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January 4, 2003

Dear Friend:

When I first ran for Congress, I knocked on thousands of doors across the state to listen to people discuss the problems they faced and the issues important to them. I was fortunate to win that election, and I learned a very valuable lesson: the best solutions to the problems facing our state are not found in Washington; they're found at the coffee shops, living rooms, and main streets of South Dakota.

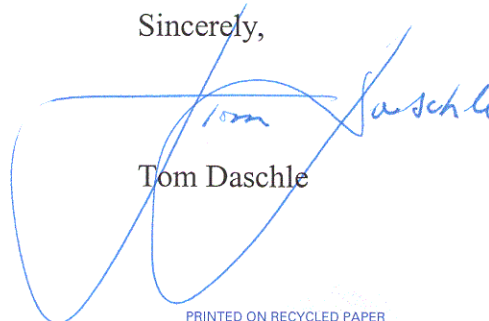
While much has changed since I first ran for office, I've never forgotten that lesson. Over the years, I've had the chance to visit with thousands of South Dakotans, and I've learned a lot about the unique challenges we face as a state.

In 2001, at the beginning of the 107th Congress, I drafted my South Dakota First agenda. It was the first comprehensive legislative plan crafted specifically to address the unique challenges facing our state. Two years later, I'm pleased to report that it's been a success. I've been able to use my unique position in Washington to put South Dakota's agenda on the national agenda. We've completely rewritten the Farm Bill, created opportunities for new jobs, improved health care, cut taxes for working families, and improved our schools. But while we've accomplished much, we still have much work to do.

In the last two years, a lot has changed in South Dakota. But my commitment to using my position in Washington to make South Dakota's agenda a part of the national agenda has not. I've rewritten my South Dakota First agenda to reflect the new challenges we face. But the beauty of South Dakota First is that it is based on the ideas and thoughts of the people like you. What makes this plan so special is the fact that it was created from conversations with regular South Dakotans from all walks of life. If there is something you think we need to add to the agenda, or an idea that you think makes sense, I hope you'll take part in that conversation by e-mailing, calling or writing me.

Thank you for taking the time to review my South Dakota First agenda. If there is ever anything I can do to better represent you in Washington, please do not hesitate to let me know.

Sincerely,



Tom Daschle

SOUTH DAKOTA FIRST

An Agenda for the 108th Congress

January 4, 2003



Tom Daschle
United States Senate

Chapter 1 – Healthy Families

All South Dakotans should have access to high quality health care at an affordable price. Unfortunately, for many of our citizens, that goal is not a reality. Many South Dakotans have no health insurance; still others lack access to affordable, quality health care or prescription drugs. No one should have to choose between the health care or prescription drugs they need and other basic necessities. In the 108th Congress, I will work to ensure that all South Dakotans have access to affordable health care and prescription drugs and that our communities have quality health care providers. I will also work to fulfill our commitment to the Indian Health Service, improve care for our veterans, and ensure healthier communities throughout South Dakota.

Securing Affordable Access to Health Coverage

Every week I hear from many South Dakotans who either do not have access to health insurance coverage, or are losing the coverage they do have. In 2000, almost 80,000 South Dakotans were uninsured. That is unacceptable. I have long supported making health coverage for affordable for South Dakotans. Since 1984, I have supported full deductibility of health insurance premiums for the self-employed, an issue of particular significance to our state's ranchers and farmers. I am pleased that this year health insurance premiums will be 100% tax-deductible. I also think we took a critical step when we created the Children's Health Insurance Program in 1997. There is more work to be done, however, to lower the cost of health insurance coverage and the underlying cost of health care, such as prescription drugs. In the next Congress, I will support:

- a 50% tax credit for small businesses that provide health insurance to their employees;
- an expansion of Medicaid and the Children's Health Insurance Program to cover parents, pregnant women, and 19- and 20-year-olds;
- an increase in the federal Medicaid matching rate to ensure that South Dakota does not have to cut Medicaid eligibility levels;
- significant assistance to displaced workers in purchasing health coverage such as COBRA;
- access to affordable and comprehensive group health insurance programs like the Federal Employees Health Benefits Plan members of Congress enjoy;
- creation of and support for group purchasing coalitions for small businesses, self-employed South Dakotans, and others without access to group health coverage;
- efforts to improve patient safety and reduction of medical errors which would, in turn, lower the cost of health care; and
- alleviation of the high cost of health insurance by ensuring that less expensive prescription drugs are available.

Providing a Medicare Prescription Drug Benefit for Seniors and Affordable Drugs for All South Dakotans

- ***Medicare prescription drug benefit:*** Many of our seniors are forced to choose between their prescription drugs and other necessities every day. This is wrong. This Congress, I will continue to fight to add to Medicare a comprehensive, reliable, and affordable prescription drug benefit that will assist all of South Dakota's seniors with the staggering cost of prescription drugs.
- ***Increasing access to prescription drugs at lower prices:*** Seniors are not the only ones who struggle with the high cost of prescription drugs. To lower the cost of drugs for all South Dakotans, I will work to enact two bills that passed the Senate this summer:
 - a bill (S. 812) to get lower-priced generic drugs to the market faster, giving consumers access to lower prices; and
 - a bill (Senate Amendment 4300) to allow pharmacists, wholesalers, and consumers to import drugs from Canada at a lower price than they can find in the United States.

Ensuring Access to Quality Health Services in All Areas of the State

- ***Ensuring rural areas are treated fairly by Medicare:*** Under the current system, providers in urban areas often receive larger Medicare payments than rural area providers. This disparity is simply unfair. Last Congress, I sponsored S. 1030, a bill specifically focused on improving payments in rural areas. In consultation with our state's provider community, I intend to push similar legislation this Congress.
- ***Addressing reductions in payments to crucial health providers:*** The recent cuts in Medicare payments are a devastating blow to South Dakota's health care providers and facilities, including doctors, hospitals, home health agencies, nursing homes, and hospices. I will work to correct these cuts so that they do not undermine the quality or level of health services to South Dakota seniors.
- ***Funding community health centers and rural health clinics:*** Community health centers and rural health clinics provide vital health services throughout South Dakota, protecting the growing number of uninsured and underinsured patients in our state. We won reauthorization of the Community Health Centers last Congress. Now we must focus on adequately funding these facilities and rural health clinics so they can continue to provide quality services to our communities.
- ***Addressing provider shortages:*** Rural areas often suffer from shortages in providers. For example, there is an urgent need for quality dental care in South Dakota. We must improve efforts to recruit and retain qualified dentists to ensure that South Dakota families have access to dental health services in their communities. South Dakota, like the rest of the country, is also facing a shortage of nurses who play a critical role in delivering quality health care. In the 107th Congress, we took a major first step in addressing the nursing shortage by passing the Nurse Reinvestment Act. The bill encourages people to enter the nursing profession but its promise cannot be achieved without adequate funding. I will fight to provide additional funds to ensure that the new programs authorized by this legislation are fully implemented.

