ISAKSON) was added as a cosponsor of amendment No. 3470 intended to be proposed to S. 2454, a bill to amend the Immigration and Nationality Act to provide for comprehensive reform and for other purposes.

AMENDMENT NO. 3528

At the request of Mr. THOMAS, the name of the Senator from Colorado (Mr. SALAZAR) was added as a cosponsor of amendment No. 3528 intended to be proposed to S. 2454, a bill to amend the Immigration and Nationality Act to provide for comprehensive reform and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS—APRIL 5, 2006

By Mr. ENSIGN (for himself and Mr. DEWINE):

S. 2554. A bill to amend the Internal Revenue Code of 1986 to expand the permissible use of health savings accounts to include premiums for non-group high deductible health plan coverage; to the Committee on Finance.

Mr. ENSIGN. Mr. President, I rise to introduce legislation to help individuals, small businesses, and the uninsured afford health insurance coverage. Today, 60 percent of Americans obtain health insurance coverage through their employers. The system of employer-sponsored health insurance has long provided coverage to the vast majority of America's workers and their families. However, a significant number of Americans, particularly those who work for small businesses, lack access to coverage through the employment-based system.

Employees of small businesses often go uninsured or purchase health insurance coverage on their own because continuing double-digit cost increases and burdensome state regulations are making it difficult for small employers to offer health insurance coverage.

Health insurance is valuable for a number of reasons. People who are insured are protected against uncertain and high medical expenses and are more likely to receive needed and appropriate health care. Having health insurance is also associated with improved health outcomes and lower mortality, so employees with health insurance are more likely to be productive workers.

Health savings accounts have become an important option for individuals and small businesses who have struggled to afford health insurance coverage.

The Affordability in the Individual Market Act, also known as the AIM Act, builds on the foundation of a previously passed law that established Health Savings Accounts. These accounts allow individuals with high-deductible health insurance to set aside money, tax free, up to a set limit, to use for routine medical expenses.

You can make a contribution to Health Savings Accounts or your employer can make a contribution to the account. If you don't use all the money in a year you can roll it over, tax free, to meet future expenses.

Today, individuals trying to build up a nest egg for their retiree health expenses through a Health Savings Account are not able to use these funds to purchase their health insurance, except under limited circumstances.

The AIM Act would expand the definition of what is considered a ''qualified medical expense'' under the Internal Revenue Code to allow individuals and families who purchase high-deductible health plans on their own to use their Health Savings Accounts to pay plan premiums. It seems completely reasonable to allow these individuals to pay high-deductible health plan premiums with Health Savings Account dollars.

I ask my colleagues to consider cosponsoring this responsible, commonsense legislation.

Mr. DEWINE. Mr. President, I am cosponsoring a bill today, along with Senator ENSIGN and Senator FRIST, to add another option for individuals and families to purchase affordable health insurance.

The law currently allows individuals and families to set aside tax-free savings for lifetime healthcare needs in Health Savings Accounts that are combined with a high deductible health insurance plan. This has already made health care more affordable. This important legislation expands on the foundation of Health Savings Accounts by allowing individuals and families to use their Health Savings Accounts to pay the premiums of their health insurance plans.

This is the right thing to do, individuals and families need affordable health insurance options. I urge my colleagues to join Senator ENSIGN, Senator FRIST and me in supporting this legislation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. SNOWE (for herself and Ms. COLLINS):

S. 2596. A bill to modify the boundaries for a certain empowerment zone designation; to the Committee on Finance.

Ms. SNOWE. Mr. President, I rise today with Senator COLLINS to introduce legislation to help reverse the devastating population decline and economic distress that has plagued individuals and businesses in Aroostook County, the northernmost county in Maine. What the bill does is simple, it will bring all of Aroostook County under the Empowerment Zone (EZ) program. The legislation is identical to a bill that we introduced in the 108th Congress and was included in the FY 2004 Agriculture Appropriations bill in 2003 as passed by the Senate.

To fully grasp the importance of this legislation, it is necessary to understand the unique situation facing the residents of Aroostook County. ''The County'', as it is called by Mainers, is a vast and remote region of Maine. As the northernmost county, it shares more of its border with Canada than its neighboring Maine counties. It has the distinction of being the largest county east of the Mississippi River. Its geographic isolation is even more acute when considering that the county's relatively small population of 73,000 people are scattered throughout 6,672 square miles of rural countryside. Aroostook County is home to 71 organized townships, as well as 125 unorganized townships much of which is forest land and wilderness.

As profound as this geographic isolation may seem, it is the economic isolation and the recent out-migration that has had the most devastating impact on the region. The economy of northern Maine has a historical dependence upon its natural resources, particularly forestry and agriculture. While these industries served the region well in previous decades, and continue to form the underpinnings of the local economy, many of these sectors have experienced decline and can no longer provide the number and type of quality jobs that residents need.

While officials in the region have put forward a Herculean effort to redevelop the region, with nearly 1,000 new jobs at the Loring Commerce Centre alone, Aroostook County is still experiencing a significant ''job deficit'', and as a result continues to lose population at an alarming rate. Since its peak in 1960, northern Maine's population has declined by 30 percent. Unfortunately, the Main State Planning Office predicts that Aroostook County will continue losing population as more workers leave the area to seek opportunities and higher wages in southern Maine and the rest of New England.

In January 2002, a portion of Aroostook County was one of two regions that received Empowerment Zone status from the USDA for out-migration. The entire county experienced an outmigration of 15 percent from 86,936 in 1990 to 73,938 in 2000. Moreover, a shocking 40 percent of 15 to 29-year-olds left during the last decade.

The current zone boundaries were chosen based on the criteria that Empowerment Zones be no larger than 1,000 square miles, and have a maximum population of 30,000 for rural areas. The lines drawn for the Aroostook County Empowerment Zone were considered to be the most inclusive and reasonable given the constraints of the program. It should be noted as well that the boundaries were drawn based on the 1990 census, making the data significantly outdated at the start and included the former Loring Air Force Base and its population of nearly 8,000 people, which had closed nearly 8 years before the designation, taking its military and much of its civilian workforces with it. The Maine State Planning Office estimated that the base closure resulted in the loss of 3,494 jobs directly related to the base and

another 1,751 in associated industry sectors for a total loss of $106.9 million annual payroll dollars.

Some of the most distressed communities that have lost substantial population are not in the Empowerment Zone, and other communities like Houlton literally are divided simply by a road, having one business on the south side of the street with no Empowerment Zone designation look out their window to a neighboring business on the north side of the street with full Empowerment Zone benefits. The economic factors for these communities and for these neighbors are the same as those areas within the Empowerment Zone. This designation is not meant to cause divisiveness within communities, it is created to augment a partnership for growth and to level the playing field for all Aroostook County communities who have equally suffered through continuing out migration whether it be in Madawaska or Island Falls.

The legislation I am introducing would provide economic development opportunities to all reaches of Aroostook County by extending Empowerment Zone status to the entire county. This inclusive approach recognizes that the economic decline and population out-migration are issues that the entire region must confront, and, as evidenced by their successful Round III EZ application, they are attempting to confront. I believe the challenges faced by Aroostook County are significant, but not insurmountable. This legislation would make great strides in improving the communities and business in northern Maine, and I urge my colleagues to support this bill.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2596

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

SECTION 1. MODIFICATION OF BOUNDARY OF AROOSTOOK COUNTY EMPOWERMENT ZONE.

(a) IN GENERAL.—The Aroostook County empowerment zone shall include, in addition to the area designated as of the date of the enactment of this Act, the remaining area of the county not included in such designation, notwithstanding the size requirement of section 1392(a)(3)(A) of the Internal Revenue Code of 1986 and the population requirements of section 1392(a)(1)(B) of such Code.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect as of the effective date of the designation of the Aroostook County empowerment zone by the Secretary of Agriculture.

Ms. COLLINS. Mr. President, I am pleased to join my colleague, Senator OLYMPIA SNOWE, in introducing legislation that will modify the borders of the Aroostook County Empowerment Zone to include the entire county so that the benefits of Empowerment Zone designation can be fully realized in northern Maine.

The Department of Agriculture's Empowerment Zone program addresses a comprehensive range of community challenges, including many that have traditionally received little Federal assistance, reflecting the fact that rural problems do not come in standardized packages but can vary widely from one place to another. The Empowerment Zone program represents a long-term partnership between the Federal Government and rural communities so that communities have enough time to implement projects to build the capacity to sustain their development beyond the term of the partnership. An Empowerment Zone designation gives designated regions potential access to millions of dollars in Federal grants for social services and community redevelopment as well as tax relief.

Aroostook County is the largest county east of the Mississippi River. Yet, despite the impressive character and work ethic of its citizens, the county has fallen on hard times. The 2000 Census indicated a 15-percent loss in population since 1990. Loring Air Force Base, which was closed in 1994, also caused an immediate out-migration of 8,500 people and a further outmigration of families and businesses that depended on Loring for their customer base.

In response to these developments, the Northern Maine Development Commission and other economic development organizations, the private business sector, and community leaders in Aroostook have joined forces to stabilize, diversify, and grow the area's economy. They have attracted some new industries and jobs. As a native of Aroostook County, I can attest to the strong community support that will ensure a successful partnership with the U.S. Department of Agriculture.

Designating this region of the United States as an Empowerment Zone will help ensure its future economic prosperity. However, the restriction that the Empowerment Zone be limited to 1,000 square miles prevents all of Aroostook's small rural communities from benefiting from this tremendous program. Aroostook covers some 6,672 square miles but has a population of only 74,000. Including all of the county in the Empowerment Zone will guarantee that parts of the county will not be left behind as economic prosperity returns to the area. It does little good to have a company move from one community to another within the county simply to take advantage of Empowerment Zone benefits.

Senator SNOWE and I introduced this legislation during the 108th Congress. In fact, we were successful in getting this legislation passed in the Senate by attaching it to the fiscal year 2004 Agriculture Appropriations bill. Unfortunately, this language was removed during conference negotiations with the House. Senator SNOWE and I remain committed to bringing the benefits of the Empowerment Zone designation to all of Aroostook County's residents and will work to pass this legislation in both Chambers during this Congress.

By Mr. VITTER (for himself, Mr. INHOFE, Mr. ENZI, Mr. SANTORUM, Mr. COBURN, Mrs. DOLE, and Mr. SUNUNU):

S. 2599. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to prohibit the confiscation of firearms during certain national emergencies; to the Committee on the Judiciary.

Mr. VITTER. Mr. President, I rise today to introduce a bill, the ''Disaster Recovery Personal Protection Act of 2006'' that would amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to prohibit the confiscation of firearms during certain national emergencies.

The city of New Orleans confiscated more than 1,000 firearms under the misguided policy of a local law enforcement officer. Our Second Amendment rights should not be subject to the whims of individuals. My bill would prohibit any agency using Federal disaster relief funds from seizing firearms or restricting firearm possession, except under circumstances currently applicable under Federal or State law.

Our law enforcement officers are under intense pressure to protect and serve, and I value their call to duty with great respect. The ''Disaster Recovery Personal Protection Act of 2006'' would not prevent law enforcement from confiscating guns from convicted felons or other prohibited persons. Also, it would have no effect on law enforcement outside of disaster relief situations.

The horrible tragedy that unfolded upon the State of Louisiana was certainly unprecedented. The devastation that occurred will last for generations, and yet, there is immense hope that our great State of Louisiana will shine better than ever before. In the days and nights that followed there were mistakes at all levels of government, and the confiscation of law-abiding citizens' personal protection was one of them.

I ask my fellow Senators to support this legislation in the hope that in the unfortunate likelihood of another disaster our citizens will be able to protect themselves without fear of government intruding upon our second amendment rights.

By Mr. WARNER (for himself and Mrs. CLINTON):

S. 2600. A bill to equalize authorities to provide allowances, benefits, and gratuities to civilian personnel of the United States Government in Iraq and Afghanistan, and for other purposes; to the Committee on Armed Services.

Mr. WARNER. I would like to take a few minutes of the Senate's time to introduce a bill together with Senator CLINTON. The bill is to equalize authorities to provide allowances, benefits, and gratuities to civilian personnel of the United States Government for their services in Iraq and Afghanistan and for other purposes. Throughout the hearings of the Armed

Services Committee this year and the appearance of our distinguished group of witnesses, and based on two—and I say this most respectfully and humbly—personal conversations I have had with the President of the United States and, indeed, the Secretary of State, I very forcefully said to each that we need to get the entirety of our Federal Government into a greater degree—they have done much—of harness in our overall efforts in Iraq and Afghanistan to secure a measure of democracy for the peoples of those countries.

