WARNER. Mr. President, if I understand it, the Senator quite accurately pointed out there is a floor in the House bill. We do not have a floor, it is your understanding, in the Senate bill; is that correct?

Mr. CLELAND. The Senator is correct.

Mr. WARNER. So that issue would, then, be before the conference?

Mr. CLELAND. That is correct.

Mr. WARNER. Let's assume for purposes of this debate that the approximate cost of the amendment, I say to the Senator from Georgia, would be about \$500 million; is that correct?

Mr. CLELAND. The Senator from Virginia is correct.

Mr. WARNER. Would it not be incumbent upon the Senate conferees to find within this bill that will be passed shortly the \$500 million in order to accept the provisions reconciled, as you say, by the House and the Senate?

Mr. CLELAND. I say to my distinguished friend from Virginia, as far as I know, it is discretionary upon the conference committee because it is based on a discretionary item, independent of the budget. It is not an obligation, to my understanding, of the conference committee to come up with the money.

Mr. WARNER. I say, Mr. President, that my recollection—having had the privilege of serving as a conferee for, I think, all the 24 years I have been here—is that it has been the practice that on this type of legislation, although it is discretionary—that is, in the manpower area—it has been incumbent upon the Senate to find within our bill the \$500 million for purposes of reconciliation in the conference. That has been our practice.

Mr. MCCAIN addressed the Chair.

Mr. WARNER. If I could finish, I will then be glad to yield. If that be the case, I should like to alert colleagues that we would have to look at all the programs, the full scope and full range of all programs in our bill to generate that \$500 million. The consequences would be that in some areas there

would have to be reductions in those measures which Senators thus far have believed were secure as a part of this bill. Would I not be correct?

Mr. CLELAND. No, that is not my understanding. I say to my distinguished colleague from Virginia, my understanding is that this addresses the floor, not the ceiling. It has not been the intent and is not the intent of this amendment to take away from any other part of the Defense authorization bill. It is the intent of this amendment to authorize the services, if they so desire, to go to a new level of troop authorization if they can find the money. It is discretionary upon them and discretionary to the conference committee.

Mr. WARNER. The Senator from Arizona wished to address the issue.

Mr. MCCAIN. I wish to respond to the Senator from Virginia. We have other items in this bill—which is authorizing how many billions of dollars?

Mr. WARNER. About \$379 billion.

Mr. MCCAIN. About \$379 billion, which, in the view of most objective observers, would probably not have the priority of the men and women in the military. I know of no higher priority. That is the reason why the Senator from Georgia and I made a tough decision here, saying: Look, we will leave it up to the conference to find the money. I could give the Senator a list of projects that are authorized in this bill, which I think, according to most objective observers, many of which could be described as porkbarrel projects, which have a far lower priority than that of the men and women in the military.

We are facing an urgent problem. We are facing a serious problem. We think it deserves the attention of the Senate and, following passage, of the conference. It is not unusual to put in a provision on the floor that is not funded. That is why we do have conferences. Certain tradeoffs are made. There will be tradeoffs made between the conferees from the Senate and the House.

I understand the difficulty that is entailed, but I also understand better the difficulty that right now the men and women in the military are having in carrying out their functions, their duties, and their missions.

I hope the Senator will understand that we believe this issue is transcendent to a \$500 million out of a \$379 billion piece of legislation.

I thank my friend from Virginia. I understand it places a very tough burden on both the Senator from Virginia and the Senator from Michigan, who will be in charge of carrying this bill through the conference. I thank my colleague.

Mr. LEVIN. Will the Senator from Virginia yield?

Mr. WARNER. Yes.

Mr. LEVIN. The Senator from Georgia and the Senator from Arizona have identified a very critical unmet need. In fact, the Army has already indicated

it is going to try within its own funds to increase its end strength. So by the time we actually get to conference, we may find that they have already achieved what this amendment urges them to do and authorizes them to do.

That is the point, No. 1.

No. 2, it seems very clear from the answers of the Senator from Georgia that this is a discretionary matter—that it does not raise the floor; it raises the ceiling, unlike the House, which does raise the floor. The amendment of the Senator from Georgia raises the ceiling but leaves the floor where it is. Therefore, the discretion remains.

Given those clear responses I think this amendment is something we should support because I think the responses leave the discretion with the Department of Defense, unlike the House bill. That makes this a conferenceable item.

Mr. WARNER. If I could ask my chairman, and, indeed, the sponsors, I am sympathetic to what our two colleagues are trying to do. What I am endeavoring to do is make clear the responsibility of the conferees once we get there. That is my basic concern because I have an obligation, as, indeed, my chairman does, in the conference to try to protect the integrity of the Senate bill, which has hundreds of different items from throughout this Chamber on both sides of the aisle.

What is the chairman's view? Are we or are we not obligated? I believe, with the traditions of the past, that the Senate conferees would be obligated to find the 1-2 billion dollars. What is the chairman's view on that?

Mr. LEVIN. That we should also try to maintain the Senate position on this, which is that the ceiling would be raised and the floor would not be raised. That remains. It leaves it as a discretionary matter, as the Senator from Georgia clearly said, with the Department of Defense.

We would do our best, as we always have, to find the funding for that higher level. We may leave it up to the military to find it within their own funds with the direction from us in report language—the conference managers' language directing the military to find it within their own funds.

There are a lot of possibilities.

But the point the Senator from Georgia made, and the Senator from Arizona as cosponsor made, it seems to me, is that it is unassailable that we have overused our reservists. We have to find a way to correct that. This is an effort to push us in that direction. It leaves it as a conferenceable issue because the floor in the House is raised to where the ceiling is, but in the Senate bill, with the amendment of the Senator from Georgia, if adopted, the floor remains the same. It is the ceiling which is raised.

It gives us some important added impetus to add end strength—as it should.

I think we all agree that we have to find a way to do this in order to reduce the overuse of reservists.

Mr. WARNER. Mr. President, I have another question for the chairman and the sponsors. Again, I am sympathetic to what we are trying to do. But at the same time, I find within the existing framework of the law—that is title X—I would like to read that:

Section (c) item (1) increase the end strength authorized pursuant to subsection (a)(1)(B) for a fiscal year for any of the armed forces by a number equal to not more than 2 percent of that end strength.

The existing law gives the Secretary of Defense the right to go to not only the end strength submitted by our two colleagues—that is roughly 1 percent over the current table in our bill—but could go to even another percent of 2 percent.

It is not clear to this Senator exactly what the pending amendment does that the Secretary does not already have the authority to do. Everything that the pending amendment, one way or another, urges be done, he has the right. I say this respectfully to the distinguished Senator from Michigan, our chairman.

Yesterday, on missile defense, let's say it was a top priority of the Senate to focus this, as the Senator from Arizona said, to cure the problems associated. Fine. I have no objection to that. But I do not like to see the Senate adopt an amendment which does nothing to change the authority of the Secretary of Defense under the existing law.

The question is, What does this amendment do that existing law does not permit the Secretary of Defense to do?

Mr. LEVIN. I would say there are two answers to that.

First, since this would be a new level—a new ceiling—the Secretary of Defense would have authority to go 2 percent above this additional level. The ceiling would be higher. So the Secretary would have that same discretionary 2 percent, but it would be above a higher ceiling.

That is the first answer.

The second answer, it seems to me, is that the Senator from Georgia and the Senator from Arizona have identified in their amendment a problem which we all understand exists, and they have focused this issue into an amendment.

That amendment, if adopted, it seems to me, gives additional momentum. We have to seek new ways to try to meet that end strength—to try to fund it. We have to look to additional ways to try to fund it because the tradition which the Senator from Virginia pointed out is that we have traditionally funded the authorized end strength. That means we have one of two options, or three. Either we have to tell the Department of Defense that they have to find the funds to do this within their own funds or we have to find the funds to do it at our own conference, or the third option is that we would begin a new tradition, which is that we don't fund the authorized level. That would be the least desirable of all three.

But, nonetheless, it would be a new tradition.

Let me just sort of summarize that. We can either direct inside of our conference report that the Department of Defense fund the authorized end strength with the amendment of the Senator from Georgia, or we can find the funds ourselves to do that in conference, or we can just simply not follow the tradition, which I happen to think is a good tradition, but, nonetheless, is an option.

Mr. WARNER. If I understood my chairman, one of the options is to direct the Department to fund the levels in this amendment.

Mr. LEVIN. Within their own funds.

Mr. WARNER. I understand that. But clearly the Secretary of Defense may not exercise the discretion which our colleague from Georgia leaves in place to go to that end strength. So we can't direct them to do something unless the Secretary of Defense takes a prior action; that is, exercise the discretion to go to this new end strength level. Am I not correct?

Mr. LEVIN. I think our conference could actually direct the Secretary of Defense to do it out of their own funds. I think that is an option.

Mr. WARNER. But still under the amendment of the Senator from Georgia maintains the discretion to go to new levels or not.

Mr. LEVIN. That is right. I am talking about what the conference report does. The Senator's amendment leaves that discretion there. But because of the tradition, we fund that authorized level, which the Senator from Virginia has pointed out, and we may decide to look to a different approach which would be to direct the Secretary of Defense to meet that level out of his own funds. It is a different approach, but it is an important amendment.

Mr. WARNER. Mr. President, that is an entirely different step with the conference taking that action. Then we would be taking the discretion away from the Secretary that he now has with regard to these end strengths. I would not favor that because of the following reasons: We reposed by law, in the Constitution, the Commander in Chief who in turn selects his Secretary of Defense. I think they must be given the maximum latitude possible as the executive branch. They are the managers.

I am always concerned when the Congress tries to mandate that they should do A, B, or C when it is their collective judgment that A, B, or C not be done.

I hope in the conference we don't reach that. But let me just point out the following.

Mr. LEVIN. If the Senator will yield on that point, we do mandate end strength. It is called the floor.

Mr. WARNER. With discretion.

Mr. LEVIN. No, not on the floor.

Mr. WARNER. I understand. But when we put in our end strength, the Secretary still has the discretion. To the credit of our Secretary, he has, if I

understand—and I pose this to the Senator from Georgia as a question—already exercised his discretion with regard to the Marine Corps, and has gone to that level with the Marine Corps and found the funding to achieve it in this bill.

Am I not correct?

Mr. CLELAND. As the Senator pointed out, it was in the President's budget request—that the only increase in personnel asked for was about 2,300 personnel in the Marine Corps. That is in the President's budget. That is a request of us which we accede to in this Defense authorization bill.

My amendment says, in effect, that basically this is inadequate. Other services need additional strength, and this authorizes the services to go to a higher end strength if they can find the money.

Mr. WARNER. Fine. But am I not correct that the Secretary has already taken the action to meet the purport of the amendment by the Senator from Georgia as regards the Marine Corps?

Mr. CLELAND. It seems to me the President of the United States, in his budget, authorized 2,300 additional personnel and gave the money for that, and we have included that in the Defense authorization bill. What this amendment says is that in the collective judgment of those of us who are involved in this personnel debate, that is not adequate enough to meet the needs of our commitments, especially in this new war we are fighting.

You can see here the tremendous imbalance we have presently. These lines shown on the chart have to begin coming together. We have to begin matching our personnel with our commitments or else we will continue to strain our personnel to the limit. That is why we have the authorization for the Army, the Navy, and the Air Force, as well as the Marine Corps, to go to a higher level.

Mr. WARNER. Mr. President, that was essentially a reiteration of your basic argument for the amendment.

My question was very narrow, very focused, and required, really, a yes or no answer.

Has not the President already, with the Secretary of Defense preparation of the budget, reached the figures for the Marine Corps with an increase and paid for it?

Mr. CLELAND. The Senator is correct.

Mr. WARNER. That is all I wanted to establish. So that shows the Secretary of Defense is proceeding in an orderly manner, at least with one service, to achieve the goals the Senator from Georgia has been reciting.

Mr. CLELAND. The Senator is correct.

Mr. WARNER. Fine. And it is my thought that in due course the Secretary of Defense will address each of the other services. So long as it is my understanding from this important colloquy that in no way does your amendment alter title X, alter that discretion, then, Mr. President, I shall not bring up my second-degree amendment to it. The purposes of that amendment

have been achieved during the course of this colloquy.

The PRESIDING OFFICER (Mr. CORZINE). The Senator from Michigan.

Mr. LEVIN. Mr. President, I hope we can now adopt this amendment.

I thank the Senator from Georgia for his persistence on this issue. He has identified a critically important unmet need for this country. We have reservists who have been away from their jobs for a much longer period of time than anyone intended. We have to address that issue.