- ***Patients' Bill of Rights:*** My first act as Senate Majority Leader was to call up and pass a strong Patients' Bill of Rights that will truly protect patient's rights. Unfortunately, the House passed a much weaker bill and negotiations failed to produce a bill. South Dakota patients deserve to receive the care promised by their health insurers. I will continue to press for this important protection.

Meeting Our Commitment to Indian Health Care

- ***Indian Health Service Funding:*** The federal government is failing to meet its obligation to provide Native Americans with adequate health care. The Indian Health Service's (IHS) spending on Native Americans is less than half the amount the general U.S. population spends per person on health care. This funding shortfall leads to rationing of care and the denial of even the most basic medical care. I will work to increase funding for the IHS, with the goal of full funding, so that Native Americans receive the health benefits they have been promised.

Also, for far too long, I've been concerned that South Dakota tribes haven't gotten their fair share of resources, resulting in even longer waits and lower quality of care. This year, I'll work to increase funding for South Dakota, namely the IHS's Aberdeen area, which has been shortchanged by IHS in the past few years.

- ***South Dakota Tribal Nursing Facilities Act:*** Current federal Medicaid eligibility regulations require a nursing home to be licensed by the state to qualify for Medicaid reimbursement, but the state of South Dakota has issued a blanket moratorium on nursing home licensing. In Indian Country, where nursing home beds are scarce, tribes are in a catch-22. The South Dakota Tribal Nursing Facilities Act would amend federal Medicaid requirements to allow a tribe to license its own nursing home facilities in order to access Medicaid funds. I plan to reintroduce this bill in the 108th Congress to move us beyond the current impasse.

Improving Veterans' Access to Quality Health Care

- ***Eliminating waiting lists at our VA hospitals and clinics:*** In South Dakota and across the country, thousands of veterans are being denied prompt access to health care. Many veterans have told me they cannot see a VA doctor without waiting for months, or even years. The Bush Administration has allowed this crisis to develop and blocked efforts by Congress to solve it. I am committed to ending this problem, with or without the help of the Administration. We will have to find additional resources for VA health care and must also consider innovative solutions like removing the VA from the annual appropriations process and funding it like Medicare and other federal health programs. If VA funding were tied directly to demand by veterans, we could ensure that waiting lists do not become a regular practice at the VA.

- ***Provide veterans with access to prescription drugs.*** More and more veterans rely on prescription drugs as part of their medical treatment. But current VA policies make it difficult for veterans to receive the drugs they need. For instance, the VA requires a veteran with a prescription from a private doctor to see a VA physician before the prescription can be filled. The VA Inspector General has criticized this as wasteful and costly. It also creates lengthy delays for many veterans, forcing them to seek their medications elsewhere, at their own expense. Meanwhile, some low-income veterans are experiencing difficulties from recent increases in drug copayments. We should provide copayment relief for low-income veterans and eliminate bureaucratic delays in filling prescriptions. Finally, the VA could save millions of dollars annually through reform of the nation's system for patenting prescription drugs. Expanded access to generic medications would allow the VA to serve more veterans, with no additional cost to the taxpayer.
- ***Protect rural access to VA facilities.*** The VA is launching a nationwide initiative to reduce its costs by closing and shrinking health care facilities. While I appreciate the need to deliver services efficiently, it must be balanced against the needs of veterans who live in remote areas. Not all veterans live in Minneapolis or Denver, and facilities such as Hot Springs provide needed services to thousands of veterans in rural areas of South Dakota, Wyoming and Nebraska. Rural access to care is also hindered by enrollment caps placed on VA outpatient clinics. I will use my influence in Congress to improve the availability for care for rural veterans.

Achieving Healthy Communities

- ***Obesity:*** The rising number of people who are overweight and obese has reached epidemic proportions. Over 30% of school-age children in South Dakota are overweight or at risk of becoming overweight which can have very serious health consequences. While everyone is responsible for maintaining a healthy lifestyle, public policies can also help reverse this trend. I will explore opportunities to promote physical activity, improve nutrition, and assist health care providers in the prevention and treatment of obesity, particularly for our children.
- ***Diabetes:*** Given the recent discoveries in diabetes research, the possibility of a cure is very real. American Indians suffer disproportionately from diabetes, with a rate of diabetes over 1.5 times the rate of the general population. I was delighted that the 107th Congress passed legislation to expand funding for the Special Diabetes Program, which funds juvenile diabetes research as well as prevention and treatment programs for American Indians with diabetes. The results of these efforts have improved the health of many South Dakota families, and I will continue to support opportunities to improve the lives of those living with diabetes and to expand efforts to prevent and cure this disease.
- ***Sudden Infant Death Syndrome:*** One can hardly imagine anything more horrible than the sudden death of an infant. But about 3,000 infants die unexpectedly each year from Sudden Infant Death Syndrome (SIDS). While SIDS occurs among all socioeconomic and racial/ethnic groups, Indian families have been particularly hard hit. Because there is much we still do not know about this disease, I will support funding for research and prevention efforts in order to reduce the number of SIDS deaths.

- ***Mental Health and Substance Abuse:***

- Mental Health Parity: Nearly one in five Americans experience some form of mental illness each year, but too often people have difficulty accessing mental health services. One of these barriers is unequal insurance coverage which can prevent individuals from taking advantage of the treatments that are now available for many mental illnesses. I will continue to strongly support legislation that ends this health care discrimination.

- Fetal Alcohol Syndrome: Alcohol consumption during pregnancy can lead to serious birth defects and lifelong developmental disabilities. Each year, between 1,200 and 8,800 children are born with Fetal Alcohol Syndrome (FAS), and many others are born with other alcohol-related neurodevelopmental disorders. I will continue to work to ensure adequate funding to address this problem, such as raising public awareness, educating health professionals, and developing effective intervention programs for children with FAS.

