BENNETT), the Senator from Mississippi (Mr. COCHRAN) and the Senator from Georgia (Mr. MILLER) were added as cosponsors of S. 569, a bill to amend title XVIII of the Social Security Act to repeal the medicare outpatient rehabilitation therapy caps.

S. 583

At the request of Mrs. HUTCHISON, the names of the Senator from Ohio (Mr. VOINOVICH), the Senator from Ohio (Mr. DEWINE), the Senator from Maryland (Ms. MIKULSKI) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 583, a bill to require the provision of information to parents and adults concerning bacterial meningitis and the availability of a vaccination with respect to such disease.

S. 589

At the request of Mr. AKAKA, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 589, a bill to strengthen and improve the management of national security, encourage Government service in areas of critical national security, and to assist government agencies in addressing deficiencies in personnel possessing specialized skills important to national security and incorporating the goals and strategies for recruitment and retention for such skilled personnel into the strategic and performance management systems of Federal agencies.

S. 617

At the request of Mr. LIEBERMAN, the names of the Senator from Vermont (Mr. LEAHY) and the Senator from New Jersey (Mr. CORZINE) were added as cosponsors of S. 617, a bill to provide for full voting representation in Congress for the citizens of the District of Columbia, and for other purposes.

S. 646

At the request of Mr. CORZINE, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 646, a bill to amend title XVIII of the Social Security Act to expand and improve coverage of mental health services under the medicare program.

S. 661

At the request of Mr. SCHUMER, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 661, a bill to amend the Internal Revenue Code of 1986 to equalize the exclusion from gross income of parking and transportation fringe benefits and to provide for a common cost-of-living adjustment, and for other purposes.

S. 678

At the request of Mr. AKAKA, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 678, a bill to amend chapter 10 of title 39, United States Code, to include postmasters and postmasters organizations in the process for the development and planning of certain policies, schedules, and programs, and for other purposes.

S. 684

At the request of Mr. SMITH, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 684, a bill to create an office within the Department of Justice to undertake certain specific steps to ensure that all American citizens harmed by terrorism overseas receive equal treatment by the United States Government regardless of the terrorists' country of origin or residence, and to ensure that all terrorists involved in such attacks are pursued, prosecuted, and punished with equal vigor, regardless of the terrorists' country of origin or residence.

S. 792

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 792, a bill to restate, clarify, and revise the Soldiers' and Sailors' Civil Relief Act of 1940.

S. 796

At the request of Ms. COLLINS, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 796, a bill to provide for the appointment of a Director of State and Local Government Coordination within the Department of Homeland Security and to transfer the Office for Domestic Preparedness to the Office of the Secretary of Homeland Security.

S. 818

At the request of Ms. SNOWE, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 818, a bill to ensure the independence and nonpartisan operation of the Office of Advocacy of the Small Business Administration.

S. 852

At the request of Mr. DEWINE, the names of the Senator from Montana (Mr. BURNS) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 852, a bill to amend title 10, United States Code, to provide limited TRICARE program eligibility for members of the Ready Reserve of the Armed Forces, to provide financial support for continuation of health insurance for mobilized members of reserve components of the Armed Forces, and for other purposes.

S. 881

At the request of Mr. BINGAMAN, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 881, a bill to amend title XVIII of the Social Security Act to establish a minimum geographic cost-of-practice index value for physicians' services furnished under the medicare program.

S. 893

At the request of Mr. SANTORUM, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 893, a bill to amend title VII of the Civil Rights Act of 1964 to establish provisions with respect to religious accommodation in employment, and for other purposes.

S. 899

At the request of Mrs. HUTCHISON, the names of the Senator from Maine (Ms. COLLINS), the Senator from New York (Mr. SCHUMER) and the Senator from Montana (Mr. BURNS) were added as cosponsors of S. 899, a bill to amend title XVIII of the Social Security Act to restore the full market basket percentage increase applied to payments to hospitals for inpatient hospital services furnished to medicare beneficiaries, and for other purposes.

S. 959

At the request of Mr. INHOFE, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 959, a bill to limit the age restrictions imposed by the Administrator of the Federal Aviation Administration for the issuance or renewal of certain airman certificates, and for other purposes.

S. 982

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 982, a bill to halt Syrian support for terrorism, end its occupation of Lebanon, stop its development of weapons of mass destruction, cease its illegal importation of Iraqi oil, and hold Syria accountable for its role in the Middle East, and for other purposes.

S. 983

At the request of Mr. CHAFEE, the names of the Senator from New York (Mr. SCHUMER), the Senator from Wisconsin (Mr. KOHL), the Senator from Nebraska (Mr. NELSON), the Senator from Iowa (Mr. HARKIN) and the Senator from Iowa (Mr. GRASSLEY) were added as cosponsors of S. 983, a bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer.

S. 1001

At the request of Mr. BIDEN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1001, a bill to make the protection of women and children who are affected by a complex humanitarian emergency a priority of the United States Government, and for other purposes.

S. CON. RES. 14

At the request of Mr. SMITH, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. Con. Res. 14, a concurrent resolution expressing the sense of Congress regarding the education curriculum in the Kingdom of Saudi Arabia.

S. RES. 130

At the request of Mr. AKAKA, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. Res. 130, a resolution expressing the sense of the Senate that public servants should be commended for their dedication and continued service to the Nation during Public Service Recognition Week.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CAMPBELL:

S. 1008. A bill to provide for the establishment of summer health career introductory programs for middle and high school students; to the Committee on Health, Education, Labor, and Pensions.

Mr. CAMPBELL. Mr. President, today I am introducing legislation aimed at addressing the long term shortage of workers in our health care system.

In recent months, America's health care workforce shortage has made headline news. While most of the stories have focused on the lack of nurses, the shortage of health care professionals also includes radiology technicians, respiratory therapists, clinical laboratory scientists, imaging technologists, rehabilitation professionals, pharmacists and others.

This shortage is different than the one hospitals have experienced in the past because it is only the prelude to a long-term shortage of crisis proportions. The demand for health care is increasing as Americans are living longer than previous generations, and advances in medicine have let more people live with chronic and age-related diseases. With the demand for hospital services increasing because of a growing and aging population, the workforce shortages present our Nation with a potential health care crisis. I believe we must do something to change this disturbing trend.

In my State of Colorado, a task force made up of community colleges, universities, corporations, hospitals, social services and interested community activists has been convened to actively find solutions for the workforce shortages. One of the proposals would be to hold a health career summer youth camp under the title, Gee Whiz Jobs, where young people would be introduced to a full range of career possibilities in the health care field. I believe this idea and their program can become a model for other such programs throughout the country.

The legislation I am introducing today attempts to build on the career camp idea. It authorizes the Secretary of Health and Human Services to make demonstration grants to accredited universities and/or community colleges to establish summer health career introductory programs for middle school and high school students.

Many students are not prepared in the necessary levels of math, science and reading to enter health education programs directly out of high school. Many others have never been exposed to health careers and do not even consider them as a possibility. And, a significant number have little knowledge of the range of career possibilities or what the working environments may be like. Summer school exposure to health careers which allows young people to visit hospitals, doctors' offices, emergency rooms, and community health clinics and witness professionals at work in providing health care services may be just what they need to guide them into a health career.

I believe that we must broaden the base of health care workers by designing strategies that attract and retain a diverse workforce. We must collaborate with others—hospitals, health care and professional associations, educational institutions, corporations, philanthropic organizations, and government to attract new entrants to the health professions. And, we must begin these efforts early in the lives of our young people.

It is going to take all of us—educators, government and community officials, hospital leaders, health care workers, and the public—working together to meet the challenge facing our health care system today. That is why I urge my colleagues to act quickly on this legislation. Let's begin to aggressively address the health care worker shortage in a way that will carry us into the future.

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

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

S. 1008

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

SECTION 1. SUMMER HEALTH CAREER INTRODUCTORY PROGRAMS.

(a) FINDINGS.—Congress finds that—

(1) the success of the health care system is dependent on qualified personnel;

(2) hospitals and health facilities across the United States have been deeply impacted by declines among nurses, pharmacists, radiology and laboratory technicians, and other workers;

(3) the health care workforce shortage is not a short term problem and such workforce shortages can be expected for many years; and

(4) most States are looking for ways to address such shortages.

(b) GRANTS.—The Secretary of Health and Human Services, acting through the Bureau of Health Professions of the Health Resources and Services Administration, may award not to exceed 5 grants for the establishment of summer health career introductory programs for middle and high school students.

(c) ELIGIBILITY.—To be eligible to receive a grant under subsection (b) an entity shall—

(1) be an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)); and

(2) prepare and submit to the Secretary of Health and Human Services an application at such time, in such manner, and containing such information as the Secretary may require.

(d) DURATION.—The term of a grant under subsection (b) shall not exceed 4 years.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2004 through 2007.

By Mr. HARKIN (for himself, Mr. SPECTER, and Mr. KENNEDY):

S. 1010. A bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities; to the Committee on Health, Education, Labor, and Pensions.

Mr. HARKIN. Mr. President, I am pleased to be joined by Senators SPECTER and KENNEDY today in re-introducing legislation that will give new hope to Americans with paralysis.

Recent news reports about the medical miracle Christopher Reeve has experienced over the two past years is an inspiration for every American living with paralysis as a result of a spinal cord injury. When it was announced that, for the first time since his accident in 1995, Chris regained sensation and movement in parts of his body, providing inspiration for some of the two million Americans with paralysis. Most recently, Chris has started weaning himself from a ventilator, breathing on his own for the first time since his accident.

Today, through the Christopher Reeve Paralysis Act of 2003, we seek to achieve two primary goals. First, to further advance the science needed to promote spinal regeneration. And second, to build quality of life programs throughout the country that will further advance full participation, independent living, self-sufficiency and equality of opportunity for individuals with paralysis and other physical disabilities.

Chris' recovery and recent scientific evidence show that progress is possible. At research centers in the United States, Europe and Japan, techniques of rigorous exercise have helped numerous persons with paraplegia with limited sensations in their lower bodies walk for short distances, unassisted or using walkers.

While the results of these new methods are quite promising, the limits of what physical exercise can do for patients remains grossly understudied. While each person and each injury is unique, and some people recover spontaneously, an estimated 250,000 Americans are living with spinal cord injuries that have not improved. Which therapy or combination of therapies will work for each person is unknown. Today two million Americans are living with paralysis, including spinal cord injury, stroke, cerebral palsy, multiple sclerosis, ALS and spina bifida. We need research to see how these new interventions work on the entire population of individuals with paralysis.

What we do know is the ordinary repetitive motions used in most rehabilitation centers, like squeezing a ball, are almost certainly not enough to appropriately address neurological injuries.

Patients are usually told that after one year, two at the most, they will never make further progress in their abilities to move or feel sensation. Yet eight years after his accident, through a rigorous exercise plan, Chris is finally seeing results.

Due to efforts led by the National Institutes of Health and the Christopher Reeve Paralysis Foundation, our Nation stands on the brink of amazing

breakthroughs in science for those with paralysis. However, the biotech and pharmaceutical industries have not invested in paralysis research because they believe the market does not support the private investment. There is an urgent need for the Federal Government to further step up its commitment in this area. The Christopher Reeve Paralysis Act would do just that.

By establishing Paralysis Research Consortia at the National Institute of Neurological Disorders and Stroke, we can substantially increase our ability to capitalize on research advances in paralysis. These consortia would be formed to explore unique scientific expertise and focus across the existing research centers at NINDS in an effort to further advance treatments, therapies and developments on one or more forms of paralysis that result from central nervous system trauma and stroke.

Additional breakthroughs are underway in rehabilitation research on paralysis. Federal funding for rehabilitation research at the National Center for Medical Rehabilitation Research at NIH is showing real potential to improve functional mobility; prevent secondary complications like bladder and urinary tract infections and ulcers; and to develop improved assistive technology. These rehabilitation interventions have the potential to greatly reduce pain and other complications for people with neurological disorders and stroke and, at the same time, save millions in health care costs.

Over the past 20 years, overall days in the hospital and rehabilitation center for those with paralysis have been cut in half. Those with paralysis face astronomical medical costs, and our best estimates tell us that only one-third of those individuals remain employed after paralysis. At least one-third of those with paralysis have incomes of $15,000 or less.

To date, there are no State-based programs at CDC that address paralysis and other physical disability with the goal of improving health outcomes and prevent secondary complications. This bill will, for the first time, ensure that individuals with paralysis get the information they need; have access to public health programs; and support in their communities to navigate services. Ultimately these programs will help remove the barriers to community participation and help improve quality of life. The bill also establishes hospital-based registries on paralysis to collect needed data on the true numbers of individuals with these conditions, and it invests in population-based research to see how various therapies impact different people.

We are on the brink of major breakthroughs for individuals with neurological disorders and stroke that result in paralysis. This bill will ensure that the federal government does its part to help more than 2 million Americans.

When Christopher Reeve was injured, he put a face on an issue that has been neglected for too long. Since then, his tireless efforts to walk again, coupled with his passion and commitment to improve quality of life for others with paralysis, make him an inspiration to all Americans.

It is a pleasure and an honor to lead a bipartisan group of Senators, along with the support of a number of disability groups, including the American Stroke Association, the American Heart Association, the Christopher Reeve Paralysis Foundation, the National Family Caregivers Association, the National Spinal Cord Injury Association, Paralyzed Veterans of America and Easter Paralyzed Veterans, in introducing this bill.

By Mr. BINGAMAN (for himself, Mr. CORZINE, Mrs. CLINTON, Mr. KERRY, Mr. LAUTENBERG, Mr. DAYTON, and Mr. JOHNSON):

S. 1012. A bill to amend title XIX of the Social Security Act to provide fiscal relief and program simplification to States, to improve coverage and services to medicaid beneficiaries, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, our Nation's States and health safety net are simultaneously facing a crisis. According to State budget officers, the states are facing a nearly $30 billion budget shortfall this year and an $80 billion gap in fiscal year 2004 due to the economic recession. At the same time, it is estimated that the number of uninsured increased from 41 to 45 million this past year. And, due to the State budget shortfalls, the numbers of uninsured may increase even further.

In fact, the lead paragraph in the New York Times in an article entitled ''Cutbacks Imperil Health Coverage for States' Poor'' on April 28, 2003, reads, ''Millions of low-income Americans face the loss of health insurance or sharp cuts in benefits, like coverage for prescription drugs and dental care, under proposals now moving through state legislatures around the country.''

The article continues, ''State officials and health policy experts say the cuts will increase the number of uninsured, threaten recent progress in covering children and impose severe strains on hospitals, doctors and nursing homes.''

As a result, I believe the Federal Government should take immediate steps to fundamentally reassert and reassert its role in helping the States with this fiscal crisis and rising Medicaid costs, lowering the number of uninsured, and finally, confronting infant and maternal mortality and morbidity statistics that are unworthy of our great Nation.

To address these issues, today and tomorrow, I will be introducing three relevant bills. The first addresses the fiscal crisis confronting States and the Medicaid program entitled ''Strengthening Our States,'' or the ''SOS Act.''

The second addresses our Nation's long-standing and growing crisis of the uninsured that is entitled the ''Health Coverage, Affordability, Responsibility, and Equity Act'' or the ''Health CARE Act.''

The final bill takes on our Nation's high infant and mortality rates and is called the ''Start Healthy, Stay Health Act.''

First things first. In any campaign—whether in sports, business, or politics—you have to have both offensive and defensive strategies. In trying to reduce the number of uninsured in our country, we must first, as an emergency room doctor would, stop the bleeding. Therefore, our first priority should be to support and strengthen the Medicaid program.

Unfortunately, the Center on Budget and Policy Priorities estimated in March that as many as 1.7 million Americans could lose coverage altogether under proposals advanced by governors or adopted by State legislative committees this year.