The Army has told us they are going to do their best to address this issue. The Navy has listed the increase in end strength as their No. 1 unfunded priority.

So I think the need is there. The focus upon this unmet need by the Senators from Georgia and Arizona will help us to, hopefully, advance this to the point where we can actually find the funds for the increase in end strength. One way or the other, we have to address this issue.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, the concerns of the Senator from Virginia, and perhaps others, have been satisfied. We are prepared to accept the amendment on a voice vote.

Mr. CLELAND. Mr. President, I thank the distinguished Senator from Virginia for his colloquy which has clarified this issue. It has helped gain support for the amendment. I thank the distinguished chairman, Senator LEVIN, for his help. And I thank especially my colleague, Senator MCCAIN, for pushing this issue forward.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not the question is on agreeing to amendment No. 4033.

The amendment (No. 4033) was agreed to.

Mr. WARNER. I move to reconsider the vote.

Mr. LEVIN. 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 Louisiana.

AMENDMENT NO. 3975

Ms. LANDRIEU. Mr. President, I would like to call up amendment No. 2514, which I understand has already been recommended for inclusion in the managers' package and has been cleared on both sides.

The PRESIDING OFFICER. Would the Senator restate the amendment number, please.

Ms. LANDRIEU. Mr. President, I will send that amendment up in just a moment. But I understand this amendment has been accepted on both sides and may be included in the managers' package. I want to take a minute to explain this amendment in a little more detail, if I may.

The PRESIDING OFFICER (Mr. LEVIN). Without objection, it is so ordered.

Ms. LANDRIEU. Thank you, Mr. President.

The underlying amendment we have been considering in regard to this particular subject has to do with our shipbuilding program and the importance of our Navy to the strength of our forces.

Let me first, though, thank Senator CLELAND and Senator MCCAIN for their very excellent work in calling to our attention another shortage, if you will, which is our end strength, our shortage of personnel, of people we can actually send to the front lines, wherever those front lines might be. More and more, it is clear to us some of those front lines might be here on our own home soil, but also we need men and women to support our soldiers and sailors and airmen who have to be deployed miles and miles away from our homeland.

So I thank them for their good work. I am proud to be able to support that amendment as well.

But I bring to the Senate this particular amendment on shipbuilding because it points to yet another unfortunate shortfall of our overall defense structure. Now is a time when we really have to focus and make tough decisions about how we are going to allocate these resources, again trying to meet the President in his total budget request, which this Senate has done, this Congress has done, and is in the process of doing under the leadership of Senator LEVIN and Senator WARNER.

But within that total amount we are allocating for defense, there is some real debate about how that money should be allocated and spent, and that is what this broad debate is about.

One of the issues I want to spend a few minutes speaking about is shipbuilding. I would like to begin by reading into the RECORD just a short clip from the American Shipbuilding Association entitled "The Defense Shipbuilding Industrial Base—An Industry At Risk," which was written in May of 2001.

This report says:

In 1987, the United States had a naval fleet of 594 ships. Today, the fleet numbers 316 and is dropping. The annual numbers of naval ships procured is at the lowest level since 1932; the size of the Navy's fleet is the smallest since the year before we entered World War I; and while the fleet has been cut almost in half, the number of overseas deployments has increased 300 percent.

As you can see from the chart, this is one of our mighty aircraft carriers and is one of the Navy's pride and joy. We just do not have enough aircraft carriers and other different elements of our fleet.

This report goes on to say:

Our Commanders-in-Chief are on record that they cannot meet the Nation's military and foreign policy strategy with a fleet of less than 360 ships, yet Navy budgets [we are considering today] are providing for a fleet of fewer than 200 ships.

This is unacceptable. It cannot stand. We need to change these trend lines.

Continuing:

This disconnect between national requirements and budgets increases the risk of instability in many regions of the world, jeopardizes the lives of Americans, jeopardizes our economic prosperity, and threatens our peace and national security.

The historically low rate of naval ship production over the past eight years has also severely weakened the very industry upon which the Navy depends today and tomorrow for its ships. If decisive action is not taken now to reverse the decline in naval ship production, the Nation [could potentially] lose the industrial capability to restore the fleet to the level the Nation requires to maintain global peace and stability.

It is the role of our military leaders to define the forces they require to meet their military missions.

Let me tell you why this is important as related to the Navy, let's say, and the production of airplanes for our Air Force.

There is a difference, not that we don't need both; we need a robust Air Force as well as a robust Navy. But the way that we prepare and build and invest is different. Because of the magnitude of ships, because we don't order them by the thousands, we order them by tens and twenties, not thousands, the same sort of procedures cannot be effectively applied. We need to understand those differences.

This report goes on to say:

For example, a fighter pilot or commercial passenger is in an airplane for only a limited number of hours, whereas a ship is a self-sustained city at sea that serves as home to sailors for months on end. The production time of an airplane is measured months, the production time of a ship is measured in years. With respect to government orders, the airplanes of the same design are bought in quantities of hundreds whereas ships are procured in quantities of tens or even less, and each ship of a class is highly customized. The same holds true in commercial transactions, where only one or two ships of the same design will be bought by an individual customer and each customer demands customized designs. Airlines buy quantities of aircraft that are in production for commercial market in competition with other models being produced. Another major difference is that there are a limited number of countries with airplane manufacturers versus the number of countries with shipbuilders. Therefore, there are many more international competitors for ship orders than for planes.

Given these differences, it is not surprising that a Department of Defense acquisition policy tailored for planes will not work for ships.

Therefore, I have offered this amendment which will help to move us in a direction to increase our production level and turn around the disturbing trend line.

The next chart I have illustrates the trend line. We have been on a shipbuilding program. We were well on our way in 1997 to 1998, 1999 and 2000, moving up. No one has worked harder than Senator KENNEDY, who is the chair of this subcommittee and has added to the President's budget some significant shipbuilding, and the Presiding Officer, as chairman of the Armed Services Committee, has done an outstanding job trying to change this trend line.

This amendment, which has been accepted, will make this trend line go in

a more positive direction. As you know, there is a great need.

There is an old quote about the military that says: When it comes to debating matters of war, it is the amateurs who talk about strategies and the experts who talk about logistics. This is because so much of the planning that goes into war is centered on two simple questions: How are we going to get the troops to the fight; and how are we going to supply them once they get there?

The answer to both of these questions is a strong and robust Navy. The conflict in Afghanistan today clearly demonstrates this.

Again, not to say that the Air Force and the Army don't have to meet spectacular and important missions, but we cannot be the strong and vital force we need to be to fight this war on terrorism, to support our allies around the world, and to project power around the world without a robust Navy. This amendment will help us to move in that direction.

In an environment where we cannot afford basing rights for our troops, the ships of our Navy become floating sovereign bases a world away from American soil. Our campaign in Afghanistan proves this point. Currently, 30 percent of our Navy is deployed in support of Operation Enduring Freedom, and a majority of our fighter sorties, 85 percent flown over Afghanistan, were sea-based. So if we don't have the ships to serve, not only as supply lines but as places where our troops can be secured while they carry out the missions and the battle, we will be seriously crippled in our efforts.

All of the Marines and many special operations troops that have served in Afghanistan were based on ships. There is no doubt if we did not have a sizable Navy, we would not be able to execute as well as we are in our Afghanistan campaign.

Furthermore, there is no doubt that even with a 318-ship Navy, it has been stretched very thin. Even though we are in a time of war and even though we are about to approve the largest increase in defense spending in the last two decades, we are simply not procuring naval ships at a rate that will sustain a strong Navy in the future. If the size of our Navy fleet continues to decline, I fear we will not be able to carry out the missions before us.

Essentially, this amendment states that it is a national policy of the United States to maintain a strong and robust Navy, with the appropriate number of ships to protect our interests both at home and abroad. Congress has done this before in asserting our policy regarding missile defense, which we have just successfully debated and on which we have come to consensus.

This amendment would require the Secretary of Defense to lay out the budgetary plans necessary to maintain a strong Navy. The underlying amendment requires DOD to submit an annual ship construction plan as part of

the DOD budget. Each year the Secretary of Defense must provide a plan for the construction of combatant and support ships that support the national security strategy or, if we have no such strategy, will support what is called for in the QDR, the Quadrennial Defense Review.

If the national security strategy or the QDR, if it calls for 318 ships, or if it would call for 375 ships with 12 carrier groups and 12 amphibious ready groups, as Admiral Clark, Chief of Naval Operations, has testified to as recently as February, whatever number is decided on, the Secretary must provide in detail budget plans for the construction of these ships.

Of course, it looks out over 30 consecutive years. It is not something we are trying to do next year. This amendment will require the details of such plan to be included. It is consistent with and strengthens the underlying bill, on which the Presiding Officer has worked so hard and effectively. The plan must describe the necessary ship force, how many carriers, submarines, destroyers, transport ships, et cetera.

It also requires that the estimated levels of funding necessary to carry out the plan and a discussion of the procurement strategies on which the estimated funding levels are based.

Finally, it requires a certification from the Secretary of Defense. The Secretary must certify that both the current budget and the future year's defense programs submitted to Congress provide for funding ship construction for the Navy at a level that is sufficient for the procurement of ships provided for in the plan.

I am pleased this amendment was accepted. Shipbuilding is important to our overall defense plan. The industry itself is important to so many of our States, our industrial complex from California to Maine to Louisiana. As a Senator from Louisiana, I am particularly proud of what our companies and our businesses, both large and small, contribute to the shipbuilding strength and capability of America.

From a defense perspective, as well as an industrial base perspective, as well as from economic strength, this amendment is very important as we structure a Department of Defense that can fight the new wars, that can take us to new places in ways that we can be confident we can fight and stand strong for American values and democracy for ourselves, for our interests, and to help our allies around the world.

We fight every day to get good, solid land bases to operate. We are going to build or are in the process of building some of the finest airplanes ever created. Those are important to our Army and our Air Force. But our Navy cannot be shortchanged. If it is, it will be to our peril and to democracies everywhere.

We are fighting battles where we have no land bases from which to launch and supplies cannot be moved across land. They have to be based on

the sea. We cannot do that without a strong Navy.

For Louisiana, this is important, but it is much bigger than our State. It is important to the Nation.

So I thank the Senate for their acknowledgement of the importance of this amendment. I also thank the subcommittee, led by Senator KENNEDY, who, through his hard work, has added three ships to the underlying budget. We added a submarine, a DDG-51, and a LPD-17.

I also thank Senator REED for his work on shipbuilding. He has done an outstanding job. Again, we have added to the President's request. I was proud to support that in the underlying bill. This amendment takes us a step even further to make sure our Navy is strong, robust, and can support the great work and great mission of our armed services and our defense.

(Mrs. CLINTON assumed the chair.)

Mr. LEVIN. Will the Senator yield for a quick comment?

Ms. LANDRIEU. Yes.

Mr. LEVIN. I congratulate the Senator on her amendment, which we have accepted. It takes an important step in assuring that we are going to have the kind of Navy that we need, for which our Quadrennial Defense Review provides. Her amendment is going to help us get to the point we must reach that not only identifies the need, but the roadmap. Her amendment makes an important contribution.

As chairman of the Emerging Threats Subcommittee, she has become a true expert. She was way ahead of her time in identifying the threats that have befallen us. As chair of that subcommittee, she has become an expert on the Navy. Her contribution to the committee is immense, and I thank her for that.

Ms. LANDRIEU. I thank the chairman. I wish to acknowledge the work of the Senator from Virginia as well, who, of course, led the Navy as Secretary of the Navy for many years and now serves in such a distinguished capacity. Truly, his voice has been one, over the last several decades, that has helped to keep our Navy strong. He was instrumental in helping us make some real progress in this area of the underlying bill.

I thank the Senator from Virginia for his support of this amendment because without his support we would not have been able to adopt it. I thank him for the work he does on shipbuilding for our Nation.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Madam President, I thank our colleague, a valued member of the committee.

We can clear two amendments; am I correct?

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

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

Mr. WARNER. Madam President, we will continue to clear amendments. The Senator from Virginia was on the floor with the distinguished majority whip last night clearing a package of amendments. The amendment I am going to offer was in that package. Simply because of clerical oversight—and staff had worked 15 hours yesterday—it was dropped.

AMENDMENT NO. 4169

Mr. WARNER. Madam President, I send this amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the amendment is in order. The clerk will report.

The legislative clerk read as follows: The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 4169.