For example, the QDR so aptly states that ''success requires unified statecraft: the ability of the U.S. Government to bring to bear all elements of national power at home and to work in close cooperation with allies and partners abroad.''

General Abizaid, when he appeared before our committee this year, stated in his posture statement:

We need significantly more non-military personnel . . . with expertise in areas such as economic development, civil affairs, agriculture, and law.

Likewise General Pace, Chairman of the Joint Chiefs of Staff, iterated much the same message when he appeared before our committee.

I commend the President and the Cabinet officers. I ask unanimous consent to print in the RECORD a letter that I sent every Cabinet officer and agency head, asking what they had done thus far and of their ability to contribute even more.

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

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, March 15, 2006.

Hon. CONDOLEEZZA RICE,
Secretary of State,
Washington, DC.

DEAR MADAM SECRETARY: Over the past few months, the President has candidly and frankly explained what is at stake in Iraq. I firmly believe that the success or failure of our efforts in Iraq may ultimately lie at how well the next Iraqi government is prepared to govern. For the past three years, the United States and our coalition partners have helped the Iraqi people prepare for this historic moment of self-governance.

Our mission in Iraq and Afghanistan requires coordinated and integrated action among all federal departments and agencies of our government. This mission has revealed that our government is not adequately organized to conduct interagency operations. I am concerned about the slow pace of organizational reform within our civilian departments and agencies to strengthen our interagency process and build operational readiness.

In recent months, General Peter Pace, USMC, Chairman of the Joint Chiefs of Staff, and General John P. Abizaid, USA, Commander, United States Central Command, have emphasized the importance of interagency coordination in Iraq and Afghanistan. General Abizaid stated in his 2006 posture statement to the Senate Armed Services Committee, ''We need significantly more non-military personnel. . . with expertise in areas such as economic development, civil affairs, agriculture, and law.''

Strengthening interagency operations has become the foundation for the current Quadrennial Defense Review (QDR). The QDR so aptly states that, ''success requires unified statecraft: the ability of the U.S. Government to bring to bear all elements of national power at home and to work in close cooperation with allies and partners abroad.'' In the years since the passage of the Goldwater-Nichols Act of 1986, ''jointness'' has promoted more unified direction and action of our Armed Forces. I now believe the time has come for similar changes to take place elsewhere in our federal government.

I commend the President for his leadership in issuing a directive to improve our interagency coordination by signing the National Security Presidential Directive–44, titled ''Management of Interagency Efforts Concerning Reconstruction and Stabilization,'' dated December 7, 2005. I applaud each of the heads of departments and agencies for working together to develop this important and timely directive. Now that the directive has been issued, I am writing to inquire about the plan for its full implementation. In particular, what steps have each federal department or agency taken to implement this directive?

I ask for your personal review of the level of support being provided by your department or agency in support of our Nation's objectives in Iraq and Afghanistan. Following this review, I request that you submit a report to me no later than April 10, 2006, on your current and projected activities in both theaters of operations, as well as your efforts in implementing the directive and what additional authorities or resources might be necessary to carry out the responsibilities contained in the directive.

I believe it is imperative that we leverage the resident expertise in all federal departments and agencies of our government to address the complex problems facing the emerging democracies in Iraq and Afghanistan. I am prepared to work with the executive branch to sponsor legislation, if necessary, to overcome challenges posed by our current organizational structures and processes that prevent an integrated national response.

I look forward to continued consultation on this important subject.

With kind regards, I am

Sincerely,

JOHN WARNER,
Chairman.

Mr. WARNER. In my conversations with President Bush and the Cabinet officers and others, there seems to be total support. The administration, at their initiative, asked OMB to draw up the legislation, which I submit today in the form of a bill.

I hope this will garner support across the aisle—Senator CLINTON has certainly been active in this area, as have others—and that we can include this on the forthcoming supplemental appropriations bill. The urgency is now, absolutely now. Every day it becomes more and more critical in the balance of those people succeeding with their message of 11 million on December 15 in Iraq: We want a government, a unified government stood up and operating. To do that, this government, hopefully, will utilize such assets as we can provide them from across the entire spectrum of our Government. Our troops have done their job with the coalition forces. Their families have borne the brunt of these conflicts now for these several years. Now it is time for every individual to step forward and work to make the peace secure in those nations so they do not revert back the lands of Iraq and Afghanistan to havens for terrorism and destruction to the free world.

I yield the floor.

By Mr. ALEXANDER (for himself and Mr. DEMINT):

S. 2601. A bill to amend the Social Security Act to improve choices available to Medicare eligible seniors by permitting them to elect (instead of regular Medicare benefits) to receive a voucher for a health savings account, for premiums for a high deductible health insurance plan, or both and by suspending Medicare late enrollment penalties between ages 65 and 70; to the Committee on Finance.

Mr. ALEXANDER. Mr. President, I rise today to introduce the Health Care Choices for Seniors Act. My colleague from Tennessee, Representative BLACKBURN, has taken the lead in the House of Representatives, and I am proud to join with her by introducing this bill in the Senate. Our legislation is about giving seniors a new health insurance option by making it easier for them to create or continue using a health savings account (HSA) after they reach age 65.

A growing number of Americans are using HSAs, which allow individuals to save for future medical expenses on a tax-free basis. The money you put into an HSA is tax-deductible, the money in your account grows tax-free, balances can be rolled over year-to-year, and you can take money out of the account tax-free to pay for a wide range of health care expenses. Plus HSAs are portable—you can take them with you from job to job.

Many members of the Baby Boom generation are not planning to retire at age 65 and want more health care options. But the problem under current law is that seniors can't continue using health savings accounts after turning 65 because they are penalized if they don't join Medicare. The first penalty is that once you join Medicare, you can no longer make tax-free contributions into HSAs. The second penalty is that if you don't join Medicare, you can't collect your Social Security benefits. The third penalty is that if you delay enrollment in Medicare to a later age, you have to pay more. So, of course, almost everyone joins Medicare when they turn 65 instead of using an HSA for their health care needs.

At a time when health care costs are rising sharply, we need to move in the direction of giving Americans more options for getting health coverage at an affordable cost. Rather than forcing people into Medicare at age 65, the legislation that I am introducing today would make it easier for seniors to delay joining Medicare and to continue using health savings accounts. First, you could delay joining Medicare without losing the ability to make tax-free contributions into your HSA. Those

who delay enrollment in Medicare would be eligible for a monthly voucher of up to $200 for an HSA. Second, you could delay joining Medicare without losing your Social Security benefits. Third, if you use an HSA, you would not be penalized for putting off joining Medicare until age 70. With these changes, HSAs would become a real option for seniors in Tennessee and throughout the nation.

I am a strong supporter of HSAs, which show the promise of holding down health care costs by putting more health care decisions in the hands of individual consumers and families. Health savings accounts only became available in January 2004, but they have seen significant growth in both individual and employer markets. A recent census by America's Health Insurance Plans showed that high deductible health insurance plans (HDHPs) offered in conjunction with HSAs covered 3.17 million people in January 2006, up from 1.03 million in March 2005.

This bill is an important step toward giving seniors more options to manage their health care and to allow greater use of health savings accounts. I look forward to working with Representative BLACKBURN to build support for our legislation in both Chambers of Congress.

By Mr. ALLARD:

S. 2604. A bill to address the forest and watershed emergency in the State of Colorado that has been exacerbated by the bark beetle infestation, to provide for the conduct of activities in the State to reduce the risk of wildfire and flooding, to promote economically healthy rural communities by reinvigorating the forest products industry in the State, to encourage the use of biomass fuels for energy, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. ALLARD. Mr. President, I rise today out of concern for the Western United States. The Rocky Mountain West is currently facing a very real threat to one of its most rare and precious resources. Out West there are few things more important than water, and it is this very important and increasingly needed resource that is in peril. This threat was in part brought upon us by a scourge barely larger than my finger tip, the bark beetle. This devious little devil has chewed its way through nearly 7,500,000 trees in Colorado. The beetle left these drought weakened trees dead and dying. This threat is exacerbated by the additional 6,300,000 acres of hazardous fuels that have accumulated throughout Colorado.

This devastation is concerning enough on its own, but when you consider the fire danger that it has created, and the direct threat that a catastrophic fire would pose to our watersheds, the true weight of this situation becomes clear. Much of the precipitation that falls into the forests ultimately finds its way into streams, ponds, rivers and lakes. Changes to forested lands caused by fire can have strong and devastating repercussions on the quality and quantity of water in these bodies. A forest fire is one big chemical reaction which releases a myriad of chemical elements from forest materials into the ecosystem. These chemicals can be washed or leach into our water systems. Forest fires can cause immediate and lasting changes to the chemistry of forest water systems, this happens as a result of increases in water temperature and from the smoke and ash created during the burning process. These effects can last long after the flames have passed, effecting water quality for years after the initial fire.

Colorado should be called ''the Headwaters State,'' because it is the origin point of major rivers flowing both east and west and the source of a vast amount of the water of the United States. In fact the Colorado Rocky Mountains create the headwaters for 4 regional watersheds that eventually supply water to 19 Western States. Should the streams and rivers flowing out of Colorado become choked and polluted with ash and debris from a forest fire much of the United States' water supply would be affected.

The Federal agencies that manage the majority of the affected areas need to adopt an accelerated pace to reduce the public health and safety risk as soon as possible. To address this I am introducing The Headwater Protection and Restoration Act today that would work to help alleviate the pending threat to our Nation's water supply. My legislation takes into consideration the desperate need to create healthy forests in the lands around our Nation's water supply. This bill will not only help provide relief from this threat in the short term, but will help to create the necessary infrastructure to ensure that it does not happen again. It will give us a long term solution to this desperate problem. This would be achieved through steady, judicious, and effective forest management over time. This displays a much better and more cost effective strategy than dealing with the management of catastrophic events under emergency circumstances. Today we find ourselves poised in a position to take steps to help avert this potential disaster before it starts. It is my hope that I will be joined by my colleagues here in the Senate to act swiftly on my legislation before it is too late.

By Mr. BROWNBACK (for himself and Mr. COBURN):

S. 2606. A bill to amend title XVIII of the Social Security Act to make publicly available on the official Medicare Internet site Medicare payment rates for frequently reimbursed hospital inpatient procedures, hospital outpatient procedures, and physicians' services; to the Committee on Finance.

Mr. BROWNBACK. Mr. President, today, I rise to introduce the Medicare Payment Rate Disclosure Act of 2006. This legislation tackles a key problem facing Americans today—that of rising health-related costs. It does so by empowering citizens to act as informed consumers when purchasing their health care. Countless examples in our Nation's history demonstrate that the American consumer possesses the ability to drive prices down and quality up by making informed decisions in the marketplace. Yet the cost of health care is not easily accessible to the American consumer, given the nature of our present system.

The Medicare Payment Rate Disclosure Act would create price transparency at a consumer level, allowing Americans to choose for themselves health care services that are affordable within their region. This bill ensures that there is one location on the Internet where either consumers with health savings accounts or who are uninsured can go to view the Medicare reimbursement rates for all common medical procedures and physician visits, region by region. This information will provide a critical baseline for these individuals to assess health care costs.

I believe that by removing barriers for health care consumers to ''own their health care'' and make the best personal choices, we empower Americans with the knowledge to take charge of their health spending and to negotiate health care prices. I should note that my home State of Kansas is also considering price-transparency initiatives.

This legislation is a good first step towards improving the quality of health care and lowering costs to consumers. I thank the original cosponsor, Senator TOM COBURN, for his support of this measure. Accordingly, I urge my colleagues to support the Medicare Payment Rate Disclosure Act of 2006.

By Ms. SNOWE (for herself and Mr. BENNETT):

S. 2607 A bill to establish a 4-year small business health insurance information pilot program; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, as Chair of the Senate Committee on Small Business and Entrepreneurship, I have long believed that it is my responsibility and the duty of this chamber to help small businesses, as they are the driver of this Nation's economy, responsible for generating approximately 75 percent of net new jobs annually.

Today, I rise with Senator BENNETT to introduce legislation that would address the crisis that faces small businesses when it comes to purchasing quality, affordable health insurance. This is not a new crisis. Nearly 46 million Americans are currently uninsured. We've now experienced double digit percentage increases in health insurance premiums in four of the past five years. Small businesses face difficult choices in seeking to provide affordable health insurance to their employees. We must act now.

Study after study tells us that the smallest businesses are the ones least likely to offer insurance and most in need of assistance. According to the Employee Benefit Research Institute, of the working uninsured, who make up 83 percent of our nation's uninsured population, 60.6 percent either work for a small business with fewer than 100 employees or are self-employed.

Furthermore, many of the small businesses who we meet with tell us how they feel like the cost and complexity of the health care system has moved health insurance far beyond their reach.