Therefore, I am introducing today with Senators CORZINE, CLINTON, KERRY, LAUTENBERG, DAYTON, and JOHNSON legislation entitled the ''Strengthening Our States Act of 2003.'' This bill is a companion bill to that being introduced by Representative DINGELL, BROWN of Ohio, WAXMAN, and others and is aimed at improving Medicaid and providing support to States to enhance their ability to provide coverage to their uninsured residents in these difficult times.

The SOS Act uses a combination of approaches which: first, provide additional Federal fiscal relief to States; second, provide additional flexibility to States in administering and improving the Medicaid program; and third, provide incentives and assistance to stave off cuts to existing coverage, and facilitate coverage expansions in the future.

The legislation will simplify Medicaid and enable States to strengthen the program and stands in sharp contrast to the President's proposal to convert Medicaid into a block grant that would erode health insurance coverage.

In fact, the Administration's prescription is the wrong medicine for the wrong ailment. The Federal Government should be stepping up its commitment to seniors, people with disabilities, and low-income children rather than stepping away and leaving States holding the bag.

First and foremost, our legislation acknowledges and reflects on the important role that Medicaid plays in our entire health care system. As Diane Rowland and Jim Tallon of the Kaiser Commission on Medicaid and the Uninsured have noted: ''. . . it is hard to envision our health system and society without a program like Medicaid. Medicaid is the glue that helps hold our health system together and takes on the highest-risk, sickest, and most expensive populations from private insurance and Medicare. For low-income Medicare beneficiaries, Medicaid picks

up Medicare premiums and some cost sharing as well as filling the gaps in coverage for long-term care services, prescription drugs, and vision and dental care.''

Medicaid addresses the failure of the marketplace to deliver affordable health coverage to our Nation's most fragile and vulnerable citizens. However, there is no reason why it should also have to play the role of picking up the slack of the Medicare program. A central tenet of our SOS proposal is for the Federal Government to begin taking the steps to assume 100 percent of the costs associated with care and services in Medicaid for Medicare beneficiaries, also known as dual eligibles.

This, I would add, is in keeping with long-standing policy of the National Governors' Association, or NGA, and is in sharp contrast to the Administration's proposal to maintain the current Medicaid financing system for mandatory populations and services while block granting care of optional populations and services to States. Who are these optional populations? They are largely the elderly and people with disabilities, many of whom are dually eligible for Medicare and Medicaid.

According to the Kaiser Commission on Medicaid and the Uninsured, 83 percent of all Medicaid spending on the elderly is for either optional populations or services, such as prescription drugs and long-term care. In fact, according to Cindy Mann of Georgetown University and a former Medicaid director under the Clinton Administration, an estimated 35 percent of all State Medicaid costs are for so-called ''dual eligibles.''

Therefore, rather than stepping up to the plate, the Administration is instead stepping away from its commitment to the elderly and disabled, which should be our responsibility at the Federal level, by moving these groups and their health care services into a block grant. Groups representing the elderly and disabled communities have already spoken out against this.

As AARP Executive Director and CEO Bill Novelli says, ''This [Administration's block grant] proposal handcuffs states because it leaves people more vulnerable in future years as States struggle to meet increased needs with decreased dollars.''

The Consortium for Citizens with Disabilities adds, ''The Bush Administration proposal fails people with disabilities and dishonors the Nation's commitment to its residents—it is not in the national interest. . . . What the Medicaid program calls 'optional' services are, in reality, mandatory disability services for the children and adults who need them. These services often are not only life-saving, but also the key to a positive quality of life—something everyone in our nation deserves.''

Again, the Federal Government should be stepping up its commitment to seniors and people with disabilities rather than stepping away, as the President's proposal does.

With respect to the fiscal crisis facing states, the Administration has long opposed fiscal relief to States as part of its economic stimulus package. Instead, the Administration points out that its Medicaid block grant proposal provides more funding up front to States, in the amount of $3.5 billion over one year and $12.7 billion over the first seven years to help States. But the proposal has strong elements of a typical bait and switch by yanking every dime of that money away starting in 2011. Secretary Thompson noted at the press conference that he would not be around at the time of the $12.7 billion in reductions eight years from now and the plan clearly counts on the fact that most of this crop of governors would not be either.

However, that is exactly when our Nation's baby boomers hit retirement age in rapidly increasing numbers and the long term care costs within Medicaid will significantly increase.

In sharp contrast, the SOS Act includes a temporary increase in the Federal matching assistance percentage, or FMAP, to state Medicaid programs in the amount of $15 billion and another $15 billion in additional aid to States—far more than the temporary $3 billion offered by the Administration.

Also, unlike a block grant, the current Medicaid matching rate is responsive to States in times of recessions by providing Federal matching funds to States for each additional person who becomes eligible for Medicaid. Moreover, our SOS Act recognizes the formula can be even more responsive by preserving coverage during difficult times and includes a General Accounting Office study of ways to make the formula more responsive to fiscal distress during either a national or State recession.

In addition, the Strengthening Our States Act would increase Federal payments for certain services critical for special populations or federally-imposed services. It would provide enhanced Federal funding for urban Indian health services, translation services, outstationed workers, and reimbursement to health providers for emergency services delivered undocumented individuals who are otherwise eligible for Medicaid. Again, the Administration's proposal simply block grants funding for these services and steps away from its Federal responsibility.

For example, services delivered to Native Americans by Indian Health Service providers and health organizations are reimbursed at 100 percent federal match currently in recognition of the Federal responsibility and role in delivering services to Native Americans apart from States. Under a block grant, the Federal match is eliminated and the Federal role in providing care to Native Americans is abandoned. This is contrary to longstanding Federal policy and its relationship with tribes and tribal organizations and to policy by the National Governors' Association.

And finally, with respect to giving States flexibility and assistance to expand upon existing coverage options, the Strengthening Our States Act is far better and responsive to states than a block grant. Block grants do not adjust for population changes, recessions, or efforts to expand coverage by States. At its unveiling, Secretary Thompson spoke about the added options the block grants offer States to expand coverage. However, it does so with no new funding. This offer of flexibility is, therefore, illusory.

In fact, because Federal funding is capped for optional opulations by the Administration's block grant, states cannot draw down additional Federal support when it chooses to expand coverage. Under current law and the SOS Act, they can. Some of the more ground-breaking efforts by states such as those by Vermont, Washington, Minnesota, Rhode Island, Hawaii, and even Wisconsin, would have likely never come to pass without that added Federal support.

Therefore, the SOS Act continues and expands upon that Federal support by giving States additional coverage options, such as to set uniform eligibility levels for families rather than covering parents and children separately. The SOS Act also would make States eligible for enhanced matching funds to cover low-income working parents under Medicaid.

States should also beware of the Administration's promise of 9 percent growth rates for the next 10 years. Earlier this year, the House of Representatives passed a budget that would have reduced Medicaid spending by $92 billion over 10 years. While that was rejected in conference, such efforts become much easier under the rubric of a block grant. Again, recent history contains many such promises and examples.

For example, as the NGA policy on the Social Service Block Grant notes, during passage of TANF, ''Congress and the Administration made a commitment to Governors to fund SSBG at $2.38 billion each year through fiscal year 2002, with the funding increasing to $2.8 billion in fiscal 2003 and each year thereafter.'' The reality is that funding has been reduced to $1.7 billion in fiscal years 2002 and 2003, 65 percent below the promised funding levels.

There is an old saying, which goes, ''Fool me once, shame on you. Fool me twice, shame on me.'' When members of Congress and future Administrations see 9 percent growth rates in these Medicaid block grants and have a particular tax cut, Medicare change, transportation program, or whatever they wish to fund, you can already hear them saying, ''What if we just reduce the growth rates to 8 percent or 7 percent or 6 percent or 5 percent. . . .'' Well, we all can see where this rapidly heads and we have all been fooled once before.

Some governors, including Secretary Thompson, seem to have a short memory on these matters. On April 14, 1997, 41 Governors, including Secretary Thompson, Bush Administration Cabinet Members Tom Ridge, and Christine Todd Whitman, wrote President Clinton, and said: ''We adamantly oppose a cap on federal Medicaid spending in any form. Unilateral caps in federal Medicaid spending will result in cost shifts to states, enabling the federal government to balance its budget at the expense of the states.''

What was true then remains true 6 years later.

Moreover, on behalf of the NGA, Governors Bob Miller of Nevada and Mike Leavitt testified before the Senate Finance Committee and made the following statement: ''. . . caps could result in states becoming solely responsible for unexpected program costs, such as a loss in a lawsuit on reimbursement rates or the development of expensive new therapies that drive up treatment costs beyond the federal allowable rate.

They added: ''. . . the cost shift resulting from a unilateral cap would present states with a number of bad alternatives. States essentially would have to choose between cutting back on payment rates to providers, eliminating optional benefits provided to recipients, ending coverage for optional beneficiaries, or coming up with additional state funds to absorb 100 percent of the cost of services.''

I do not see why this needs to be an all-or-nothing proposition. Why do we have to throw out the entire Medicaid financing structure, which benefits States, beneficiaries, and providers, in order to grant States additional flexibility to their programs?

In 1997, we rejected the all-or-nothing proposal and worked with the States and gave them a package of added flexibility, including the ability to enroll much of their Medicaid population in managed care without the need for a waiver.

Secretary Thompson talks a great deal about the flexibility the block grant offers and cites the need to allow States the ability to move people out of institutional settings into more appropriate home- and community-based settings and is right. Under the block grant, States are only granted additional flexibility to do so if they accept a block grant. In contrast, the SOS Act provides States an enhanced Federal matching rate to provide home- and community-based services.

However, rather than saying to States that they can only do so through the acceptance of a block grant, why can't we provide them this option without the imposition of a Federal limit on funding? Both states and beneficiary groups are asking for it and we can and should act.

It is on this point that I must add that the Medicaid program was not created for Federal officials or governors. We all clearly need to be reminded that there are other stakeholders in the Medicaid program, including the 43 million people served by the program.

As Alan Weil of the Urban institute and the former Medicaid director of the State of Colorado wrote in a recent article published in Health Affairs: ''If money is at the heart of debates over Medicaid, the millions of indigent people whose varied and complex medical needs are met by the program are its sole. The amount of human suffering the program alleviates is immense.''

As the Administration attempts to proceed on negotiations with the governors on a deal on block grants, let's not forget the children, mothers, seniors, and people with disabilities served by Medicaid. The SOS Act provides a far better alternative.

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

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

S. 1012

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Strengthening Our States Act of 2003'' or the ''SOS Act of 2003''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLE I—STRENGTHENING FEDERAL RESPONSIBILITY FOR MEDICARE BENEFICIARIES

SEC. 101. ASSUMING FEDERAL RESPONSIBILITY FOR ALL MEDICARE COST-SHARING.

(a) IN GENERAL.—Section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) is amended—

(1) by striking ''and'' before ''(4)''; and

(2) by inserting before the period the following: '', and (5) the Federal medical assistance percentage shall be 100 percent with respect to medical assistance provided with costs described in section 1905(p)(3)''.

(b) CONFORMING AMENDMENT.—Section 1902 of such Act (42 U.S.C. 1396a) is amended by striking subsection (n).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance for medicare cost-sharing for months beginning with July 2003.

SEC. 102. EXPANDED PROTECTIONS FOR LOW INCOME MEDICARE BENEFICIARIES.

(a) IN GENERAL.—Section 1902(a)(10)(E) of the Social Security Act (42 U.S.C. 1396a(a)(10)(E)) is amended—

(1) by adding ''and'' at the end of clause (ii);

(2) in clause (iii), by striking ''110 percent in 1993 and 1994, and 120 percent in 1995 and years'' and inserting ''135 percent''; and

(3) by striking clause (iv).

(b) CONFORMING AMENDMENT.—Section 1933 of such Act (42 U.S.C. 1396v) is repealed.

(c) EFFECTIVE DATE.—The amendments made by subsection (a), and the repeal made by subsection (b), shall apply to months after September 2003.

TITLE II—PROVIDING STATES FISCAL RELIEF

SEC. 201. TEMPORARY INCREASE OF MEDICAID FMAP.

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2002 FMAP FOR LAST 2 CALENDAR QUARTERS OF FISCAL YEAR 2003.—Notwithstanding any other provision of law, but subject to subsection (e), if the FMAP determined without regard to this section for a State for fiscal year 2003 is less than the FMAP as so determined for fiscal year 2002, the FMAP for the State for fiscal year 2002 shall be substituted for the State's FMAP for the third and fourth calendar quarters of fiscal year 2003, before the application of this section.

(b) PERMITTING MAINTENANCE OF FISCAL YEAR 2003 FMAP FOR FISCAL YEAR 2004.—

Notwithstanding any other provision of law, but subject to subsection (e), if the FMAP determined without regard to this section for a State for fiscal year 2004 is less than the FMAP as so determined for fiscal year 2003, the FMAP for the State for fiscal year 2003 shall be substituted for the State's FMAP for each calendar quarter of fiscal year 2004, before the application of this section.

(c) GENERAL 3.73 PERCENTAGE POINTS INCREASE FOR LAST 2 CALENDAR QUARTERS OF FISCAL YEAR 2003 AND FISCAL YEAR 2004.—Notwithstanding any other provision of law, but subject to subsections (e) and (f), for each State for the third and fourth calendar quarters of fiscal year 2003 and each calendar quarter of fiscal year 2004, the FMAP (taking into account the application of subsections (a) and (b)) shall be increased by 3.73 percentage points.

(d) INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, but subject to subsection (f), with respect to the third and fourth calendar quarters of fiscal year 2003 and each calendar quarter of fiscal year 2004, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under subsections (f) and (g) of section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 7.46 percent of such amounts.

(e) SCOPE OF APPLICATION.—The increases in the FMAP for a State under this section shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(1) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r–4); or

(2) payments under title IV or XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.).

(f) STATE ELIGIBILITY.—

(1) IN GENERAL.—Subject to paragraph (2), a State is eligible for an increase in its FMAP under subsection (c) or an increase in a cap amount under subsection (d) only if the eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) is no more restrictive than the eligibility under such plan (or waiver) as in effect on September 2, 2003.

(2) STATE REINSTATEMENT OF ELIGIBILITY PERMITTED.—A State that has restricted eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) after September 2, 2003, but prior to the date of enactment of this Act is eligible for an increase in its FMAP under subsection (c) or an increase in a cap amount under subsection (d) in the first calendar quarter (and subsequent calendar quarters) in which the State has reinstated eligibility that is no more restrictive than the eligibility under such plan (or waiver) as in effect on September 2, 2003.

(3) RULE OF CONSTRUCTION.—Nothing in paragraph (1) or (2) shall be construed as affecting a State's flexibility with respect to benefits offered under the State medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)).

(g) DEFINITIONS.—In this section:

(1) FMAP.—The term ''FMAP'' means the Federal medical assistance percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).

(2) STATE.—The term ''State'' has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(h) REPEAL.—Effective as of October 1, 2004, this section is repealed.

SEC. 202. TEMPORARY GRANTS FOR STATE FISCAL RELIEF.

(a) IN GENERAL.—Title XX of the Social Security Act (42 U.S.C. 1397–1397f) is amended by adding at the end the following:

''SEC. 2008. ADDITIONAL TEMPORARY GRANTS FOR STATE FISCAL RELIEF.

''(a) IN GENERAL.—For the purpose of providing State fiscal relief allotments to States under this section, there are hereby appropriated, out of any funds in the Treasury not otherwise appropriated, $15,000,000,000. Such funds shall be available for obligation by the State through June 30, 2005, and for expenditure by the State through September 30, 2005. This section constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment to States of amounts provided under this section.