- Tobacco: Tobacco use is the leading preventable cause of death in the United States, causing more than 440,000 deaths each year. Unfortunately, over 33% of South Dakota high school students and 12% of middle school students report smoking a cigarette during the past 30 days. Last Congress, I cosponsored legislation that would give the Food and Drug Administration the authority to regulate tobacco, which will enable the federal government to further restrict the marketing and sale of cigarettes to children. In the next Congress, I will continue to fight for that legislation.

Chapter 2 – Lifelong Learning

A well-educated workforce is essential for a strong economy, a functional democracy, and a secure homeland. Because learning is accumulated over a lifetime, students of all ages need opportunities to learn – starting in early childhood, and extending through grade school, secondary school, college or technical school, and beyond. This means that children need to enter school ready to learn, every classroom must be led by a high-quality teacher, all qualified students should be able to afford to go to college or technical school, and more adults who need training can receive it. We have some unique challenges in our state because of the rural nature of many of our schools. But this is also our strength. Building a world-class education system will ensure that every child has the opportunity to live the American dream.

Providing Tax Credits for College and Adult Education

The single best thing a young person can do to increase his or her earning potential is to obtain a college or technical degree. South Dakota is home to some of the best and brightest young people in the world. When a student is prevented from attending college because of the high cost of tuition, however, we all lose.

We will be reviewing the Higher Education Act, which governs federal student aid programs, in the next Congress. I am concerned that state budget cuts will force schools to raise tuition, making college even more expensive. The federal government must help make college more affordable. That's why I plan to introduce legislation to increase tax credits for college costs. My bill will combine and strengthen the HOPE and Lifelong Learning tax credits, and make them refundable, reducing the tax burden for working South Dakota families and students. I will also work to make significant increases in Pell grants, with a goal of ultimately doubling its value, to make college more affordable and reduce student indebtedness.

Helping Communities Rebuild Crumbling Schools

- ***Department of Education schools:*** Many schools in South Dakota are getting old. According to a National Education Association report, 78% of South Dakota schools need repairs. It's tough to learn in a school that isn't safe. Providing up-to-date computer and Internet training is putting additional strains on our older schools. The costs to local communities and property taxpayers, however, has been estimated at approximately \$650 million. This situation presents a perfect example of how the federal government can work as a partner with state and local governments to address these problems. I strongly support enacting legislation to create tax credit bonds to help local school districts finance the cost of school repairs. Unfortunately, the Administration has blocked our efforts. But the problem has not gone away, and I am committed to working with our communities to help them address this need so all of our children can get a state-of-the-art education.
- ***BIA schools:*** The problem is the same in Indian Country. It doesn't matter if you live in Pine Ridge, Parkston, or New York City – if a classroom isn't safe, it's more difficult for students to learn. I'll work to ensure that Great Plains tribes receive their fair share of BIA funding for school repair, and work to pass the Indian School Construction Act, which will provide tax credit bonds to tribes to help them upgrade, repair and replace unsafe schools. The bill also puts funds into an escrow account to make sure funds are available to pay the bonds when they come due.

Assisting Rural Schools

No student should be penalized for living in a rural area. Unfortunately, as enrollments in many school districts have decreased and the course requirements for college entrance have become more competitive, many smaller districts are having a tough time keeping advanced placement, foreign language and other specialized courses in their curricula. The evolution of technologies like the Internet can provide smaller school districts, and their students, a solution. I am pleased that more schools are using interactive, on-line course offerings and distance learning to ensure that students in the smallest school districts have the opportunity to take the same classes offered in the largest school districts in the country. I will continue to work to bring federal resources home to South Dakota to help rural school districts obtain and utilize technology effectively in the classroom, and provide our state with a better-educated workforce.

I will also work to retain and strengthen a program we added to the No Child Left Behind Act in 2001, that provides extra support to rural schools. The Rural Education Achievement Program (REAP) provides schools more flexibility in the use of funds they receive under the Elementary and Secondary Education Act and provides grants directly to rural districts to improve their programs, recruit and train teachers and principals, improve technology, and make their schools safer. I strongly support this program because school administrators have told me that small districts often receive insufficient federal grant funding to run effective programs. The small size of many grants, coupled with burdensome federal requirements, may discourage some rural districts from applying for competitive funds. The President has proposed to eliminate funding for the REAP program as part of his budget for next year. I know that schools are often at the heart of a rural community, and that strong schools are critical for revitalizing our rural areas, which is why I strongly support the REAP program and will fight to retain it during the federal budget process.

Supporting Head Start

We know that learning is an active process that begins at birth, and that the first six years are a critical time in this process. Getting off to a good start in life is shaped by a combination of biology and experience. Children who have strong stable relationships with adults and who are exposed to appropriate pre-school activities, including attention to health and nutrition, are more likely to be ready for school, and ultimately to become productive, contributing adults. Unfortunately, some children fall behind their peers in their earliest years. The Head Start program has long been recognized as enhancing the cognitive, social, and emotional development of young children, by emphasizing parental involvement and providing high-quality early care and education activities. Still, only 3 in 5 eligible pre-school children currently receive Head Start services, and only 5 percent of eligible infants and toddlers can participate in early Head Start programs. We must fully fund Head Start so that all of our students are ready for school.

Helping Communities Attract, Retain, and Train Quality Educators

- ***Elementary and secondary schools:*** Talk to any parent, teacher, principal or administrator in South Dakota, and it doesn't take long for the conversation to turn to the difficulty many local schools have attracting and retaining qualified teachers. Teachers have one of the most important jobs in our state. Almost everyone has a story about a teacher who made a big difference in his or her life. A dedicated, compassionate and effective teacher is worth his or her weight in gold. That's why I supported provisions in the No Child Left Behind Act, enacted last January, to

provide resources to local schools to recruit, and hire high quality teachers and to make it easier for teachers to continue their own educations. South Dakota schools received \$13.6 million in fiscal year 2002 through this program. I will work to increase this funding so that every classroom in our state is led by a good teacher. Making an investment in quality educators today will pay dividends well into the future.