That is why today we introduce the Small Business Health Education and Awareness Act of 2006. This bill establishes a pilot, competitive matching-grant program for Small Business Development Centers (SBDCs) to provide educational resources and materials to small businesses designed to increase awareness regarding health insurance options available in their areas. Recent research conducted by the Healthcare Leadership Council has found that a short, less than 10 minute education session, can increase small business knowledge and interest in offering health insurance by about 33 percent.

For those of you who are not familiar, SBDCs are one of the greatest business assistance and entrepreneurial development resources provided to small businesses that are seeking to start, grow, and flourish. Currently, there are over 1,100 service locations in every state and territory delivering management and technical counseling to prospective and existing small business owners.

Our legislation would require the Small Business Administration (SBA) to provide up to 20 matching grants to qualified SBDCs across the country. No more than two SBDCs, one per State, would be chosen from each of the SBA's 10 regions. The grants shall be more than $150,000, but less than $300,000 and shall be consistent with the matching requirement under current law. In creating the materials for their grant programs, participating SBDCs should evaluate and incorporate relevant portions existing health insurance options, including materials created by the Healthcare Leadership Council.

In addition, SBDCs participating in the pilot program would be required to submit a quarterly report to the SBA.

Enacting this legislation is an important step in the right direction towards assisting small businesses as they work to strengthen themselves, remain competitive against larger businesses that are able to offer affordable health insurance, and in turn bolster the entire economy.

We encourage our colleagues to join us in supporting this bill, and to continue to work to address the issues facing the small business community.

Thank you. I ask unanimous consent that the text of our bill be printed in the RECORD.

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

S. 2607

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Small Business Health Education and Awareness Act of 2006''.

SEC. 2. PURPOSE.

The purpose of this Act is to establish a 4-year pilot program to provide information and educational materials to small business concerns regarding health insurance options, including coverage options within the small group market.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATION.—The term ''Administration'' means the Small Business Administration.

(2) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Small Business Administration, acting through the Associate Administrator for Small Business Development Centers.

(3) ASSOCIATION.—The term ''association'' means an association established under section 21(a)(3)(A) of the Small Business Act (15 U.S.C. 648(a)(3)(A)) representing a majority of small business development centers.

(4) PARTICIPATING SMALL BUSINESS DEVELOPMENT CENTER.—The term ''participating small business development center'' means a small business development center described in section 21 of the Small Business Act (15 U.S.C. 648) that—

(A) is certified under section 21(k)(2) of the Small Business Act (15 U.S.C. 648(k)(2)); and

(B) receives a grant under the pilot program.

(5) PILOT PROGRAM.—The term ''pilot program'' means the small business health insurance information pilot program established under this Act.

(6) SMALL BUSINESS CONCERN.—The term ''small business concern'' has the same meaning as in section 3 of the Small Business Act (15 U.S.C. 632).

(7) STATE.—The term ''State'' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and Guam.

SEC. 4. SMALL BUSINESS HEALTH INSURANCE INFORMATION PILOT PROGRAM.

(a) AUTHORITY.—The Administrator shall establish a pilot program to make grants to small business development centers to provide information and educational materials regarding health insurance options, including coverage options within the small group market, to small business concerns.

(b) APPLICATIONS.—

(1) POSTING OF INFORMATION.—Not later than 90 days after the date of enactment of this Act, the Administrator shall post on the website of the Administration and publish in the Federal Register a guidance document describing—

(A) the requirements of an application for a grant under the pilot program; and

(B) the types of informational and educational materials regarding health insurance options to be created under the pilot program, including by referencing such materials developed by the Healthcare Leadership Council.

(2) SUBMISSION.—A small business development center desiring a grant under the pilot program shall submit an application at such time, in such manner, and accompanied by such information as the Administrator may reasonably require.

(c) SELECTION OF PARTICIPATING SBDCS.—

(1) IN GENERAL.—The Administrator shall select not more than 20 small business development centers to receive a grant under the pilot program.

(2) SELECTION OF PROGRAMS.—In selecting small business development centers under paragraph (1), the Administrator may not select—

(A) more than 2 programs from each of the groups of States described in paragraph (3); and

(B) more than 1 program in any State.

(3) GROUPINGS.—The groups of States described in this paragraph are the following:

(A) GROUP 1.—Group 1 shall consist of Maine, Massachusetts, New Hampshire, Connecticut, Vermont, and Rhode Island.

(B) GROUP 2.—Group 2 shall consist of New York, New Jersey, Puerto Rico, and the Virgin Islands.

(C) GROUP 3.—Group 3 shall consist of Pennsylvania, Maryland, West Virginia, Virginia, the District of Columbia, and Delaware.

(D) GROUP 4.—Group 4 shall consist of Georgia, Alabama, North Carolina, South Carolina, Mississippi, Florida, Kentucky, and Tennessee.

(E) GROUP 5.—Group 5 shall consist of Illinois, Ohio, Michigan, Indiana, Wisconsin, and Minnesota.

(F) GROUP 6.—Group 6 shall consist of Texas, New Mexico, Arkansas, Oklahoma, and Louisiana.

(G) GROUP 7.—Group 7 shall consist of Missouri, Iowa, Nebraska, and Kansas.

(H) GROUP 8.—Group 8 shall consist of Colorado, Wyoming, North Dakota, South Dakota, Montana, and Utah.

(I) GROUP 9.—Group 9 shall consist of California, Guam, American Samoa, Hawaii, Nevada, and Arizona.

(J) GROUP 10.—Group 10 shall consist of Washington, Alaska, Idaho, and Oregon.

(4) DEADLINE FOR SELECTION.—The Administrator shall make selections under this subsection not later than 6 months after the later of the date on which the information described in subsection (b)(1) is posted on the website of the Administration and the date on which the information described in subsection (b)(1) is published in the Federal Register.

(d) USE OF FUNDS.—

(1) IN GENERAL.—A participating small business development center shall use funds provided under the pilot program to—

(A) create and distribute informational materials; and

(B) conduct training and educational activities.

(2) CONTENT OF MATERIALS.—In creating materials under the pilot program, a participating small business development center shall evaluate and incorporate relevant portions of existing informational materials regarding health insurance options, such as the materials created by the Healthcare Leadership Council.

(e) GRANT AMOUNTS.—Each participating small business development center program shall receive a grant in an amount equal to—

(1) not less than $150,000 per fiscal year; and

(2) not more than $300,000 per fiscal year.

(f) MATCHING REQUIREMENT.—Subparagraphs (A) and (B) of section 21(a)(4) of the Small Business Act (15 U.S.C. 648(a)(4)) shall apply to assistance made available under the pilot program.

SEC. 5. REPORTS.

Each participating small business development center shall transmit to the Administrator and the Chief Counsel for Advocacy of the Administration, as the Administrator may direct, a quarterly report that includes—

(1) a summary of the information and educational materials regarding health insurance options provided by the participating small business development center under the pilot program; and

(2) the number of small business concerns assisted under the pilot program.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act—

(1) $5,000,000 for the first fiscal year beginning after the date of enactment of this Act; and

(2) $5,000,000 for each of the 3 fiscal years following the fiscal year described in paragraph (1).

(b) LIMITATION ON USE OF OTHER FUNDS.—The Administrator may carry out the pilot program only with amounts appropriated in advance specifically to carry out this Act.

By Ms. SNOWE (for herself and Mr. VITTER):

S. 2608. A bill to ensure full partnership of small contractors in Federal disaster reconstruction efforts; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, as Chair of Senate Committee on Small Business and Entrepreneurship, I rise today to introduce The Small Business Partners In Reconstruction Act of 2006. This legislation, co-sponsored by Senator DAVID VITTER, is the product of 3 hearings held in my Committee in September and November 2005, and in February 2006, which examined the response of the Small Business Administration, the Army Corps of Engineers, the Department of Homeland Security and its Federal Emergency Management Agency, and other Federal agencies to the devastation wrought by the Hurricanes Katrina and Rita on our Gulf Coast states.

Speaking on September 15, 2005 from New Orleans' historic Jackson Square, President Bush declared that ''It is entrepreneurship that creates jobs and opportunity; it is entrepreneurship that helps break the cycle of poverty; and we will take the side of entrepreneurs as they lead the economic revival of the Gulf region.'' Unfortunately, the Federal Government's performance has not matched the President's declaration. This is particularly true with regards to the role of small firms, especially Gulf Coast small firms, with regards to contracts and subcontracts for recovery and reconstruction. Too often, small contractors have been treated in the disaster contracting process less like the partners in disaster recovery and economic revitalization they are, and more like unwanted stepchildren. Eight months after Hurricane Katrina, it is time for this to change.

To begin with, some Federal bureaucrats have used the Katrina and Rita disasters to exclude small business from contracting in the name of emergency and speed. Contracting with small firms, it was said, does not provide sufficient flexibility to the contracting officers in time of crisis. Quite the opposite is true. The Small Business Act contains flexible contracting authorities as part of the 8(a) program, the HUBZone program, and the service-disabled veteran-owned program, which allow Federal agencies to quickly buy goods and services in emergency situations. Indeed, on May 30, 2003, the Office of Federal Procurement Policy issued guidance on Emergency Procurement Flexibilities, which encouraged Federal agencies to use contracting flexibilities, such as the HUBZone flexibilities, which are part of the Small Business Act. This guidance was largely ignored, as billions of dollars went to large corporations through non-competitive mechanisms such as no-bid contracts or the so called micro-purchase authority, originally intended by Congress to cover small purchase card transactions.

My legislation requires the Office of Federal Procurement Policy and the Small Business Administration (SBA) to ensure that Federal contracting officials have the most comprehensive and up-to-date guidance on the full use of available small business emergency procurement flexibilities, and that such guidance is published in the Federal Register. My legislation also ensures that the SBA provides government-wide training for procurement agencies on using small business contracting flexibilities in emergency situations, and directs the SBA to designate at least one advisor for small business emergency contracting who would help Federal agencies apply small business procurement flexibilities in emergency situations.

Small contractors have also been denied access to reconstruction dollars by paperwork and bureaucracy. Red tape had the most serious effect on small disadvantaged businesses. Many of these contractors have been certified to do business under the Federally-funded, Congressionally-established Disadvantaged Business Enterprise Program (DBE) for transportation contracting such as highway or bridge construction. In the Federal procurement system, a parallel Small Disadvantaged Business (SDB) Program exists. According to law and the Memorandum of Understanding between the SBA and the U.S. Department of Transportation, the DBE certifications are based on the SDB certification requirements under the Small Business Act. Unfortunately, DBEs have been unable to secure recognition as SDBs by the Federal agencies or by Federal prime contractors. As a result, agencies and prime contractors had little assurance that SDB goals may be met by doing business with DBEs. My measure will ensure that capable small contractors enjoy full reciprocity among contracting programs instead of the red tape they currently face.

Lack of comprehensive procurement data on Katrina and Rita contracting is another flaw which my bill is trying to correct. It is hard to believe that almost 8 months since the Hurricane Katrina struck, the Federal Government's disaster contracting ship is literally sailing blind. Both the Small Business Act and the Office of Federal Procurement Policy Act require that accurate and comprehensive data on government contracting and subcontracting, especially including small business participation, be collected and maintained. Although the government-wide procurement spending database, the Federal Procurement Data System (FPDS), collects the data related to Hurricane Katrina and Rita reconstruction, this data is demonstrably incomplete. According to the Government Accountability Office and admissions of Federal procurement officials, the FPDS data is not accurate and omits billions in Defense and Homeland Security contracts. As a result of these deficiencies, the Executive Branch made exaggerated claims concerning the share of reconstruction work that went to small businesses. For instance, last October, the Commerce Department claimed that small businesses received 72 percent of Katrina contracting dollars, and the SBA claimed the small business share to be at 45 percent. During hearings before my Committee, the GAO confirmed that the Administration's claimed numbers are unrealistic and unsubstantiated. My legislation directs the Administrators of the SBA and the OFPP to ensure that the Federal Procurement Data System reflects comprehensive government-wide contracting spending on Katrina and Rita reconstruction.

For years, the Historically Underutilized Business Zone (HUBZone) program, created to direct Federal contacting dollars to small firms in economically distressed areas, has been recognized as a potent economic development stimulus. Since its inception in 1997, the HUBZone program stimulated the hiring of over 124,000 HUBZone residents and investment of over half a billion dollars in HUBZones by HUBZone-certified firms. With the support of the Administration, I propose extending the HUBZone designation to the disaster region. A HUBZone designation would enable small businesses located in the disaster area and employing people in that area to receive contracting preferences and price evaluation preferences to offset greater costs of doing business. Extending the HUBZone designation to the Gulf Coast would bring needed businesses development tools to affected areas of the Gulf Coast. Under my proposal, the SBA Administrator would have the discretion to define the geographic scope or duration of this designation to ensure that the HUBZone preference is targeted to those who need it the most.