''(b) ALLOTMENT.—Funds appropriated under subsection (a) shall be allotted by the Secretary among the States in accordance with the following table:

''State	Allotment (in dollars)
Alabama	$170,940,139
Alaska	$42,076,374
Amer. Samoa	$414,007
Arizona	$261,264,449
Arkansas	$133,398,723
California	$1,583,851,051
Colorado	$143,030,332
Connecticut	$207,204,156
Delaware	$38,537,434
District of Columbia	$65,034,813
Florida	$624,655,953
Georgia	$368,582,068
Guam	$669,845
Hawaii	$46,337,939
Idaho	$48,659,904
Illinois	$543,631,283
Indiana	$271,629,605
Iowa	$130,309,854
Kansas	$94,370,028
Kentucky	$212,122,967
Louisiana	$239,827,085
Maine	$92,781,591
Maryland	$236,000,265
Massachusetts	$472,765,757
Michigan	$435,451,207
Minnesota	$302,429,550
Mississippi	$176,956,163
Missouri	$302,534,081
Montana	$36,437,168
Nebraska	$79,550,313
Nevada	$52,331,624
New Hampshire	$54,101,351
New Jersey	$411,954,920
New Mexico	$112,850,197
New York	$2,383,327,447
North Carolina	$439,742,488
North Dakota	$27,253,781
N. Mariana Islands	$233,880
Ohio	$616,448,513
Oklahoma	$146,240,811
Oregon	$167,002,460
Pennsylvania	$745,862,667
Puerto Rico	$18,916,230
Rhode Island	$80,098,624
South Carolina	$184,217,430
South Dakota	$30,302,145
Tennessee	$350,273,887
Texas	$814,722,031
Utah	$63,422,131
Vermont	$40,549,714
Virgin Islands	$624,499
Virginia	$215,155,129
Washington	$298,697,312
West Virginia	$95,818,709
Wisconsin	$270,901,128
Wyoming	$17,496,788
Total	**$15,000,000,000**

''(c) USE OF FUNDS.—Funds appropriated under this section may be used by a State for services directed at the goals set forth in section 2001, subject to the requirements of this title.

''(d) PAYMENT TO STATES.—Not later than 30 days after amounts are appropriated under subsection (a), in addition to any payment made under section 2002 or 2007, the Secretary shall make a lump sum payment to a State of the total amount of the allotment for the State as specified in subsection (b).

''(e) DEFINITION.—For purposes of this section, the term 'State' means the 50 States, the District of Columbia, and the territories contained in the list under subsection (b).''.

(b) REPEAL.—Effective as of October 1, 2005, section 2008 of the Social Security Act, as added by subsection (a), is repealed.

(c) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study to determine an appropriate index that could be used to temporarily adjust the Federal medical assistance percentage for purposes of programs authorized under the Social Security Act either with respect to all States during a period of national recession or with respect to a specific State when the State's economy takes a significant turn for the worse.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress on the study conducted under paragraph (1).

SEC. 203. INCREASING MEDICAID DSH ALLOTMENTS.

(a) CONTINUATION OF MEDICAID DSH ALLOTMENT ADJUSTMENTS UNDER BIPA 2000.—

(1) IN GENERAL.—Section 1923(f) of the Social Security Act (42 U.S.C. 1396r–4(f))—

(A) in paragraph (2)—

(i) in the heading, by striking ''THROUGH 2002'' and inserting ''THROUGH 2000'';

(ii) by striking ''ending with fiscal year 2002'' and inserting ''ending with fiscal year 2000''; and

(iii) in the table in such paragraph, by striking the columns labeled ''FY 01'' and ''FY02'';

(B) in paragraph (3)(A), by striking ''paragraph (2)'' and inserting ''paragraph (4)''; and

(C) in paragraph (4), as added by section 701(a)(1) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554)—

(i) by striking ''FOR FISCAL YEARS 2001 AND 2002'' in the heading;

(ii) in subparagraph (A), by striking ''Notwithstanding paragraph (2), the'' and inserting ''The'';

(iii) in subparagraph (C)—

(I) by striking ''NO APPLICATION'' and inserting ''APPLICATION''; and

(II) by striking ''without regard to'' and inserting ''taking into account''.

(2) INCREASE IN MEDICAID DSH ALLOTMENT FOR THE DISTRICT OF COLUMBIA.—

(A) IN GENERAL.—Effective for DSH allotments beginning with fiscal year 2003, the item in the table contained in section 1923(f)(2) of the Social Security Act (42 U.S.C. 1396r–4(f)(2)) for the District of Columbia for the DSH allotment for FY 00 (fiscal year 2000) is amended by striking ''32'' and inserting ''49''.

(B) CONSTRUCTION.—Nothing in subparagraph (A) shall be construed as preventing the application of section 1923(f)(4) of the Social Security Act (as amended by subsection (a)) to the District of Columbia for fiscal year 2003 and subsequent fiscal years.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to DSH allotments for fiscal years beginning with fiscal year 2003.

(b) INCREASE IN FLOOR FOR TREATMENT AS AN EXTREMELY LOW DSH STATE TO 3 PERCENT IN FISCAL YEAR 2003.—

(1) INCREASE IN DSH FLOOR.—Section 1923(f)(5) of the Social Security Act (42 U.S.C. 1396r–4(f)(5)) is amended—

(A) by striking ''fiscal year 1999'' and inserting ''fiscal year 2001'';

(B) by striking ''August 31, 2000'' and inserting ''August 31, 2002'';

(C) by striking ''1 percent'' each place it appears and inserting ''3 percent''; and

(D) by striking ''fiscal year 2001'' and inserting ''fiscal year 2003''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) take effect as if enacted on October 1, 2002, and apply to DSH allotments under title XIX of the Social Security Act for fiscal year 2003 and each fiscal year thereafter.

SEC. 204. INCREASED STATE ACCESS TO UNSPENT SCHIP FUNDS.

(a) RETAINED AND REDISTRIBUTED ALLOTMENTS FOR FISCAL YEARS 1998 AND 1999.—Paragraphs (2)(A)(i) and (2)(A)(ii) of section 2104(g) of the Social Security Act (42 U.S.C. 1397dd(g)) are each amended by striking ''fiscal year 2002'' and inserting ''fiscal year 2004''.

(b) EXTENSION AND REVISION OF RETAINED AND REDISTRIBUTED ALLOTMENTS FOR FISCAL YEAR 2000.—

(1) PERMITTING AND EXTENDING RETENTION OF PORTION OF FISCAL YEAR 2000 ALLOTMENT.—Paragraph (2) of such section 2104(g) is amended—

(A) in the heading, by striking ''AND 1999'' and inserting ''THROUGH 2000''; and

(B) by adding at the end of subparagraph (A) the following:

''(iii) FISCAL YEAR 2000 ALLOTMENT.—Of the amounts allotted to a State pursuant to this section for fiscal year 2000 that were not expended by the State by the end of fiscal year 2002, 50 percent of that amount shall remain available for expenditure by the State through the end of fiscal year 2004.''.

(2) REDISTRIBUTED ALLOTMENTS.—Paragraph (1) of such section 2104(g) is amended—

(A) in subparagraph (A), by inserting ''or for fiscal year 2000 by the end of fiscal year 2002,'' after ''fiscal year 2001,'';

(B) in subparagraph (A), by striking ''1998 or 1999'' and inserting ''1998, 1999, or 2000'';

(C) in subparagraph (A)(i)—

(i) by striking ''or'' at the end of subclause (I),

(ii) by striking the period at the end of subclause (II) and inserting ''; or''; and

(iii) by adding at the end the following new subclause:

''(III) the fiscal year 2000 allotment, the amount specified in subparagraph (C)(i) (less the total of the amounts under clause (ii) for such fiscal year), multiplied by the ratio of the amount specified in subparagraph (C)(ii) for the State to the amount specified in subparagraph (C)(iii).'';

(D) in subparagraph (A)(ii), by striking ''or 1999'' and inserting '', 1999, or 2000'';

(E) in subparagraph (B), by striking ''with respect to fiscal year 1998 or 1999'';

(F) in subparagraph (B)(ii)—

(i) by inserting ''with respect to fiscal year 1998, 1999, or 2000,'' after ''subsection (e),''; and

(ii) by striking ''2002'' and inserting ''2004''; and

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

''(C) AMOUNTS USED IN COMPUTING REDISTRIBUTIONS FOR FISCAL YEAR 2000.—For purposes of subparagraph (A)(i)(III)—

''(i) the amount specified in this clause is the amount specified in paragraph (2)(B)(i)(I) for fiscal year 2000, less the total amount remaining available pursuant to paragraph (2)(A)(iii);

''(ii) the amount specified in this clause for a State is the amount by which the State's expenditures under this title in fiscal years 2000, 2001, and 2002 exceed the State's allotment for fiscal year 2000 under subsection (b); and

''(iii) the amount specified in this clause is the sum, for all States entitled to a redistribution under subparagraph (A) from the allotments for fiscal year 2000, of the amounts specified in clause (ii).''.

(3) CONFORMING AMENDMENTS.—Such section 2104(g) is further amended—

(A) in its heading, by striking ''AND 1999'' and inserting '', 1999, AND 2000''; and

(B) in paragraph (3)—

(i) by striking ''or fiscal year 1999'' and inserting '', fiscal year 1999, or fiscal year 2000''; and

(ii) by striking ''or November 30, 2001'' and inserting ''November 30, 2001, or November 30, 2002'', respectively.

(c) EXTENSION AND REVISION OF RETAINED AND REDISTRIBUTED ALLOTMENTS FOR FISCAL YEAR 2001.—

(1) PERMITTING AND EXTENDING RETENTION OF PORTION OF FISCAL YEAR 2001 ALLOTMENT.—Paragraph (2) of such section 2104(g), as amended in subsection (b)(1)(B), is further amended—

(A) in the heading, by striking ''2000'' and inserting ''2001''; and

(B) by adding at the end of subparagraph (A) the following:

''(iv) FISCAL YEAR 2001 ALLOTMENT.—Of the amounts allotted to a State pursuant to this section for fiscal year 2001 that were not expended by the State by the end of fiscal year 2003, 50 percent of that amount shall remain available for expenditure by the State through the end of fiscal year 2005.''.

(2) REDISTRIBUTED ALLOTMENTS.—Paragraph (1) of such section 2104(g), as amended in subsection (b)(2), is further amended—

(A) in subparagraph (A), by inserting ''or for fiscal year 2001 by the end of fiscal year 2003,'' after ''fiscal year 2002,'';

(B) in subparagraph (A), by striking ''1999, or 2000'' and inserting ''1999, 2000, or 2001'';

(C) in subparagraph (A)(i)—

(i) by striking ''or'' at the end of subclause (II),

(ii) by striking the period at the end of subclause (III) and inserting ''; or''; and

(iii) by adding at the end the following new subclause:

''(IV) the fiscal year 2001 allotment, the amount specified in subparagraph (D)(i) (less the total of the amounts under clause (ii) for such fiscal year), multiplied by the ratio of the amount specified in subparagraph (D)(ii) for the State to the amount specified in subparagraph (D)(iii).'';

(D) in subparagraph (A)(ii), by striking ''or 2000'' and inserting ''2000, or 2001'';

(E) in subparagraph (B)—

(i) by striking ''and'' at the end of clause (ii);

(ii) by redesignating clause (iii) as clause (iv); and

(iii) by inserting after clause (ii) the following new clause:

''(iii) notwithstanding subsection (e), with respect to fiscal year 2001, shall remain available for expenditure by the State through the end of fiscal year 2005; and''; and

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

''(D) AMOUNTS USED IN COMPUTING REDISTRIBUTIONS FOR FISCAL YEAR 2001.—For purposes of subparagraph (A)(i)(IV)—

''(i) the amount specified in this clause is the amount specified in paragraph (2)(B)(i)(I) for fiscal year 2001, less the total amount remaining available pursuant to paragraph (2)(A)(iv);

''(ii) the amount specified in this clause for a State is the amount by which the State's expenditures under this title in fiscal years 2001, 2002, and 2003 exceed the State's allotment for fiscal year 2001 under subsection (b); and

''(iii) the amount specified in this clause is the sum, for all States entitled to a redistribution under subparagraph (A) from the allotments for fiscal year 2001, of the amounts specified in clause (ii).''.

(3) CONFORMING AMENDMENTS.—Such section 2104(g) is further amended—

(A) in its heading, by striking ''AND 2000'' and inserting ''2000, AND 2001''; and

(B) in paragraph (3)—

(i) by striking ''or fiscal year 2000'' and inserting ''fiscal year 2000, or fiscal year 2001''; and

(ii) by striking ''or November 30, 2002,'' and inserting ''November 30, 2002, or November 30, 2003,'', respectively.

(d) AUTHORITY FOR QUALIFYING STATES TO USE PORTION OF SCHIP FUNDS FOR MEDICAID EXPENDITURES.—Section 2105 of the Social Security Act (42 U.S.C. 1397ee) is amended by adding at the end the following:

''(g) AUTHORITY FOR QUALIFYING STATES TO USE CERTAIN FUNDS FOR MEDICAID EXPENDITURES.—

''(1) STATE OPTION.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, with respect to allotments for fiscal years 1998, 1999, 2000, 2001, for fiscal years in which such allotments are available under subsections (e) and (g) of section 2104, a qualifying State (as defined in paragraph (2)) may elect to use not more than 20 percent of such allotments (instead of for expenditures under this title) for payments for such fiscal year under title XIX in accordance with subparagraph (B).

''(B) PAYMENTS TO STATES.—

''(i) IN GENERAL.—In the case of a qualifying State that has elected the option described in subparagraph (A), subject to the total amount of funds described with respect to the State in subparagraph (A), the Secretary shall pay the State an amount each quarter equal to the additional amount that would have been paid to the State under title XIX for expenditures of the State for the fiscal year described in clause (ii) if the enhanced FMAP (as determined under subsection (b)) had been substituted for the Federal medical assistance percentage (as defined in section 1905(b)) of such expenditures.

''(ii) EXPENDITURES DESCRIBED.—For purposes of clause (i), the expenditures described in this clause are expenditures for such fiscal years for providing medical assistance under title XIX to individuals who have not attained age 19 and whose family income exceeds 150 percent of the poverty line.

''(iii) NO IMPACT ON DETERMINATION OF BUDGET NEUTRALITY FOR WAIVERS.—In the case of a qualifying State that uses amounts paid under this subsection for expenditures described in clause (ii) that are incurred under a waiver approved for the State, any budget neutrality determinations with respect to such waiver shall be determined without regard to such amounts paid.

''(2) QUALIFYING STATE.—In this subsection, the term 'qualifying State' means a State that—

''(A) as of April 15, 1997, has an income eligibility standard with respect to any 1 or more categories of children (other than infants) who are eligible for medical assistance under section 1902(a)(10)(A) or under a waiver under section 1115 implemented on January 1, 1994, that is up to 185 percent of the poverty line or above; and

''(B) satisfies the requirements described in paragraph (3).

''(3) REQUIREMENTS.—The requirements described in this paragraph are the following:

''(A) SCHIP INCOME ELIGIBILITY.—The State has a State child health plan that (whether implemented under title XIX or this title)—

''(i) as of January 1, 2001, has an income eligibility standard that is at least 200 percent of the poverty line or has an income eligibility standard that exceeds 200 percent of the poverty line under a waiver under section 1115 that is based on a child's lack of health insurance;

''(ii) subject to subparagraph (B), does not limit the acceptance of applications for children; and

''(iii) provides benefits to all children in the State who apply for and meet eligibility standards on a statewide basis.

''(B) NO WAITING LIST IMPOSED.—With respect to children whose family income is at or below 200 percent of the poverty line, the State does not impose any numerical limitation, waiting list, or similar limitation on the eligibility of such children for child health assistance under such State plan.