- ***Tribal colleges:*** South Dakota is lucky to have some of the best tribal colleges in the country. Sometimes, however, our tribal colleges struggle to attract and retain quality educators. To help them attract good teachers, I will reintroduce my plan to forgive student loans to teachers who agree to work in tribal colleges. My plan will make it easier for the colleges to fund new teachers, and will help recruit first-rate educators to Indian Country.

Chapter 3 – Enjoying the Outdoors

In South Dakota, our land and water not only provide many of us with our way of life, they provide endless opportunities for recreation, hunting, and fishing. Growing up in South Dakota, you learn the value of protecting the land, air, and water you live in. And spending an afternoon angling for walleyes on Lake Sharpe, or walking CRP land for pheasants along the Jim River, gives you a special appreciation for how lucky we are to call South Dakota home. To ensure that future generations of South Dakotans have the same opportunities to enjoy our lakes, rivers, forests, and fields, I'll work to make sure we protect the land and water that makes South Dakota the very special place it is.

Improving Wildlife Habitat

South Dakota has a proud hunting tradition. Wildlife is an important part of our state, and our pheasants, ducks, geese and deer are a part of the reason South Dakota is the great place it is. Last year, the Senate passed the American Wildlife Enhancement Act that provided grants to states, tribes, and other local governments to improve wildlife habitat. The House passed a different version of the bill, and ultimately, it died at the end of the 107th Congress. I'll work to make sure it passes again, and that we can enact an even more comprehensive conservation plan this year.

Getting the Corps Out of the Missouri River

The Corps of Engineers has done an abysmal job of managing the Missouri River. For years, they've let upstream states suffer massive economic losses to protect a failing downstream barge industry. Upstream sportsmen and women, recreational boaters, and campers generate over \$80 million annually. The barge industry, on the other hand, generates only \$7 million each year – and it costs us over \$7 million to maintain the barge channel!

The Corps of Engineers is following an outdated Master Manual that puts barges over sportsmen. By law they're required to rewrite the manual, but they've spent the last two years stalling. They've violated environmental laws, offended state and local governments, and have repeatedly proven to be irresponsible, inefficient, and ineffective. And if the Corps can't get the job done, they should step aside and let someone else do it. I'll introduce legislation to dramatically reform how the Corps is managed in general, and I'll reintroduce legislation that I introduced earlier this year to create an independent commission to: 1) investigate how the Corps has been managing the nation's rivers, including the Missouri, and 2) make real recommendations to Congress as to what we can do to improve its stewardship of our rivers. And if the commission concludes that the Corps isn't up to the task, I'll lead the fight to get them out of the Missouri River.

Expanding Wind Cave National Park

Wind Cave National Park is a South Dakota jewel. For years, thousands of Americans have traveled to South Dakota to see the majestic caves and the beautiful, wild terrain in the area. Last year, I wrote and passed legislation in the Senate to authorize the expansion of Wind Cave National Park by nearly 20%. The House failed to act on it, unfortunately, so it didn't become law. This year, I'll reintroduce the plan and work to make this popular tourist destination an even more impressive South Dakota landmark.

Returning Blunt Reservoir and Pierre Canal Lands to South Dakotans

When the Missouri River dams were first built, plans called for massive irrigation ditches to be dug north of Pierre, known as the Blunt Reservoir and Pierre Canal lands. Although a lot of land was condemned by the government, the reservoir and canal were never built. Nevertheless, the federal government has continued owning those lands for decades, keeping them off the county tax rolls. Last year, I passed legislation that would allow the sale of these lands to the original landowners; unsold lands would be turned over to the Game, Fish, and Parks Department for wildlife habitat development and public hunting. The House failed to act on the bill, however, and it died. This year, I'll work to get the plan through the Senate, and the House, and have it signed by the President.

Protecting Cropland and Habitat from Noxious Weeds

Noxious, nonnative weeds pose a tremendous threat to our state's crop lands and native grasslands. The state and local weed control boards work hard to reduce the spread of noxious weeds, but far too often there simply aren't enough resources to adequately protect our land. Last year, I introduced the first comprehensive plan to provide stable funding to states and local weeds control boards for weed control and eradication. This year, I hope we can get it passed. Providing this help will allow us to address the problem of noxious weeds, and allow county governments to continue to provide their valuable services without having to raise taxes.

Protecting Black Hills Families, Homes, and Property

Last year, I worked with the timber industry, the environmental community, the Forest Service and the state to negotiate and enact an historic agreement to allow timber thinning to proceed in the Beaver Park and Norbeck Wildlife Preserve areas of the Black Hills National Forest. In the beginning, no one thought we could get the timber industry, the environmentalists, and the government to agree to anything. But we proved them wrong. This agreement will result in targeted logging to reduce the risk of fire in the Black Hills. It preserves the natural beauty of the Hills while protecting the families, homes, and property of South Dakotans who have chosen to make the Black Hills their home.

While the agreement was enacted, we still have to make sure the job gets done. In that regard, I have contacted Black Hills National Forest Supervisor Twiss and asked for an accounting of the funding necessary to prepare the timber sales and carry out the plan. Preliminary indications are that the Black Hills will need roughly \$3.5 million in FY03 to perform this important work. Once I receive the final cost estimates from Supervisor Twiss, I will work to ensure that the Forest Service has the funds it needs to get the thinning started as soon as possible.

Chapter 4 – Safe Neighborhoods

When we assembled the South Dakota First agenda for the 107th Congress, we opened this section with the claim that “nothing is more important than ensuring the safety of our families and our neighborhoods.” In today’s post-September 11 world, this statement rings truer than it ever has, and our legislative agenda for the 108th Congress must reflect the heightened importance of keeping neighborhoods safe – not only from violence and drug use, but from the threat of another terrorist attack.

Since September 11, homeland security has been at the center of many policy discussions regarding a wide range of issues that affect the safety of our neighborhoods. Homeland security includes giving all of our nation’s law enforcement officers the tools and training they need to do their jobs. And that means recognizing that law enforcement in rural America has its own unique set of challenges: rural law enforcement officers patrol larger areas, and operate under tighter budgets with smaller staffs, than most of their urban and suburban counterparts.