Small businesses vying for government contracts or subcontracts often must post bid or performance bonds in order to convince Federal contracting officials or prime contractors that small business are a good project risk. In turn, small firms must seek bonding from private bonding companies. The SBA, through its surety bond program,

has provided guarantees on bonds awarded to small businesses up to $2 million. But small firms need an increase in bonds to handle larger projects for hurricane relief. Local small businesses in the Gulf Coast can use higher bonds to compensate for the damage to their assets from the hurricanes. My legislation would increase the maximum size of SBA surety bonds from $2 million to $5 million, and provide the SBA with authority to increase the maximum size to $10 million upon request of another Federal agency. In its proposal to re-build the Gulf Coast region, the Administration suggested making the $5 million increase.

My legislation also directs the SBA to create a contracting outreach program for small businesses located or willing to locate in the Katrina disaster area for the next five years. Federal contracts and subcontracts can provide critical assistance to small businesses located in the areas devastated by the hurricanes in the form of solid business opportunities and prompt, steady pay. In addition, government procurement would open doors for many local small businesses to participate in the long-term reconstruction work in the Gulf Coast areas. While many small businesses would benefit from other forms of disaster assistance, many of them want to get back to work and into business as soon as possible. Technical assistance and outreach through the SBA, the Procurement Technical Assistance Centers, the Federal Offices of Small and Disadvantaged Business Utilizations, and other organizations could prove invaluable to these firms.

Yet, outreach alone would not ensure fair participation of small businesses in Gulf Coast reconstruction contracts. To promote jobs creation and development in the disaster region, the Federal Government must set and follow definitive goals for small business participation. Prior to the disaster, small construction companies in Alabama, Mississippi, and Louisiana received nearly $500 million in Federal contracts a year. Total small business contracts in the Gulf Coast region exceeded $3 billion a year. With the Federal cost of hurricane relief and rebuilding estimated at over $100 billion, small businesses, particularly those located in the disaster area and that employ individuals in the affected areas, should receive their fair share of Federal contracting and subcontracting dollars. My legislation establishes a 30 percent prime contracting goal and a 40 percent subcontracting goal on each agency's hurricane-related reconstruction contracts. These goals are compatible with the Department of Homeland Security's and the Army Corps of Engineers' history of small business achievements.

My legislation would also address two unfortunate provisions in the Second Katrina Supplemental Appropriations that unwisely changed the emergency procurement authority Congress granted to contracting officers in the aftermath of 9/11 and reclassified many reconstruction contracts into categories that excluded small firms from prime contracting or subcontracting. I spoke out against these provisions, and Congress ultimately repealed them last year. Nonetheless, this bill puts in place safeguards to ensure that small firms do not fall prey to such actions again. My legislation protects the Small Business Reservation (SBR) for disaster-related contracts below the Simplified Acquisition Threshold (SAT). The SAT and the SBR are normally set at $100,000. The Federal Acquisition Streamlining Act allowed Federal agencies to use simplified procedures for all contracts below the SAT, but only if they attempt to place, or ''reserve'', these contracts to qualified small businesses. Many small businesses qualify for contracts under expedited procedures under the Small Business Act, which would help to move the reconstruction process forward. The SBR does not delay relief contracting. If no qualified small business is available to do the job, agencies can place the contract with any qualified supplier. This provision restores the parity between the SBR and the SAT any time the SAT is increased for disaster-related contracts.

My legislation also restores small business subcontracting requirements in emergency procurements. The Second Katrina Supplemental abolished small business subcontracting requirements for all Katrina-related contracts by treating contracts for hundreds of millions of dollars as purchases of commercial items, like contracts for office supplies. This is an improper and unjustified procurement practice. The Army Corps of Engineers currently imposes a 73 percent subcontracting requirement on hurricane-related contracts, demonstrating that the subcontracting requirements are not onerous. Under the Small Business Act, only a ''good faith effort'' to provide subcontracting opportunities is required. The legislation allows a grace period of 30 days to negotiate an acceptable plan (subject to a 50 percent payment limitation until the plan is concluded).

Looking forward, my legislation directs the Administrators of the OFPP and the SBA to work with other Federal agencies to ensure creation of multiple-award contracts for disaster recovery which are set aside for small business concerns. As the GAO testified before the Senate Committee on Small Business and Entrepreneurship last year, Federal agencies lacked adequate acquisition planning for hurricane disaster relief. This measure would reverse this practice both for ongoing and for future disaster recovery efforts.

I am a firm believer that the reconstruction acquisition process must be not only efficient, but also transparent. In this regard, the Federal Government provides central website postings for all Katrina-related opportunities through the SBA's Sub-NET. Unfortunately, the SBA's Sub-NET subcontracting database, though recommended by the Government, has been until recently unused by the Katrina prime contractors. My legislation directs all prime contractors which received substantial Federal contracts related to the Hurricanes Katrina and Rita for which subcontracting plans are required to post subcontracting announcements on the SBA's Sub-NET online database.

Finally, my legislation addresses the government's failure to direct contract dollars to those who need them the most—local small businesses. During the hearings in my Committee last November, I was deeply troubled to discover that Federal agencies failed to grant business opportunities to qualified Gulf Coast small firms. These shocking practices make a mockery of our national commitment to rebuild the Gulf Coast. For instance, while investigating Hurricane Katrina contracts at my request, the GAO found a memorandum from an official in the Army Corps of Engineers informing the SBA that the Corps has successfully concealed the information about millions of dollars in upcoming contracts for mobile classrooms in Mississippi from, among others, local small businesses. The Corps requested that SBA approve giving this work to an out-of-state company without any prior experience. As a result, the Corps excluded a local small business, licensed by the Mississippi Department of Education, from bidding. Incredibly, the SBA obliged and approved the contract three times, eventually increasing its value from $10 million to $47 million.

Practices such as these violate Section 15 of the Small Business Act, which unequivocally directs priority in government contracts ''to small business concerns which shall perform a substantial proportion of the production on those contracts and subcontracts within areas of concentrated unemployment or underemployment or within labor surplus areas.'' It is hard to imagine a clearer example of an ''area of concentrated unemployment or underemployment'' or a area with labor surplus than the devastated Gulf Coast region. Nonetheless, some have ignored the clear command of the statute. My legislation would designate the Gulf Coast disaster area as a labor surplus area for purposes of the Small Business Act's preference for labor surplus area contractors. In addition, this provision authorizes Federal agencies to use contractual set-asides, incentives, and penalties to enhance participation of local small business concerns in disaster recovery contracts and subcontracts.

Finally, my legislation suspends the application of the Small Business Competitiveness Demonstration (Comp Demo) program to Gulf Coast disaster contracts. The Comp Demo Program denies the protections of the Small Business Act like set-asides to small businesses involved in construction and

specialty trade contracting, refuse systems and related services, landscaping, pest control, non-nuclear ship repair, and architectural and engineering services, including surveying and mapping. Historically, small businesses have been the backbone of these industries, and these industries are in heavy demand for disaster recovery efforts. The Comp Demo Program, ostensibly a test program, denies Federal agencies likes the Departments of Defense and nine other agencies the ability to do small business set-asides. Essentially, the Comp Demo Program reserves whole industries for big business. Last year, at the request of the Department of Defense, I supported an amendment to terminate the Comp Demo Program. The Senate agreed that small businesses in all industries should receive the full protections of the Small Business Act, and unanimously voted to repeal this Program. Suspending this Program for Katrina and Rita contracts would go a long way towards restoring fair treatment for small businesses affected by this disaster.

I believe this legislation will find broad support in this body. Indeed, the HUBZone designation, the outreach programs, and the surety bonding increase have already been adopted by the Senate on a vote of 96–0 as part of my amendment to the Science, State, Commerce, and Justice Appropriations Act for Fiscal Year 2006. The provisions dealing with the small business reservation offset and retention of small business subcontracting in emergency procurements were cosponsored by a bi-partisan group of Senators as part of my bi-partisan disaster relief bill, S. 1807. With the Senate leadership and every Senator of both parties on the record in support of greater access of small businesses to Federal contracts, I look forward to speedy consideration of this legislation and its support by the Senate.

By Mr. THUNE (for himself and Mr. OBAMA):

S. 2614. A bill to amend the Solid Waste Disposal Act to establish a program to provide reimbursement for the installation of alternative energy refueling systems; to the Committee on Finance.

Mr. THUNE. Mr. President, I rise today to introduce legislation along with my colleague from Illinois, Senator OBAMA, concerning what we believe is yet another important step in reducing our Nation's dependence on petroleum fuels.

S. 264, the Alternative Energy Refueling System Act of 2006 would provide an incentive for gas station owners across the country to install alternative refueling systems for automobiles. This legislation builds upon the existing tax credit that gas station owners can receive for installing alternative energy tanks. Most importantly, I would like to point out to my colleagues that this legislation does not require any additional taxes.

Currently, as a result of the Energy Policy Act of 2005, a tax credit of up to $30,000 is available through 2009 for gas station owners who install an alternative refueling system. Eligible alternative fuels include those that contain 85 percent by volume of ethanol, natural gas, compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, or any mixture of biodiesel or diesel fuel that is composed of at least 20 percent biodiesel.

Our legislation basically allows gas station owners and operators to be reimbursed for 30 percent of the costs—not to exceed $30,000—of installing an alternative energy system.

One of the primary benefits of this legislation is that it can be used for up to two alternative refueling systems per gas station. This is important because under the tax credit that was part of last year's energy bill, a gas station owner can only utilize the $30,000 tax credit one time—even for those individuals who own multiple refueling stations.

For example, if a gas station owner in South Dakota, Illinois, or elsewhere wanted to install three new alternative refueling systems at his or her gas station, under the current system that owner would be limited to the $30,000 tax credit for a single alternative fuel system.

Under our legislation, that same gas station owner would continue to receive the tax credit for the first alternative fuel system. However, the station owner could also be reimbursed for 30 percent of the costs—not to exceed $30,000—for up to two additional alternative refueling systems. Therefore, the legislation we have introduced today would drastically increase the incentives for gas station owners to install additional alternative fuel systems.

I am hopeful that if this bill is signed into law, gas station owners across the country will be able to use this reimbursement mechanism to help consumers who already own or are thinking of purchasing an alternative fuel vehicle.

Senator OBAMA and I are both strong supporters of alternative fuels. In fact, South Dakota and Illinois are leaders in the production of ethanol—our Nation's leading renewable fuel. The legislation we are introducing today in no way preferences ethanol over other alternative fuels. In fact, they are all treated equally under our bill.

Alternative fuels such as E–85, which is composed of 85 percent ethanol, are starting to gain popularity. However, while automakers such as Ford and General Motors are producing an increasing number of flex fuel vehicles, which can run on either E–85 or gasoline, there is a critical need for more alternative refueling sites across the country. Many individuals would be shocked to know that of the 180,000 gas stations across the country, only 600—far less than 1 percent—offer alternative fuels such as E–85.

There are approximately 5 million flexible fuel vehicles on the road today. The addition of alternative refueling systems—such as E–85, compressed natural gas, biodiesel, and hydrogen—will allow American consumers the ability to refuel their vehicles with alternative fuels that are better for both the environment and our Nation's security.

As President Bush noted in his State of the Union Address earlier this year, ''America is addicted to oil, which is often imported from unstable parts of the world.'' Since being elected to Congress I have worked hard in promoting the development of alternative energy sources. In fact, last year's energy bill marked an important milestone due to the 7.5 billion gallon renewable fuels standard that I and others advocated.

S. 2614 utilizes the interest earned from the Leaking Underground Storage Tank Trust Fund, which currently has a $2.6 billion surplus, to reimburse eligible gas station owners who add alternative refueling systems.

This trust fund continues to grow from a portion of the Federal gas tax—one-tenth of a cent per gallon—which amounted to roughly $190 million last year. The fund also continues to grow from the interest that is earned on the balance of the fund, which amounted to roughly $67 million in 2005.

I firmly believe that the Leaking Underground Storage Tank program serves an important function in keeping our land and water safe from storage tank releases. Our legislation simply seeks to use a portion of the interest earned annually to reimburse gas station owners for a portion of the costs associated with the installation of new alternative refueling systems.

An added benefit of using a portion of the interest from this trust fund is that the installation of alternative refueling systems reduces the overall number of petroleum tanks that can cause leaks.

Additionally, this bill ensures that States are not required to use their annual allocation of appropriated funding to reimburse gas station owners for the installation of alternative refueling systems. Such reimbursement would come directly from the EPA Administrator.