''(C) ADDITIONAL REQUIREMENTS.—The State has implemented at least 3 of the following policies and procedures (relating to coverage of children under title XIX and this title):

''(i) UNIFORM, SIMPLIFIED APPLICATION FORM.—With respect to children who are eligible for medical assistance under section 1902(a)(10)(A), the State uses the same uniform, simplified application form (including, if applicable, permitting application other than in person) for purposes of establishing eligibility for benefits under title XIX and this title.

''(ii) ELIMINATION OF ASSET TEST.—The State does not apply any asset test for eligibility under section 1902(l) or this title with respect to children.

''(iii) ADOPTION OF 12-MONTH CONTINUOUS ENROLLMENT.—The State provides that eligibility shall not be regularly redetermined more often than once every year under this title or for children described in section 1902(a)(10)(A).

''(iv) SAME VERIFICATION AND REDETERMINATION POLICIES; AUTOMATIC REASSESSMENT OF ELIGIBILITY.—With respect to children who are eligible for medical assistance under section 1902(a)(10)(A), the State provides for initial eligibility determinations and redeterminations of eligibility using the same verification policies (including with respect to face-to-face interviews), forms, and frequency as the State uses for such purposes under this title, and, as part of such redeterminations, provides for the automatic reassessment of the eligibility of such children for assistance under title XIX and this title.

''(v) OUTSTATIONING ENROLLMENT STAFF.—The State provides for the receipt and initial processing of applications for benefits under this title and for children under title XIX at facilities defined as disproportionate share hospitals under section 1923(a)(1)(A) and Federally-qualified health centers described in section 1905(l)(2)(B) consistent with section 1902(a)(55).''.

(e) EFFECTIVE DATE.—Subsections (a) through (c), and the amendments made by such subsections, shall be effective as if this section had been enacted on September 30, 2002, and amounts under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) from allotments for fiscal years 1998 through 2000 are available for expenditure on and after October 1, 2002, under the amendments made by such subsections as if this section had been enacted on September 30, 2002.

SEC. 205. FEDERAL RESPONSIBILITY FOR EMERGENCY CARE FOR ILLEGAL IMMIGRANTS.

(a) IN GENERAL.—Section 1903(a)(3) of the Social Security Act (42 U.S.C. 1396b(a)(3)) is amended—

(1) in subparagraph (D), by striking ''plus'' at the end and inserting ''and''; and

(2) by adding at the end the following:

''(E) 100 percent of the sums expended with respect to costs incurred during such quarter as are attributable to the provision of care and services that are furnished to an alien described in subsection (v)(1) that are necessary for the treatment of an emergency medical condition, as defined in subsection (v)(3); and''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on July 1, 2003.

SEC. 206. INCREASED FEDERAL RESPONSIBILITY FOR TRANSLATION SERVICES.

(a) IN GENERAL.—Section 1903(a)(3) of the Social Security Act (42 U.S.C. 1396b(a)(3)), as amended by section 205(a), is amended by adding at the end the following:

''(F) 90 percent of the sums expended with respect to costs incurred during such quarter as are attributable to the provision of language services, including oral interpretation, translations of written materials, and other language services, for individuals with limited English proficiency who apply for, or receive, medical assistance under the State plan; and''.

(b) SCHIP.—Section 2105(A)(1) of the Social Security Act (42 U.S.C.1397ee(a)(1)) is amended—

(1) in the matter preceding subparagraph (A), by striking ''section 1905(b))'' and inserting ''section 1905(b)) or, in the case of expenditures described in subparagraph (D)(iv), 90 percent''; and

(2) in subparagraph (D)—

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

(B) by redesignating clause (iv) as clause (v); and

(C) by inserting after clause (iii) the following:

''(D) for expenditures attributable to the provision of language services, including oral interpretation, translations of written materials, and other language services, for individuals with limited English proficiency who apply for, or receive, child health assistance under the plan; and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 2003.

SEC. 207. INCREASED FEDERAL MATCHING RATES FOR CERTAIN SERVICES.

(a) OUTSTATIONED WORKERS.—Section 1903(a)(3) of the Social Security Act (42 U.S.C. 1396b(a)(3)), as amended by sections 205(a) and 206(a), is amended by adding at the end the following:

''(G) 90 percent of the sums expended with respect to costs incurred during such quarter as are attributable to providing for the receipt and initial processing of applications of children and pregnant women for medical assistance consistent with the requirements of section 1902(a)(55); plus''.

(b) 100 PERCENT MATCHING RATE FOR URBAN INDIAN HEALTH SERVICES.—The third sentence of section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) is amended—

(1) by inserting ''or program'' after ''facility'';

(2) by striking ''or by'' and inserting '', by''; and

(3) by inserting '', or by an urban Indian organization pursuant to a grant or contract with the Indian Health Service under title V of the Indian Health Care Improvement Act'' before the period.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 2003.

TITLE III—STRENGTHENING STATE AND FEDERAL COMMITMENT TO THE ELDERLY AND PERSONS WITH DISABILITIES; FAMILY OPPORTUNITY ACT

Subtitle A—Elderly and Persons with Disabilities

SEC. 301. FULL ACCOUNTING OF SAVINGS IN DETERMINING COST-EFFECTIVENESS.

(a) IN GENERAL.—Section 1915(c)(2)(D) of the Social Security Act (42 U.S.C. 1396n(c)(2)(D)) is amended by inserting ''(reduced by average per capita reductions in spending under other Federal mandatory spending programs resulting from operation of the waiver)'' after ''with respect to such individuals''.

(b) EFFECTIVE DATE.—The amendment made by subsection shall take effect on the date of the enactment of this Act.

SEC. 302. EXTENSION OF MEDICAID COVERAGE UNDER THE TICKET TO WORK PROGRAM TO COVER SPOUSES.

(a) IN GENERAL.—Section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(1) in clause (i)(II), by inserting before the comma at the end the following: '', and at the option of a State, any individual who is the spouse of such an individual'';

(2) in clause (ii)(XIII), by inserting before the semicolon at the end the following: '', and at the option of a State, any individual who is the spouse of such an individual'';

(3) in subclause (XV), by inserting before the semicolon at the end the following: '', and at the option of a State, any individual who is the spouse of such an individual''; and

(4) in subclause (XVI), by inserting before the semicolon at the end the following: '', and at the option of a State, any individual who is the spouse of such an individual''.

(b) CONFORMING AMENDMENT.—Section 1905(a)(xii) of such Act (42 U.S.C. 1396d(a)(xii)) is amended by inserting ''and spouses described in clauses (i)(II), (ii)(XIII), (ii)(XV), and (ii)(XVI) of section 1902(a)(10)(A)'' after ''subsection (v))''.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2003, whether or not regulations implementing such amendments have been issued.

SEC. 303. ENCOURAGING TRANSITION TO HOME AND COMMUNITY CARE.

(a) IN GENERAL.—Section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)), as amended by section 101(a), is amended—

(1) by striking ''and'' before ''(5)''; and

(2) by inserting before the period the following: '', and (6) the Federal medical assistance percentage shall be equal to the enhanced FMAP described in section 2105(b) with respect to medical assistance provided under a waiver under section 1915(c)''.

(b) CONFORMING AMENDMENT.—Section 1915(c) of such Act (42 U.S.C. 1396n(c)) is amended by adding at the end the following new paragraph:

''(11) For purposes of determining the amount of expenditures under this section or a State plan for purposes of applying any test of cost-effectiveness or similar test in carrying out this subsection, the provisions of section 1905(b)(6) shall not be taken into account.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance for items and services furnished on or after July 1, 2003, regardless of whether the waiver under which such assistance is provided was approved before, on, or after the date of the enactment of this Act.

SEC. 304. ENHANCED MATCHING RATE FOR DISABLED INDIVIDUALS AWAITING MEDICARE ELIGIBILITY.

(a) IN GENERAL.—Section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)), as

amended by sections 101(a) and 303(a), is amended—

(1) by striking ''and'' before ''(6)''; and

(2) by inserting before the period the following: '', and (7) the Federal medical assistance percentage shall be equal to 100 percent with respect to medical assistance provided to individuals who are not entitled to benefits under part A of title XVIII pursuant to section 226(b) but who would be entitled to such benefits pursuant to such section but for the application of a 24-month waiting period under such section''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance for items and services furnished on or after October 1, 2003.

SEC. 305. PROVIDING INITIAL TERM OF 5 YEARS FOR SECTION 1915 WAIVERS.

(a) IN GENERAL.—Subsections (d)(3) and (e)(3) of section 1915 of the Social Security Act (42 U.S.C. 1396n) are each amended by striking ''3 years'' and inserting ''5 years''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to waivers granted on or after the date of the enactment of this Act.

SEC. 306. OPTIONAL COVERAGE OF COMMUNITY-BASED ATTENDANT SERVICES AND SUPPORTS UNDER THE MEDICAID PROGRAM.

(a) OPTIONAL COVERAGE.—Section 1902(a)(10)(D) of the Social Security Act (42 U.S.C. 1396a(a)(10)(D)) is amended—

(1) by inserting ''(i)'' after '(D)'';

(2) by adding ''and'' after the semicolon; and

(3) by adding at the end the following new clause:

''(ii) at the option of the State and subject to section 1935, for the inclusion of community-based attendant services and supports for any individual who—

''(I) is eligible for medical assistance under the State plan;

''(II) with respect to whom there has been a determination that the individual requires the level of care provided in a nursing facility or an intermediate care facility for the mentally retarded (whether or not coverage of such intermediate care facility is provided under the State plan); and

''(III) who chooses to receive such services and supports;

insofar as such services are appropriate for the individual's condition according to the individual's plan of care;''.

(b) COMMUNITY-BASED ATTENDANT SERVICES AND SUPPORTS OPTION.—

(1) IN GENERAL.—Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) is amended—

(A) by redesignating section 1935 as section 1936; and

(B) by inserting after section 1934 the following:

''COMMUNITY-BASED ATTENDANT SERVICES AND SUPPORTS

''SEC. 1935. (a) COVERAGE.—

''(1) IN GENERAL.—A State may provide through a plan amendment for the inclusion of community-based attendant services and supports (as defined in subsection (g)(1)) for individuals described in section 1902(a)(10)(D)(ii) in accordance with this section.

''(2) ENHANCED FMAP FOR COVERAGE.—Notwithstanding section 1905(b), in the case of a State with an approved plan amendment under this section during that period that also satisfies the requirements of subsection (c) the Federal medical assistance percentage shall be equal to the enhanced FMAP described in section 2105(b) with respect to medical assistance in the form of community-based attendant services and supports provided to individuals described in section 1902(a)(10)(D)(ii) in accordance with this section.

''(b) DEVELOPMENT AND IMPLEMENTATION OF BENEFIT.—In order for a State plan amendment to be approved under this section, a State shall develop and implement the proposal through a public process which includes individuals with disabilities, elderly individuals, their representatives, and providers, and include in that proposed plan amendment—

''(1) a State process to notify and inform individuals (including individuals who live in nursing facilities, individuals who live in intermediate care facilities for the mentally retarded, and individuals who live in the community and who have an unmet need for such services) of the availability of such services and supports under the this title, and of other items and services that may be provided to the individual under this title or title XVIII; and

''(2) a quality assurance program that will maximize consumer independence and consumer control and will —

''(A) train consumers to appropriately manage their own attendant;

''(B) provide a quality review process; and

''(C) provide for investigation and resolution of allegations of neglect, abuse, or exploitation in connection with the provision of such services and supports.

''(c) NO EFFECT ON ABILITY TO PROVIDE COVERAGE UNDER A WAIVER.—

''(1) IN GENERAL.—Nothing in this section shall be construed as affecting the ability of a State to provide coverage under the State plan for community-based attendant services and supports (or similar coverage) under a waiver approved under section 1915, section 1115, or otherwise.

''(2) ELIGIBILITY FOR ENHANCED MATCH.—In the case of a State that provides coverage for such services and supports under a waiver, the State shall not be eligible under section 1935 for the enhanced FMAP for the provision of such coverage under this unless the State submits a plan amendment to the Secretary that meets the requirements of this section.

''(d) DEFINITIONS.—In this title:

''(1) COMMUNITY-BASED ATTENDANT SERVICES AND SUPPORTS.—

''(A) IN GENERAL.—The term 'community-based attendant services and supports' may include one or more of the following: attendant services and supports furnished to an individual, as needed, to assist in accomplishing activities of daily living, instrumental activities of daily living, and health-related functions through hands-on assistance, supervision, or cueing—

''(i) under a plan of services and supports that is based on an assessment of functional need and that is agreed to by the individual or, as appropriate, the individual's representative;

''(ii) in a home or community setting, which may include a school, workplace, or recreation or religious facility, but does not include a nursing facility or an intermediate care facility for the mentally retarded;

''(iii) under an agency-provider model or other model (as defined in paragraph (2)(C)); and

''(iv) the furnishing of which is selected, managed, and dismissed by the individual, or, as appropriate, with assistance from the individual's representative.

''(B) INCLUDED SERVICES AND SUPPORTS.—Such term may include one or more of the following:

''(i) Tasks necessary to assist an individual in accomplishing activities of daily living, instrumental activities of daily living, and health-related functions.

''(ii) The acquisition, maintenance, and enhancement of skills necessary for the individual to accomplish activities of daily living, instrumental activities of daily living, and health-related functions.

''(iii) Backup systems or mechanisms (such as the use of beepers), as defined by the State according to the client's needs, to ensure continuity of services and supports.

''(iv) Voluntary training on how to select, manage, and dismiss attendants.

''(C) EXCLUDED SERVICES AND SUPPORTS.—Subject to subparagraph (D), such term does not include—

''(i) the provision of room and board for the individual;

''(ii) special education and related services provided under the Individuals with Disabilities Education Act and vocational rehabilitation services provided under the Rehabilitation Act of 1973;

''(iii) assistive technology devices and assistive technology services;

''(iv) durable medical equipment; or

''(v) home modifications.

''(D) FLEXIBILITY IN TRANSITION TO COMMUNITY-BASED HOME SETTING.—Such term may include expenditures for transitional costs required for an individual to make the transition from a nursing facility or intermediate care facility for the mentally retarded to a community-based home setting where the individual resides.

''(E) CLARIFICATION OF PERMITTING PAYMENT OF RELATIVES FOR PROVIDING SERVICES AND SUPPORTS.—Nothing in this section shall be construed as preventing community-based attendant services and supports from being furnished to an individual by others who are related to that individual and for such others being paid for so furnishing such services and supports.

''(2) ADDITIONAL DEFINITIONS.—

''(A) ACTIVITIES OF DAILY LIVING.—The term 'activities of daily living' includes eating, toileting, grooming, dressing, bathing, and transferring.

''(B) CONSUMER CONTROLLED.—The term 'consumer controlled' means a method of providing services and supports that allow the individual, or where appropriate, the individual's representative, maximum control of the community-based attendant services and supports, regardless of who acts as the employer of record.

''(C) DELIVERY MODELS.—

''(i) AGENCY-PROVIDER MODEL.—The term 'agency-provider model' means, with respect to the provision of community-based attendant services and supports for an individual, a method of providing consumer controlled services and supports under which entities contract for the provision of such services and supports.

''(ii) OTHER MODELS.—The term 'other models' means methods, other than an agency-provider model, for the provision of consumer controlled services and supports. Such models may include direct cash payments or use of a fiscal agent to assist in obtaining services.

''(D) HEALTH-RELATED FUNCTIONS.—The term 'health-related functions' means functions that can be delegated or assigned by licensed health-care professionals under State law to be performed by an attendant.

''(E) INSTRUMENTAL ACTIVITIES OF DAILY LIVING.—The term 'instrumental activities of daily living' includes meal planning and preparation, managing finances, shopping for food, clothing, and other essential items, performing essential household chores, communicating by phone and other media, and other activities needed to participate in the community, as appropriate.