Washington can and must do a better job of helping rural law enforcement do their work. I believe that means building on what has already proven successful, and developing new initiatives that respond to the special challenges facing law enforcement in small towns and rural communities. While we must continue to fight for many of our goals from the 107th Congress – cracking down on methamphetamine, providing safe alternatives for our kids, and strengthening our police and fire departments – we must also take a closer look at the increasing demands being placed on state and local communities. If our law enforcement officers are not equipped with adequate resources to combat domestic crime in the first place, how can they possibly expand their jurisdiction to successfully fight against a possible terrorist attack? We must address the resources and support we are giving to state and local law enforcement under this new framework.

During the 107th Congress, I introduced S. 1763, the Rural Safety Act, with Senator Tim Johnson. This bill includes several major initiatives designed to address crime in our nation’s rural areas and continues to be a top priority for me. Some of its provisions, as well as a number of other initiatives crucial to ensuring the safety of our country and our neighborhoods, are outlined below.

Securing the Homeland

As part of the effort to guarantee the safety of our state’s citizens, we must provide additional resources for a number of programs and activities, all designed to reduce South Dakota’s vulnerability to a terrorist attack and increase the ability of state and local officials to respond should such an attack occur in one of our communities.

For example, state and local firefighters lack the basic equipment to respond to emergencies, let alone terrorist attacks. A number of South Dakota fire departments are already receiving federal grants to purchase additional emergency equipment. I will offer legislation early next year to provide additional resources to South Dakota’s firefighters.

The increased threat of terrorism has also placed significant additional demands on South Dakota's state and local law enforcement officials. One of the lessons of September 11 is that we need to significantly increase the ability of state and local law enforcement agencies, emergency rescue teams, and firefighters to communicate with one another. They either lack communications equipment or own equipment that does not permit them to speak directly with another department or agency. While I have been proud to help bring \$17.5 million to South Dakota to develop a common communications system for emergency responders, more needs to be done. I will support legislation to provide additional resources to these officials, both to improve their training and purchase additional communications equipment.

Supporting Our Troops Fighting the War on Terror

South Dakota has a proud history of providing our nation's military with some of the best soldiers in the Armed Forces. As a veteran, I know the importance of making sure our troops have the tools they need to win the war on terror, and I supported the resolution authorizing the President to use military force in Iraq to ensure that Iraq does not deploy or spread its weapons of mass destruction. While I hope that our young men and women will not have to go to war in Iraq or elsewhere, it's absolutely critical that we take the steps to win if military action is necessary to preserve our national security. Therefore, I look forward to working with the Administration and our military leadership to make sure our troops are well trained, fully equipped, and adequately compensated for their service to our country.

Strengthening Ellsworth Air Force Base

South Dakota's air base is older than the U.S. Air Force itself and has a distinguished record of protecting our country. Whether it was B-52s flying Cold War missions or B-1s hunting for Taliban forces in Afghanistan, Ellsworth and its people always have been among the best in the U.S. military. I will continue doing everything possible to make sure Ellsworth remains one of the best, most modern bases in the Air Force and to address Air Force safety concerns, such as the location of the Box Elder exit on Interstate 90. Although the Defense Department consolidated the B-1 bomber fleet in 2001, I have been working with Air Force officials to ensure that every dollar saved is reinvested in modernizing the B-1 to meet future combat requirements.

Treating Military Retirees Fairly

Hundreds of veterans from across the state have asked me to help end an outdated policy that prevents military retirees from receiving both their VA disability benefit and their retirement pay. Ironically, veterans who retire from civilian branches of the U.S. Government face no similar restriction. The Senate has acted repeatedly over the years to end this discrepancy and permit full concurrent receipt, but we face opposition from the White House and the House of Representatives. I have been at the forefront of these efforts and will continue to pursue fairness for this group of deserving veterans.

Strengthening Community Police and Fire Departments

- ***Recruiting and Retaining Officers:*** S. 1763, The Rural Safety Act of 2001, contained provisions to authorize grants to help rural communities retain law enforcement officers hired through the COPS program for an additional year. Under this program, rural communities are eligible to receive a one-time retention grant of up to 20 percent of their original COPS award, with priority given to communities that demonstrate financial hardship. Unfortunately, the current administration is opposed to the COPS program. In the 108th Congress, we must continue to push to get more officers to the state of South Dakota, and to protect this important program.
- ***Improving Law Enforcement Technology:*** While our nation faces new threats to its security from a wide range of fronts, law enforcement in South Dakota continues to struggle with insufficient and outdated equipment. That is why our rural crime bill authorized funding to help rural communities purchase crime-fighting technologies. This funding will go a long way toward helping rural communities purchase and upgrade communications equipment, computer hardware and software, video cameras, and crime analysis technologies. Law enforcement needs to be able to respond quickly and effectively to the challenges of the post-September 11 world, and as part of the approach to these challenges, efforts to improve technology are critical to ensuring the safety of our nation's citizens.
- ***Law Enforcement Training:*** In our South Dakota First agenda for the 107th Congress, we sought to build on dialogue with our state's law enforcement community regarding the need for additional training in the areas of crime scene investigation and domestic violence. Accordingly, our rural crime bill authorized funding for programs to assess the needs of law enforcement in rural areas, develop and deliver export training to rural law enforcement, and conduct outreach efforts to ensure that training programs reach law enforcement officers in rural areas. In the upcoming Congress, we need to redouble these efforts to secure a responsive, well-trained network of officers that can meet the challenges of the 21st century.
- ***Strengthening Tribal Law Enforcement:*** Tribal law enforcement personnel face the same challenges that other rural areas face, except they often have even fewer funds to support their patrols of huge expanses of land. In addition to working to ensure that tribal governments get their fair share of national homeland security funding and training, I will continue my efforts to increase tribal law enforcement funding through the BIA, direct grants to tribes, maintenance of vital COPS grants in Indian Country, construction and operation of tribal detention facilities, and the development of the Wakpa Sica Reconciliation Place.
- ***Rural 911 Service:*** More must be done to streamline 911 services everywhere so that, in an emergency, we can call 911, and help will arrive. Too often, we take this service for granted. In rural and remote areas, however, the nearest help may be miles away, and calling 911 may not be an option. The Rural Safety Act's 911 provisions are designed specifically to address this problem, and to ensure that people in rural areas can rely on a modern, integrated system of communication between law enforcement, fire and other safety officials. In the 108th Congress, we must push for resources to develop a seamless 911 system in rural areas all across the country.