Mr. President, this bill would help to lessen our Nation's dependence on foreign sources of oil and—increase the use of alternative fuels. It is a step in the right direction, and is something I hope my colleagues will support.

Mr. OBAMA. I am pleased to join my distinguished colleague from South Dakota, Mr. THUNE, in introducing the Alternative Energy Refueling System Act of 2006. I applaud his work in crafting this bill and I hope my colleagues will provide their full support and work towards its swift enactment.

As members of the Senate Environment and Public Works Committee, the Senator from South Dakota and I have worked to promote the expansion of alternative fuels production capacity in the United States—most notably

with the enactment of the Renewable Fuels Standard (RFS) included in last year's Energy Policy Act of 2005. The RFS states that 7.5 billion gallons of ethanol must be phased into the 140-billion-gallon annual national gasoline pool during the next 6 years.

That's a bold step in reducing our reliance on foreign oil, but we can't just rely on greater production of alternative fuels if we also don't make sure those fuels are available at gas stations. We need to make sure that when American drivers want to ''fill 'er up'' with something other than petroleum, they can.

Last year, I introduced S. 918, a bill to provide a tax credit for the cost of installing alternative fuel pumps. I was pleased that this tax credit was enacted as part of the Energy Policy Act of 2005. Soon hundreds more ethanol and biodiesel pumps throughout the United States will be installed as a result of this new policy.

But if we are serious about reducing our reliance on foreign oil in an expeditious fashion, we must intensify our efforts. We must double, triple, and quadruple our efforts. And that's exactly the purpose of our bill today, which simply provides a partial Federal reimbursement for the installation of alternative fuel pumps that otherwise are ineligible or have received the new tax credit.

Many more alternative refueling properties will be established by this bill—a strong complement to the tax credit passed last year. And this bill is fully offset in that it is financed by using just a small slice of the approximately $70 million in annual interest generated by the Leaking Underground Storage Tank (LUST) Trust Fund. We don't ask to use that small slice in perpetuity, but just for the next several years until enough alternative fuel refueling capacity is established across the country.

The total principal of the LUST fund is more than $2.5 billion—none of which we propose to draw down. And given that this fund has been capitalized by a one-tenth-of-a-penny fee for every gallon of petro-gas or petro-diesel purchased by the American people, it is altogether appropriate that any interest generated by any unused fractions-of-pennies be reinvested in infrastructure that weans our Nation from its dependence on the Middle East. All of this can be accomplished, while ensuring that the integrity of the LUST fund—which is used to clean up underground storage tanks—remains fully intact and untouched. In fact, I hope my colleagues on the Appropriations Committee will take note and will increase funding for LUST fund activities to the level it has long needed and deserved.

The Thune-Obama bill is a good bill that will accomplish good things for our national energy dependence, but even if enacted, this bill cannot by itself guarantee more alternative fuel refueling stations. As my colleagues are aware, alternative fuel refueling stations make up only a tiny fraction of the nationwide network of gas stations. And while that fraction is growing by leaps and bounds, the vast majority of stations within that small fraction are independently owned and operated.

By comparison, the big oil companies—the Exxons, the BPs, or the ConocoPhillips of the American petroleum industry—have not installed alternative fuel pumps. Rather, the evidence is accumulating that these companies have used institutional policies to deter the installation of alternative fuel pumps despite their retailers asking to sell these new fuels to meet growing consumer demand.

I think these practices must end. It is time for these companies to demonstrate leadership and reinvest in America. Until that day comes, however, I pledge to continue my work in Congress with like-minded colleagues to ensure that this Nation invests in a 21st Century refueling structure. The bill we are introducing today is part of that investment. I thank my colleague from South Dakota for his authorship on this bill.

By Mr. LAUTENBERG (for himself, Mr. HAGEL, Mr. KERRY, Mr. MENENDEZ, Mrs. LINCOLN, and Mr. DEWINE):

S. 2617. A bill to amend title 10, United States Code, to limit increases in the costs to retired members of the Armed Forces of health care services under the TRICARE program, and for other purposes; to the Committee on Armed Services.

Mr. LAUTENBERG. Mr. President, I rise to introduce the Military Retirees' Health Care Protection Act along with my colleagues, Senators HAGEL, KERRY, MENENDEZ, LINCOLN, and DEWINE.

This important legislation will keep the Pentagon from dramatically raising health care fees on military retirees.

Our bill will limit increases to TRICARE military health insurance premiums, deductibles, and co-payments for those in the National Guard and Reserves who are enrolled in TRICARE. Under this legislation, increases in health care fees cannot exceed the rate of growth in uniformed services beneficiaries' military compensation, thereby protecting beneficiaries from an undue financial burden.

In February, officials at the Department of Defense (DOD) announced plans to double fees on senior enlisted retirees and triple them for officer retirees. If enacted this would mean increases of up to $1,000 annually for some military retirees. While the Department of Defense has since temporarily halted plans to raise fees, it still has authority to implement steep increases in the future and may do so. We must pass legislation now that limits the amount of any health care increase and protects beneficiaries from extreme health care fee increases in the future.

Senator HAGEL and I want to demonstrate our commitment to our troops and future veterans by assuring them that just as they protected us, we will take care of them when their service ends. Just as our men and women in uniform vow never to leave a soldier behind in battle, so should we commit never to leave a veteran behind when he or she needs health care.

For three years, Congress has rejected a $250 Veterans Administration health fee increase for non-disabled veterans—doubling and tripling fees for career military is equally inappropriate.

I urge my colleagues on both sides of the aisle to support our troops by supporting this important bill.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2617

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Military Retirees Health Care Protection Act''.

SEC. 2. FINDINGS AND SENSE OF CONGRESS.

(a) FINDINGS.—Congress makes the following findings:

(1) Career members of the Armed Forces and their families endure unique and extraordinary demands, and make extraordinary sacrifices, over the course of 20-year to 30-year careers in protecting freedom for all Americans.

(2) The nature and extent of these demands and sacrifices are never so evident as in wartime, not only during the current Global War on Terrorism, but also during the wars of the last 60 years when current retired members of the Armed Forces were on continuous call to go in harm's way when and as needed.

(3) The demands and sacrifices are such that few Americans are willing to bear or accept them for a multi-decade career.

(4) A primary benefit of enduring the extraordinary sacrifices inherent in a military career is a range of extraordinary retirement benefits that a grateful Nation provides for those who choose to subordinate much of their personal life to the national interest for so many years.

(5) One effect of such curtailment is that retired members of the Armed Forces are turning for health care services to the Department of Defense, and its TRICARE program, for the health care benefits in retirement that they earned by their service in the Armed Forces.

(6) In some cases, civilian employers establish financial incentives for employees who are also eligible for participation in the TRICARE program to receive health care benefits under that program rather than under the health care benefits programs of such employers.

(7) While the Department of Defense has made some efforts to contain increases in the cost of the TRICARE program, a large part of those efforts has been devoted to shifting a larger share of the costs of benefits under that program to retired members of the Armed Forces.

(8) The cumulative increase in enrollment fees, deductibles, and copayments being proposed by the Department of Defense for

health care benefits under the TRICARE program far exceeds the 31 percent increase in military retired pay since such fees, deductibles, and copayments were first required on the part of retired members of the Armed Forces 10 years ago.

(9) Proposals of the Department of Defense for increases in the enrollment fees, deductibles, and copayments of retired members of the Armed Forces who are participants in the TRICARE program fail to recognize adequately that such members paid the equivalent of enormous in-kind premiums for health care in retirement through their extended sacrifices by service in the Armed Forces.

(10) Some of the Nation's health care providers refuse to accept participants in the TRICARE program as patients because that program pays them significantly less than commercial insurance programs, and imposes unique administrative requirements, for health care services.

(11) The Department of Defense has chosen to count the accrual deposit to the Department of Defense Military Retiree Health Care Fund against the budget of the Department of Defense, contrary to the requirements of section 1116 of title 10, United States Code, as amended section 725 of Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1991).

(12) Senior officials of the Department of Defense leaders have reported to Congress that counting such deposits against the budget of the Department of Defense is impinging on other readiness needs of the Armed Forces, including weapons programs, an inappropriate situation which section 1116 of title 10, United States Code, was intended expressly to prevent.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Department of Defense and the Nation have a committed obligation to provide health care benefits to retired members of the Armed Forces that exceeds the obligation of corporate employers to provide health care benefits to their employees;

(2) the Department of Defense has many additional options to constrain the growth of health care spending in ways that do not disadvantage retired members of the Armed Forces who participate or seek to participate in the TRICARE program and should pursue any and all such options rather than seeking large increases for enrollment fees, deductibles, and copayments for such retirees, and their families or survivors, who do participate in that program;

(3) any percentage increase in fees, deductibles, and copayments that may be considered under the TRICARE program for retired members of the Armed Forces and their families or survivors should not in any case exceed the percentage increase in military retired pay; and

(4) any percentage increase in fees, deductibles, and copayments under the TRICARE program that may be considered for members of the Armed Forces who are currently serving on active duty or in the Selected Reserve, and for the families of such members, should not exceed the percentage increase in basic pay or compensation for such members.

SEC. 3. LIMITATIONS ON CERTAIN INCREASES IN HEALTH CARE COSTS FOR MEMBERS OF THE UNIFORMED SERVICES.

(a) PHARMACY BENEFITS PROGRAM.—Section 1074g of title 10, United Stated Code, is amended by adding at the end the following new subparagraph:

''(C) The amount of any cost sharing requirements under this paragraph shall not be increased in any year by a percentage that exceeds the percentage increase of the most current previous adjustment to retired pay for members of the armed forces under section 1401a(b)(2) of this title. To the extent that such increase for any year is less than one dollar, the accumulated increase may be carried over from year to year, rounded to the nearest dollar.''.

(b) PREMIUMS FOR TRICARE STANDARD FOR RESERVE COMPONENT MEMBERS WHO COMMIT TO SERVICE IN THE SELECTED RESERVE AFTER ACTIVE DUTY.—Section 1076d(d)(3) of such title is amended—

(1) by striking ''The monthly amount'' and inserting ''(A) Except as provided in subparagraph (B), the monthly amount''; and

(2) by adding at the end the following new subparagraph:

''(B) In any year after 2006, the percentage increase in the amount of the premium in effect for a month for TRICARE Standard coverage under this section may not exceed a percentage equal to the percentage of the most recent increase in the rate of basic pay authorized for members of the uniformed services for a year.''.

(c) COPAYMENTS UNDER CHAMPUS.—Section 1086(b)(3) of such title is amended in the first sentence by inserting before the period at the end the following: '', except that in no event may such charges exceed $535 per day''.

(d) PROHIBITION ON ENROLLMENT FEES UNDER CHAMPUS.—Section 1086(b) of such title is further amended by adding at the end the following new paragraph:

''(5) A person covered by subsection (c) may not be charged an enrollment fee for coverage under this section.''.

(e) PREMIUMS AND OTHER CHARGES UNDER TRICARE.—Section 1097(e) of such title is amended—

(1) by inserting ''(1)'' before ''The Secretary of Defense''; and

(2) by adding at the end the following new paragraph:

''(2) In any year after 2006, the percentage increase in the amount of any premium, deductible, copayment or other charge established by the Secretary of Defense under this section may not exceed the percentage increase of the most current previous adjustment of retired pay for members and former members of the armed forces under section 1041a(b)(2) of this title.''.

Mr. DEWINE. Mr. President, I rise today to express my support for Senator LAUTENBERG's and Senator HAGEL's bill, the Military Retirees Health Care Protection Act, which I have co-sponsored. We must ensure that our military personnel and military retirees, as well as their families, have access to affordable, quality health insurance.

Over the past 10 years, military health care benefits have been greatly expanded to include Medicare eligible retirees, Reservists, and their families. Additionally, new options for health care have been added for active duty families, including an elimination of co-pays if the families use military treatment facilities instead of civilian doctors. Since 1995, health insurance costs have increased in the civilian sector, but TRICARE rates have not increased. If fees aren't increased and other avenues for funding TRICARE aren't explored, defense health care costs, alone, may rise to as much as $64 billion by 2015.

As part of the fiscal year 2007 budget request, the Department of Defense proposed a significant increase to the enrollment and prescription drug prices for military retirees under age 65 and survivors. This increase would more than double enrollment fees. In almost every case, that's an unfathomable single-year increase for families who live on a very tight budget. This is particularly troublesome when the Department of Defense has many other options that it may pursue to limit the mounting costs of medicine.