''(F) INDIVIDUAL'S REPRESENTATIVE.—The term 'individual's representative' means a parent, a family member, a guardian, an advocate, or an authorized representative of an individual.''.

(c) INVESTIGATION BY STATE .—Section 1903(q)(4)(A)(i) of such Act (42 U.S.C. 1396b(q)(4)(A)(i)) is amended by inserting ''and for investigation and resolution of allegations of neglect, abuse, or exploitation in connection with the provision of community-based attendant services and supports under section 1935(b)(2)(C)'' before the semicolon.

(d) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2003, and apply to medical assistance provided for community-based attendant services and supports described in section 1935 of the Social Security Act furnished on or after that date.

Subtitle B—Family Opportunity Act

SEC. 311. SHORT TITLE.

This subtitle may be cited as the ''Family Opportunity Act of 2003'' or the ''Dylan Lee James Act''.

SEC. 312. OPPORTUNITY FOR FAMILIES OF DISABLED CHILDREN TO PURCHASE MEDICAID COVERAGE FOR SUCH CHILDREN.

(a) STATE OPTION TO ALLOW FAMILIES OF DISABLED CHILDREN TO PURCHASE MEDICAID COVERAGE FOR SUCH CHILDREN.—

(1) IN GENERAL.—Section 1902 (42 U.S.C. 1396a) is amended—

(A) in subsection (a)(10)(A)(ii)—

(i) by striking ''or'' at the end of subclause (XVII);

(ii) by adding ''or'' at the end of subclause (XVIII); and

(iii) by adding at the end the following new subclause:

''(XIX) who are disabled children described in subsection (cc)(1);''; and

(B) by adding at the end the following new subsection:

''(cc)(1) Individuals described in this paragraph are individuals—

''(A) who have not attained 18 years of age;

''(B) who would be considered disabled under section 1614(a)(3)(C) (determined without regard to the reference to age in that section) but for having earnings or deemed income or resources (as determined under title XVI for children) that exceed the requirements for receipt of supplemental security income benefits; and

''(C) whose family income does not exceed such income level as the State establishes and does not exceed—

''(i) 300 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved; or

''(ii) such higher percent of such poverty line as a State may establish, except that no Federal financial participation shall be provided under section 1903(a) for any medical assistance provided to an individual who would not be described in this subsection but for this clause.''.

(2) INTERACTION WITH EMPLOYER-SPONSORED FAMILY COVERAGE.—Section 1902(cc) (42 U.S.C. 1396a(cc)), as added by paragraph (1), is amended by adding at the end the following new paragraph:

''(2)(A) If an employer of a parent of an individual described in paragraph (1) offers family coverage under a group health plan (as defined in section 2791(a) of the Public Health Service Act), the State may—

''(i) require such parent to apply for, enroll in, and pay premiums for, such coverage as a condition of such parent's child being or remaining eligible for medical assistance under subsection (a)(10)(A)(ii)(XIX) if the parent is determined eligible for such coverage and the employer contributes at least 50 percent of the total cost of annual premiums for such coverage; and

''(ii) if such coverage is obtained—

''(I) subject to paragraph (2) of section 1916(h), reduce the premium imposed by the State under that section (if any) in an amount that reasonably reflects the premium contribution made by the parent for private coverage on behalf of a child with a disability; and

''(II) treat such coverage as a third party liability under subsection (a)(25).

''(B) In the case of a parent to which subparagraph (A) applies, if the family income of such parent does not exceed 300 percent of the income official poverty line (referred to in paragraph (1)(C)(i)), a State may provide for payment of any portion of the annual premium for such family coverage that the parent is required to pay. Any payments made by the State under this subparagraph shall be considered, for purposes of section 1903(a), to be payments for medical assistance.''.

(b) STATE OPTION TO IMPOSE INCOME-RELATED PREMIUMS.—Section 1916 (42 U.S.C. 1396o) is amended—

(1) in subsection (a), by striking ''subsection (g)'' and inserting ''subsections (g) and (h)''; and

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

''(h)(1) With respect to disabled children provided medical assistance under section 1902(a)(10)(A)(ii)(XIX), subject to paragraph (2), a State may (in a uniform manner for such children) require the families of such children to pay monthly premiums set on a sliding scale based on family income.

''(2) A premium requirement imposed under paragraph (1) may only apply to the extent that—

''(A) the aggregate amount of such premium and any premium that the parent is required to pay for family coverage under section 1902(cc)(2)(A)(i) does not exceed 5 percent of the family's income; and

''(B) the requirement is imposed consistent with section 1902(cc)(2)(A)(ii)(I).

''(3) A State shall not require prepayment of a premium imposed pursuant to paragraph (1) and shall not terminate eligibility of a child under section 1902(a)(10)(A)(ii)(XIX) for medical assistance under this title on the basis of failure to pay any such premium until such failure continues for a period of not less than 60 days from the date on which the premium became past due. The State may waive payment of any such premium in any case where the State determines that requiring such payment would create an undue hardship.''.

(c) CONFORMING AMENDMENT.—Section 1903(f)(4) (42 U.S.C. 1396b(f)(4)) is amended in the matter preceding subparagraph (A) by inserting ''1902(a)(10)(A)(ii)(XIX),'' after ''1902(a)(10)(A)(ii)(XVIII),''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance for items and services furnished on or after January 1, 2004.

SEC. 313. TREATMENT OF INPATIENT PSYCHIATRIC HOSPITAL SERVICES FOR INDIVIDUALS UNDER AGE 21 IN HOME OR COMMUNITY-BASED SERVICES WAIVERS.

(a) IN GENERAL.—Section 1915(c) (42 U.S.C. 1396n(c)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by inserting '', or inpatient psychiatric hospital services for individuals under age 21,'' after ''intermediate care facility for the mentally retarded''; and

(B) in the second sentence, by inserting '', or inpatient psychiatric hospital services for individuals under age 21'' before the period;

(2) in paragraph (2)(B), by striking ''or services in an intermediate care facility for the mentally retarded'' each place it appears and inserting '', services in an intermediate care facility for the mentally retarded, or inpatient psychiatric hospital services for individuals under age 21'';

(3) by striking paragraph (2)(C) and inserting the following:

''(C) such individuals who are determined to be likely to require the level of care provided in a hospital, nursing facility, or intermediate care facility for the mentally retarded, or inpatient psychiatric hospital services for individuals under age 21, are informed of the feasible alternatives, if available under the waiver, at the choice of such individuals, to the provision of inpatient hospital services, nursing facility services, services in an intermediate care facility for the mentally retarded, or inpatient psychiatric hospital services for individuals under age 21;''; and

(4) in paragraph (7)(A)—

(A) by inserting '', or inpatient psychiatric hospital services for individuals under age 21,'' after ''intermediate care facility for the mentally retarded''; and

(B) by inserting '', or who would require inpatient psychiatric hospital services for individuals under age 21'' before the period.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to medical assistance provided on or after January 1, 2003.

SEC. 314. DEMONSTRATION OF COVERAGE UNDER THE MEDICAID PROGRAM OF CHILDREN WITH POTENTIALLY SEVERE DISABILITIES.

(a) STATE APPLICATION.—A State may apply to the Secretary of Health and Human Services (in this section referred to as the ''Secretary'') for approval of a demonstration project (in this section referred to as a ''demonstration project'') under which up to a specified maximum number of children with a potentially severe disability (as defined in subsection (b)) are provided medical assistance under the State medicaid plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(b) CHILD WITH A POTENTIALLY SEVERE DISABILITY DEFINED.—

(1) IN GENERAL.—In this section, the term ''child with a potentially severe disability'' means, with respect to a demonstration project, an individual who—

(A) has not attained 21 years of age;

(B) has a physical or mental condition, disease, disorder (including a congenital birth defect or a metabolic condition), injury, or developmental disability that was incurred before the individual attained such age; and

(C) is reasonably expected, but for the receipt of medical assistance under the State medicaid plan, to reach the level of disability defined under section 1614(a)(3) of the Social Security Act (42 U.S.C. 1382c(a)(3)), (determined without regard to the reference to age in subparagraph (C) of that section).

(2) EXCEPTION.—Such term does not include an individual who would be considered disabled under section 1614(a)(3)(C) of the Social Security Act (42 U.S.C. 1382c(a)(3)(C)) (determined without regard to the reference to age in that section).

(c) APPROVAL OF DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—Subject to paragraph (3), the Secretary shall approve applications under subsection (a) that meet the requirements of paragraph (2) and such additional terms and conditions as the Secretary may require. The Secretary may waive the requirement of section 1902(a)(1) of the Social Security Act (42 U.S.C. 1396a(a)(1)) to allow for sub-State demonstrations.

(2) TERMS AND CONDITIONS OF DEMONSTRATION PROJECTS.—The Secretary may not approve a demonstration project under this section unless the State provides assurances satisfactory to the Secretary that the following conditions are or will be met:

(A) INDEPENDENT EVALUATION.—The State provides for an independent evaluation of the project to be conducted during fiscal year 2006.

(B) CONSULTATION FOR DEVELOPMENT OF CRITERIA.—The State consults with appropriate pediatric health professionals in establishing the criteria for determining whether a child has a potentially severe disability.

(C) ANNUAL REPORT.—The State submits an annual report to the Secretary (in a uniform form and manner established by the Secretary) on the use of funds provided under the grant that includes the following:

(i) Enrollment and financial statistics on—

(I) the total number of children with a potentially severe disability enrolled in the demonstration project, disaggregated by disability;

(II) the services provided by category or code and the cost of each service so categorized or coded; and

(III) the number of children enrolled in the demonstration project who also receive services through private insurance.

(ii) With respect to the report submitted for fiscal year 2006, the results of the independent evaluation conducted under subparagraph (A).

(iii) Such additional information as the Secretary may require.

(3) LIMITATIONS ON FEDERAL FUNDING.—

(A) APPROPRIATION.—

(i) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this section—

(I) $16,666,000 for each of fiscal years 2002 and 2003; and

(II) $16,667,000 for each of fiscal years 2004 through 2007.

(ii) BUDGET AUTHORITY.—Clause (i) constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under clause (i).

(B) LIMITATION ON PAYMENTS.—In no case may—

(i) the aggregate amount of payments made by the Secretary to States under this section exceed $100,000,000;

(ii) the aggregate amount of payments made by the Secretary to States for administrative expenses relating to the evaluations and annual reports required under subparagraphs (A) and (C) of paragraph (2) exceed $2,000,000 of such $100,000,000; or

(iii) payments be provided by the Secretary for a fiscal year after fiscal year 2010.

(C) FUNDS ALLOCATED TO STATES.—

(i) IN GENERAL.—The Secretary shall allocate funds to States based on their applications and the availability of funds. In making such allocations, the Secretary shall ensure an equitable distribution of funds among States with large populations and States with small populations.

(ii) AVAILABILITY.—Funds allocated to a State under a grant made under this section for a fiscal year shall remain available until expended.

(D) FUNDS NOT ALLOCATED TO STATES.—Funds not allocated to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for allocation by the Secretary using the allocation formula established under this section.

(E) PAYMENTS TO STATES.—The Secretary shall pay to each State with a demonstration project approved under this section, from its allocation under subparagraph (C), an amount for each quarter equal to the Federal medical assistance percentage (as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1395d(b))) of expenditures in the quarter for medical assistance provided to children with a potentially severe disability.

(d) RECOMMENDATION.—Not later than October 1, 2005, the Secretary shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the demonstration project established under this section should be continued after fiscal year 2007.

(e) STATE DEFINED.—In this section, the term ''State'' has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

SEC. 315. DEVELOPMENT AND SUPPORT OF FAMILY-TO-FAMILY HEALTH INFORMATION CENTERS.

Section 501 (42 U.S.C. 701) is amended by adding at the end the following new subsection:

''(c)(1) In addition to amounts appropriated under subsection (a) and retained under section 502(a)(1) for the purpose of carrying out activities described in subsection (a)(2), there is appropriated to the Secretary, out of any money in the Treasury not otherwise appropriated, for the purpose of enabling the Secretary (through grants, contracts, or otherwise) to provide for special projects of regional and national significance for the development and support of family-to-family health information centers described in paragraph (2), $10,000,000 for each of fiscal years 2002 through 2007. Funds appropriated under this paragraph shall remain available until expended.

''(2) The family-to-family health information centers described in this paragraph are centers that—

''(A) assist families of children with disabilities or special health care needs to make informed choices about health care in order to promote good treatment decisions, cost-effectiveness, and improved health outcomes for such children;

''(B) provide information regarding the health care needs of, and resources available for, children with disabilities or special health care needs;

''(C) identify successful health delivery models for such children;

''(D) develop with representatives of health care providers, managed care organizations, health care purchasers, and appropriate State agencies a model for collaboration between families of such children and health professionals;

''(E) provide training and guidance regarding caring for such children;

''(F) conduct outreach activities to the families of such children, health professionals, schools, and other appropriate entities and individuals; and

''(G) are staffed by families of children with disabilities or special health care needs who have expertise in Federal and State public and private health care systems and health professionals.

''(3) The provisions of this title that are applicable to the funds made available to the Secretary under section 502(a)(1) apply in the same manner to funds made available to the Secretary under paragraph (1).''.

SEC. 316. RESTORATION OF MEDICAID ELIGIBILITY FOR CERTAIN SSI BENEFICIARIES.

(a) IN GENERAL.—Section 1902(a)(10)(A)(i)(II) (42 U.S.C. 1396a(a)(10)(A)(i)(II)) is amended—

(1) by inserting ''(aa)'' after ''(II)'';

(2) by striking ''or who are'' and inserting '', (bb) who are''; and

(3) by inserting before the comma at the end the following: '', or (cc) who are under 21 years of age and with respect to whom supplemental security income benefits would be paid under title XVI if subparagraphs (A) and (B) of section 1611(c)(7) were applied without regard to the phrase 'the first day of the month following' ''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to medical assistance for items and services furnished on or after the first day of the first calendar quarter that begins after the date of enactment of this Act.

TITLE IV—FACILITATING PROGRAM ADMINISTRATION AND PRESERVING COVERAGE

SEC. 401. ALLOWING UNIFORM COVERAGE OF ALL LOW INCOME AMERICANS.

(a) IN GENERAL.—Section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(1) by striking ''or'' at the end of subclause (XVII);

(2) by adding ''or'' at the end of subclause (XVIII); and

(3) by adding at the end the following the following new subclause:

''(XIX) any individual age 21 through 64 whose family income does not exceed 200 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved;''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1905(a) of such Act (42 U.S.C. 1396d(a)) is amended, in the matter before paragraph (1)—

(A) by striking ''or'' at the end of clause (xii);

(B) by adding ''or'' at the end of clause (xiii); and

(C) by inserting after clause (xiii) the following new clause:

''(xii) individuals described in section 1902(a)(10)(A)(ii)(XIX),''.

(2) Section 1903(f)(4) of such Act (42 U.S.C. 1396b(f)(4)) is amended by inserting ''1902(a)(10)(A)(ii)(XIX),'' after ''1902(a)(10)(A)(ii)(XVIII),''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2003.

SEC. 402. FACILITATING COVERAGE OF FAMILIES.

(a) IN GENERAL.—Section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)), as amended by sections 101(a), 303(a), and 304(a), is amended—

(1) by striking ''and'' before ''(7)''; and

(2) by inserting before the period the following: '', and (8) the Federal medical assistance percentage shall be equal to the enhanced FMAP described in section 2105(b) with respect to medical assistance provided for individuals who are covered under section 1925 or section 1931 by virtue of being a parent or other caretaker relative (as defined for purposes of such section) of a child and whose income does not exceed the percentage of the income official poverty line applicable under section 1902(l)(2)(C) to children who are eligible for medical assistance under section 1902(l)(1)(D)''.