Mr. WARNER. 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 temporarily authorize higher partial basic allowance for housing for certain members assigned to privatized housing)

On page 130, between lines 6 and 7, insert the following:

SEC. 604. TEMPORARY AUTHORITY FOR HIGHER RATES OF PARTIAL BASIC ALLOWANCE FOR HOUSING FOR CERTAIN MEMBERS ASSIGNED TO HOUSING UNDER ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) AUTHORITY.—The Secretary of Defense may prescribe and, under section 403(n) of title 37, United States Code, pay for members of the Armed Forces (without dependents) in privatized housing higher rates of partial basic allowance for housing than those that are authorized under paragraph (2) of such section 403(n).

(b) MEMBERS IN PRIVATIZED HOUSING.—For the purposes of this section, a member of the Armed Forces (without dependents) is a member of the Armed Forces (without dependents) in privatized housing while the member is assigned to housing that is acquired or constructed under the authority of subchapter IV of chapter 169 of title 10, United States Code.

(c) TREATMENT OF HOUSING AS GOVERNMENT QUARTERS.—For purposes of section 403 of title 37, United States Code, a member of the Armed Forces (without dependents) in privatized housing shall be treated as residing in quarters of the United States or a housing facility under the jurisdiction of the Secretary of a military department while a higher rate of partial allowance for housing is paid for the member under this section.

(d) PAYMENT TO PRIVATE SOURCE.—The partial basic allowance for housing paid for a member at a higher rate under this section may be paid directly to the private sector source of the housing to whom the member is obligated to pay rent or other charge for residing in such housing if the private sector source credits the amount so paid against the amount owed by the member for the rent or other charge.

(e) TERMINATION OF AUTHORITY.—Rates prescribed under subsection (a) may not be paid under the authority of this section in con-

nection with contracts that are entered into after December 31, 2007, for the construction or acquisition of housing under the authority of subchapter IV of chapter 169 of title 10, United States Code.

Mr. WARNER. Madam President, this is an amendment requested by the Department of Defense relating to certain basic allowances for housing in order to facilitate efforts to construct barracks for the most junior enlisted personnel. I understand it has been cleared on the other side.

Mr. LEVIN. The amendment has been cleared.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4169) was agreed to.

Mr. WARNER. Madam President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4170

Mr. WARNER. Madam President, I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 4170.

Mr. WARNER. 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 set aside \$20,000,000 for the disposal of obsolete vessels of the National Defense Reserve Fleet)

At the end of subtitle A of title III, add the following:

SEC. 305. DISPOSAL FOR OBSOLETE VESSELS OF THE NATIONAL DEFENSE RESERVE FLEET.

Of the amount authorized to be appropriated by section 301(a)(2) for operation and maintenance for the Navy, \$20,000,000 may be available, without fiscal year limitation if so provided in appropriations Acts, for expenses related to the disposal of obsolete vessels in the Maritime Administration National Defense Reserve Fleet.

Mr. WARNER. Madam President, this amendment relates to the MARAD obsolete vessels, which are currently in the James River and are becoming a very serious hazard to the environment. I spoke earlier this morning with the chairman of the Commerce Committee, Senator HOLLINGS. He agrees that this amendment is in the interest of all parties and expresses his support for it.

The amendment would simply transfer a certain sum of money—the same sum having been designated in the House bill—for the purpose of enabling MARAD to proceed to correct this potential environmental problem and, hopefully, removing these vessels at the earliest possible date.

Madam President, this amendment would make additional funding available in fiscal year 2003 for the disposal of obsolete vessels in the National Defense Reserve Fleet, also known as the

“Ghost Fleet.” Because of their interest in this issue, I have worked with Senators HOLLINGS and MCCAIN to develop this amendment and believe that I have their support. Both Senators, however, have made it clear that the funding language for disposal of obsolete National Defense Reserve Fleet vessels included in section 3501 of H.R. 4546 is preferred to the funding language included in this amendment. I appreciate your concerns and will ensure that these concerns are considered in conference.

Since 1994, the Maritime Administration or MARAD has been compelled to rely exclusively on the domestic scrapping market because of environmental concerns related to overseas ship sales and scrapping. Until October 2000, however, MARAD was statutorily prohibited from paying for scrapping services, which effectively precluded the use of the domestic market. After the prohibition was removed, MARAD disposal efforts were further hampered by inadequate funding.

The amendment provides that \$20 million be made available for MARAD disposal of obsolete vessels, an \$8.9 million increase to the budget request. The additional funding will address a funding shortfall and hopefully help to avoid an environmental nightmare.

There are 135 obsolete vessels in the fleet slated for scrapping, 29 of those vessels are considered a high risk to the environment, and 23 of those high risk vessels are located in the James River near Ft. Eustis, Virginia. Such vessels contain large amounts of oil contamination and other hazardous substances, such as asbestos and polychlorinated biphenyls (PCBs). These vessels pose a risk to the environment because their advance age and poor condition could result in the release of hazardous substances near sensitive environmental habitats.

A growing number of regulators, marine inspectors, environmentalists, and workers who oversee the “Ghost Fleet” suggest that an environmental disaster is likely—if not imminent. In 1999, the fleet barely survived the 40 mph winds and rough water caused by Tropical Storm Floyd. Although none of the vessels leaked, 30 vessels broke away from their moorings resulting in a two week recovery effort and a \$3 million investment in a new mooring system. Given the current condition of the fleet, disaster may occur with or without another severe storm. For example, the *Mormac Wave* is a 40-year old retired cargo carrier with peeling lead paint and thick, jet black oil that has leaked from holding tanks to form a 3-foot-deep lagoon in the rusted hull of the vessel. Although workers who maintain the *Wave* and other deteriorated vessels endeavor to keep the nightmare from becoming a reality, they are fighting a losing battle.

As a result, it is vital that Congress ensure that MARAD have adequate resources to address this problem. It is my hope that the additional funding

authorized by this amendment will help to accelerate the scrapping of vessels that are in the worst condition, most of which are located on the James River.

Mr. LEVIN. Madam President, the amendment is cleared on this side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4170) was agreed to.

Mr. WARNER. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. WARNER. Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

AMENDMENT NO. 3975

Ms. LANDRIEU. Madam President, at this time I call up amendment No. 3975.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Louisiana [Ms. LANDRIEU] proposes an amendment numbered 3975.

Ms. LANDRIEU. 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 military charters between military installations and local school districts, to provide credit enhancement initiatives to promote military charter school facility acquisition, construction, and renovation, and for other purposes)

At the end of division A, add the following new title:

TITLE XIII—MILITARY CHARTER SCHOOLS

Subtitle A—Stable Transitions in Education for Armed Services’ Dependent Youth

SEC. 1301. SHORT TITLE.

This subtitle may be cited as the “Stable Transitions in Education for Armed Services’ Dependent Youth Act”.

SEC. 1302. FINDINGS.

Congress finds that—

(1) States are establishing new and higher academic standards for students in kindergarten through grade 12;

(2) no Federal funding streams are specifically designed to help States and school districts with the costs of providing military or mobile students who are struggling academically, with the extended learning time and accelerated curricula that the students need to meet high academic standards;

(3) forty-eight States now require State accountability tests to determine student grade-level performance and progress;

(4) nineteen States currently rate the performance of all schools or identify low-performing schools through State accountability tests;

(5) sixteen States now have the power to close, take over, or overhaul chronically failing schools on the basis of those tests;

(6) fourteen States provide high-performing schools with monetary rewards on the basis of those tests;

(7) nineteen States currently require students to pass State accountability tests to graduate from secondary school;

(8) six States currently link student promotion to results on State accountability tests;

(9) thirty-seven States have a process in place that allows charters to be a useful tool to bridge the gap created by frequent school changes;

(10) excessive percentages of students are not meeting their State standards and are failing to perform at high levels on State accountability tests; and

(11) among mobile students, a common thread is that school transcripts are not easily transferred and credits are not accepted between public school districts in the United States.

SEC. 1303. PURPOSE.

The purpose of this subtitle is to provide Federal support through a new demonstration program to States and local educational agencies, to enable the States and local educational agencies to develop models for high quality military charter schools that are specifically designed to help mobile military dependent students attending public school make a smooth transition from one school district to another, even across State lines, and achieve a symbiotic relationship between military installations and these school districts.

SEC. 1304. DEFINITIONS.

In this subtitle:

(1) ELEMENTARY SCHOOL; SECONDARY SCHOOL; LOCAL EDUCATIONAL AGENCY; STATE EDUCATIONAL AGENCY.—The terms “elementary school”, “secondary school”, “local educational agency”, and “State educational agency” have the meanings given such terms in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(2) MILITARY INSTALLATION.—The term “military installation” has the meaning given such term in section 2687(e)(1) of title 10, United States Code.

(3) MILITARY DEPENDENT STUDENT.—The term “military dependent student” means an elementary school or secondary school student who has a parent who is a member of the Armed Forces, including a member of a reserve component of the Armed Forces, without regard to whether the member is on active duty or full-time National Guard duty (as defined in section 101(d) of title 10, United States Code).

(4) SECRETARY.—The term “Secretary” means the Secretary of Defense.

(5) STUDENT.—The term “student” means an elementary school or secondary school student.

SEC. 1305. GRANTS TO STATES.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—From amounts appropriated under section 1310, the Secretary, in consultation with the Secretary of Education, shall establish a demonstration program through which the Secretary shall make grants to State educational agencies, on a competitive basis, to enable the State educational agencies to assist local educational agencies in establishing and maintaining high quality military charter schools.

(2) DISTRIBUTION RULE.—In awarding grants under this subtitle the Secretary shall ensure that such grants serve not more than 10 States and not more than 35 local educational agencies with differing demographics.

(3) SPECIAL LOCAL RULE.—

(A) NONPARTICIPATING STATE.—If a State chooses not to participate in the demonstration program assisted under this subtitle or does not have an application approved under subsection (c), then the Secretary may award a grant directly to a local educational agency in the State to assist the local educational agency in carrying out high quality military charter schools.

(B) LOCAL EDUCATIONAL AGENCY APPLICATION.—To be eligible to receive a grant under this paragraph, a local educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(C) REGULATIONS.—The Secretary shall promulgate such regulations as the Secretary determines necessary to carry out this paragraph.

(b) ELIGIBILITY AND SELECTION.—

(1) ELIGIBILITY.—For a State educational agency to be eligible to receive a grant under subsection (a), the State served by the State educational agency shall—

(A) have in effect all standards and assessments required under section 1111 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311);

(B) compile and annually distribute to parents a public school report card that, at a minimum, includes information on student and school performance for each of the assessments required under section 1111 of the Elementary and Secondary Education Act of 1965;

(C) require each military charter school assisted under this subtitle to be an independent public school;

(D) require each military charter school assisted under this subtitle to operate under an initial 5-year charter granted by a State charter authority, with specified check points and renewal, as required by State law; and

(E) require each military charter school assisted under this subtitle to participate in the State's testing program.

(2) SELECTION.—In selecting State educational agencies to receive grants under this section, the Secretary shall make the selections in a manner consistent with the purpose of this subtitle.

(c) APPLICATION.—

(1) IN GENERAL.—To be eligible to receive a grant under this section, a State educational agency shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(2) CONTENTS.—Such application shall include—

(A) information describing specific measurable goals and objectives to be achieved in the State through the military charter schools carried out under this subtitle, which may include specific measurable annual educational goals and objectives relating to—

(i) increased student academic achievement;

(ii) decreased student dropout rates;

(iii) governance, parental involvement plans, and disciplinary policies;

(iv) a military charter school admissions policy that requires a minimum of 60 percent military dependent elementary school or secondary school students, and a maximum of 80 percent of military dependent students, except where such percentages are impossible to maintain because of the demographics of the area around the military installation;

(v) liability and other insurance coverage, business and accounting practices, and the procedures and methods employed by the chartering authority in monitoring the school; and

(vi) such other factors as the State educational agency may choose to measure; and

(B) information on criteria, established or adopted by the State, that—

(i) the State will use to select local educational agencies for participation in the military charter schools carried out under this subtitle; and

(ii) at a minimum, will assure that grants provided under this subtitle are provided to—

(I) the local educational agencies in the State that are sympathetic to, and take actions to ease the transition burden upon, such local educational agencies' military dependent students;

(II) the local educational agencies in the State that have the highest percentage of military dependent students impacting the local school system or not meeting basic or minimum required standards for State assessments required under section 1111 of the Elementary and Secondary Education Act of 1965; and

(III) an assortment of local educational agencies serving urban, suburban, and rural areas, and impacted by a local military installation.