In addition, last year I worked to extend military health insurance to every dependent child of a deceased servicemember at no cost as if that parent were still alive and serving our Nation. The Department of Defense indicates that this important benefit could save dependents as much as $15,000 per year compared to the cost of private health insurance premiums. This cost-free extension of TRICARE Prime medical insurance to surviving minor children will alleviate one of the biggest worries on families today—and that's health care costs. However, if premiums and fees are increased drastically for the surviving spouse, worries about health care costs will still weigh heavily on these families. TRICARE Prime premium increases would undo the good we have accomplished on this front.

The legislation we are introducing today would begin to address the need for premiums and other health care fees to keep pace with the rise in health care costs, while keeping in mind the effect such increases would have on the yearly budget for our military retirees, survivors, and their families.

This proposal calls for a yearly increase in premiums that is equivalent to the cost of living increase that military retirees receive. For instance, if the cost of living increase is 2 percent, TRICARE Prime premiums will increase by 2 percent. Similarly, under this proposal, fees for TRICARE Reserve Select—which I have fought for with many of my colleagues—would increase by the same percent as the basic pay raise. I believe that these represent fair fee increases for the men, women, and families who have selflessly served our country.

Unfortunately, I understand that these modest fee increases will not completely solve the rising costs of providing superior military health care. I encourage the Department of Defense to explore other options for reducing the overall cost to taxpayers of delivering this benefit. For instance, the DoD should negotiate with drug manufacturers for discounts in the TRICARE retail pharmacy network and encourage beneficiaries to use the mail-order pharmacy. There are many more options available to DoD to fund this health care system, which I strongly urge them to explore.

I believe we owe a great debt of gratitude to those men, women, and families who served our country in the armed services in uniform and on the home front. It is essential that we

honor our commitment and investigate all available options for funding our military health care system, rather than strap the bill on the backs of those who already have paid for their health insurance with their blood, sweat, and tears. I will continue to work with Senators LAUTENBERG and HAGEL to ensure fair treatment of these men and women.

By Mr. HARKIN (for himself and Mr. GRASSLEY):

S. 2618. A bill to permit an individual to be treated by a health care practitioner with any method of medical treatment such individual requests, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. HARKIN. Mr. President, I am pleased to join with Senator GRASSLEY today to introduce the Access to Medical Treatment Act. The idea behind this legislation is to allow greater freedom of choice and increased access in the realm of medical treatments, while preventing abuses of unscrupulous entrepreneurs. The Access to Medical Treatment Act allows individual patients and their properly licensed health care providers to use certain alternative and complementary therapies not approved by the Food and Drug Administration (FDA), but that may be approved elsewhere. As more Americans seek out alternative and complimentary treatments for their health care, we need to be responsive. We need to see what works and what does not, but we also need to make sure that patients are protected, and are not misled about the potential benefits and risks of alternative treatments. The Access to Medical Treatment Act presents one option to help Americans make better choices, and it is my hope that this legislation can help spur a dialogue about the best way to promote access to safe and effective alternative medical treatments.

Importantly, the bill contains an informed consent protection for patients, modeled after the National Institutes of Health's, NIH, human subject protection regulations. Under the protections provided for in the legislation, a patient must be fully informed, orally and in writing of the following: the nature, content and methods of the medical treatment; that the treatment is not approved by the FDA; the anticipated benefits and risks of the treatment; any reasonably foreseeable side effects that may result; the results of past applications of the treatment by the health care provider and others; the comparable benefits and risks of any available FDA-approved treatment conventionally used for the patient's condition; and any financial interest the provider has in the product. The consent documents will then become part of the patient's medical record.

Providers and manufacturers are required to report to the Centers for Disease Control and Prevention, CDC, any adverse effects from alternative treatments, and must immediately cease use and manufacture of the product, pending a CDC investigation. The CDC is required to conduct an investigation of any adverse effects, and if the product is shown to cause any danger to patients, the physician and manufacturers are required to immediately inform all providers who have been using the product of the danger.

Our legislation ensures the public's access to reliable information about complementary and alternative therapies by requiring providers and manufacturers to report the results of the use of their product to the National Center for Complementary and Alternative Medicine at NIH, which is then required to compile and analyze the information for an annual report. The bill also stipulates that the provider and manufacturer may make no advertising claims regarding the safety and effectiveness of the treatment of therapy, and grants FDA the authority to guarantee that the labeling of the treatment is not false or misleading.

Mr. President, the goal of this legislation is to preserve the consumer's freedom to choose alternative therapies while addressing the fundamental concern of protecting patients from dangerous treatments and those who would advocate unsafe and ineffective therapies. I hope that we have struck the appropriate balance, and I welcome feedback from interested parties.

It wasn't long ago that William Roentgen was afraid to publish his discovery of X-rays as a diagnostic tool. He knew they would be considered an alternative medical practice and widely rejected by the medical establishment. As everyone knows, X-rays are a common diagnostic tool today. Well into this century, many scientists resisted basic antiseptic techniques as quackery because they refused to accept the germ theory of disease. I think we can all be thankful the medical profession came around on that one.

The underlying point is this: today's consumers want alternatives in many medical situations for them and their families. They want less invasive, less expensive preventive options. Americans want to stay healthy. And they are speaking with their feet and their pocketbooks. Mr. President, Americans spend $30 billion annually on unconventional therapies. That is one of the reasons we established the National Center for Complimentary and Alternative Medicine, NCCAM, at NIH in 1998. As more Americans look for alternative courses of treatment, we needed to provide a way to see what works and what does not. This bill is another step in that direction.

This legislation simply provides patients the freedom to use—with strong consumer protections—the complementary and alternative therapies and treatments that have the potential to relieve pain and cure disease. And it provides a means to see what works and what does not. I thank Senator GRASSLEY for his continued leadership on this issue, and urge my colleagues to consider this bill.

By Mrs. CLINTON:

S. 2620. A bill to amend the Older Americans Act of 1965 to authorize the Assistant Secretary for Aging to provide older individuals with financial assistance to select a flexible range of home and community-based long-term care services or supplies, provided in a manner that respects the individuals' choices and preferences; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, I am pleased today to introduce the Community-Based Choices for Older Americans Act of 2006. This legislation would take several important steps toward helping older Americans meet their long-term care needs.

Issues related to long-term care are of growing concern to many in New York and around the country, especially as baby boomers begin to require more of these important services. Older Americans are struggling to afford costly care and to maintain dignity and choice regarding these services.

As I talk with seniors around the State of New York and throughout the country, what I hear most is that people want to stay in their homes for as long as they can. However, too many individuals struggle to afford quality home and community-based care and, as a result, are forced into institutional care: A more costly outcome they do not desire and that places additional burden on the Medicaid program.

That is why I am introducing this legislation today. The Community-Based Choices for Older Americans Act will assist individuals age 60 or older who grapple with daily living activities or with a disability, yet are above a State's Medicaid eligibility threshold, in meeting their long-term care needs.

This bill will establish a matching grant program to States to help these individuals pay for a broad range of health, social, and supportive services based on the individuals' personal choices and preferences in collaboration with a service coordinator. Eligible individuals will be able to purchase services and supports that would be provided in home or community-based settings, such as home modifications like a wheelchair or ramp, assistance with grocery shopping or meal preparation, or adult day services.

This legislation is based on the Cash and Counseling model successfully used in demonstration projects in 15 States. This consumer-directed approach offers individuals more choice, flexibility, and control in managing their daily lives.

Through this bill, State Agencies on Aging throughout the country will be given the tools to develop a community-based, long-term care system where seniors choose the services and the providers they want so they are able to maintain independence and dignity while they age in place in the

homes and communities where they have often lived for decades.

This year marks the first year that the baby boom population turns 60. Development of a consumer-friendly, home and community-based system of long-term care is a critical step in planning services for this population.

I look forward to working with all of my colleagues to ensure passage of this bill to help our seniors choose the long-term care resources and services they need to remain independent.

I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 2620

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Community-Based Choices for Older Americans Act of 2006''.

SEC. 2. PURPOSE.

The purpose of this Act is to provide grants to States in order to achieve the following:

(1) To enable eligible individuals to make informed choices about the long-term care services and supplies that best meet their needs and preferences.

(2) To provide financial assistance to older individuals to purchase a flexible range of long-term care services or supplies in a manner that respects the individuals' cultural, ethnic, and lifestyle preferences in the least restrictive settings possible.

(3) To make the purchase of long-term care services and supplies delivered in a home or community-based setting, such as a naturally occurring retirement community, more affordable for individuals with financial need.

(4) To help families continue to care for their older relatives with long-term care needs, including older individuals with physical and cognitive impairments, and to help reduce the number of older individuals who are forced to impoverish themselves in order to pay for the long-term care services and supplies they need.

(5) To help relieve financial pressure on the medicaid program by delaying or preventing older individuals from spending down their income and assets to medicaid eligibility thresholds.

(6) To concentrate the resources made available under this Act to those individuals with the greatest economic need for long-term care services and supplies.

SEC. 3. ESTABLISHMENT OF THE NATIONAL LONG-TERM CARE CHOICE PROGRAM.

The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended by adding at the end the following:

''TITLE VIII—NATIONAL LONG-TERM CARE CHOICE PROGRAM

''SEC. 801. DEFINITIONS.

''In this title:

''(1) CAREGIVER.—The term 'caregiver' means an adult family member, or another individual, who is a paid or unpaid provider of home or community-based care to an eligible individual.

''(2) CONSUMER CHOICE.—The term 'consumer choice' means the opportunity for an eligible individual—

''(A) to have greater control over the covered long-term care services and supplies the individual receives; and

''(B) to elect—

''(i) to receive a payment under this title through a fiscal intermediary as described in section 806(b)(2)(B) for the purpose of purchasing covered long-term care services or supplies; or

''(ii) to receive such services or supplies from a provider paid by the State involved (or its designee) as described in section 806(b)(2)(A).

''(3) COVERED LONG-TERM CARE SERVICES OR SUPPLIES.—

''(A) IN GENERAL.—Subject to subparagraph (B), the term 'covered long-term care services or supplies' means any of the following services or supplies, but only if, with respect to an eligible individual, such services or supplies are not available or not eligible for payment by any entity carrying out a program described in section 804(b)(8) or a similar third party:

''(i) Adult day services (including health and social day care services).

''(ii) Bill paying.

''(iii) Care-related supplies and equipment.

''(iv) Companion services.

''(v) Congregate meals.

''(vi) Environmental modifications.

''(vii) Fiscal intermediary services.

''(viii) Home-delivered meals.

''(ix) Home health services.

''(x) Homemaker services (including chore services).

''(xi) Mental and behavioral health services.

''(xii) Nutritional counseling.

''(xiii) Personal care services.

''(xiv) Personal emergency response systems.

''(xv) Respite care.

''(xvi) Telemedicine devices.

''(xvii) Transition services for individuals who have a plan that meets such requirements as a State shall establish, to relocate from a nursing home to a home or community-based setting within 60 days.

''(xviii) Transportation.

''(xix) Any service or supply that a State describes in its State plan and is approved by the Assistant Secretary.

''(xx) Any service or supply that is requested by an eligible individual (in coordination with the individual's service coordinator) and that is approved by the State.

''(B) EXCLUSIONS.—

''(i) SERVICE COORDINATION.—Such term does not include a service directly provided by the service coordinator for an eligible individual as part of service coordination under this title.

''(ii) SERVICES FOR NURSING HOME RESIDENTS.—Such term does not include any service for a resident of a nursing home, except a service described in subparagraph (A)(xvii).

''(4) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' means an individual—

''(A) who is age 60 or older;

''(B) who is not eligible for medical assistance under the medicaid program established under title XIX of the Social Security (42 U.S.C. 1396 et seq.);

''(C) who meets such income eligibility and total asset criteria as a State may establish;

''(D) who—

''(i)(I) is unable to perform (without substantial assistance from another individual) at least 2 activities of daily living (such as eating, toileting, transferring, bathing, dressing, and continence); or

''(II) at the option of the State, is unable to perform at least 3 such activities without such assistance;

''(ii) has a level of disability similar (as determined by the State) to the level of disability described in clause (i); or

''(iii) requires substantial supervision due to cognitive or mental impairment; and

''(E) who satisfies such other eligibility criteria as the State may establish in accordance with such guidance as the Assistant Secretary may provide.

''(5) ELIGIBLE STATE.—The term 'eligible State' means a State with an approved State plan under section 804.

''(6) FISCAL INTERMEDIARY.—The term 'fiscal intermediary' means an entity that—

''(A) assists individuals who choose to employ providers of covered long-term care services or supplies directly, to—

''(i) carry out employer-related responsibilities, as designated by a State with the approval of the Assistant Secretary;

''(ii) assure compliance with Federal, State, and local law; and

''(iii) assure compliance with other requirements designated by the State; and

''(B) receives and disburses, as described in section 806(b)(2)(B), payments described in section 806(b).