(b) CONSTRUCTION.—Nothing in section 1905(b)(8) of the Social Security Act, as added by subsection (a)(2), shall be construed as preventing a State from providing medicaid benefits for individuals whose income exceeds 100 percent of the Federal poverty line at the regular FMAP.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance for items and services furnished on or after July 1, 2003.

SEC. 403. ASSISTANCE WITH COVERAGE OF LEGAL IMMIGRANTS UNDER THE MEDICAID PROGRAM AND SCHIP.

(a) MEDICAID PROGRAM.—Section 1903(v) of the Social Security Act (42 U.S.C. 1396b(v)) is amended—

(1) in paragraph (1), by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (4)''; and

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

''(4)(A) A State may elect (in a plan amendment under this title) to provide medical assistance under this title, notwithstanding sections 401(a), 402(b), 403, and 421 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, for aliens who are lawfully residing in the United States (including battered aliens described in section 431(c) of such Act) and who are otherwise eligible for such assistance, within either or both of the following eligibility categories:

''(i) PREGNANT WOMEN.—Women during pregnancy (and during the 60-day period beginning on the last day of the pregnancy).

''(ii) CHILDREN.—Children (as defined under such plan), including optional targeted low-income children described in section 1905(u)(2)(B).

''(B) In the case of a State that has elected to provide medical assistance to a category of aliens under subparagraph (A), no debt shall accrue under an affidavit of support against any sponsor of such an alien on the basis of provision of assistance to such category and the cost of such assistance shall not be considered as an unreimbursed cost.''.

(b) SCHIP.—Section 2107(e)(1) of such Act (42 U.S.C. 1397gg(e)(1)) is amended by redesignating subparagraphs (C) and (D) as subparagraph (D) and (E), respectively, and by inserting after subparagraph (B) the following new subparagraph:

''(C) Section 1903(v)(4) (relating to optional coverage of categories of permanent resident alien children), but only if the State has elected to apply such section to the category of children under title XIX.''.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2003, and apply to medical assistance and child health assistance furnished on or after such date.

SEC. 404. FLEXIBILITY IN ELIGIBILITY DETERMINATIONS.

(a) IN GENERAL.—Section 1902(e) of the Social Security Act (42 U.S.C. 1396a(e)) is amended by adding at the end the following:

''(13)(A) Subject to the requirements of this paragraph, at the option of the State, the plan may provide that financial eligibility requirements for medical assistance are met for an individual under 19 years of age (or such higher age as determined by the State) by using a determination (made within a reasonable period, as found by the State, before its use for this purpose) of the individual's family or household income and resources, notwithstanding any differences in budget unit, disregards, deeming, or other methodology, by a Federal or State agency (or a public or private entity making such determination on behalf of such agency) specified by the plan, provided that such agency has fiscal liabilities or responsibilities affected or potentially affected by such determinations, provided that all information furnished by such agency pursuant to this subparagraph is used solely for purposes of determining eligibility for medical assistance under the State plan approved under this title or for child health assistance under a State plan approved under title XXI.

''(B) Any State electing the option under subparagraph (A) shall—

''(i) ensure that if an individual is determined under such subparagraph to be not eligible for medical assistance under the State plan approved under this title or for child health assistance under a State plan under title XXI, the State must subsequently determine if such individual is eligible for such assistance using the methodology that would otherwise be applicable in determining eligibility for such an individual; and

''(ii) ensure that any information furnished by an agency specified in such subparagraph shall be furnished with reasonable promptness to the agency determining eligibility for medical assistance under the State plan approved under this title or for child health assistance under a State plan approved under Title XXI.

''(C) Nothing in subparagraph (A) shall be construed to restrict the ability of an individual under 19 years of age (or such higher age as specified by the State) to apply for medical assistance under a State plan approved under this title or for child health assistance under a State plan approved under title XXI under the methodology that would otherwise be applicable in determining eligibility for such an individual.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on October 1, 2003.

Mr. JOHNSON. Mr. President, I rise today with my colleagues, Senators BINGAMAN, CORZINE, LAUTENBERG, CLINTON, KERRY and DAYTON, to introduce the ''Strengthening Our States Act of 2003.'' I thank my colleagues for joining me in introducing this legislation that marks a first step in helping States being to deal with the fiscal crisis many are now facing.

These challenging economic times have forced many States to make tough decisions. Among areas affected, some States have had to start cutting benefits in their Medicaid programs in order to make ends meet. The result is less access to care and poorer health for our most vulnerable populations including: low-income, minorities and the elderly. Many States are also struggling to meet the needs of a growing uninsured population which continues to worsen as more people lose their jobs.

So far, my home State of South Dakota has been one of the lucky ones. We have not had to cut Medicaid program benefits to date and our fiscal health overall looks fairly good. I do not however have unrealistic expectations that South Dakota is protected from the current economic downturn and recognize that it is only a matter of time before my State experiences the burden of our neighbors.

The Strengthening Our States Act or SOS Act provides several strategies to address these issues by increasing coverage to the uninsured, providing flexibility in existing State Medicaid program and providing States with assistance to avoid cuts to existing Medicaid coverage. Our proposal will improve the Medicaid program without shifting costs to States as does the Bush Medicaid proposal which block grants the program. I find it particularly troubling that in times when State governments across the country are being forced to reduce or eliminate Medicaid services in order to save money, the Administration would propose to limit the Federal Government's long-term responsibility for the only kind of health program many Americans can afford.

This bill will provide temporary fiscal relief to States through a $30 billion increase in the Federal share of Medicaid payments or FMAP. Unlike the block grant program the Administration has proposed, our bill is responsive to the immediate State needs for financial support and will keep these important programs going. Other important bill provisions include assistance with the costs of care of the elderly and people with disabilities through 100 percent Federal financing of Medicare premiums and cost-sharing for low-income groups. The bill provides States with new flexibility in administering Medicaid and will increase access to care for many uninsured groups. It will also close several loopholes in existing law that prevent the disabled from accessing health care services while waiting to qualify for Medicare coverage. Finally, it will provide increased access to home and community based services for people with disabilities through mandatory waivers for this type of care.

States are at their wits end trying to juggle new health care priorities. Between smallpox vaccination requirements, Severe Acute Respiratory Syndrome surveillance and increased numbers of uninsured individuals, States are in great need of every bit of help we can provide. Senator DASCHLE and other colleagues in the Senate just rolled out a tax cut proposal that recognizes the current fiscal situation experienced in our States and this will provide important relief during these challenging times.

The Strengthening Our States Act is a first step in supporting our states and I hope additional steps will follow. By providing immediate Medicaid relief, we can ease some of the burden currently faced by many State governments and will hopefully prevent crises from erupting in others that are working hard to just keep afloat. I urge the Senate to support this important legislation.

By Mr. CORZINE (for himself and Mr. LAUTENBERG):

S. 1013. A bill to amend the Outer Continental Shelf Lands Act to permanently prohibit the conduct of offshore drilling on the Outer Continental Shelf in the Mid-Atlantic and North Atlantic planning areas; to the Committee on Energy and Natural Resources.

Mr. CORZINE. Mr. President, today, along with Senator LAUTENBERG, I am introducing legislation, the Clean Ocean and Safe Tourism, COAST, Anti-Drilling Act, to ban oil and gas drilling off the Mid-Atlantic and Northern Atlantic coast.

The people of New Jersey, and other residents of States along the Atlantic Coast, do not want oil or gas rigs anywhere near their treasured beaches and fishing grounds. Such drilling poses serious threats not to our environment, but to our economy, which depends heavily on tourism along our shore.

Until the Bush Administration came into office, there was no reason to suspect that drilling was even a remote

possibility. Since 1982, a statutory moratorium on leasing activities in most Outer Continental Shelf, OCS, areas has been included annually in Interior Appropriations acts. In addition, President George H.W. Bush declared a leasing moratorium on many OCS areas on June 26, 1990 under section 12 of the OCS Lands Act. On June 12, 1998, President Clinton used the same authority to issue a memorandum to the Secretary of the Interior that extended the moratorium through 2012 and included additional OCS areas.

Given the long-standing consensus against drilling in these areas, I was deeply disturbed to discover that on May 31, 2001, the Minerals Management Service released a request for proposals, RFP, to conduct a study of the environmental impacts of drilling in the Mid- and North-Atlantic. The RFP noted that ''there are areas with some reservoir potential, for example off the coast of New Jersey.'' In addition, the RFP explained that the study would be conducted ''in anticipation of managing the exploitation of potential and proven reserves.'' I believe that the RFP was not only inappropriate, but probably illegal, and I was pleased when at my urging, the Administration rescinded.

But the Administration is at it again in the energy bill now before the Senate. The bill contains provisions that direct the Department of Interior to inventory all potential oil and natural gas resources in the entire Outer Continental Shelf, including areas off of the New Jersey coast. The bill would allow the use of seismic surveys, dart core sampling, and other exploration technologies, which could negatively impact coastal and marine areas.

These provisions run directly counter to language that Congress has included annually in appropriations bills to prevent leasing, pre-leasing, and related activities in most areas of the Outer Continental Shelf, including areas off the New Jersey coast.

In my view, it is time for Congress to act to resolve this question once and for all. That is why I am introducing the COAST Anti-Drilling Act. This bill would permanently ban drilling for oil, gas and other minerals in the Mid- and North-Atlantic.

I look forward to working with my colleagues to enact this important legislation. Doing so would ensure the people of New Jersey and neighboring States that they need not fear the specter of oil rigs off their beaches. I ask unanimous consent that the text of the legislation be printed in the RECORD.

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

S. 1013

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 ''Clean Ocean and Safe Tourism Anti-Drilling Act'' or the ''COAST Anti-Drilling Act''.

SEC. 2. PROHIBITION OF OIL AND GAS LEASING IN CERTAIN AREAS OF THE OUTER CONTINENTAL SHELF.

Section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) is amended by adding at the end the following:

''(p) PROHIBITION OF OIL AND GAS LEASING IN CERTAIN AREAS OF THE OUTER CONTINENTAL SHELF.—Notwithstanding any other provision of this section or any other law, the Secretary of the Interior shall not issue a lease for the exploration, development, or production of oil, natural gas, or any other mineral in—

''(1) the Mid-Atlantic planning area; or

''(2) the North Atlantic planning area.''.

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

S. 1014. A bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs in the management of health care services for veterans to place certain low-income veterans in a higher health-care priority category; to the Committee on Veterans' Affairs.

Mr. CORZINE. Mr. President, I rise today along with Senator HILLARY RODHAM CLINTON to change the way the Veterans' Administration defines low-income veterans by taking into account variations in the cost of living in different parts of the country. The Corzine-Clinton legislation would make the Veterans Equitable Resource Allocation just that: Equitable.

More specifically, this bill would replace the national income threshold for consideration in Priority Group 5—currently $24,000 for all parts of the country—with regional thresholds defined by the Department of Housing and Urban Development. This simple but far-reaching proposal would help low-income veterans across the country afford quality health care and ensure that Veterans Integrated Service Networks or VISNs receive adequate funding to care for their distinct veteran populations.

Our Nation's veterans have made great sacrifics in defense of American freedom and values, and we owe them a tremendous debt of gratitude. The United States Congress must ensure that all American veterans—veterans who have sweated in the trenches to defend liberty—have access to quality health care.

In 1997, Congress implemented the Veterans Equitable Resource Allocation system, or VERA, to distribute medical care funding provided by the VA. The funding formula was established to better take into account the costs associated with various veteran populations. Unfortunately, the VERA formula that was created fails to take into account regional differences in the cost of living, a significant metric in determining veteran healthcare costs. This oversight in the VERA formula dangerously shortchanges veterans living in regions with high costs of living and elevated healthcare expenses.

To allocate money to the Veterans Integrated Service Networks, VISNs, VERA divides veterans into eight priority groups. Veterans who have no service-connected disability and whose incomes fall below $24,000 are considered low income and placed in Priority Group 5, while veterans whose incomes exceed this national threshold and qualify for no other special priorities are placed in either Priority Group 7c or Priority Group 8. VERA only reimburses the treating Medical Care facility for the care that they provided to veterans in priority groups 1–5 and does not provide any Federal reimbursement for the care provided to priority group 7 and 8 veterans.

Using a national threshold for determining eligibility as a low-income veteran puts veterans living in high cost areas at a decided disadvantage. In New Jersey, HUD's fiscal year 2002 standards for classification as ''low-income'' exceed $24,000 per year in every single county. And some areas exceed the VA baseline by more than 50 percent. Similarly, HUD's ''low-income'' classification for New York City is set at $35,150, and for Nassau and Suffolk Counties, at $40,150.

As a result, regions that have a high cost of living, like VISN 3, which encompasses substantial portions of New Jersey and New York, tend to have a reduced population of Priority Group 5 veterans and an inflated population of Priority Group 7c and 8 veterans.

The fundamental inequity of the VERA formula is apparent when you consider the VERA allocations do not take into account the number of veterans classified in Priority Groups 7c and 8. Because of the costs associated with these Priority Groups 7c and 8 veterans are not considered as part of the VERA allocation, and because high cost of living areas have large populations of Priority Group 7c and 8 veterans, high cost regions must provide care to thousands of veterans without adequate funding.

This additional financial burden on VISNs with large populations of non-reimbursable veterans in Priority Group 7c and 8 has had a tremendous impact on VISN 3. Since FY 1996, VISN 3 has experienced a decline in revenue of 10 percent. As a result of the tremendous shortfall in the VISN 3 budget, the VA cannot move forward with plans to open clinics in various locations, including prospective clinics in Monmouth and Passaic Counties. Consequently, veterans in VISN 3 are forced to wait for unreasonably long periods to receive medical care and travel long distances to existing clinics, and those veterans who are able to access care are being treated in facilities operating under tremendous financial difficulty.

Furthermore, miscategorizing which vets quality as Priority Group 5 unjustifiably reduces access to medical care for thousands of veterans. Under existing rules, veterans placed in Priority and Groups 7c and 8 must provide a copayment to receive medical care at a VA medical facility; Veterans placed in Priority Group 5 receive medical care free of charge. Under the existing

framework, low-income vets in high cost areas are often inappropriately placed in Priority Groups 7c and 8, and are forced to provide a copayment.

Recent studies by both the RAND Institute and the General Accounting Office identify this flaw in the VERA formula and recommend a geographic means test like the one provided in our legislation to improve the allocation of resources under VERA. Such a test would ensure that the VERA formula allocation better reflects the true costs of VA healthcare in the various VISNs in the United States.

Our legislation would make a simple adjustment to the VERA formula to account for variations in the cost of living in different regions. The bill would help veterans in high cost areas afford VA health care and guarantee that VISNs across the country receive adequate compensation for the care they provide.

I hope my colleagues will join Senator CLINTON and me in supporting this important bill, and I ask unanimous consent that the text of the legislation be printed in the RECORD.

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

S. 1014

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

SECTION 1. DEPARTMENT OF VETERANS AFFAIRS HEALTH CARE PRIORITY FOR CERTAIN LOW-INCOME VETERANS BASED UPON REGIONAL INCOME THRESHOLDS.

(a) CHANGE IN PRIORITY CATEGORY.—Section 1705(a) of title 38, United States Code, is amended—

(1) in paragraph (5)—

(A) by inserting ''(A) who are'' after ''Veterans'';

(B) by inserting ''and'' after ''through (4)''; and

(C) by inserting before the period at the end the following: '', or (B) who are described in section 1710(a)(3) of this title and are eligible for treatment as a low-income family under section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) for the area in which such veterans reside, regardless of whether such veterans are treated as single person families under paragraph (3)(A) of such section 3(b) or as families under paragraph (3)(B) of such section 3(b)'';

(2) by striking paragraph (7); and

(3) by redesignating paragraph (8) as paragraph (7) and in that paragraph by striking ''paragraph (7)'' and inserting ''paragraph (5)(B)''.