SEC. 1306. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) IN GENERAL.—

(1) FIRST YEAR.—Except as provided in paragraph (3), for the first year that a State educational agency receives a grant under this subtitle, the State educational agency shall use the funds made available through the grant to make grants to eligible local educational agencies in the State to pay for the Federal share of the cost of planning for or carrying out the military charter school programs.

(2) SUCCEEDING YEARS.—Except as provided in paragraph (3), for the second and third year that a State educational agency receives a grant under this subtitle, the State educational agency shall use the funds made available through the grant to make grants to eligible local educational agencies in the State to pay for the Federal share of the cost of carrying out the military charter school programs.

(3) TECHNICAL ASSISTANCE AND PLANNING ASSISTANCE.—The State educational agency may use not more than 5 percent of the grant funds received under this subtitle for a fiscal year—

(A) to provide to the local educational agencies technical assistance that is aligned with the curriculum of the local educational agencies for the programs;

(B) to enable the local educational agencies to obtain such technical assistance from entities other than the State educational agency that have demonstrated success in using the curriculum; and

(C) to assist the local educational agencies in evaluating activities carried out under this subtitle.

(b) APPLICATION.—

(1) IN GENERAL.—To be eligible to receive a grant under this section, a local educational agency shall submit an application to the State educational agency at such time, in such manner, and containing such information as the Secretary or the State educational agency may require.

(2) CONTENTS.—Each such application shall include, to the greatest extent practicable—

(A) information that—

(i) demonstrates that the local educational agency will carry out a military charter school program funded under this section—

(I) that provides intensive high quality programs that are aligned with challenging State content and student performance standards, and that is focused on reinforcing and boosting the core academic skills and knowledge of students who are struggling academically, as determined by the State;

(II) that focuses on accelerated learning, rather than remediation, so that students served through the program will master the high level skills and knowledge needed to meet the highest State standards or to perform at high levels on all State assessments

required under section 1111 of the Elementary and Secondary Education Act of 1965;

(III) that is based on, and incorporates best practices developed from, research-based charter school methods and practices;

(IV) that has a proposed curriculum that is directly aligned with State content and student performance standards;

(V) for which only teachers who are certified and licensed, and are otherwise fully qualified teachers, provide academic instruction to students enrolled in the program;

(VI) that offers to staff in the program professional development and technical assistance that are aligned with the approved curriculum for the program; and

(VII) that incorporates a parental involvement component that seeks to involve parents in the program's topics and students' daily activities; and

(ii) may include—

(I) the proposed curriculum for the military charter school program;

(II) the local educational agency's plan for recruiting highly qualified and highly effective teachers to participate in the program; and

(III) a schedule for the program that indicates that the program is of sufficient duration and intensity to achieve the State's goals and objectives described in section 1305(c)(2)(A);

(B) an outline indicating how the local educational agency will utilize applicable Federal, State, local, or public funds, other than funds made available through the grant, to support the program;

(C) an explanation of how the local educational agency will ensure that the instruction provided through the program will be provided by qualified teachers;

(D) an explanation of the types of intensive training or professional development, aligned with the curriculum of the program, that will be provided for staff of the program;

(E) an explanation of the facilities to be used for the program;

(F) an explanation regarding the duration of the periods of time that students and teachers in the program will have contact for instructional purposes (such as the hours per day and days per week of that contact, and the total length of the program);

(G) an explanation of the proposed student-to-teacher ratio for the program, analyzed by grade level;

(H) an explanation of the grade levels that will be served by the program;

(I) an explanation of the approximate cost per student for the program;

(J) an explanation of the salary costs for teachers in the program;

(K) a description of a method for evaluating the effectiveness of the program at the local level;

(L) information describing specific measurable goals and objectives, for each academic subject in which the program will provide instruction, that are consistent with, or more rigorous than, the adequate yearly progress goals established by the State under section 1111 of the Elementary and Secondary Education Act of 1965;

(M) a description of how the local educational agency will involve parents and the community in the program in order to raise academic achievement;

(N) a description of how the local educational agency will acquire any needed technical assistance that is aligned with the curriculum of the local educational agency for the program, from the State educational agency or other entities with demonstrated success in using the curriculum; and

(O) a statement of a clearly defined goal for providing counseling and other transition

burden relief for military dependent children.

(c) **PRIORITY.**—In making grants under this section, the State educational agency shall give priority to local educational agencies that demonstrate a high level of need for the military charter school programs.

(d) **FEDERAL SHARE.**—

(1) **IN GENERAL.**—The Federal share of the cost described in subsection (a) is 50 percent.

(2) **NON-FEDERAL SHARE.**—The non-Federal share of the cost may be provided in cash or in kind, fairly evaluated, including plant, equipment, or services.

SEC. 1307. SUPPLEMENT NOT SUPPLANT.

Funds appropriated pursuant to the authority of this subtitle shall be used to supplement and not supplant other Federal, State, local, or private funds expended to support military charter school programs.

SEC. 1308. REPORTS.

(a) **STATE REPORTS.**—Each State educational agency that receives a grant under this subtitle shall annually prepare and submit to the Secretary a report. The report shall describe—

(1) the method the State educational agency used to make grants to eligible local educational agencies and to provide assistance to schools under this subtitle;

(2) the specific measurable goals and objectives described in section 1305(c)(2)(A) for the State as a whole and the extent to which the State met each of the goals and objectives in the year preceding the submission of the report;

(3) the specific measurable goals and objectives described in section 1306(b)(2)(L) for each of the local educational agencies receiving a grant under this subtitle in the State and the extent to which each of the agencies met each of the goals and objectives in that preceding year;

(4) the steps that the State educational agency will take to ensure that any such local educational agency that did not meet the goals and objectives in that year will meet the goals and objectives in the year following the submission of the report, or the plan that the State educational agency has for revoking the grant awarded to such an agency and redistributing the grant funds to existing or new military charter school programs;

(5) how eligible local educational agencies and schools used funds provided by the State educational agency under this subtitle;

(6) the degree to which progress has been made toward meeting the goals and objectives described in section 1305(c)(2)(A); and

(7) best practices for the Secretary to share with interested parties.

(b) **REPORT TO CONGRESS.**—The Secretary shall annually prepare and submit to Congress a report. The report shall describe—

(1) the methods the State educational agencies used to make grants to eligible local educational agencies and to provide assistance to schools under this subtitle;

(2) how eligible local educational agencies and schools used funds provided under this subtitle; and

(3) the degree to which progress has been made toward meeting the goals and objectives described in sections 1305(c)(2)(A) and 1306(b)(2)(L).

(c) **GOVERNMENT ACCOUNTING OFFICE REPORT TO CONGRESS.**—The Comptroller General of the United States shall conduct a study regarding the demonstration program carried out under this subtitle and the impact of the program on student achievement. The Comptroller General shall prepare and submit to Congress a report containing the results of the study.

SEC. 1309. ADMINISTRATION.

(a) **FEDERAL.**—The Secretary shall develop program guidelines for and oversee the dem-

onstration program carried out under this subtitle.

(b) **LOCAL.**—The commander of each military installation served by a military charter school assisted under this subtitle shall establish a nonprofit corporation or an oversight group to provide the applicable local educational agency with oversight and guidance regarding the day-to-day operations of the military charter school.

SEC. 1310. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subtitle—

- (1) \$5,000,000 for fiscal year 2003;
- (2) \$7,000,000 for fiscal year 2004;
- (3) \$9,000,000 for fiscal year 2005;
- (4) \$11,000,000 for fiscal year 2007; and
- (5) \$13,000,000 for fiscal year 2008.

SEC. 1311. TERMINATION.

The authority provided by this subtitle terminates 5 years after the date of enactment of this Act.

Subtitle B—Credit Enhancement Initiatives To Promote Military Charter School Facility Acquisition, Construction, and Renovation

SEC. 1321. CREDIT ENHANCEMENT INITIATIVES TO PROMOTE MILITARY CHARTER SCHOOL FACILITY ACQUISITION, CONSTRUCTION, AND RENOVATION.

Title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7201 et seq.) is amended by adding at the end the following:

“PART E—CREDIT ENHANCEMENT INITIATIVES TO PROMOTE MILITARY CHARTER SCHOOL FACILITY ACQUISITION, CONSTRUCTION, AND RENOVATION.

“SEC. 5701. PURPOSE.

“The purpose of this part is to provide grants to eligible entities to permit the eligible entities to establish or improve innovative credit enhancement initiatives that assist military charter schools to address the cost of acquiring, constructing, and renovating facilities.

“SEC. 5702. GRANTS TO ELIGIBLE ENTITIES.

“(a) **GRANTS FOR INITIATIVES.**—

“(1) **IN GENERAL.**—The Secretary shall use 100 percent of the amount available to carry out this part to award grants to eligible entities that have applications approved under this part, to enable the eligible entities to carry out innovative initiatives for assisting military charter schools to address the cost of acquiring, constructing, and renovating facilities by enhancing the availability of loans or bond financing.

“(2) **NUMBER OF GRANTS.**—The Secretary shall award not less than 4 grants under this part in each fiscal year.

“(b) **GRANTEE SELECTION.**—

“(1) **DETERMINATION.**—The Secretary shall evaluate each application submitted, and shall determine which applications are of sufficient quality to merit approval and which are not.

“(2) **MINIMUM GRANTS.**—The Secretary shall award at least—

“(A) 1 grant to an eligible entity described in section 5710(1)(A);

“(B) 1 grant to an eligible entity described in section 5710(1)(B); and

“(C) 1 grant to an eligible entity described in section 5710(1)(C),

if applications are submitted that permit the Secretary to award the grants without approving an application that is not of sufficient quality to merit approval.

“(c) **GRANT CHARACTERISTICS.**—Grants under this part shall be in sufficient amounts, and for initiatives of sufficient scope and quality, so as to effectively enhance credit for the financing of military charter school acquisition, construction, or renovation.

“(d) **SPECIAL RULE.**—In the event the Secretary determines that the funds available to carry out this part are insufficient to permit the Secretary to award not less than 4 grants in accordance with subsections (a) through (c)—

“(1) subsections (a)(2) and (b)(2) shall not apply; and

“(2) the Secretary may determine the appropriate number of grants to be awarded in accordance with subsections (a)(1), (b)(1), and (c).

“SEC. 5703. APPLICATIONS.

“(a) **IN GENERAL.**—To receive a grant under this part, an eligible entity shall submit to the Secretary an application in such form as the Secretary may reasonably require.

“(b) **CONTENTS.**—An application submitted under subsection (a) shall contain—

“(1) a statement identifying the activities proposed to be undertaken with funds received under this part, including how the eligible entity will determine which military charter schools will receive assistance, and how much and what types of assistance the military charter schools will receive;

“(2) a description of the involvement of military charter schools in the application's development and the design of the proposed activities;

“(3) a description of the eligible entity's expertise in capital market financing;

“(4) a description of how the proposed activities will—

“(A) leverage private sector financing capital, to obtain the maximum amount of private sector financing capital, relative to the amount of government funding used, to assist military charter schools; and

“(B) otherwise enhance credit available to military charter schools;

“(5) a description of how the eligible entity possesses sufficient expertise in education to evaluate the likelihood of success of a military charter school program for which facilities financing is sought;

“(6) in the case of an application submitted by a State governmental entity, a description of the actions that the entity has taken, or will take, to ensure that military charter schools within the State receive the funding the schools need to have adequate facilities;

“(7) an assurance that the eligible entity will give priority to funding initiatives that assist military charter schools in which students have demonstrated academic excellence or improvement during the 2 consecutive academic years preceding submission of the application; and

“(8) such other information as the Secretary may reasonably require.

“SEC. 5704. MILITARY CHARTER SCHOOL OBJECTIVES.

“An eligible entity receiving a grant under this part shall use the funds received through the grant, and deposited in the reserve account established under section 5705(a), to assist 1 or more military charter schools to access private sector capital to accomplish 1 or more of the following objectives:

“(1) The acquisition (by purchase, lease, donation, or otherwise) of an interest (including an interest held by a third party for the benefit of a military charter school) in improved or unimproved real property that is necessary to commence or continue the operation of a military charter school.

“(2) The construction of new facilities, or the renovation, repair, or alteration of existing facilities, necessary to commence or continue the operation of a military charter school.

“(3) The payment of startup costs, including the costs of training teachers and purchasing materials and equipment, including instructional materials and computers, for a military charter school.

“SEC. 5705. RESERVE ACCOUNT.