Cracking Down on Methamphetamine

Methamphetamine use continues to be an unfortunate reality in many rural states across the nation, including South Dakota. A study released last year by the Center on Addiction and Substance Abuse at Columbia University shows that eighth graders living in rural communities are 104% more likely to have used amphetamines, including methamphetamine, than their urban and suburban counterparts. We need to stop the use of all of these drugs, but in rural America, meth has proven to be particularly destructive. Accordingly, we must continue to push for initiatives like those contained in S. 1763, including efforts to establish methamphetamine prevention and treatment pilot programs in rural areas, to educate people in rural areas about the early signs of methamphetamine use, and to help clean up methamphetamine laboratories in rural areas and improve contract-related response times for such cleanups.

Providing Safe After-school Alternatives

Finally, we need to ensure that our children are involved in constructive after-school activities where they can learn, grow, and avoid certain pitfalls that too often lead to juvenile crime. Studies have shown that the period between school dismissal and when working parents return home is the time when juveniles are most likely to engage in risky or criminal behavior. We must encourage communities in our state to develop programs that provide children with safe and fun alternatives during these hours, and we must fight to provide additional funding for those already in place.

A few years ago, I was able to help the Boys and Girls Club construct the SuAnne Big Crow youth center in Pine Ridge. It's given children in that community a safe place to spend time when they aren't in school. It's worked in Pine Ridge, and I hope to look for new communities in the coming months to create similar safe places for our children. Also, South Dakota will receive \$1.5 million in the current fiscal year to expand after-school opportunities for children through the 21st Century Community Learning Centers Program, which funds the kind of high-quality after-school programs we need to expand.

Chapter 5 – Expanding Economic Opportunity

America is a nation of opportunity. Unfortunately, today too many Americans and too many South Dakotans don't have the opportunities they deserve. South Dakotans need good jobs at decent wages. Helping all South Dakota communities and their residents prosper has always been one of my top priorities, and it's one of the cornerstones of my agenda.

Fortunately, our state is blessed with many resources and advantages – our young people, our scenic natural beauty, a work ethic that is second to none, and a good educational system – that can form the foundation of new economic opportunities for decades to come. To help ensure that we take full advantage of these opportunities, I've developed a plan to stimulate our economy, increase access to child care for working parents, revitalize Main Street South Dakota, expand alternative energy sources, and develop the technology to prepare South Dakota's economy for the future.

Stimulating the Economy

A majority of economists agree that one of the best ways to stimulate the economy is to put money in the hands of those who are most likely to spend it *today*. I share that view. It follows, therefore, that any short-term tax relief would be most effective as a stimulus if it is targeted at America's working families. That's why I support providing every worker – firefighter and business owner alike – with a tax cut on their first \$3,000 of earnings. This would immediately put \$300 in the hands of every working American and inject a much-needed “spending jolt” into our struggling markets. Likewise, economists have long argued the benefits of extending unemployment insurance during times of recession. In fact, during every economic downturn of the past 30 years, including the 1990-1991 recession under the first President Bush, unemployment benefits have been extended. I continue to believe, therefore, that providing unemployment benefits is not only the right thing to do for those who need it most, but also a proven means of stimulating the economy in times of recession.

While boosting consumer spending is a fundamental part of jump-starting our economy, providing tax relief to America's small businesses is also essential to creating much-needed jobs. One way to encourage job growth is by easing taxes on small business investment and by creating an incentive for companies to expand their operations. Last year, for instance, I supported an economic recovery package that provided a 30% depreciation bonus for companies that invested in certain new properties and equipment. This year, I want to increase that bonus to 50% but shorten the availability of its benefit to one year in order to encourage businesses to invest *today* – not three years from now. In addition to enhancing the depreciation bonus, I also support increasing the amount small businesses can expense under the so-called “section 179” provision of the tax code. Specifically, I believe the limit on these deductions should be raised to \$75,000, providing small businesses – the true engine of America's economy – additional tax relief of up to \$50,000 on new investments.

Any small business owner will tell you that the most difficult employee to hire is the first employee. It can be costly, complex and scary. To help small businesses make the leap, I propose a First Employee Tax Credit that would provide a one-time credit of \$1,000, or 10% of the hired employee's first year compensation, whichever is lower. With South Dakota having one of the highest proportions of "nonemployee" small businesses, this tax cut should help create a significant number of new jobs in the state.

Finally, I continue to support the Jobs Creation Tax Credit proposal that I introduced last year. This tax cut would be available to every business in America. It says, simply, that if a business increases its payroll – if it hires new people, restores hours that have been cut, or gives its workers a raise – it will be reimbursed for all of the extra payroll taxes. This plan would help create new jobs and provide short-term economic stimulus to the national economy. By pushing job creation at the national and local levels, I hope we can create new, high-quality jobs in South Dakota.

Creating Access to Affordable, Quality Child Care

South Dakota has the highest percentage of families in which both parents work. Affordable day care is critically important if these families are to succeed in the workplace. Far too many parents in our state struggle to find quality, affordable daycare. Nationally, only one in seven eligible children receives help from federal child care programs. I support an \$11.25 billion increase over the next five years in the Child Care and Development Block Grant, which will provide child care for an additional one million children.

Supporting Federal Investment in South Dakota Infrastructure

During the last Congress, South Dakota received significant federal support for a host of local, regional, and statewide projects. I have been proud to assist in securing funding for such diverse purposes as rural water systems, health care, transportation, our universities and K-12 school systems, local economic development, law enforcement, Ellsworth Air Force Base, and preserving the Missouri River and other natural resources.

Whether it's infrastructure to support a business expansion and new jobs, assistance with local health care facilities, or support for expanded educational programs, federal support can often make the difference in determining whether or not South Dakota communities can support important economic development efforts. During the 108th Congress, you can count on me to fight to ensure that South Dakota communities have the resources they need.

Revitalizing Main Street South Dakota

Main Street is the lifeblood of our communities, but too many of South Dakota's Main Streets are suffering, which is why I propose creating a South Dakota Main Street Program to help strengthen and revitalize Main Streets and commercial districts across the state. This program will, on a competitive basis, provide technical assistance to communities to help them organize, design, promote and implement revitalization activities.