''(7) FISCAL INTERMEDIARY SERVICE.—The term 'fiscal intermediary service' means a service to enable an eligible individual to carry out a responsibility described in subparagraph (A)(i) or (B) of paragraph (6) or assure compliance with Federal, State, or local law, or another requirement designated by the State.

''(8) LONG-TERM CARE.—The term 'long-term care' means a wide range of supportive social, health, and mental health services for individuals who do not have the capacity for self-care due to illness or frailty.

''(9) NATURALLY OCCURRING RETIREMENT COMMUNITY.—The term 'naturally occurring retirement community' means a residential area (such as an apartment building, housing complex or development, or neighborhood) not originally built for older individuals but in which a substantial number of individuals have aged in place and become older individuals.

''(10) NURSING HOME.—The term 'nursing home' means—

''(A) a nursing facility, as defined in section 1919(a) of the Social Security Act (42 U.S.C. 1396r(a));

''(B) a skilled nursing facility, as defined in section 1819(a) of such Act (42 U.S.C. 1395i–3(a)); and

''(C) a residential care facility that directly provides care or services described in paragraph (1) of section 1919(a) of the Social Security Act (42 U.S.C. 1396r(a)) but does not receive payment for such care or services under the medicare or medicaid programs established under titles XVIII and XIX, respectively, of the Social Security Act (42 U.S.C. 1395 et seq., 1396 et seq.).

''(11) QUALIFIED PROVIDER.—The term 'qualified provider' means a provider of covered long-term care services or supplies who meets such licensing, quality, and other standards as the State may establish.

''(12) REPRESENTATIVE.—The term 'representative' means a person appointed by the eligible individual, or legally acting on the individual's behalf, to represent or advise the individual in financial or service coordination matters.

''(13) SERVICE COORDINATION.—The term 'service coordination' means a service that—

''(A) is provided to an eligible individual, at the direction of the eligible individual or a representative of the eligible individual (as appropriate); and

''(B) consists of facilitating consumer choice or carrying out—

''(i) a function described in section 805; or

''(ii) a function described in section 804(9), as determined appropriate by the State involved.

''(14) SERVICE COORDINATOR.—The term 'service coordinator' means an individual who—

''(A) provides service coordination for an eligible individual; and

''(B) is trained or experienced in the skills that are required to facilitate consumer choice and carry out the functions described in paragraph (13)(B).

''(15) STATE.—The term 'State' means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

''SEC. 802. ALLOTMENTS TO ELIGIBLE STATES.

''(a) ALLOTMENTS.—

''(1) IN GENERAL.—The Assistant Secretary shall make an allotment to each eligible State for a fiscal year, to enable the State to carry out a program that pays for the Federal share of the cost of providing covered long-term care services and supplies for eligible individuals under this title. The Assistant Secretary shall make the allotment in an amount determined under section 803.

''(2) LIMITATIONS.—From an allotment made under paragraph (1) for a program carried out in a State under this title for a fiscal year, not more than 15 percent may be used to pay for administrative costs (other than service coordination) of the program.

''(b) FEDERAL SHARE.—From that allotment for that fiscal year—

''(1) funds from the allotment shall be available to such State for paying a Federal share equal to such percentage as the State determines to be appropriate, but not more than 75 percent, of the cost of administration of the program carried out in the State under this title; and

''(2) the remainder of such allotment shall be available to such State only for paying a Federal share equal to such percentage as the State determines to be appropriate, but not more than 85 percent, of the cost of providing covered long-term care services and supplies through the program.

''(c) SUPPLEMENT, NOT SUPPLANT.—Allotments made to a State under this section shall supplement and not supplant other Federal or State payments that are made for the provision of long-term care services or supports under—

''(1) the medicaid program carried out under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

''(2) a program funded under title XX of such Act (42 U.S.C. 1397 et seq.);

''(3) a program funded under title III of this Act; or

''(4) any other Federal or State program.

''SEC. 803. ALLOTMENTS.

''(a) ALLOTMENTS.—

''(1) IN GENERAL.—Subject to subsection (b), from sums appropriated for a fiscal year to carry out this title, the Assistant Secretary shall allot to each eligible State an amount that bears the same relationship to such sums as the number of individuals who are age 60 or older and whose income does not exceed 100 percent of the poverty line who reside in the State bears to the total number of such individuals who reside in all States.

''(2) DATA.—For purposes of paragraph (1), the number of individuals described in that paragraph shall be determined on the basis of the most recent available data from the Bureau of the Census.

''(3) DEFINITION.—In paragraph (1), the term 'State' does not include a State specified in subsection (b).

''(b) ALLOTMENTS TO TERRITORIES.—Of the sums appropriated for a fiscal year to carry out this title, the Assistant Secretary shall allot an amount equal to 0.25 percent of such sums among the following commonwealths and territories according to the percentage specified for each such commonwealth or territory:

''(1) The Commonwealth of Puerto Rico, 91.6 percent.

''(2) Guam, 3.5 percent.

''(3) The United States Virgin Islands, 2.6 percent.

''(4) American Samoa, 1.2 percent.

''(5) The Commonwealth of the Northern Mariana Islands, 1.1 percent.

''(c) AVAILABILITY OF AMOUNTS ALLOTTED.—

''(1) IN GENERAL.—Except as provided in paragraph (2), an amount allotted to an eligible State for a fiscal year shall remain available for expenditure by the State for the 2 succeeding fiscal years.

''(2) AVAILABILITY OF REDISTRIBUTED AMOUNTS.—An amount redistributed to an eligible State under subsection (d) in a fiscal year shall be available for expenditure by the State for the succeeding fiscal year.

''(d) REDISTRIBUTION OF UNSPENT FUNDS.—An amount that is not expended by an eligible State during the period in which such amount is available under subsection (c) shall be redistributed by the Assistant Secretary according to a formula determined by the Assistant Secretary that takes into account the extent to which an eligible State has exhausted, or is likely to exhaust, its allotment for that fiscal year.

''SEC. 804. STATE PLANS.

''(a) IN GENERAL.—In order to receive an allotment made under section 802 for an eligible State for a fiscal year, the State shall submit to the Assistant Secretary for approval a State plan that includes the information and assurances described in subsection (b).

''(b) CONTENTS.—

''(1) ELIGIBILITY.—The plan shall include descriptions of the eligibility criteria and methodologies that the State will apply, consistent with section 801(4), to determine whether an individual is an eligible individual for the program carried out in the State under this title.

''(2) PRIORITY FOR ELIGIBLE INDIVIDUALS WITH GREATEST ECONOMIC NEED.—The plan shall include an assurance that, in establishing and applying the eligibility criteria and methodologies described in paragraph (1), the State will give priority to providing assistance to those eligible individuals who have the greatest economic need, as defined by the State.

''(3) NEEDS AND PREFERENCES OF ELIGIBLE INDIVIDUALS.—The plan shall include a description of how the State will ensure that the needs and preferences of an eligible individual are addressed in all aspects of the program.

''(4) PAYMENTS FOR SERVICES.—The plan shall include an assurance that the State will make payments, at the election of an eligible individual, in accordance with section 806(b)(2), and will provide a fiscal intermediary for each eligible individual electing to receive a payment as described in section 806(b)(2)(B).

''(5) SERVICES AND SUPPLIES.—The plan shall describe the services and supplies that the State will make available to an eligible individual, consistent with the definition of covered long-term services or supplies specified in section 801(3).

''(6) COST-SHARING.—The plan shall include a description of the methodologies to be used—

''(A) to calculate the ability of an eligible individual to pay for covered long-term care services or supplies without assistance under the program carried out under this title;

''(B) based on the calculation of ability to pay, to determine the amount of cost-sharing that the eligible individual will be responsible for under the program, set on a sliding scale based on income;

''(C) to collect cost-sharing amounts, both in cases in which the State makes payments directly to a qualified provider as described in section 806(b)(2)(A), and in cases in which the State makes payments to a fiscal intermediary on behalf of an eligible individual, as described in section 806(b)(2)(B); and

''(D) to track expenditures by eligible individuals for the purchase of covered long-term care services or supplies.

''(7) COST-SHARING REQUIREMENTS FOR PROVIDERS.—The plan shall provide an assurance that the State will require each provider involved in the program carried out in the State under this title—

''(A) to protect the privacy and confidentiality of each eligible individual with respect to the income, and any cost-sharing amount determined under paragraph (6), of an eligible individual;

''(B) to establish appropriate procedures to account for cost-sharing amounts; and

''(C) to widely distribute State-created written materials in languages reflecting the reading abilities of eligible individuals that describe the criteria for cost-sharing, and the State's sliding scale described in paragraph (6)(B).

''(8) COORDINATION WITH OTHER PROGRAMS.—The plan shall include a description of the methods by which the State will, as appropriate, refer individuals who apply for assistance under a program carried out under this title for eligibility determinations under—

''(A) the State medicaid program carried out under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

''(B) the medicare program carried out under title XVIII of such Act (42 U.S.C. 1395 et seq.);

''(C) a program funded under title XX of such Act (42 U.S.C. 1397 et seq.);

''(D) other programs funded under this Act; and

''(E) other Federal or State programs that provide long-term care.

''(9) ENTITIES AND PROCEDURES.—The plan shall include a description of the entities and procedures that the State will use to carry out the following functions:

''(A) Establishing eligibility for the program carried out under this title.

''(B) Assessing the need of an eligible individual for covered long-term care services or supplies.

''(C) Determining the amount of payments described in section 806(b) to be made for the eligible individual under the program.

''(D) Evaluating the cost-sharing by the eligible individual under the program.

''(E) In the case of an eligible individual who elects to receive payments as described in section 806(b)(2)(B), helping the eligible individual or the eligible individual's representative (as appropriate) identify, retain, and negotiate and terminate agreements with, qualified providers of covered long-term services or supplies.

''(F) Monitoring payments made for an eligible individual to ensure that—

''(i) the cost-sharing amounts that the eligible individual is responsible for under the State plan are paid;

''(ii) the payments made by the State for the eligible individual—

''(I) are made in a timely fashion; and

''(II) do not exceed the annual assistance amount established for the eligible individual under section 806(a); and

''(iii) when appropriate, the payments are made by the State in an expedited manner to account for health status changes of an eligible individual that require rapid responses.

''(G) Establishing a quality assurance system that assesses the covered long-term services or supplies provided for the eligible individual to ensure that the qualified provider of such services or supplies meets such

licensing, quality, or other standards as the State may establish in accordance with paragraph (11).

''(H) Providing information to eligible individuals about average market rates for covered long-term care services or supplies.

''(I) Administering payments in a timely fashion and in accordance with a written care plan described in section 805(1) for an eligible individual (that takes into account payment rates established by the eligible individual or a representative of the eligible individual (as appropriate)), including the methods for—

''(i) making payments directly to a qualified provider as described in section 806(b)(2)(A);

''(ii) making payments to a fiscal intermediary on behalf of an eligible individual, as described in section 806(b)(2)(B), for the purchase of such services or supplies; and

''(iii) making payments (when appropriate) in an expedited manner to account for health status changes of the eligible individual that require rapid responses.

''(J) Carrying out such other activities as the eligible State determines are appropriate with respect to the eligible individual or the program carried out under this title.

''(10) SERVICE COORDINATORS.—The plan shall include a description of how the State will—

''(A) provide a service coordinator (directly or by contract) for each eligible individual receiving assistance under the program carried out under this title; and

''(B) ensure that the service coordinator carries out the responsibilities described in section 805, including any responsibilities assigned by the State under section 805(5).

''(11) QUALIFIED PROVIDERS.—The plan shall include a description of any licensing, quality, or other standards for qualified providers (including both providers paid directly by the State as described in section 806(b)(2)(A) or through payments made to a fiscal intermediary on behalf of an eligible individual, as described in section 806(b)(2)(B).

''(12) QUALITY ASSURANCE.—The plan shall include a description of the procedures to be used to ensure the quality and appropriateness of the covered long-term care services or supplies provided to an eligible individual and the program carried out under this title, which shall include—

''(A) a quality assessment and improvement strategy that establishes—

''(i) standards that provide for access to covered long-term care services or supplies within reasonable time frames and that are designed to ensure the continuity and adequacy of such services or supplies; and

''(ii) procedures for monitoring and evaluating the quality and appropriateness of the covered long-term care services or supplies provided to eligible individuals under the program carried out under this title; and

''(B) a mechanism for obtaining feedback from eligible individuals and others regarding their experiences with, and recommendations for improvement of, the program carried out under this title.