“(a) IN GENERAL.—For the purpose of assisting military charter schools to accomplish the objectives described in section 5704, an eligible entity receiving a grant under this part shall deposit the funds received through the grant (other than funds used for administrative costs in accordance with section 5706) in a reserve account established and maintained by the eligible entity for that purpose. The eligible entity shall make the deposit in accordance with State and local law and may make the deposit directly or indirectly, and alone or in collaboration with others.

“(b) USE OF FUNDS.—Amounts deposited in such account shall be used by the eligible entity for 1 or more of the following purposes:

“(1) Guaranteeing, insuring, and reinsuring bonds, notes, evidences of debt, loans, and interests therein, the proceeds of which are used for an objective described in section 5704.

“(2) Guaranteeing and insuring leases of personal and real property for such an objective.

“(3) Facilitating financing for such an objective by identifying potential lending sources, encouraging private lending, and carrying out other similar activities that directly promote lending to, or for the benefit of, military charter schools.

“(4) Facilitating the issuance of bonds by military charter schools, or by other public entities for the benefit of military charter schools, for such an objective, by providing technical, administrative, and other appropriate assistance (including the recruitment of bond counsel, underwriters, and potential investors and the consolidation of multiple military charter school projects within a single bond issue).

“(c) INVESTMENT.—Funds received under this part and deposited in the reserve account shall be invested in obligations issued or guaranteed by the United States or a State, or in other similarly low-risk securities.

“(d) REINVESTMENT OF EARNINGS.—Any earnings on funds received under this part shall be deposited in the reserve account established under subsection (a) and used in accordance with subsection (b).

“SEC. 5706. LIMITATION ON ADMINISTRATIVE COSTS.

“An eligible entity that receives a grant under this part may use not more than 0.25 percent of the funds received through the grant for the administrative costs of carrying out the eligible entity’s responsibilities under this part.

“SEC. 5707. AUDITS AND REPORTS.

“(a) FINANCIAL RECORD MAINTENANCE AND AUDIT.—The financial records of each eligible entity receiving a grant under this part shall be maintained in accordance with generally accepted accounting principles and shall be subject to an annual audit by an independent public accountant.

“(b) REPORTS.—

“(1) ELIGIBLE ENTITY ANNUAL REPORTS.—Each eligible entity receiving a grant under this part annually shall submit to the Secretary a report of the eligible entity’s operations and activities under this part.

“(2) CONTENTS.—Each such annual report shall include—

“(A) a copy of the eligible entity’s most recent financial statements, and any accompanying opinion on such statements, prepared by the independent public accountant auditing the financial records of the eligible entity;

“(B) a copy of any report made on an audit of the financial records of the eligible entity that was conducted under subsection (a) during the reporting period;

“(C) an evaluation by the eligible entity of the effectiveness of the entity’s use of the Federal funds provided under this part in leveraging private funds;

“(D) a listing and description of the military charter schools served by the eligible entity with such Federal funds during the reporting period;

“(E) a description of the activities carried out by the eligible entity to assist military charter schools in meeting the objectives set forth in section 5704; and

“(F) a description of the characteristics of lenders and other financial institutions participating in the activities undertaken by the eligible entity under this part during the reporting period.

“(3) SECRETARIAL REPORT.—The Secretary shall review the reports submitted under paragraph (1) and shall provide a comprehensive annual report to Congress on the activities conducted under this part.

“SEC. 5708. NO FULL FAITH AND CREDIT FOR GRANTEE OBLIGATIONS.

“No financial obligation of an eligible entity entered into pursuant to this part (such as an obligation under a guarantee, bond, note, evidence of debt, or loan) shall be an obligation of, or guaranteed in any respect by, the United States. The full faith and credit of the United States is not pledged to the payment of funds that may be required to be paid under any obligation made by an eligible entity pursuant to any provision of this part.

“SEC. 5709 RECOVERY OF FUNDS.

“(a) IN GENERAL.—The Secretary, in accordance with chapter 37 of title 31, United States Code, shall collect—

“(1) all of the funds in a reserve account established by an eligible entity under section 5705(a), if the Secretary determines, not earlier than 2 years after the date on which the entity first received funds under this part, that the entity has failed to make substantial progress in carrying out the purposes described in section 5705(b); or

“(2) all or a portion of the funds in a reserve account established by an eligible entity under section 5705(a), if the Secretary determines that the eligible entity has permanently ceased to use all or a portion of the funds in such account to accomplish any purpose described in section 5705(b).

“(b) EXERCISE OF AUTHORITY.—The Secretary shall not exercise the authority provided in subsection (a) to collect from any eligible entity any funds that are being properly used to achieve 1 or more of the purposes described in section 5705(b).

“(c) PROCEDURES.—The provisions of sections 451, 452, and 458 of the General Education Provisions Act (20 U.S.C. 1234, 1234a, 1234g) shall apply to the recovery of funds under subsection (a).

“(d) CONSTRUCTION.—This section shall not be construed to impair or affect the authority of the Secretary to recover funds under part D of the General Education Provisions Act (20 U.S.C. 1234 et seq.).

“SEC. 5710. DEFINITIONS.

“In this part:

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) a public entity, such as a military installation as defined in section 2687(e)(1) of title 10, United States Code;

“(B) a private nonprofit entity; or

“(C) a consortium of entities described in subparagraphs (A) and (B).

“(2) MILITARY CHARTER SCHOOL.—The term ‘military charter school’ has the meaning given such term by regulations promulgated by the Secretary of Defense.

“SEC. 5711. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this part \$10,000,000 for fiscal year 2003 and each succeeding fiscal year.”

SEC. 1322. INCOME EXCLUSION FOR INTEREST PAID ON LOANS BY MILITARY CHARTER SCHOOLS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by inserting after section 139 the following new section:

“SEC. 139A. INTEREST ON MILITARY CHARTER SCHOOL LOANS.

“(a) EXCLUSION.—Gross income does not include interest on any military charter school loan.

“(b) MILITARY CHARTER SCHOOL LOAN.—For purposes of this section:

“(1) IN GENERAL.—The term ‘military charter school loan’ means any indebtedness incurred by a military charter school.

“(2) MILITARY CHARTER SCHOOL.—The term ‘military charter school’ means an institution defined as a military charter school by the Secretary of Defense.”

(b) CONFORMING AMENDMENT.—The table of sections for such part III is amended by inserting after the item relating to section 139 the following:

“Sec. 139A. Interest on military charter school loans.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of enactment of this Act, with respect to indebtedness incurred after the date of enactment of this Act.

Ms. LANDRIEU. Madam President, there have been many very good amendments brought to the floor that have been accepted, which have strengthened the underlying bill. I want to speak for a moment about this amendment in the hopes that, if we cannot adopt it today, at least we will begin a very serious discussion of this issue. It is an issue that the occupant of the chair has worked on very hard on in her career, and many Members on both sides of the aisle feel strongly about—that is, education and the quality of education in our country.

This particular amendment is in relation to the quality of education afforded to the hundreds of thousands of dependents of our men and women in the military. I will begin by expressing an overall thought that we are becoming wiser and wiser in Congress on this issue of education, recognizing that it truly is an issue of economic development.

It truly is an issue of strengthening our Nation. We cannot have an economically strong and militarily secure nation moving in a progressive way without an excellent school system. No matter where a child is born—rural or urban, on the east coast or west coast—if we do not do a better job as a nation of giving our children a quality education, the future of our Nation will not be as bright, and it could put us in jeopardy.

I also make the argument that for our military, the same holds true. It is not just about providing our military with the most extraordinary weapons. It is not just about training our military men and women to the highest

levels. It is not just providing them the basics in terms of fair compensation and health care. We have an obligation to make sure, when our men and women sign up to be in our military and they have made these sacrifices, that we provide them, between the Department of Defense and the Department of Education, a quality education for their children.

When we send our soldiers into battle, we want them focused on the battle and mission at hand. We do not want them worried, as they naturally would be, about spouses and dependents at home, about their happiness, about their comfort, about their security. It makes our military stronger when we provide good, quality-of-life issues for their families at home. One of the ways we can do that is by improving the schools for military dependents.

There are over 800,000 children who are military dependents out of an overall force strength of 1.4 million adults connected to the military. Many of them are school-age children. Because of the specific demands of our military, which are very unlike the civilian sector because of the way it is structured, many move every 2 years. Some military move from the east coast to the west coast, moving families with them. It is very difficult providing an excellent education generally, and yet the military has even more challenges.

What is the solution? I offer this amendment—and hopefully we will begin discussing it—to strengthen our military schools in the United States in a creative way. This amendment will set up the possibility of a pilot program to help create military charter schools around the Nation in partnership with local public school systems to provide an opportunity not only for our military dependents, but this framework will also help communities that have a large military presence. The benefit overall is that the community gets a better school, a school that has the opportunity to provide an excellent education.

The second benefit is that our military children have that opportunity, as well as the children whose families might not have any connection to the military. It gives them an introduction into what military life can be like.

This is a partnership. It is a pilot program that will help establish charter schools, and that is basically what this amendment attempts to do.

Also with this amendment, which is an important consideration for military children as they move from community to community, there is created for the first time what we call an academic passport. It helps to stabilize and standardize the curriculum without micromanaging, without dictating what the curriculum should be. It tries to set up a new approach or a new framework for our local elementary and secondary education districts for use throughout the country to set up a standardized curriculum so that if children have to move from community to

community, they can keep up as one school might require 3 years of a foreign language or 2 years of algebra or 1 year of algebra, or a whole different curriculum. That is part of this amendment. It is something about which military families feel very strongly. I hope that with this new pilot program to help create charter schools with a new academic passport, we can begin to focus some of our resources—again, not all within the Department of Defense; some of this is within the jurisdiction of the Department of Education—to create something exciting and wonderful for these 800,000 children.

Madam President, 600,000 of these children are in public schools today, at great stress sometimes to those public districts; 100,000 of these children are either in private schools or are home schooled; and only 32,000 of the 800,000 are in Department of Defense schools. As shown on this map, these schools are concentrated in a few States. There are only 32,000 children, as I said, of 800,000 dependents. Some of them are overseas; approximately 73,000 are overseas; 32,000 of our military children are in schools in New York, Kentucky, Virginia, North Carolina, South Carolina, Georgia, and Alabama.

As my colleagues can see, dependent children of military personnel are in public schools throughout the country. Sometimes they are good public schools; sometimes they are not so good. We are working hard to make every public school excellent, but I think we have a special obligation to our military families to make sure that those children are getting an excellent education.

I would like to tell you why with a chart that shows the percentage and status of degrees among the general population and our military population.

If you look at the general population, nonofficers in our military, 91.5 percent have only a high school degree or GED—91 percent. In our general population, it is about 80 percent—20 percent have college degrees or above; 75 to 80 percent have only high school. This is a very upwardly mobile group of Americans. These are men and women with great discipline, great patriotism, great commitment to the Nation. Obviously, they are serving their country, but they are committed to their families and their communities.

As one can see, the officers exceed the general population at large. Almost 40 percent have advanced degrees; 50 percent or more have bachelor degrees. This is a very upwardly mobile population. If we can provide excellent schools and opportunities for this 91 percent, I think we will be doing a very good job in helping to strengthen our military but also helping our country be a better place. It is truly something on which we should focus more.

In conclusion, let me show a picture of a school of which I am very proud. It might be one of the first military charters, if not the first, in the Nation.

This is a school we are building and will actually be cutting the ribbon for this week in Belle Chasse, LA. This is a state-of-the-art, brandnew public school in Plaquemines Parish.

There is a very important naval reserve base there. It is 90,000 square feet, 37 classrooms, a gymnasium, cafeteria, a media center, a youth center, administrative offices, and although one cannot tell exactly from this picture, wonderful classrooms and a very high-tech communication and computer system. Six hundred of the children from this military base will be able to attend a state-of-the-art school that was built in a public-private partnership. I am very hopeful this model, based on this amendment—which, again, I am offering only for consideration and will ask to be withdrawn in a moment so we can consider it at a future time—will be something we can share with the rest of the Nation and help build opportunities for our military dependents to go to excellent schools and to help the local school districts to give nonmilitary children an opportunity to attend world-class, first-class centers of education.

I think we can work all day long on pay raises, on building more ships, and on building a stronger Air Force, but truly I think focusing on educational opportunities, both for the adults in our military but particularly for their children, will help us build morale, help us improve retention, will help us strengthen our military in the intermediate and the long term, and it is something that, with a little creativity and a little bit of thinking outside of the box, I am convinced we could finance the construction of these schools by reordering some of the streams of revenue and end up coming out with some excellent facilities around this Nation to serve both our military and our nonmilitary families and do a great job for our Defense Department and a great job for our country. That is what this amendment does.