Creating Good Jobs and Economic Opportunity in Indian Country

Perhaps no other part of our state is in greater need of good, stable jobs than Indian Country. Unfortunately, far too many of our fellow South Dakotans remain caught in a vicious cycle of poverty. While there is no single cure to these ills, I believe we must take steps to encourage and support the creation of good jobs in Indian Country. Toward that end, I propose the following:

- *Wakpa Sica* – We’ve had some promising success in creating the Wakpa Sica reconciliation place that will house both the Sioux Nation archives and the Sioux Nation Supreme Court. Wakpa Sica will play an important role in strengthening tribal economies by providing a stronger, more stable tribal legal system. The next step is to develop a Sioux Nation Economic Development Council to further stimulate tribal economies. The council will have representatives from every tribe in the state and work to get new businesses off the ground, help established tribal businesses expand their operations, and attract new jobs to Indian Country. I’ll work hard to get the Economic Development Council established and funded in the 108th Congress.
- *Investment Tax Incentives* – The Sioux Nation Economic Development Council will provide an important boost to tribal economies, but other important steps need to be taken to strengthen tribal communities. In particular, I propose introducing legislation to provide tax incentives to help stimulate private sector investment in Indian Country. In addition, I will introduce legislation to clarify the treatment of income earned from the harvest of natural resources on tribal lands and tax-exempt bonding authority for tribes and tribal subdivisions.
- *Small Business Development* – Last Congress, I joined Senator Johnson in introducing comprehensive legislation to support small business development in Indian Country. That bill, the Native American Small Business Development Act, will create a statutory office of Native American Affairs at the Small Business Administration and a \$5 million program to help Native American entrepreneurs and small business owners address the unique challenges associated with running a business on tribal lands. We plan to reintroduce this legislation during the 108th Congress.
- *Trust Fund Reform* – It’s clear that the federal government has abdicated its responsibility of managing tribal trust funds. Unfortunately, the federal government’s mismanagement of Indian Trust Funds has severely damaged tribal economies. Everyday transactions that many of us take for granted, such as getting a mortgage or a business loan, are nearly impossible in Indian Country because of the trust fund issue. With unaccounted funds and unanswered questions, millions of tribal members across the country have watched in disgust as new allegations of Department of Interior mismanagement have surfaced. It’s time to get to the bottom of the issue, inject some accountability into the system, and enact real trust reform. I’ll work to reform trust fund management by holding the proposed chief trust official accountable and, to prevent the kinds of abuses we’ve seen in the past, create an independent board to oversee the trust fund.

Encouraging the Development of Wind Energy

The ability of South Dakota to dramatically expand its develop wind power and other renewable sources of electricity is constrained by the lack of transmission capacity. Therefore, if substantial new wind power projects are going to be developed in South Dakota, we need to solve the transmission capacity bottleneck. To address this issue, I'll introduce legislation this year, to be included in the energy bill, that will require the Department of Energy to develop and implement a plan to add substantial additional capacity to the regional power grid, including working with regional transmission organizations and/or expanding the federal Western Area Power Administration grid capacity.

Dramatically Expanding the Use of Ethanol

Since I first arrived in Congress in 1978, expanding the use of ethanol has been one of my top priorities. At the time, many thought a group of farmers and a couple of farm-state legislators taking on the oil industry was a lost cause. Although we had more than our fair share of uphill battles, in the 107th Congress we passed, as part of the Energy Bill, legislation that would have established a renewable fuels standard to triple the use of ethanol over the next ten years. We know that ethanol is good for our rural economy, good for the environment, and good for our national security. I was very pleased that we were able to make ethanol a central part of the Energy Bill that passed the Senate.

Unfortunately, although the Energy Bill passed both the House and the Senate, it fell victim to Washington gridlock. As the 107th Congress ended, the Energy Bill died. This year, it's absolutely critical that we enact a comprehensive energy bill, including the renewable fuels standard to promote greater ethanol use.

Investing in Knowledge

Knowledge and technology are important engines of economic growth. Unfortunately, South Dakota ranks low in several important areas, particularly the amount of federal research & development (R&D) funds that flow to our state. Given the important connections between R&D and economic development, these trends do not bode well for the future. If we are to remain competitive in today's economy, we simply must do a better job of supporting those activities that lie at the heart of economic growth.

To better position South Dakota to tap into federal R&D funding, we should develop two research centers in the state to help stimulate and encourage more knowledge creation in South Dakota. These research centers would help retain and attract top-flight scientists, enable South Dakota researchers to develop and apply new technologies, and help retain more college graduates by providing them with increased post-graduate opportunities in our state. While focusing on post-graduate research opportunities, these centers would also provide an opportunity for collaborative public-private research efforts.

Encouraging R&D is important, but it's also important that R&D leads to economic growth and new job creation. During the last Congress, I was an original cosponsor of the LEADERS Act (S. 1335). This legislation authorized a competitive matching grant program to help support business incubation at institutions of higher learning. I intend to work to see that legislation through the next Congress.

Bringing Broadband to Our Communities

During colonial times, commerce centers surrounded the most important waterways. Later, towns that weren't on a rail line had a tough time making it. Today, proximity to well maintained, quality highways is an important factor for economic development. Tomorrow, being connected to the information superhighway will be absolutely essential for survival. Broadband Internet access is increasingly important to for South Dakota's economic future. Last year's Farm Bill included the \$750 million a year in low-cost loans to help expand access to broadband services to rural America, however, more work remains to ensure that all rural Americans have access to this important technology.

- ***Universal Service:*** We have universal service requirements for the postal service and telephones. Without universal service requirements, it wouldn't be cost-effective for the big telecommunications companies to provide phone service in rural areas. Similar concerns apply to broadband Internet service. Every community in South Dakota – From Sioux Falls to Sinai – deserves the same technological opportunities as New York and California. Ensuring universal service for the latest technology, including broadband, is critical for South Dakota. The universal service models for mail and telephones may not be appropriate for broadband, but the need for access in rural states like South Dakota as well as in major urban areas is the same. I'll work to make universal service a reality.
- ***Tax Incentives for Broadband:*** I also supported a bill in the last Congress to provide tax incentives for companies to deploy the most advanced broadband technologies in rural areas. We included that plan in a small business tax package that was meant to accompany legislation to increase the minimum wage. Unfortunately, the Senate was unable to act on that proposal. As a member of the Senate Finance Committee, I'll work to get the broadband tax incentive included in tax legislation this year.