''(13) OUTREACH.—The plan shall include a description of the procedures by which the State will conduct outreach for enrollment (including outreach to persons residing in naturally occurring retirement communities) in the program carried out under this title.

''(14) INDIANS.—The plan shall include a description of the procedures by which the State will ensure the provision of assistance under the program carried out under this title to eligible individuals who are Indians (as defined in section 4(c) of the Indian Health Care Improvement Act (25 U.S.C. 1603(c))) or Native Hawaiians, as defined in section 625.

''(15) DATA COLLECTION.—The plan shall include an assurance that the State will annually collect and report to the Assistant Secretary such data and information related to the program carried out under this title as the Assistant Secretary may require, including the information required under section 807(a)(1)(B).

''SEC. 805. RESPONSIBILITIES OF SERVICE COORDINATORS.

''Each eligible State shall ensure that the service coordinator for an eligible individual receiving assistance under the program carried out under this title, at a minimum, carries out the following responsibilities:

''(1)(A) Assisting an eligible individual and the eligible individual's representative (as appropriate) with the development of a written care plan for the eligible individual that—

''(i) specifies the covered long-term care services or supplies that best meet the needs and preferences of the eligible individual; and

''(ii) takes into account the ability of caregivers to provide adequate and safe care.

''(B) Assuring that the care plan is coordinated with other care plans that may be developed for the eligible individual under other Federal or State programs (including care plans applicable to naturally occurring retirement communities).

''(2) Reassessing and, as appropriate, assisting with revising the care plan for the eligible individual—

''(A) not less than annually; and

''(B) whenever there is a change of health status or other event that requires a reassessment of the care plan.

''(3) Educating—

''(A) an eligible individual who elects to receive payments as described in section 806(b)(2)(B) about available qualified providers of covered long-term care services or supplies; and

''(B) an eligible individual about specific covered long-term care services or supplies.

''(4) Recommending, as appropriate, methods for community integration for an eligible individual who resides in a nursing home and who is relocating to a home or community-based setting.

''(5) Carrying out any other responsibilities assigned to the service coordinator by the State.

''SEC. 806. PAYMENTS FOR COVERED LONG-TERM CARE SERVICES OR SUPPLIES.

''(a) ANNUAL ASSISTANCE AMOUNT.—

''(1) IN GENERAL.—Subject to paragraph (2), an eligible State shall establish an annual assistance amount for each eligible individual enrolled in the program carried out under this title based on an assessment of the eligible individual.

''(2) COST-SHARING AMOUNT.—The State shall subtract from the annual assistance amount the individual's cost-sharing amount determined under section 804(b)(6) to obtain the amount of the payments described in subsection (b).

''(3) LIMITATION.—The annual assistance amount made for an eligible individual under a program carried out under this title may not exceed—

''(A) in the case of fiscal year 2007, $8,000; and

''(B) in the case of any subsequent fiscal year, the amount described in this paragraph for the preceding fiscal year increased by the percentage increase in the Consumer Price Index for all urban consumers (all items: U.S. city average) for the preceding fiscal year.

''(b) PAYMENTS.—

''(1) WRITTEN CARE PLANS.—Under a program carried out under this title, an eligible State (or its designee) shall make payments for the provision or purchase of covered long-term care services or supplies for eligible individuals in accordance with the written care plans established for such individuals.

''(2) ELECTIONS.—At the election of an eligible individual, the payments shall be made by the State (or its designee)—

''(A) directly to a qualified provider of covered long-term care services or supplies; or

''(B) to a fiscal intermediary on behalf of the eligible individual, to enable the fiscal intermediary to disburse the payments for the purchase of such services or supplies—

''(i) in advance to the provider or the eligible individual; or

''(ii) as reimbursement for the eligible individual.

''(c) LIMITATIONS.—In making payments under this section, a State shall ensure that not more than 10 percent of the funds made available to the State under section 802(a) shall be used to pay for service coordination.

''(d) EXCLUSION FROM INCOME.—Payments made for an eligible individual under this section for a program carried out under this title shall not be—

''(1) included in the gross income of the eligible individual for purposes of the Internal Revenue Code of 1986; or

''(2) treated as income, assets, or benefits, or otherwise be taken into account, for purposes of determining the individual's eligibility for, the amount of benefits under, or the amount of cost-sharing required by, any other Federal or State program.

''SEC. 807. ANNUAL REPORTS.

''(a) STATE REPORTS.—

''(1) IN GENERAL.—Each eligible State shall—

''(A) evaluate the establishment and operation of the State plan under this title in each fiscal year for which the State receives allotments under section 802; and

''(B) prepare and submit to the Assistant Secretary, not later than January 1 of the succeeding fiscal year, a report that includes the following:

''(i) The number of total unduplicated eligible individuals and the amount of expenditures made for the individuals, analyzed by type of payment specified in subparagraph (A) or (B) of section 806(b)(2) in the program carried out under this title in the State.

''(ii) The number of eligible individuals in the program that received each of the categories of covered long-term care services or supplies described in clauses (i) through (xx) of section 801(3)(A), analyzed, for each category by type of payment specified in subparagraph (A) or (B) of section 806(b)(2).

''(iii) The total amount of cost-sharing amounts that the State received from eligible individuals in the program.

''(iv) Information on the age and income of the eligible individuals.

''(2) FORMAT.—The Assistant Secretary shall provide guidance to eligible States regarding the format for the information included in the report required under paragraph (1) in such manner as to allow for comparison of the information provided across such States.

''(3) PUBLIC AVAILABILITY.—The Assistant Secretary shall make the State reports submitted under paragraph (1) available to the public.

''(b) REPORTS BY FISCAL INTERMEDIARIES AND QUALIFIED PROVIDERS.—The State shall require fiscal intermediaries and qualified providers participating in the program carried out in the State under this title to prepare and submit to the State, not less often than twice a year, reports containing such information as is necessary for the State to meet the reporting requirements described in subsection (a) and as is necessary for the administration of the program.

''(c) REPORT TO CONGRESS.—At the end of each fiscal year, the Assistant Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee of Health, Education, Labor, and Pensions of the Senate a report that contains a summary of the data submitted under subsection (a)(1)(B) and a description of any implementations issues with the programs carried out under this title.

''SEC. 808. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to the Secretary to carry out this title, such sums as may be necessary for each of fiscal years 2007 through 2012.''.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 438—EXPRESSING THE SENSE OF CONGRESS THAT INSTITUTIONS OF HIGHER EDUCATION SHOULD ADOPT POLICIES AND EDUCATIONAL PROGRAMS ON THEIR CAMPUSES TO HELP DETER AND ELIMINATE ILLICIT COPYRIGHT INFRINGEMENT OCCURRING ON, AND ENCOURAGE EDUCATIONAL USES OF, THEIR COMPUTER SYSTEMS AND NETWORKS

Mr. ALEXANDER (for himself, Mr. LEAHY, Mr. HATCH, and Mr. NELSON of Florida) submitted the following resolution; which was referred to the Committee on Health, Education, Labor, and Pensions:

S. RES. 438

Whereas the colleges and universities of the United States play a critically important role in educating young people;

Whereas the colleges and universities of the United States are responsible for helping to build and shape the educational foundation of their students, as well as the values of their students;

Whereas the colleges and universities of the United States play an integral role in the development of a civil and ordered society founded on the rule of law;

Whereas the colleges and universities of the United States have been the origin of much of the creativity and innovation throughout the history of the United States;

Whereas much of the most valued intellectual property of the United States has been developed as a result of the colleges and universities of the United States;

Whereas the United States has, since its inception, realized the value and importance of intellectual property protection in encouraging creativity and innovation;

Whereas intellectual property is among the most valuable assets of the United States;

Whereas the importance of music, motion picture, software, and other intellectual property-based industries to the overall health of the economy of the United States is significant and well documented;

Whereas the colleges and universities of the United States are uniquely situated to advance the importance and need for strong intellectual property protection;

Whereas intellectual property-based industries are under increasing threat from all forms of global piracy, including hard goods and digital piracy;

Whereas the pervasive use of so-called peer-to-peer (P2P) file sharing networks has led to rampant illegal distribution and reproduction of copyrighted works;

Whereas the Supreme Court, in MGM Studios Inc. v. Grokster, Ltd., reviewed evidence of users' conduct on just two peer-to-peer networks and noted that, ''the probable scope of copyright infringement is staggering'' (125 S. Ct. 2764, 2772 (2005));

Whereas Justice Breyer, in his opinion in MGM Studios Inc. v. Grokster, Ltd., wrote that ''deliberate unlawful copying is no less an unlawful taking of property than garden-variety theft'' (125 S. Ct. 2764, 2793 (2005));

Whereas many computer systems of the colleges and universities of the United States are illicitly utilized by students and employees to further unlawful copying;

Whereas throughout the course of the past few years, Federal law enforcement has repeatedly executed search warrants against computers and computer systems located at colleges and universities, and has convicted students and employees of colleges and universities for their role in criminal intellectual property crimes;

Whereas in addition to illicit activity, unauthorized peer-to-peer use has multiple negative impacts on college computer systems;

Whereas individuals engaged in illegal downloading on college computer systems use significant amounts of system bandwidth which exist for the use of the general student population in the pursuit of legitimate educational purposes;

Whereas peer-to-peer use on college computer systems potentially exposes those systems to a myriad of security concerns, including spyware, viruses, worms or other malicious code which can be easily transmitted throughout the system by peer-to-peer networks;

Whereas peer-to-peer use on college computer systems also exposes those systems to increased volumes of pornographic or obscene material, including child pornography, which are readily available on peer-to-peer systems;

Whereas peer-to-peer systems have also been used to gain unauthorized access to personal and sensitive information, such as social security account numbers, medical information, tax returns, and bank statements;

Whereas colleges and universities must use valuable and finite resources in responding to requests from victims and law enforcement seeking to stop illegal downloading on college computer systems;

Whereas computer systems at colleges and universities exist for the use of all students and should be kept free of illicit activity;

Whereas college and university systems should continue to develop and to encourage respect for the importance of protecting intellectual property; the illegality and potential legal consequences of unauthorized downloading of copyrighted works; and the additional security risks associated with unauthorized peer-to-peer use; and

Whereas it should be clearly established that unauthorized peer-to-peer use is prohibited and violations punished consistent with upholding the rule of law: Now, therefore, be it

Resolved, That—

(1) colleges and universities should continue to take a leadership role in educating students regarding the detrimental consequences of online infringement of intellectual property rights; and

(2) colleges and universities should continue to take all practicable steps to deter and eliminate unauthorized peer-to-peer use on their computer systems by adopting or continuing policies to educate and warn students about the risks of unauthorized use, and educate students about the intrinsic value of and need to protect intellectual property.

Mr. ALEXANDER. Mr. President, today I am submitting a resolution that expresses the Sense of Congress that colleges and universities should continue to educate their students about the importance of intellectual property and the harm caused by copyright infringement. I am joined in introducing this resolution by Senators LEAHY, HATCH, and NELSON of Florida, and I thank them for their support.

The intent of this resolution is to help draw attention to the problem of digital piracy on campus through the use of university computer networks to illegally share copyrighted materials. Efforts to combat digital piracy were bolstered last year when the U.S. Supreme Court handed down its decision in MGM Studios, Inc. v. Grokster, Ltd. That ruling has allowed the movie and recording industries to take additional steps to protect intellectual property and prevent what Justice Breyer described in the Grokster decision as ''no less an unlawful taking of property than garden-variety theft.''

However, truly stamping out digital piracy requires that we challenge the widespread belief that there is nothing wrong with illegally downloading music and other copyrighted material, and that it doesn't hurt anybody except for rich performers and corporate executives who have plenty of money. I can tell you that's not true because I have personally met with songwriters from Nashville who have explained how illegal downloading has hurt their livelihoods. There are many other Americans without million-dollar bank accounts who have been hurt by copyright infringement as well.

The place to start turning that belief around is at our institutions of higher learning. For many students, a college campus is the first place where they have high-speed Internet access and are exposed to technology that allows them to trade copyrighted files with other computer users. At the same time, college campuses are the source of some of our Nation's most valuable intellectual property. The combination of these two factors makes our colleges and universities the ideal place for students to develop a respect for intellectual property and to understand the harm caused by copyright infringement.

The resolution that my colleagues and I are introducing today encourages colleges and universities to take a leadership role in educating students regarding the importance of protecting intellectual property, and to take steps to prevent unauthorized downloading on their computer systems. Throughout the country, many schools are already meeting this challenge. In my own State, Vanderbilt University has taken steps to instill respect for intellectual property in its students, while taking action to prevent its computer system from being misused. For example, Vanderbilt has created VUmix, a music downloading service, to help its students understand the digital piracy issue and provide them with a legal alternative. The VUmix service is part of