AMENDMENT NO. 3975 WITHDRAWN

Ms. LANDRIEU. I ask unanimous consent that amendment No. 3975 be withdrawn until a further time.

The PRESIDING OFFICER. The amendment is withdrawn.

Ms. LANDRIEU. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. COLLINS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Ms. COLLINS. Madam President, I rise today to speak on one of the most important pieces of legislation that we will consider this year; that is, the National Defense Authorization Act for Fiscal Year 2003. This important bill authorizes funding to strengthen our military, to address the challenges of today, and to anticipate the threats of tomorrow.

We are a nation at war. This bill recognizes the critical role that our Armed Forces play in the war against terrorism and in securing our homeland. It will help ensure that our troops are better paid, better housed, and better equipped than ever before. I had the privilege of visiting our troops in central Asia last January. I was a member of the first bipartisan Senate delegation to visit our troops on the front lines in the war zone. I was inspired by the patriotism and professionalism of our men and women in uniform.

As long as they know our Nation is united behind them, they are willing to bear any hardship no matter how harsh, undertake any mission no matter how dangerous, and willingly risk their lives each and every day just by doing their jobs.

The obligation on us, in return, is clear. The legislation before the Senate recognizes our obligation to improve the quality of service for our American forces who need and deserve the finest equipment and the best resources to combat any threat.

For example, the bill includes a 4.1-percent across-the-board pay raise for our military personnel and an increase in the housing allowance that will reduce the average out-of-pocket expenses for off-post housing to 7.5 percent in 2002. This represents significant progress toward the goal of eliminating by 2005 the need for our military personnel to reach into their own pockets to pay for housing. I also support, and cosponsored, an amendment adopted by the Senate earlier this week that will repeal the prohibition on concurrent receipt of non-disability retired military pay and veteran's disability pay for our military retirees, eliminating an inequity and allowing these veterans to collect the full amount they have earned.

This bill also begins to address the needs and concerns of our reserve forces. Specifically, it includes a study that will require the Department of Defense to assess the compensation and benefits of our reservists, who have been called upon more and more to serve our country and protect our freedoms. Under the total force concept, more than 80,000 Selected Reserve and National Guard personnel are now on active duty, nearly 9 months after the attacks of September 11. This study is the first step to ensuring that our reservists receive the compensation and benefits that are proportional to the commitment and services that they provide.

While the bill reflects significant investments in our national defense—including a significant increase to respond to the attacks of September 11—it will take several years of sustained increases in defense spending to completely recover from the “procurement holiday” of previous years.

I stand with the majority of the Armed Services Committee that believes more needs to be done to address

the shipbuilding shortfalls that this administration inherited from the previous administration.

The Navy's shipbuilding program simply is not adequate to meet the needs of a more dangerous world. I am particularly concerned about the under-funding of the Navy's destroyer, or “DDG-51” program, which serves as the backbone of the Navy's surface fleet. This bill fully funds only two DDG-51s next year despite the clear need for a third. I am therefore pleased that the Senate version of the bill does include an increase of \$125 million above the administration's request toward the procurement of an additional much-needed destroyer.

During the committee markup, Senator WARNER, with my strong support, offered an alternative shipbuilding proposal that would have provided even more to meet the need for more ships through an additional \$1 billion. Also, the alternative would have provided multi-year authority and additional advanced procurement for several shipbuilding programs. Further, it would have restored \$690 million of the almost \$900 million cut in various missile defense programs. I am very disappointed that this shipbuilding initiative was rejected in committee on a straight party-line vote as, ultimately, there will be a high price to pay if this shipbuilding trend is not reversed. We are making some progress. The out-year budgets for the Department of Defense have improved markedly in investing more resources into rebuilding our Naval Fleet.

I am encouraged and optimistic, however, that the Navy and its industry partners have heard our concerns about this egregious shortfall. Just recently an agreement was reached by the Navy, General Dynamics and Northrop Grumman Ship Systems to transfer ship construction between the two corporations' shipyards. The terms of this agreement is based on adding two additional DDG ships to the Navy's FY 2003 shipbuilding plan, which will be awarded to the Bath Iron Works in my State. Bath Iron Works has a long tradition of producing quality ships for the Navy. This agreement will immediately transfer DDG 102 to the Bath Iron Works facility for construction.

Further, as a result of this agreement, the Navy is expected to realize significant net cost savings on these programs, which could then be used to further invest in additional shipbuilding initiatives. The increased number of DDGs at Bath should provide increased stability and predictability at the yard, and maintain the critical surface combatant work force for the industrial base to remain competitive for the DD(X) family-of-ships.

The swap agreement has also led to discussions and a tentative agreement on the price and terms of a new DDG multi-year procurement. This contract, once awarded, will provide seven ships over the next four years, including three DDG swap option ships that Bath

alone will have the opportunity to bid on. This new multi-year procurement contract will be the largest contract award in Bath's history. Let me state that again, this pending multi-year contract will be the largest contract awarded in Bath's history, and begin to remedy the shortfall in our naval fleet.

While the debate continues on how to transform our armed forces, the Senate is taking action to support our armed forces and the administration's priorities. I would like to take this opportunity to acknowledge and thank Chairman LEVIN and our senior Republican, Senator WARNER, for their tireless efforts to tackle the tough issues and produce an authorization bill that funds a number of critical priorities and provides support for the men and women of our armed forces.

Our armed forces stand ready. Now it is our responsibility to equip and support our men and women to meet the threats and challenges of today and those of tomorrow.

I believe the legislation before us is a strong step in the right direction, and I am pleased to have had an opportunity to shape this legislation as a member of the Senate Armed Services Committee.

I yield the floor and 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.

Mr. LEVIN. Madam President, On May 14, Department of Defense officials announced that they intended to classify details of future flight tests of the national missile defense system. This occurred after the Senate Armed Services Committee had completed its work on the Defense authorization bill, so we were unable to address this issue in the committee version of the bill. The issue needs to be addressed, however.

The administration claims that placing a shroud of secrecy around the national missile defense testing program is necessary to prevent details of its operation from being revealed to potential enemies. One can argue whether such secrecy is truly needed, since we are many years away from deployment an effective national missile defense systems.

What is not arguable is that Congress has a right and obligation to know the results of such critical tests, regardless of whether they are classified.

The amendment offered by Senator REED and myself would ensure that Congress gets regular reports, classified as necessary, on the results of each national missile defense flight test, 120 days following the test.

The reports should describe the objectives of each test, and whether the objectives were met. Such information

is absolutely essential for Congress to be able to understand and evaluate the performance of the national missile defense system.

The word in the modified amendment is "thorough." This amendment ensures that constitutionally mandated oversight will, in fact, continue to be respected.

I hope all of my colleagues will support this important amendment.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 4029

Mr. REED. Madam President, I call up amendment No. 4029.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. REED] for himself and Mr. LEVIN proposes an amendment numbered 4029.

Mr. REED. 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 require a report on the results of each flight test of the Ground-based Midcourse national missile defense system)

On page 34, after line 23, insert the following:

SEC. 226. REPORTS ON FLIGHT TESTING OF GROUND-BASED MIDCOURSE NATIONAL MISSILE DEFENSE SYSTEM.

(a) REQUIREMENT.—The Director of the United States Missile Defense Agency shall submit to the congressional defense committees a report on each flight test of the Ground-based Midcourse national missile defense system. The report shall be submitted not later than 90 days after the date of the test.

(b) CONTENT.—A report on a flight test under subsection (a) shall include the following matters:

(1) A detailed discussion of the content and objectives of the test.

(2) For each test objective, a statement regarding whether the objective was achieved.

(3) For any test objective not achieved—
(A) a detailed discussion describing the reasons for not achieving the objective; and
(B) a discussion of any plans for future tests to achieve the objective.

(c) FORMAT.—The reports required under subsection (a) shall be submitted in unclassified form, with a classified annex as necessary.

AMENDMENT NO. 4029, AS MODIFIED

Mr. REED. Madam President, I also at this time seek unanimous consent to send a modification of the amendment to the desk and have it reported.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Madam President, reserving the right to object—I shall not—the Senator submitted the amendment to me. I have been in consultation with the Department of Defense. We came back with certain modifications. The Senator has modified this amendment consistent with those recommendations that I received from the Department of Defense.

I have no objection to the Senator modifying the amendment.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 4029), as modified, is as follows:

On page 34, after line 23, insert the following:

SEC. 226. REPORTS ON FLIGHT TESTING OF GROUND-BASED MIDCOURSE NATIONAL MISSILE DEFENSE SYSTEM.

(a) REQUIREMENT.—The Director of the United States Missile Defense Agency shall submit to the congressional defense committees a report on each flight test of the Ground-based Midcourse national missile defense system. The report shall be submitted not later than 120 days after the date of the test.

(b) CONTENT.—A report on a flight test under subsection (a) shall include the following matters:

(1) A thorough discussion of the content and objectives of the test.

(2) For each test objective, a statement regarding whether the objective was achieved.

(3) For any test objective not achieved—

(A) a thorough discussion describing the reasons for not achieving the objective; and
(B) a discussion of any plans for future tests to achieve the objective.

(c) FORMAT.—The reports required under subsection (a) shall be submitted in classified form and unclassified form.

Mr. REED. I thank the Senator from Virginia for his help on this amendment.

I think this is an opportune time to call for passage of the amendment prior to any other discussion at this time. I urge passage of the amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. WARNER. We have no objection, Madam President.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4029), as modified, was agreed to.

Mr. LEVIN. Madam President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. LEVIN. Madam President, I congratulate the Senator from Rhode Island on his amendment. I think he may want to take a minute to describe it. I will yield the floor for that purpose, and then I would like to add a comment on it of my own.

I yield the floor.

Mr. REID. Madam President, I have spoken to the two managers of the bill. It appears this is the last hurdle before final passage of this legislation. The staff is working now on a unanimous consent agreement. We will have final passage at or around 2 o'clock today.

Mr. LEVIN. Sounds good.

Mr. WARNER. Madam President, may I say to the distinguished leader that we have, as I am sure each manager has, tried to contact all offices and all Senators who have expressed any desire to either speak or submit amendments otherwise. But, as I understand it, we will hopefully vote around 2 o'clock. Can we allow a reasonable period such that if there is anything I have left undone Senators may contact me, or reciprocate on your side? Perhaps we can get a unanimous consent request in 15 or 20 minutes to lock in the vote at 2 o'clock.

Mr. REID. It takes the staff a while to do the unanimous consent request. It will take 15 or 20 minutes to do that.

Mr. LEVIN. If the Senator from Nevada will yield for an additional question, there are a number of amendments which I understand may be worked out between now and 2 o'clock.

Mr. WARNER. The Senator is correct.

Mr. REID. We would make sure that any consent allows that to take place.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Madam President, I thank the Senator from Virginia for his help and cooperation, and the Senator from Michigan for his accommodation.

This is an amendment that responds to an announcement made by the Missile Defense Agency shortly after the conclusion of our committee deliberations. The announcement was that they would classify the details of all future flight tests of the national missile defense system—now called the land-based midcourse system.

I believe Congress needs information of that kind. I also believe those unclassified portions of the tests should be available to a broader community, particularly the scientific community.

The amendment that has been agreed to and included in this bill would require the Missile Defense Agency to provide to the Congress within 120 days a thorough report of the details of the tests. And it would include both an unclassified format and a classified format so that those items the Defense Department and the Missile Defense Agency believes should be secret will be kept secret, and it will be reported to us in a classified form.

Let me say that one of the persistent criticisms of the first test of the missile defense system—the land-based midcourse system—was the fact that the tests were unrealistic. In fact, this criticism—particularly by the scientific community—led the Missile Defense Agency to adopt a much more realistic, thorough, and exhaustive test process for our missile defense system.

That criticism, in effect, has been very helpful to the development of the national missile defense. I think it is something that should be encouraged—certainly not discouraged.

This view is also shared widely in many other places. Yesterday USA Today had an editorial which said "The Pentagon policy wrongly shields missile defense data."

They went on to point out that past scientific commentary about the performance of weapons systems has been very valuable in terms of improving those systems. They point specifically to the Patriot system. Initially, the Defense Department claimed that the Patriot was wildly successful in the gulf war.

It turned out that a scientist at MIT was able to look at some of the news video. He observed, based on his scientific training, that these claims were dubious. In fact, he proved to be correct. Once the Pentagon publicly acknowledged that the effectiveness of

the Patriot was not as they had originally claimed, it was the beginning of serious work to accelerate the development of additional improvements. That improvement is now the PAC-3 system, a much more capable system.