Chapter 6 – Strengthening Our Rural Way of Life

In South Dakota, the rural economy and agriculture are more than our most important industry. They are an important part of the rich fabric of our way of life. It is a way of life worth preserving. I will continue to do all that I can to assist rural Americans and the communities in which they live.

One of the most important issues impacting South Dakota's farmers and ranchers is the devastating drought that has plagued much of our state. Reports are that this drought is the most on record since the Dust Bowl of the 1930s. In South Dakota alone, the drought has cost our state's economy \$2 billion.

Last year, on three different occasions, the Senate took up and passed drought legislation to provide \$6 billion in emergency disaster assistance to producers across the country. The Whitehorse and leaders in the House of Representatives blocked this critical relief in the Farm Bill and during consideration of the appropriations bills. In February, a small disaster assistance package was approved and became law, despite the Bush Administration's concerns. Unfortunately, the package is roughly half of what is needed, so I will continue to fight for full disaster assistance for South Dakota's farmers and ranchers.

Taking on Concentration in Agribusiness

Last Congress we passed a Farm Bill that represents a significant improvement for South Dakota's crop and livestock producers. As part of this legislation, we made strides toward ensuring a more competitive marketplace for South Dakota livestock producers. The Senate version of the Farm Bill included both country-of-origin labeling and packer ownership provisions. I was pleased that the final version of the farm bill included mandatory country-of-origin labeling of meats that are born, raised, and slaughtered in the United States. Country-of-origin labeling of meat will convey to consumers important information about the food they purchase. It also will enhance our ability to prevent unapproved comingling of products from countries that may not be disease-free, with products from those that are.

While passage of country-of-origin labeling was a definite victory, we must continue to push for even more common-sense reforms to ensure that independent livestock producers have fair and competitive markets. High on the agenda needs to be passage of a ban on packer ownership that would make it unlawful for packers to own, feed, or control livestock intended for slaughter. One of the goals of this legislation is to strengthen the market price for livestock. There is widespread concern that packers are using their own livestock to depress the market price when it is higher than they want to pay. Limiting the number of animals that packers can own limits the degree to which they can manipulate prices.

While the Senate passed this important legislation as part of its Farm Bill, the House of Representatives strongly opposed this measure, and blocked it from being included in the final bill. Nevertheless, I will continue to look for opportunities to enact this important legislation. To this end, last year, under democratic control, both the Senate Agriculture, Nutrition and Forestry Committee and the Senate judiciary Committee held hearings on concentration in agriculture – specifically on the ban on packer ownership issue.

I will also sponsor legislation to protect producers from anti-competitive practices by the big processors, create a standard of review for mergers and acquisitions that ensures that the interests of farmers, ranchers, and rural communities are considered, and establish minimum standards for marketing and production contracts.

Fighting concentration is essential to preserving and protecting the integrity of the family farm and ranch. It's also the best thing our country can do to ensure the availability of high quality, safe food for all Americans.

Expanding Marketing Opportunities for South Dakota's Producers

Besides traditional markets for agricultural products, we must do everything we can to help capture new uses for crops grown in South Dakota. There is tremendous untapped potential in this area. Therefore, we must invest resources in identifying – in the shortest time possible – new ways to convert bio-based resources into energy and other products, and strategies for making the appropriate crop varieties and value-added processes accessible to producers, businesses, and communities.

Senator Johnson and I worked to include \$560,000 for this purpose in this year's appropriations bill that became law, and similar funding is being sought in next year's appropriations bill. These funds are designed and are currently being administered by South Dakota State University in an effort to plan how to dramatically increase the options available for using agriculture to convert the sun's energy into commercially viable products and, in so doing, secure a public commitment to the economic future of rural America.

I will continue to sponsor and push for legislation to establish a national consortium of five land grant universities (Sun Grant Centers), that will act in coordination with the U.S. Departments of Agriculture (USDA) and Energy (DoE) to make significant advances not only in technology development, but also in making sure those new technologies make it to the market – technology transfer – by providing income alternatives to farmers and ranchers, and to provide rural communities with opportunities for diversification.

Ensuring South Dakotans Reap the Benefit of the New Farm Bill Now and in the Future

The passage of a new Farm Bill last year gave farmers, ranchers, and rural communities alike new hope that our uniquely American rural way of life would not only continue, but improve. For South Dakota, our sights were focused on getting a better price for our crops and livestock while protecting the land and natural resources we hold so dear.

The new Farm Bill includes a counter-cyclical income safety net, providing more help in bad years and less in good years. It provides for increased loan rates and updated yields, which are critical to help family farmers compete and survive, not just for the next few years, but for generations to come. Unfortunately, the Bush Administration is now attempting to weaken the farmer-friendly provisions that we fought for in the Farm Bill. They have issued county loan rates that broaden disparities across state lines to the disadvantage of South Dakota producers and attempted to complicate how producers can update their bases and yields. There is now fear that they are trying to lessen the scope of mandatory country-of-origin labeling. I am concerned that the Bush Administration continues to frustrate efforts that will assist South Dakota producers. I will remain vigilant in ensuring that USDA implements the new Farm Bill in a manner that gives South Dakota producers the benefits they were entitled to when the legislation was signed into law.

Addressing South Dakota's Devastating Drought

Of course, the new Farm Bill will not do any good for producers who have been forced off their land because of the impacts of the drought that has plagued South Dakota and much of the country this past year. The Senate had actually included provisions for drought in our version of the new Farm Bill, but on this issue, the Speaker of the House, Dennis Hastert, and the Bush White House wouldn't budge. They said there would not be a Farm Bill unless we dropped the drought provision. We reluctantly agreed because of the need to get the Farm Bill completed, but we vowed to continue to fight for drought assistance. We did.

Last summer, the Senate Committee on Agriculture Nutrition and Forestry held two hearings on the drought. The case for disaster assistance couldn't have been more clear. In September, 79 Senators from both political parties joined together and approved emergency natural disaster assistance – making it the third time in the 107th Congress that a majority of the Senate supported such aid. I'm sorry torpor that the House refused to even consider disaster assistance. In February, a small disaster assistance package was approved and became law. Unfortunately, the package is roughly half of what is needed. When impacted by a drought, South Dakota's farmers and ranchers shouldn't be treated any differently than victims of other natural disasters like tornados or hurricanes. Therefore, I will continue to fight for full disaster aid for farmers and ranchers as the legislative session progresses.