(b) CONFORMING AMENDMENT.—Section 1710(f)(4) of such title is amended by striking ''section 1705(a)(7)'' and inserting ''section 1705(a)(5)(B)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 2, 2002.

By Mr. DOMENICI:

S. 1016. A bill to amend title 10, United States Code, to provide entitlement to health care for reserve officers of the Armed Forces pending orders to initial active duty following commissioning; to the Committee on Armed Services.

Mr. DOMENICI. Mr. President, I rise today to offer legislation entitled the ''Jesse Spiri Military Medical Coverage Act of 2003.'' The purpose of this legislation is to close a gap in medical coverage that leaves a certain group of military officers without health care benefits. Named in honor of a young New Mexican who fell victim to this gap, this bill would extend coverage to commissioned officers who are awaiting active duty status.

Jesse Spiri grew up in the heart of southwestern New Mexico where his family instilled in him both a sense of patriotism and an appreciation for higher education. Following his graduation from high school, he enrolled at Western New Mexico University where he served in the United States Marine Corps Reserves. His dedication to each of these endeavors culminated on May 11, 2001 when he received both his bachelors degree and his commission as a 2nd Lieutenant. Clearly, Jesse had laid a solid foundation for success in his life and, naturally, his family was extremely proud. Unfortunately, the pride and all the hopes that accompany such a crowning moment were short-lived, because one day after his graduation Jesse was diagnosed with brain cancer.

Under any circumstances, such a prognosis is demoralizing, but Jesse's situation was even more grave because receiving his commission had the effect of triggering his military status to that of ''inactive reservist.'' Jesse was not scheduled to gain ''active duty'' status until he began basic officer training in November, and since TRICARE does not fully cover reservists, his family was left with the burden of enormous medical bills—a burden they simply could not meet.

Despite the heroic efforts of the Spiri family, inquiries by my staff and others in the New Mexico congressional delegation, as well as efforts by Marine Corps lawyers to find a legal solution to the problem, Jesse Spiri, an officer of the United States Marine Corps, went without health care coverage and, hence, without proper treatment. He lost his battle with cancer in July of 2001.

It is inconceivable to me, as I am sure it is for all Americans, that because of a legislative quirk, an officer of the United States armed forces could be left completely exposed to a dread disease without even the hope of receiving available treatments. But Jesse's battle is proof that if we do not, through legislative enactment, extend full medical coverage to commissioned reservists, another promising life may be lost in similar fashion.

I know that Jim Spiri, Jesse's dad, has vowed to dedicate his life to ensuring that no family has to face what his experienced. This goal, however, should not take a lifetime to achieve. By passing the ''Jesse Spiri Military Medical Coverage Act of 2003,'' we can help give Jim and the entire Spiri family peace in knowing that others will have hope where Jesse did not.

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

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

S. 1016

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

SECTION 1. ELIGIBILITY OF RESERVE OFFICERS FOR HEALTH CARE PENDING ORDERS TO ACTIVE DUTY FOLLOWING COMMISSIONING.

Section 1074(a) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) by striking ''who is on active duty'' and inserting ''described in paragraph (2)''; and

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

''(2) Members of the uniformed services referred to in paragraph (1) are as follows:

''(A) A member of a uniformed service on active duty.

''(B) A member of a reserve component of a uniformed service who has been commissioned as an officer if—

''(i) the member has requested orders to active duty for the member's initial period of active duty following the commissioning of the member as an officer;

''(ii) the request for orders has been approved;

''(iii) the orders are to be issued but have not been issued; and

''(iv) the member does not have health care insurance and is not covered by any other health benefits plan.''.

By Mr. DEWINE (for himself, Mr. GRAHAM of South Carolina, Mr. HATCH, Mr. BROWNBACK, Mr. SANTORUM, Mr. BUNNING, Mr. CHAMBLISS, Mr. COLEMAN, Mr. ENSIGN, Mr. ENZI, Mr. FITZGERALD, Mr. GRASSLEY, Mr. INHOFE, Mr. KYL, Mr. MCCAIN, Mr. NICKLES, Mr. SHELBY, Mr. TALENT, and Mr. VOINOVICH):

S. 1019. A bill to amend titles 10 and 18, United States Code, to protect unborn victims of violence; read the first time.

Mr. DEWINE. Mr. President, the recent nationwide publicity surrounding the murder of 27-year-old Laci Peterson and her unborn son, Conner, has renewed public concern about violence against the unborn—and rightfully so.

Not long ago, the bodies of Laci—who was eight months pregnant at the time she disappeared—and Conner were discovered on a rocky shoreline of the San Francisco Bay. Baby Conner was found near his mother with his umbilical cord still attached.

Under California State law, intentionally killing a fetus is murder, and California prosecutors are seeking to bring separate murder charges in the deaths of Laci Peterson and her unborn son. But, I want make it very clear to my colleagues here in the Senate that the murder charge that California prosecutors will bring for the death of Laci's son would not be permitted if that crime were being prosecuted under current Federal law. And that—that is why we need to pass and get signed into law the Unborn Victims of Violence Act. Let me explain.

In about half the States today, 26, if you commit a crime of violence against a pregnant woman and her unborn baby dies, you can be punished for the violence against both the mother and the unborn child. But, tragically, if you commit a Federal crime of violence against a pregnant woman and her baby dies, the death of the unborn child could essentially go unpunished. Examples of such Federal crimes of violence would include kidnapping across State lines, drug-related drive-by shootings, or assaults on Federal property.

This gap in the law leads to glaring injustices. It is time that we close this gap once and for all and let justice wrap its arms around our society's most vulnerable members.

That is why, it is imperative that we pass the Unborn Victims of Violence Act—once and for all. Today, along with several of my distinguished colleagues—Senators GRAHAM of South Carolina, HATCH, BROWNBACK, SANTORUM, KYL, VOINOVICH, MCCAIN, ENSIGN, ENZI, INHOFE, NICKLES, BUNNING, COLEMAN, CHAMBLISS, GRASSLEY, FITZGERALD, SHELBY, and TALENT—we are re-introducing our legislation. This is the fourth time that I have introduced this bill—in fact, it was the first piece of legislation that I introduced at the start of the 108th Congress. This bill is strongly supported by President Bush, and a companion measure passed the House of Representatives in two previous Congresses. I intend to take procedural steps that would make this bill eligible to be taken up directly by the Senate, without further Committee action.

I thank my colleagues for their support of this effort, and would like to recognize especially Senator GRAHAM of South Carolina, who championed this issue on the House side before joining us in the Senate. He has worked tirelessly to see to it that the most vulnerable are protected. I also would like to thank our lead House sponsors—Congresswoman MELISSA HART from Pennsylvania and my friend and colleague from Ohio, Congressman STEVE CHABOT. They, too, are working tirelessly to get this bill passed by the other Chamber and signed into law.

Our bill would establish new criminal penalties for anyone injuring or killing a fetus while committing certain Federal offenses. Specifically, this bill would make any murder or injury of an unborn child during the commission of certain existing Federal crimes a separate crime under Federal law and the Uniform Code of Military Justice. Twenty-six, 26, States already have criminalized the killing or injuring of unborn victims during a crime.

We live in a violent world. And sadly, sometimes—perhaps more often than we realize—even unborn babies are the targets, intended or otherwise, of violent acts. We have to protect these innocent victims. I'd like to share some disturbing examples with my colleagues of situations where the deaths of unborn children would have gone unpunished but for the existence of State criminal laws. If these same crimes would have occurred in the 24 States today that don't have such State laws, justice would not have been served, because there is simply no Federal law in place to try these crimes.

First, let me talk about the example of Airman Gregory Robbins. In 1996, Airman Robbins and his family were stationed in my home State of Ohio at Wright-Patterson Air Force Base in Dayton. At that time, Mrs. Robbins was more than eight months pregnant with a daughter they named Jasmine. On September 12, 1996, in a fit of rage, Airman Robbins wrapped his fist in a T-shirt and savagely beat his wife by striking her repeatedly about the head and abdomen. Fortunately, Mrs. Robbins survived the violent assault. Tragically, however, her uterus ruptured during the attack, expelling the baby into her abdominal cavity, causing Jasmine's death.

Air Force prosecutors sought to prosecute Airman Robbins for Jasmine's death, but neither the Uniform Code of Military Justice nor the Federal code makes criminal such an act that results in the death or injury of an unborn child. The only available Federal offense was for the assault on the mother. This was a case in which the only available Federal penalty did not fit the crime. So prosecutors bootstrapped the Ohio unborn victims law to convict Airman Robbins of Jasmine's death. Fortunately, upon appeal, the court upheld the lower court's ruling.

If it hadn't been for the Ohio law that was already in place, there would have been no opportunity to prosecute and punish Airman Robbins for the assault against Baby Jasmine. That's why we need a Federal remedy to avoid having to bootstrap State laws to provide recourse when a violent act occurs during the commission of a Federal crime. A Federal remedy will ensure that crimes within Federal jurisdiction against unborn victims are punished.

Let me give you another example. In August 1999, Shiwona Pace of Little Rock, AK, was days away from giving birth. She was thrilled about her pregnancy. Her boyfriend, Eric Bullock, however, did not share her joy and enthusiasm. In fact, Eric wanted the baby to die. So, he hired three thugs to beat his girlfriend so badly that she lost the unborn baby. According to Shiwona, who testified at a Senate Judiciary hearing we held in Washington on February 23, 2000:

> I begged and pleaded for the life of my unborn child, but they showed me no mercy. In fact, one of them told me, ''Your baby is dying tonight.'' I was choked, hit in the face with a gun, slapped, punched, and kicked repeatedly in the stomach. One of them even put a gun in my mouth and threatened to shoot.

In this particular case, just a few short weeks before this vicious attack, Arkansas passed its ''Fetal Protection Act.'' Under the State law, Erik Bullock was convicted on February 9, 2001, of capital murder against Shiwona's unborn child and sentenced to life in prison without parole. He was also convicted of first-degree battery for harm against Shiwona.

In yet another example—this one in Columbus—16-year-old Sean Steele was found guilty of two counts of murder for the death of his girlfriend Barbara ''Bobbie'' Watkins, age 15, and her 22-week-old, unborn child. He was convicted under Ohio's unborn victims law, which represented the first murder conviction in Franklin County, OH, in which a victim was a fetus.

Ultimately, the fact is that it is just plain wrong that our Federal Government does absolutely nothing to criminalize violent acts against unborn children. We cannot allow criminals to get away with murder. We must close this loophole.

As a civilized society, we must take a stand against violent crimes against children—especially those waiting to be born. We must close this loophole.

We purposely drafted this legislation very narrowly. Because of that, our bill would not permit the prosecution for any abortion to which a woman consented. It would not permit the prosecution of a woman for any action, legal or illegal, in regard to her unborn child. Our legislation would not permit the prosecution for harm caused to the mother or unborn child in the course of medical treatment. And finally, our bill would not allow for the imposition of the death penalty under this Act.

This is about making sure justice is done when a pregnant woman is attacked. And ultimately, I think that everyone in this Chamber would agree that people who violently attack unborn babies should be punished. When acts of violence against unborn victims fall within federal jurisdiction, we must have a penalty. We have an obligation to our unborn children who cannot speak for themselves. I think Shiwona Pace said it best she testified at our hearing: ''The loss of any potential life should never be in vain.''

I strongly urge my colleagues to join in support of this important legislation.

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

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

S. 1019

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 ''Unborn Victims of Violence Act of 2003''.

SEC. 2. PROTECTION OF UNBORN CHILDREN.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 90 the following:

''CHAPTER 90A—PROTECTION OF UNBORN CHILDREN

''Sec.
''1841. Causing death of or bodily injury to unborn child.

"§ 1841. Causing death of or bodily injury to unborn child

''(a)(1) Any person who engages in conduct that violates any of the provisions of law listed in subsection (b) and thereby causes the death of, or bodily injury (as defined in section 1365) to, a child, who is in utero at the time the conduct takes place, is guilty of a separate offense under this section.

''(2)(A) Except as otherwise provided in this paragraph, the punishment for that separate offense is the same as the punishment provided for that conduct under Federal law had that injury or death occurred to the unborn child's mother.

''(B) An offense under this section does not require proof that—

''(i) the person engaging in the conduct had knowledge or should have had knowledge that the victim of the underlying offense was pregnant; or

''(ii) the defendant intended to cause the death of, or bodily injury to, the unborn child.

''(C) If the person engaging in the conduct thereby intentionally kills or attempts to kill the unborn child, that person shall be punished as provided under section 1111, 1112, or 1113, as applicable, for intentionally killing or attempting to kill a human being, instead of the penalties that would otherwise apply under subparagraph (A).

''(D) Notwithstanding any other provision of law, the death penalty shall not be imposed for an offense under this section.

''(b) The provisions referred to in subsection (a) are the following:

''(1) Sections 36, 37, 43, 111, 112, 113, 114, 115, 229, 242, 245, 247, 248, 351, 831, 844(d), 844(f), 844(h)(1), 844(i), 924(j), 930, 1111, 1112, 1113, 1114, 1116, 1118, 1119, 1120, 1121, 1153(a), 1201(a), 1203, 1365(a), 1501, 1503, 1505, 1512, 1513, 1751, 1864, 1951, 1952(a)(1)(B), 1952(a)(2)(B), 1952(a)(3)(B), 1958, 1959, 1992, 2113, 2114, 2116, 2118, 2119, 2191, 2231, 2241(a), 2245, 2261, 2261A, 2280, 2281, 2332, 2332a, 2332b, 2340A, and 2441 of this title.

''(2) Section 408(e) of the Controlled Substances Act of 1970 (21 U.S.C. 848(e)).

''(3) Section 202 of the Atomic Energy Act of 1954 (42 U.S.C. 2283).

''(c) Subsection (a) does not permit prosecution—

''(1) for conduct relating to an abortion for which the consent of the pregnant woman has been obtained or for which such consent is implied by law in a medical emergency;

''(2) for conduct relating to any medical treatment of the pregnant woman or her unborn child; or

''(3) of any woman with respect to her unborn child.

''(d) In this section—

''(1) the terms 'child in utero' and 'child, who is in utero' mean a member of the species homo sapiens, at any stage of development, who is carried in the womb; and

''(2) the term 'unborn child' means a child in utero.''.

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 90 the following:

"90A. Causing death of or bodily injury to unborn child ..... 1841".

SEC. 3. MILITARY JUSTICE SYSTEM.

(a) PROTECTION OF UNBORN CHILDREN.—Subchapter X of chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by inserting after section 919 (article 119) the following:

"§ 919a. Art. 119a. Causing death of or bodily injury to unborn child

''(a)(1) Any person subject to this chapter who engages in conduct that violates any of the provisions of law listed in subsection (b) and thereby causes the death of, or bodily injury (as defined in section 1365 of title 18) to, a child, who is in utero at the time the conduct takes place, is guilty of a separate offense under this section.

''(2)(A) Except as otherwise provided in this paragraph, the punishment for that separate offense is the same as the punishment for that conduct under this chapter had that injury or death occurred to the unborn child's mother.

''(B) An offense under this section does not require proof that—

''(i) the person engaging in the conduct had knowledge or should have had knowledge that the victim of the underlying offense was pregnant; or

''(ii) the defendant intended to cause the death of, or bodily injury to, the unborn child.

''(C) If the person engaging in the conduct thereby intentionally kills or attempts to kill the unborn child, that person shall be punished as provided under section 918, 919, or 880 of this title (article 118, 119, or 80), as applicable, for intentionally killing or attempting to kill a human being, instead of the penalties that would otherwise apply under subparagraph (A).

''(D) Notwithstanding any other provision of law, the death penalty shall not be imposed for an offense under this section.