I believe honestly that the Defense Department would have tried to move to a better version of Patriot anyway, but certainly the public scrutiny of this type of information helped that process move forward much more expeditiously.

As USA Today points out, we could spend up to \$100 billion under the administration's missile defense plan. As they say:

Taxpayers deserve assurances beyond the Pentagon's word that the system works.

This is particularly important when, at the same time the Missile Defense Agency is talking about putting a much broader cloak of secrecy around what they do, they are also saying they want to have a contingent deployment of missile systems as early as 2004.

Again, some of these tests are not even scheduled to take place until after that date. Yet they are talking about a system in which they want to have something ready by 2004.

I fear that the pressure to put something in the field by 2004 will overcome the willingness to be as clear and transparent as you want them to be about these tests.

I hope this amendment will reinforce the Defense Department's view that these details are useful for the Congress and, in unclassified form, useful for the scientific community.

As a former director of operational testing, Phil Coyle, stated in a Washington Post article, on June 11, the new classification policy that is being proposed by the Missile Defense Agency is, in his words, "not justified by either the progress and tests so far or by the realisms of the test."

We are still at a very rudimentary stage, a stage in which details of the test will help inform the Congress, will help inform scientific observers, and, I hope, will help us keep this system on track and keep the system, in effect, honest, so that if people are looking closely, all the t's will be crossed and all the i's dotted.

I must also say, at this point, too, that General Kadish, particularly, has committed himself and budget dollars to ensure that a much more realistic and much more rigorous form of testing is employed. That is commendable and, indeed, is supported in the underlying legislation by our authorization.

Testing and reporting of results is very important because, as I mentioned many times, the comments of outside authorities, scientists, are very useful. The Union of Concerned Scientists, for example, prepared a report about the first several tests of the ground-based midcourse system. They made several valuable suggestions.

First, they suggested that you make the end game more realistic. By that, they meant we make the engagement

with the kill vehicle and the enemy warhead much more realistic than the tests were at that stage. That is being done, not solely because of the UCS recommendation, but certainly it helped move along, I think, the concentration on more realism.

They also talked about more realistic test conditions. Some of these things do not strike me, at this juncture, as particularly sensitive information.

They talked about the geometry of the interception, whether it is the same flight track for the enemy warhead as well as for the interception vehicle, the kill vehicle.

The time of day: If we are only testing at the same time of day, when atmospheric conditions and sunlight or starlight are most opportune to discriminate a warhead from decoys, that is not a realistic test.

The weather conditions: Are we testing in foul weather as well as fair weather?

The flyout range, the altitude of the intercept—there are many things that are very important. And we should have an idea, on an unclassified and classified basis, of these parameters. And the scientific community should at least have an indication, on an unclassified basis, of what is taking place.

I believe the amendment is important. It is useful. I am extraordinarily pleased that the ranking member, the Senator from Virginia, was helpful in getting this done so expeditiously.

One final point, we are simply codifying what I believe and what I know to be the intent of the Department of Defense.

In that same USA Today article previously mentioned, Secretary Aldridge wrote:

There is not now, and can never be, any component of this missile defense program classified beyond the reach of the security clearances of its congressional overseers. Congress' constitutionally mandated oversight will always be respected.

That constitutionally mandated oversight has been codified in this amendment.

I yield the floor.

The PRESIDING OFFICER (Mr. EDWARDS). The Senator From Virginia.

Mr. WARNER. Mr. President, I make these few remarks concerning the Reed amendment now before the Senate.

With the modifications that I have proposed and the majority has accepted, I am not objecting to the inclusion of this amendment in the defense authorization bill. These modifications were at the request of the Department of Defense. But I do have concerns with its substance, concerns that are shared by the Administration and, specifically, the Director of the Missile Defense Agency.

This amendment offered by Senator REED would require the Director of the Missile Defense Agency to submit a report to the congressional defense committees on each flight test of the ground-based midcourse missile de-

fense system, what we used to call the national missile defense system. This amendment would add an additional three to five reports a year to the long and continually growing list of reports that the Missile Defense Agency must submit to Congress annually.

Last year, at the insistence of our majority, the defense authorization act required several reports to Congress on missile defense. I strove, with some success, to assure that those reports were consistent with what Congress requires of other defense programs. This year, the bill our majority crafted in committee imposes five new reporting requirements related to missile defense, including annual operational assessments on research and development programs, annual assessments of military requirements for all Missile Defense Agency programs, and detailed cost information on several missile defense programs—information, I might add, that in some cases simply isn't available.

My specific concerns are, as follows:

First, this amendment requires a report on every single flight test of the national missile defense system. I am unaware of any other program in the Department of Defense for which we in Congress impose such detailed reporting requirements. As I stated earlier, my intent last year was to make reporting requirements on missile defense programs consistent with those for other defense programs.

Second, this amendment adds to the already substantial reporting burden on the Missile Defense Agency. I would note that the Secretary of Defense, in a letter to Chairman LEVIN and me, informed us that our bill, even prior to this amendment, "would impose a number of burdensome statutory restrictions that would undermine our ability to manage the [missile defense] program effectively." The Office of Management and Budget reiterated this view. A few moments ago, I spoke to General Kadish, the Director of the Missile Defense Agency, who echoed these concerns even as he reiterated his willingness to provide Congress with all information on tests to facilitate our legitimate oversight function.

Third, Congress already has a process to gain all the information that it desires on a test or tests. We need simply ask for a report or a briefing, and the Missile Defense Agency has responded, is responding, and will respond. I have heard no allegation that information on tests has been denied to the appropriate committee, or is not available on request.

I fully concur with those who believe that Congress should have access to all relevant information related to missile defense tests. I have relayed the assurances I received that the Missile Defense Agency will provide us with this information. All members, and staff with appropriate clearances, will have access to this information. Indeed, Committee staff received a classified

briefing related to targets and countermeasures prior to the last long-range missile defense test.

In the interest of comity and the desire to complete work on this important legislation expeditiously, I will not oppose inclusion of this amendment in the pending bill. I will work during our conference with the House to improve the provisions on missile defense.

Mr. President, we had to handle this amendment very expeditiously in order to achieve our 2 o'clock objective to have final passage. I did review it very carefully with the Department of Defense. We did make the technical changes. But I would have to say that I hope there is no inference, from this amendment as it now has been amended, that the Department would not have responded to the Congress had the Congress requested any information under any tests.

So the amendment points up the importance of and the interest in the Congress, but at the same time Congress could have obtained the same information, as required by this amendment, had it taken the initiative. Am I not correct in that, I ask the Senator?

Mr. REED. If the Senator will yield, you are absolutely correct. What I would suggest is, because of the highly technical nature of the whole program, often we do not know what questions to ask at times. As a result, with this reporting requirement, I think we will fulfill our constitutional obligation.

I guess I would respond, finally, by saying there is a saying from a famous poet from New England, Robert Frost: "Good fences make good neighbors." Perhaps if we look at this as a good fence, we will be better neighbors with our friends in MDA.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I was in discussion with the President pro tempore of the Senate on something very important; and that is when he is going to give his Fourth of July speech, at which I try to be present every year. I think we may be fortunate enough that the Senator may give that speech this afternoon when we finish this bill sometime.

I think I am now in a position to enter a unanimous consent request for this bill.

Mr. President, I ask unanimous consent that following passage of S. 2514, it be in order for the Senate to consider, en bloc, the following calendar items: Nos. 371, 372, 373—these are S. 2515, S. 2516, and S. 2517—that all after the enacting clause be stricken in each bill, and that the following divisions of S. 2514, as passed by the Senate, be inserted in lieu thereof, as follows: S. 2515, division A; S. 2516, division B; and S. 2517, division C; that the bills be read three times, passed, and the motion to reconsider be laid upon the table, en bloc; that the consideration of these items appear separately in the RECORD.

I further ask unanimous consent that with respect to S. 2515, S. 2516, and S. 2517, as passed, that if the Senate receives a message from the House with regard to any of these measures, the Senate insist on its amendment or disagree to the House amendment, and agree to or request a conference with the House on the disagreeing votes of the two Houses; and that the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. WYDEN. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I wish to discuss with the distinguished leader from Nevada and the chairman of the committee and the distinguished minority member the amendment I have with Senator SMITH.

This is an extremely important amendment. We have been trying to work out the details with respect to the majority and minority. I want to make sure that our right to offer that amendment is protected.

It is not clear to me, with respect to the unanimous consent request posed by the distinguished Senator from Nevada, that our right to offer the Wyden-Smith amendment, which is of enormous importance to the State of Oregon, would be protected. If I could yield to the distinguished chairman and ranking member so this point could be clarified, I am speaking on behalf of both myself and the Senator from Oregon.

Mr. REID. 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. REID. 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. REID. Mr. President, I ask unanimous consent the Senator from Florida be recognized for 5 minutes as in morning business.

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

Mr. WARNER. Reserving the right to object, it is my understanding there is no amendment connected with this; is that correct?

Mr. NELSON of Florida. It is an amendment that has already been adopted.

Mr. WARNER. I thank the Senator.

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON of Florida. Mr. President, I wanted to again thank the leadership of our Armed Services Committee, the distinguished Senators from Michigan and Virginia, respectively, the chairman and ranking member of our committee, for the acceptance last evening of an amendment I had offered that was cosponsored by a

number of Senators, including several on our Armed Services Committee, concerning a requirement that the Department of Defense will do an investigation and will report to the Congress on a regular basis about the biological and chemical testing that may have put some of our service men and women and, indeed, some civilians in harm's way.

Certainly, that wasn't the original intent when these tests were conducted back in the fifties, sixties, and seventies. But, indeed, that has been the upshot of what we now find out, in some cases, 30, 40 years later—even a half century later—that there may have been exposure that is causing our veterans to now need to know what the whole truth is in order to fix the past mistakes where veterans have been exposed to toxic substances, particularly from this chemical and biological testing, and to get full disclosure of this testing because it has been classified over the past number of decades. The veterans of this country certainly have a right to know, particularly with regard to getting them to come in and get the health care they need if, in fact, the health care is required.

Now, that is a general statement. Let me kind of flush it out with some specifics. In the sixties and the seventies, ships of ours in the Pacific were gassed with biological and chemical substances and, in some cases, simulants or simulations of those substances. That was a program under the acronym of SHAD, Shipboard Hazard and Defense. It was ostensibly to test those ships' ability to react and protect themselves if an enemy came out and suddenly tried to put these biological or chemical agents on our ships in order to immobilize and to kill our Navy.

In some cases, we were told these were not the actual materials, such as nerve gas, but that it was a simulant of nerve gas. Years later, decades later, we are finding that these simulants that were used are having an effect on the people who were sprayed; and, indeed, there actually may have been some exposure to the actual chemical and biological agents instead of just the simulants. There were 113 of these tests. Only 6 have been declassified. Of those 6, a population of 4,300 veterans have been identified to be contacted and, to date, only 622 have been written to when the Department of Defense declassified it, gave it to the Veterans' Administration. They wrote the letters and said: If you are having any effects, come into the veterans medical facility. Of those 622, a good number of them were in Florida, which is how I first started hearing about this.

Senator CLELAND will have hearings this fall on this very same issue, but what we are going to look into in this amendment, just attached last night to DOD, is the shipboard gassing in the sixties and seventies.

What Senator CLELAND's committee is going to look into is the overall testing because, lo and behold, I started

getting all of these ruminations coming out of Florida about some mysterious tests that were conducted in the fifties at the old Boca Raton Airfield, an old World War II airfield, and an 85-acre parcel to the north that apparently is still undeveloped. But guess what has grown up around it. Florida Atlantic University, one of our major universities, was built on this site. The Boca Raton Airport, one of the major general aviation airports in Florida, is right there.

When I requested this information from the DOD back in February, as the junior Senator from Florida, DOD wrote back and said it is classified. Well, thank goodness that Senator LEVIN, our chairman, has tasked Senator CLELAND, our Personnel Subcommittee chairman, to get into this because our committee is clearly capable of handling classified information.

So I want the leadership to know how much I appreciate them doing this so the veterans will have full disclosure—were they in harm's way?—now that we are just finding out three and four decades later, certainly incited by these letters that, as we speak, are being mailed out to these veterans all over the country.

Thanks to the chairman and the ranking member, they accepted this amendment, which will be etched into law in our DOD authorization bill. Then, as we pursue the larger bill, including all the tests, other than just SHAD, Senator CLELAND's subcommittee will get into this investigation.

