

As previously announced, the Senate will recess from 12:30 p.m. to 2:15 p.m. for the Democratic Party luncheon. Following that recess, there will be 20 minutes remaining for debate before the vote on the adoption of the Department of Defense authorization conference report. Immediately following that vote, the Senate will vote on the adoption of the military construction appropriations conference report.

As the majority leader stated previously, tonight we will begin an extended debate on judicial nominations. All Senators are encouraged to participate in this very important process.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

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

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2004

The PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 2861, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2861) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2004, and for other purposes.

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

The PRESIDENT pro tempore. 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 President, I ask unanimous consent that the order for the quorum call be rescinded.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 PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I know the distinguished Senator from Missouri is going to make an opening statement. Senator MIKULSKI, in an effort to move this bill forward, even though she had a longstanding commitment in Maryland this morning, asked that I represent her this morning, which I am happy to do.

However, her statement will be made at a later time at her convenience. She should be here in a relatively short period of time. As I indicated, she would not want to hold the bill up in any way. There is a lot of business going on today, as everyone knows, not the least of which Senator BOND and I are the chairman and ranking member of the Transportation Subcommittee of the Environment and Public Works Committee, and we are trying to move that bill along, too. That meeting started 5 minutes ago. I appreciate everyone's understanding, and I look forward to

working as quickly and expeditiously as we can on this legislation.

The PRESIDING OFFICER (Mrs. DOLE). The Senator from Missouri.

Mr. BOND. Madam President, I thank the minority whip. I look forward to working with him on many issues, but the highway bill, which comes up once every 6 years, is being marked up in our subcommittee and full committee today. This is the perfect storm for me.

I understand Senator MIKULSKI's commitments today. I intend to make an opening statement, and then I have an amendment to lay down. I am going to have to turn over the floor to the Presiding Officer.

As always, VA-HUD is a challenging measure to produce, but this time it is particularly difficult because of the constraints in the budget. We have had to make some very hard decisions on how to fund almost every program in the bill. No one will be completely happy with this bill, but ultimately the decisions the distinguished ranking member, Senator MIKULSKI, and I have made with our committee have been the right ones, and the American taxpayers should be happy since our job is not only to fund programs, but to do so wisely, and that is what we have tried to do.

Ultimately, this is a good bill. It balances the needs and priorities of Members with requirements of the budget request of the administration. The bill also meets our discretionary budget allocation of \$91.334 billion, and we are under our outlay allocation as well.

My compliments, once again, to my colleague and ranking member, Senator MIKULSKI, on her hard work, cooperation, and commitment to making this bill a balanced and good piece of legislation. I know that Senator MIKULSKI has a number of concerns about certain aspects of the bill, mostly regarding the funding level of certain programs. I share her concerns. But I believe we both understand we are drafting a bill with significant funding constraints. She and I worked hard to ensure the funding is targeted to key programs and priorities that we both strongly support, and we think most Members support as well.

To be clear, our most pressing and important priority in the VA-HUD 2004 appropriations bill is funding for our Nation's veterans and, most importantly, funding to provide quality and accessible medical care services from the Department of Veterans Affairs. I am proud to say our bill meets our commitments to our Nation's veterans and ensures the VA medical care system has adequate resources to meet its current and ongoing needs, especially for VA's core constituents, such as those with service-connected disabilities, low incomes, or needs for specialized services.

It is critical that we ensure VA can provide a safety net for our veterans, especially during a time when our Armed Forces are mobilized across the globe maintaining the peace and fighting the war against terrorism.

While we expect the brave men and women serving in Iraq, Afghanistan, the Philippines, Bosnia, and other places to face dangers on a daily basis, they should not expect to face the danger of inadequate medical services when they return from duty. This bill ensures that they have peace of mind, meaning the Government will be there for them when they return.

Further, our bill meets the funding agreement for the VA under the fiscal year 2004 budget resolution by providing \$30.6 billion in discretionary spending, an increase of \$2.9 billion over the fiscal year 2003-enacted level.

Consistent with the budget resolution, nearly all of the discretionary spending increase is for medical care. Further, the bill does not include the administration's request to impose new enrollment and higher prescription drug fees on certain veterans. We have not included the administration's proposal because I believe it is unfair to ask our Nation's veterans to bear too heavy a burden for the cost of the medical care they rightly deserve. The proposal has proposed a new \$250 enrollment fee and an increase in prescription copays from \$7 a month to \$15 a month.

The administration also requested funds to implement its controversial outsourcing program. According to VA, if these were not enacted, it would need \$1.3 billion to meet its projected medical care needs in fiscal year 2004. Therefore, we have rejected these new fees and have included an additional \$1.3 billion to make up for the lost revenues from those fees.

Let's be clear. Without these funds, the VA would be forced to deny care to about 585,000 veterans. During a time when our troops are deployed, fighting in Iraq, Afghanistan, and other places, it is not just necessary to include the additional funds; it is our moral duty to include those funds.

For medical care, the VA/HUD bill before us provides \$26.8 billion in funds without collections, representing a \$1.57 billion increase over the request. With third party insurance collections, the medical care account will have over \$28.3 billion in funds. That is about \$3.1 billion over fiscal year 2003's enacted level and represents a 12.3 percent increase over fiscal year 2003, the largest increase in VA medical care history.

Let me illustrate the urgent and pressing needs. Several of us went to the VA hospital in Washington yesterday to thank the veterans and wish them happy Veterans Day. But on our visits around the system, we found that there are tremendous needs.

According to a recent VA analysis, 15,000—almost 16,000 service members who served in Operation Iraqi Freedom have separated from military duty, and among these service members almost 2,000 had sought VA health care during 2003. I point out, these numbers do not include those military men and women who are returning from Afghanistan