''(b) The provisions referred to in subsection (a) are sections 918, 919(a), 919(b)(2), 920(a), 922, 924, 926, and 928 of this title (articles 111, 118, 119(a), 119(b)(2), 120(a), 122, 124, 126, and 128).

''(c) Subsection (a) does not permit prosecution—

''(1) for conduct relating to an abortion for which the consent of the pregnant woman has been obtained or for which such consent is implied by law in a medical emergency;

''(2) for conduct relating to any medical treatment of the pregnant woman or her unborn child; or

''(3) of any woman with respect to her unborn child.

''(d) In this section—

''(1) the terms 'child in utero' and 'child, who is in utero' mean a member of the species homo sapiens, at any stage of development, who is carried in the womb; and

''(2) the term 'unborn child' means a child in utero.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter X of chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by inserting after the item relating to section 919 the following:

''919a. 119a. Causing death of or bodily injury to unborn child.''.

Mr. HATCH. Mr. President, I rise today to offer my support for the introduction of S. 119, the Unborn Victims of Violence Act of 2003. I applaud Senators DEWINE and LINDSEY GRAHAM for their longstanding and essential leadership on this issue in the Senate and the House. The importance of this issue is made tragically clear by the recent murder of Laci Peterson and her unborn son, Conner.

In my home State of Utah, if a criminal assaults or kills a woman who is pregnant and thereby causes death or injury to the unborn child, the criminal faces the possibility of being prosecuted for having taken or injured that unborn life. Twenty-five additional States have similar laws on the books. Eleven of those States recognize the unborn child as a victim throughout the entire period of prenatal development. This is only proper and, it seems to me, only just.

But under existing Federal criminal statutes, if a criminal assaults or kills a woman who is pregnant and thereby causes death or injury to that unborn child, the criminal faces no consequences in our Federal criminal justice system for taking or injuring that innocent, unborn life. This is wrong and it is not justified.

This bill fixes the gap in Federal law by making it a separate Federal offense to kill or injure an unborn child during the commission of certain already-defined Federal crimes committed against the unborn child's mother. This bill does not usurp jurisdiction over States that do not currently have laws that protect unborn victims of violence. It only applies to Federal crimes.

I cannot imagine why anyone would oppose this bill. The only reason for opposition that I can suppose is that some in the pro-choice movement believe that our bill draws attention to the effort to dehumanize, desensitize, and depersonalize the unborn child. Given the political and legal arguments of abortion supporters, it may be difficult for them to concede an unborn child is human and therefore a victim of a crime.

Nevertheless, it is not our intention in this bill to turn the debate into a battle on abortion. In no way does this bill interfere with the ability of a woman to have an abortion under current law. The bill specifically does not apply to a woman who engages in any action, legal or illegal, in regard to her unborn child. Therefore, it would not apply to any abortion to which a woman consents. In my view, we should all be able to support this modest effort to protect mothers and their unborn children.

Some will try to claim that this bill weakens domestic violence laws by diverting attention to the unborn. That is simply not true. I am a strong supporter of domestic violence laws in this Nation. I believe domestic violence is an evil plague that needs to be stopped.

For nearly 15 years, I have worked hard on the issue of domestic violence and violence against women. And when I stand here today before the entire United States Senate and offer my support for a bill, I certainly make sure that bill does not diminish in any way our capacity and will to curb domestic violence and protect women. This bill, in fact, strengthens domestic violence laws by making it a separate criminal offense under our Federal legal system to cause death or injury to an unborn child as a result of violence.

For several months now, the Nation has watched in the media the unfortunate and tragic story of Laci Peterson. She was an expectant mother from California who mysteriously vanished shortly before Christmas. In mid-April, her decomposing body and the body of her unborn child washed ashore at a San Francisco-area beach.

The Nation has witnessed a community in mourning over the disappearance and death of Laci Peterson and her unborn son, Conner. Laci Peterson was the truly tragic victim of violence that not only took her life but also the innocent life of her unborn son. This is a truly devastating story, especially for those who knew and loved Laci Peterson and eagerly awaited the birth of her son Conner. I want to do what I can to see that justice is served if there is ever a case similar to this that comes before our Federal judicial system, and that is why I support this measure.

A Fox News/Opinion Dynamics Poll conducted on April 22 and 23 indicated that of the 900 registered voters polled, 49 percent considered themselves pro-choice while only 41 percent said they are pro-life. But what is even more interesting is this same poll showed 84 percent believed Scott Peterson should be charged with two counts of homicide for murdering his wife and unborn son. California law permits criminals to be charged with murder for killing an unborn child when it has developed past the embryonic stage.

Now remember, the majority of those polled in this survey said they were pro-choice. But the tragic murder of an innocent, unborn child is shocking and twisted enough that, regardless of any stance on abortion, the vast majority of Americans strongly believe an unborn life taken in murder should result in murder charges brought against the perpetrator. It is only fair and just to ask for our Federal judicial system to incorporate such a strong desire of the American people.

Some will try to confuse the issue here. Let me be clear, the debate on this bill is not about abortion—far from it. It does not affect current law regarding abortion. This bill does not in any way interfere with or weaken domestic violence laws or laws intended to prevent violence against women. This is a simple remedy to a terrible crime. I hope that Congress will seriously consider this bill and promptly pass it.

By Mr. HATCH (for himself, Mr. LEAHY, Mr. CORNYN, Mr. KENNEDY, Mr. ALEXANDER, Mr. CHAMBLISS, Mr. DURBIN, and Ms. COLLINS):

S. 1023. A bill to increase the annual salaries of justices and judges of the United States; to the Committee on the Judiciary.

Mr. HATCH. Mr. President, I rise to address the serious matter of the erosion of pay for the Federal judiciary. There is consensus among all who have seriously looked at this issue that the independence and quality of the judiciary is at risk because of the inadequacy of the current salaries of Federal judges.

The American Bar Association and Federal Bar Association issued a report on this issue in February 2001. That report documented the factors impacting erosion of judicial pay and the detrimental effects on the judiciary. Because of the withholding of cost-of-living adjustments, the impact of inflation, and the insufficient attempts to stabilize judicial pay, Federal judges are increasingly choosing to resign or retire. Furthermore, the report noted, the prospect of a declining salary in real terms also discourages potential candidates from seeking appointments to the bench.

In his 2002 Year-End Report, Supreme Court Chief Justice William Rehnquist identified the need to increase judicial pay as the most pressing issue facing the judiciary. He highlighted his concern that salaries of Federal judges have not kept pace with those of lawyers in private firms and in business. He observed, ''Inadequate compensation seriously compromises the judicial independence fostered by life tenure. That low salaries might force judges to return to the private sector rather than stay on the bench risks affecting judicial performance—instead of serving for life, those judges would serve the terms their finances would allow, and they would worry about what awaits them when they return to the private sector.''

In the Report of the National Commission on the Public Service, issued January 2003, the Chairman of the Commission, Paul Volker, made this observation: ''Judicial salaries are the most egregious example of the failure of Federal compensation policies. Federal judicial salaries have lost 24 percent of their purchasing power since 1969, which is arguably inconsistent with the Constitutional provision that judicial salaries may not be reduced by Congress. . . . The lag in judicial salaries has gone on too long, and the potential for diminished quality in American jurisprudence is now too large.'' Accordingly, the Commission made the recommendation that Congress should grant an immediate and significant increase in judicial, executive and legislative salaries to ensure a reasonable relationship to other professional opportunities.

Responding to this report and recommendation, the Judicial Conference, at its recent meeting, unanimously adopted a Resolution which contains in part the following:

''Whereas, the President at the request of the Chief Justice has agreed to support legislation that would increase judicial salaries by 16.5 percent, which will yield an average of $24,948, across all levels of judicial offices;

Now therefore, the Committee on the Judicial Branch recommends that the Judicial Conference endorse and vigorously seek legislation that would increase judicial salaries by 16.5 percent, which will yield an average of $24,948, across all levels of judicial offices.''

Today, Senator LEAHY and I, joined by Senator CORNYN, Senator KENNEDY, Senator ALEXANDER, Senator COLLINS, Senator DURBIN, and Senator CHAMBLISS are introducing a bill that will restore the lost cost-of-living adjustments which were denied to the judiciary and will help reduce the gap between Federal judicial salaries and private sector salaries which still remains.

This legislation enacts a 16.5 percent increase in the salaries of the justices of the Supreme Court and other Federal judges appointed under Article III of the Constitution, an average salary increase of about $25,000. It does so without altering the respective provisions of title 28, United States Code, which defines their salary rates. The pay adjustment would be effective with the first pay period beginning on or after January 1, 2004, and would be applied before any annual salary adjustment authorized under the Employment Cost Index approval mechanism provided by 28 U.S.C. § 461.

The judicial officers enumerated in this bill to receive the 16.5 percent pay increase are the Chief Justice of the United States, associate justices of the Supreme Court, United States circuit judges, United States district judges, and judges of the United States Court of International Trade. In addition, this legislation would have the effect of increasing salaries of the judges of the U.S. Court of Federal Claims, bankruptcy judges and full-time United States magistrate judges whose salaries are related to the rate of pay of United States district judges.

This legislation will do much to improve retention on the bench and will aid in the recruitment of outstanding judicial candidates. I urge my colleagues to join Senator LEAHY, Senator CORNYN, Senator KENNEDY, Senator ALEXANDER, Senator COLLINS, Senator DURBIN, Senator CHAMBLISS and me in this bipartisan measure.

I ask unanimous consent that the Judicial Conference Resolution, as well as the text of the legislation be printed in the RECORD.

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

JUDICIAL BRANCH COMMITTEE RESOLUTION

Whereas, in January 2003, the National Commission on the Public Service declared that ''Congress should grant an immediate and significant increase in judicial, executive, and legislative salaries to ensure a reasonable relationship to other professional opportunities;'' and

Whereas, the National Commission also declared that ''[j]udicial salaries are the most egregious example of the failure of federal compensation policies''; and

Whereas, the National Commission found that ''that the lag in judicial salaries has gone on too long, and the potential for the diminished quality in American jurisprudence is now too large''; and

Whereas, the National Commission recommended that Congress' and the President's ''first priority should . . . be an immediate and substantial increase in judicial salaries''; and

Whereas, the President at the request of the Chief Justice has agreed to support legislation that would increase judicial salaries by 16.5 percent, which will yield an average of $24,948 across all levels of judicial offices;

Now therefore, the Committee on the Judicial Branch recommends that the Judicial Conference endorse and vigorously seek legislation that would increase judicial salaries

by 16.5 percent, which will yield an average of $24,948, across all levels of judicial offices.

S. 1023

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

SECTION 1. JUDICIAL SALARY INCREASE.

The annual salaries of the Chief Justice of the United States, associate justices of the Supreme Court of the United States, United States circuit judges, United States district judges, judges of the United States Court of International Trade, and judges of the United States Court of Federal Claims are increased in the amount of 16.5 percent of their respective existing annual salary rates, rounded to the nearest $100 (or, if midway between multiples of $100, to the next higher multiple of $100).

SEC. 2. COORDINATION RULE.

If a pay adjustment under section 1 is to be made for an office or position as of the same date that any other pay adjustment would take effect for such office or position, the adjustment under this Act shall be made first.

SEC. 3. EFFECTIVE DATE.

This Act shall take effect on the first day of the first applicable pay period beginning on or after January 1, 2004.

AMENDMENTS SUBMITTED AND PROPOSED

SA 535. Mr. WARNER (for himself, Mr. LEVIN, Mr. ROBERTS, and Mr. SESSIONS) proposed an amendment to the resolution of ratification for Treaty Doc. 108–4, Protocols to the North Atlantic Treaty of 1949 on the Accession of Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia. These protocols were opened for signature at Brussels on March 26, 2003, and signed that day on behalf of the United States and the other parties to the North Atlantic Treaty.

TEXT OF AMENDMENTS

SA 535. Mr. WARNER (for himself, Mr. LEVIN, Mr. ROBERTS, and Mr. SESSIONS) proposed an amendment to the resolution of ratification for Treaty Doc. 108–4, Protocols to the North Atlantic Treaty of 1949 on the Accession of Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia. These protocols were opened for signature at Brussels on March 26, 2003, and signed that day on behalf of the United States and the other parties to the North Atlantic Treaty; as follows:

At the end of section 2, add the following new declaration:

(10) CONSIDERATION OF CERTAIN ISSUES WITH RESPECT TO NATO DECISION-MAKING AND MEMBERSHIP.—

(A) SENSE OF THE SENATE.—It is the sense of the Senate that, not later than the date that is eighteen months after the date of the adoption of this resolution, the President should place on the agenda for discussion at the North Atlantic Council—

(i) the NATO ''consensus rule''; and

(ii) the merits of establishing a process for suspending the membership in NATO of a member country that no longer complies with the NATO principles of democracy, individual liberty, and the rule of law set forth in the preamble to the North Atlantic Treaty.

(B) REPORT.—Not later than 60 days after the discussion at the North Atlantic Council of each of the issues described in clauses (i) and (ii) of subparagraph (A), the President shall submit to the appropriate congressional committees a report that describes—

(i) the steps the United States has taken to place these issues on the agenda for discussion at the North Atlantic Council;

(ii) the views of the United States on these issues as communicated to the North Atlantic Council by the representatives of the United States to the Council;

(iii) the discussions of these issues at the North Atlantic Council, including any decision that has been reached with respect to the issues;

(iv) methods to provide more flexibility to the Supreme Allied Commander Europe to plan potential contingency operations before the formal approval of such planning by the North Atlantic Council; and

(v) methods to streamline the process by which NATO makes decisions with respect to conducting military campaigns.

NOTICE OF HEARINGS/MEETINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. COCHRAN. Mr. President, I announce that the Committee on Agriculture, Nutrition, and Forestry will conduct a hearing on May 14, 2003 in SR–328A at 2:00 p.m. The purpose of this hearing will be to discuss the implementation of the 2002 Farm Bill.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, May 7, 2003 at 2:30 p.m. in closed session to mark up the Department of Defense Authorization Act for Fiscal Year 2004.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on May 7, 2003, at 10:00 a.m. to conduct an oversight hearing on ''The Impact of the Global Settlement.''

The Committee will also vote on S. 709, to award a Congressional Gold Medal to Prime Minister Tony Blair.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, May 7, 2003, at 9:30 a.m. on Climate Change in SR–253.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, May 7, 2003 at 10:00 a.m. in Room 485 of the Russell Senate Office Building to conduct a Hearing on S. 550, the American Indian Probate Reform Act of 2003.

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

COMMITTEE ON THE JUDICIARY

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on ''Judicial Nominations'' on Wednesday, May 7, 2003, at 9:30 a.m., in the Dirksen Senate Office Building Room 226.

Panel II: Consuelo Maria Callahan to be United States Circuit Judge for the Ninth Circuit; Michael Chertoff to be United States Circuit Judge for the Third Circuit.

Panel III: L. Scott Coogler to be United States District Judge for the Northern District of Alabama.

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

SUBCOMMITTEE ON AIRLAND

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Airland of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, May 7, at 9 a.m., in closed session to mark up the Airland programs and provisions contained in the Department of Defense Authorization Act for Fiscal Year 2004.

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

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology and Space be authorized to meet on Wednesday, May 7, 2003, at 2:30 p.m., on Hydrogen in SR–253.

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

SUBCOMMITTEE ON READINESS AND MANAGEMENT

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, May 7, 2003, at 10 a.m., in closed session to mark up the Readiness and Management programs and provisions contained in the Department of Defense Authorization Act for Fiscal Year 2004.

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

SUBCOMMITTEE ON STRATEGIC FORCES

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, May 7, 2003, at 11:30 a.m., in closed session to mark up the Strategic Forces programs and provisions contained in the Department of Defense Authorization Act for Fiscal Year 2004.

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