It is my understanding that Senator ROCKEFELLER, the chairman of the Veterans' Affairs Committee, is also interested in having hearings on this very same subject. I am so grateful to the leadership of this body, on behalf of the veterans of Florida in my case, and on behalf of the veterans of this country, to find out what happened—to peel back the onion and see what really happened—and if there is a problem, we can get these veterans into the medical facilities.

I thank the chairman for making this possible. I thank the distinguished assistant majority leader for giving me this time.

I yield the floor.

Mr. LEVIN. Mr. President, I thank Senator NELSON for his determination and passion on this issue. It will benefit the veterans who may have been affected. We are happy to work with him. Hopefully, his leadership will produce the critically necessary information we need to help with their medical situation. They are all in his debt and this body is as well.

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

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. LEVIN. 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. LEVIN. Mr. President, I understand Senator HUTCHINSON has some remarks he would like to give in offering an amendment, and then after 10 minutes he will withdraw that amendment. I want to make sure he is in agreement with this before I ask unanimous consent.

I ask unanimous consent that Senator HUTCHINSON be recognized for 10 minutes to offer an amendment, and then at the end of that 10 minutes to withdraw the amendment.

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

The Senator from Arkansas.

AMENDMENT NO. 4069

Mr. HUTCHINSON. Mr. President, I call up amendment No. 4069.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Arkansas [Mr. HUTCHINSON] proposes an amendment numbered 4069.

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

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

The amendment is as follows:

At the end of subtitle A of title III, add the following:

SEC. 305. CLARA BARTON CENTER FOR DOMESTIC PREPAREDNESS.

Of the amount authorized to be appropriated by section 301(a)(5) for operation and maintenance for defensewide activities, \$3,000,000 shall be available for the Clara Barton Center for Domestic Preparedness, Arkansas.

Mr. HUTCHINSON. I thank the Chair.

Mr. President, I appreciate my colleagues giving me an opportunity to speak on this amendment. I think it is very important to our country. It is a matter that, after cloture, is not germane, and I intend to withdraw it. But I give notice that this is an important issue for our country and I intend to talk about it in the future. It is a matter that is critical to the protection of our military.

Today we are deploying our troops across the world to fight the war on terrorism, and it is clear our enemies have been actively attempting to acquire biological weapons.

We know Saddam Hussein has been relentless in his pursuit of biological weapons. Yet even with this knowledge, we continue today to deploy our troops without adequate vaccine protection. The shortage of anthrax vaccine, due to the failure of BioPort, has been well publicized. However, as we meet today, our military has no stocks of vaccines against a range of other pathogens that we know could be used against our troops.

According to unclassified documents released by the Pentagon, there are at least 10 nations right now pursuing bio-

logical weapons programs. Based on media reports, we know these nations include Iraq, Iran, and North Korea. In 1998, the Department of Defense instituted a program to vaccinate all uniformed military personnel against anthrax, but because of the debacle that has occurred since then, the resulting vaccine shortage, that program was curtailed and is only now beginning to get back in motion.

Today, only 526,000 service members have received any vaccine doses. The vast majority of these have received fewer than the recommended six doses. Soon it is expected that DOD will announce a new anthrax policy whereby only troops being deployed to so-called high-risk areas will be vaccinated. I look forward to learning what areas are designated as high-risk areas. Given what occurred on 9-11, even the Pentagon itself should qualify.

The tragedy of this situation is that there is no reason for us to be in this position. The DOD over a decade ago realized our nation needed a reliable source of vaccine. The private sector is simply unable to meet the requirement for vaccines against biological weapons. The production of these products is not profitable, the need is too small, the infrastructure costs are too high, and the liability is too great.

There is no greater proponent of the private sector than I. However, throughout the past decade private industry has declined to participate in this market. In fact, the only company that is chosen to contract with the Pentagon is BioPort. We know that has not been an altogether satisfactory experience.

This problem has been examined many times over the past decade. In fact, it has been studied twice by the Department of Defense. Both times, the conclusion was that our Nation needed a government-owned, contractor-operated vaccine production facility. This is referred to as a GOCO.

In January of 1991, Project Badger presented a report to DOD entitled "Long Term Expansion of Production Capability for Medical Defense Against Biological Warfare Agents." That is a long title, but the conclusion was that we needed to construct a Government-owned facility to provide assured manufacture of products against agents of biological origin.

At that time, DOD began site selection. They began planning for such a facility. In 1994, they prepared a study entitled "Department of Defense Vaccine Production Facility: An Economic Analysis of Alternatives."

They were moving ahead. Then, the previous administration reversed course and decided to rely solely upon the commercial sector. After dumping over \$120 million, we are only now beginning to receive anthrax vaccine. We do not want to repeat that.

In November of 2000, the Department of Defense completed another in-depth

study of a potential GOCO, which included detailed cost and design estimates. In February of 2001, the Department prepared a comprehensive life cycle cost estimate.

Finally, last July the Pentagon released its latest study, "Report on Biological Warfare Defense Vaccine Research & Development Programs." This study once again came to the same conclusion, was prepared by a team of DOD personnel, industry leaders, and academics, and it included a letter from former Surgeon General David Satcher, all of it endorsing the concept of a GOCO.

Since September 11, the establishment of a GOCO has been recommended by other organizations outside the Department of Defense.

In November of 2001, the Institute of Medicine at the National Academies issued a statement saying:

The establishment of a government-owned, contract-operated facility for research, development, and production of vaccines is essential.

I repeat, the Institute of Medicine concluded that such a facility is essential. In December of 2001, the Advisory Panel to Assess Domestic Response Capabilities for Terrorism, headed by former Virginia Gov. Jim Gilmore, issued a report, with their recommendation:

The establishment of a government-owned, contractor-operated national facility for the research, development and production of

vaccines and therapeutics for specified infectious, especially contagious diseases, is needed.

I offered an amendment to our DOD authorization bill, a critical bill for our troops, that I believe would provide protection for our men and women in uniform. This amendment was cosponsored by Senator HUTCHINSON of Texas, Senator MIKULSKI of Maryland, Senator LINCOLN of Arkansas, Senator SARBANES of Maryland, and Senator ROBERTS of Kansas. All of them have cosponsored it. They recognize that it would ensure that our troops receive the protection they require. We have seen DOD study the matter twice; we have seen the Institute of Medicine-issued opinion; former Surgeon General Satcher recommended the building of a GOCO.

All of these independent evaluations have concluded the same, and it is simply this: The private sector, for all of the good that it does, cannot, against some of the boutique biological pathogens and threats that may exist now and in the future against our troops and against our civilian population, and will not in the future see this as a profitable commercial venture.

The insurance for the American people, and the insurance for our men and women in uniform, is to have a Government-owned production facility, contractor-operated, to ensure that vaccine will always be available if and when it is needed.

I will withdraw the amendment I have offered. However, I will continue to bring this issue before the Senate. Our troops deserve more, I believe, than they are getting right now, and I intend to continue to pursue this issue as long as it takes until our troops are protected, whether it is through the homeland security bill or the Defense appropriations bill or other vehicles we may have, because this is vitally important.

It is important for our country. It is important for our troops. It is the right thing to do. We have waited too long to act, and should delay no longer.

AMENDMENT NO. 4069 WITHDRAWN

Mr. HUTCHINSON. I ask unanimous consent to withdraw my amendment.

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

Mr. HUTCHINSON. I thank the Chair, and I yield the floor.

Mr. LEVIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

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

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

NOTICE

Incomplete record of Senate proceedings. Except for concluding business which follows, today's Senate proceedings will be continued in the next issue of the Record.

ORDERS FOR FRIDAY, JUNE 28, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m., Friday, June 28; that immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate be in a period for morning business with Senators permitted to speak therein for up to 10 minutes each.

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

PROGRAM

Mr. REID. There will be no rollcall votes tomorrow. There will be morning business. The next rollcall vote will occur Tuesday morning, July 9.

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 5:32 p.m., adjourned until Friday, June 28, 2002, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 27, 2002:

DEPARTMENT OF STATE

LINDA ELLEN WATT, OF FLORIDA, 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 PANAMA.

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be admiral

VICE ADM. EDMUND P. GIAMBASTIANI JR., 0000

CONFIRMATIONS

Executive nominations confirmed by the Senate June 27, 2002:

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. RALPH E. EBERHART

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIGADIER GENERAL ROBERT DAMON BISHOP, JR.
BRIGADIER GENERAL ROBERT W. CHEDISTER
BRIGADIER GENERAL TRUDY H. CLARK
BRIGADIER GENERAL RICHARD L. COMER
BRIGADIER GENERAL CRAIG R. COONING
BRIGADIER GENERAL SCOTT S. CUSTER
BRIGADIER GENERAL FELIX DUPRE
BRIGADIER GENERAL EDWARD R. ELLIS
BRIGADIER GENERAL LEONARD D. FOX
BRIGADIER GENERAL TERRY L. GABRESKI
BRIGADIER GENERAL MICHAEL C. GOULD
BRIGADIER GENERAL JONATHAN S. GRATION
BRIGADIER GENERAL WILLIAM W. HODGES
BRIGADIER GENERAL DONALD J. HOFFMAN
BRIGADIER GENERAL JOHN L. HUDSON
BRIGADIER GENERAL CLAUDE R. KEHLER
BRIGADIER GENERAL CHRISTOPHER A. KELLY
BRIGADIER GENERAL PAUL J. LEBRAS
BRIGADIER GENERAL JOHN W. ROSA, JR.
BRIGADIER GENERAL RONALD F. SAMS
BRIGADIER GENERAL KEVIN J. SULLIVAN
BRIGADIER GENERAL MARK A. WELSH III
BRIGADIER GENERAL STEPHEN G. WOOD

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. JOHN M. URIAS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. GEORGE W. S. READ

To be brigadier general

COL. LARRY KNIGHTNER

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

BRIG. GEN. EDWIN E. SPAIN III

To be brigadier general

COL. DENNIS E. LUTZ

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS ASSISTANT SURGEON GENERAL/CHIEF OF THE DENTAL CORPS, UNITED STATES ARMY AND FOR APPOINTMENT TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 3039:

To be major general

BRIG. GEN. JOSEPH G. WEBB, JR.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. WAYNE M. ERCK
BRIG. GEN. CHARLES E. MCCARTNEY, JR.
BRIG. GEN. BRUCE E. ROBINSON

To be brigadier general

COL. DAVID L. EVANS
COL. WILLIAM C. KIRKLAND
COL. JAMES B. MALLORY III

COL. JOHN P. MCLAREN, JR.

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. PHILLIP M. BALISLE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. ROBERT F. WILLARD

AIR FORCE NOMINATION OF SHARON G. HARRIS. AIR FORCE NOMINATIONS BEGINNING * NICOLA A. CHOATE AND ENDING * NICHOLAS G. VIYOUH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 7, 2002.

AIR FORCE NOMINATIONS BEGINNING KATHLEEN N. ECHIVERRI AND ENDING JEFFREY E. HAYMOND, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 7, 2002.

ARMY NOMINATIONS BEGINNING * TIMOTHY C. BEAULIEU AND ENDING WILLIAM E. WHEELER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 4, 2002.

ARMY NOMINATIONS BEGINNING DUANE A. BELOTE AND ENDING * NEAL E. WOOLLEN, WHICH NOMINATIONS

WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 4, 2002.

ARMY NOMINATIONS BEGINNING JOHN C. AUPKE AND ENDING STEVEN R. YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 4, 2002.

ARMY NOMINATIONS BEGINNING ANN M. ALTMAN AND ENDING * ANGELLA L. WHERRY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 4, 2002.

ARMY NOMINATIONS BEGINNING RYO S. CHUN AND ENDING JOHN K. ZAUGG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 4, 2002.

ARMY NOMINATION OF MICHAEL J. MEESE.

ARMY NOMINATIONS BEGINNING STEVEN A. BEYER AND ENDING JAMES F. ROTH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 5, 2002.

ARMY NOMINATION OF JAY A. JUPITER.

ARMY NOMINATION OF ANDREW D. MAGNET.

ARMY NOMINATIONS BEGINNING BERNARD COLEMAN AND ENDING MICHAEL A. STONE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 5, 2002.

ARMY NOMINATION OF ROBERT A. MASON.

ARMY NOMINATIONS BEGINNING RICHARD E. HUMSTON AND ENDING DWIGHT D. RIGGS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 7, 2002.

ARMY NOMINATION OF NANETTE S. PATTON.

MARINE CORPS NOMINATIONS BEGINNING DEREK M. ABBEY AND ENDING MARK D. ZIMMER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 4, 2002.