

or copayments, of vaccines recommended for routine use by the Advisory Committee on Immunization Practices (as established by the Secretary, acting through the Director of the Centers for Disease Control and Prevention) and their administration.”.

(2) TECHNICAL AMENDMENTS.—

(A) Section 732(a) of such Act (29 U.S.C. 1191a(a)) is amended by striking “section 711” and inserting “sections 711 and 715”.

(B) The table of contents in section 1 of such Act is amended by inserting after the item relating to section 713 the following new item:

“Sec. 715. Coverage of recommended immunizations.”.

(c) INTERNAL REVENUE CODE AMENDMENTS.—

(1) IN GENERAL.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended—

(A) in the table of sections, by inserting after the item relating to section 9813 the following new item:

“Sec. 9814. Coverage of recommended immunizations.”;

and

(B) by inserting after section 9813 the following:

“SEC. 9814. COVERAGE OF RECOMMENDED IMMUNIZATIONS.

“A group health plan, and a health insurance issuer offering group health insurance coverage, shall provide for coverage, without the application of deductibles, coinsurance, or copayments, of vaccines recommended for routine use by the Advisory Committee on Immunization Practices (as established by the Secretary, acting through the Director of the Centers for Disease Control and Prevention) and their administration.”.

(d) EXCEPTION FOR COLLECTIVE BARGAINING AGREEMENTS.—Nothing in this section shall be construed to preempt any provision of a collective bargaining agreement that is in effect on the date of enactment of this section.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning with the first plan year during which the Congressional Budget Office determines that any health reform legislation enacted by Congress will provide health insurance coverage to 95 percent or more of the population of the United States.

SEC. 10. IMMUNIZATION INFORMATION SYSTEMS.

(a) HEALTH INFORMATION TECHNOLOGY INFRASTRUCTURE.—Section 3011(a) of the Public Health Service Act (as added by section 13301 of the American Recovery and Reinvestment Act of 2009) is amended by adding at the end the following:

“(B) Improvement and expansion of immunization information systems (as defined in section 3000), including activities to—

“(A) support the integration and linkage of such systems with electronic birth records, health care providers, other preventive health services information systems, and health information exchanges;

“(B) support interstate data exchange;

“(C) ensure that such systems are interoperable with electronic health record systems;

“(D) provide technical support, such as training, data reporting, data quality and completeness review, and decision support, to immunization providers to integrate the use of such systems;

“(E) develop, in consultation with manufacturers, vendors, and specialty professional organizations, continuing education materials relating to the use of such systems;

“(F) ensure that such systems can provide complete and accurate data to monitor immunization coverage, uptake, and the impact of shortages in the population served within their jurisdiction; and

“(G) ensure the privacy, confidentiality, and security of all data and data exchanges with such systems.”.

(b) STATE GRANTS.—Section 3013(d) of the Public Health Service Act (as added by section 13301 of the American Recovery and Reinvestment Act of 2009) is amended—

(1) in paragraph (9), by striking “and” at the end;

(2) by redesignating paragraph (10) as paragraph (11); and

(3) by inserting after paragraph (9), the following:

“(10) improving and expanding immunization information systems (as defined in section 3000); and”.

(c) DEFINITION.—Section 3000 of the Public Health Service Act (as added by section 13301 of the American Recovery and Reinvestment Act of 2009) is amended—

(1) by redesignating paragraphs (9) through (14) as paragraphs (10) through (15), respectively; and

(2) by inserting after paragraph (8), the following:

“(9) IMMUNIZATION INFORMATION SYSTEM.—The term ‘immunization information system’ means an immunization registry or a confidential, population-based, computerized information system that collects vaccination data within a geographic area, consolidates vaccination records from multiple health care providers, generates reminder and recall notifications, and is capable of exchanging immunization information with health care providers.”.

SEC. 11. REPORTS.

(a) COSTS OF PUBLIC AND PRIVATE VACCINE ADMINISTRATION.—Not later than 5 years after the date of enactment of this Act, and every 5 years thereafter, the Director of the Centers for Disease Control and Prevention jointly with the Administrator of the Centers for Medicare & Medicaid Services shall collect and publish data relating to the costs associated with public and private vaccine administration, including the costs associated with the delivery of vaccines, activities such as reporting data to immunization registries, and maintenance of appropriate storage requirements for vaccines.

(b) SECTION 317 IMMUNIZATION PROGRAM.—Not later than February 1, 2010, and each February 1 thereafter, the Director of the Centers for Disease Control and Prevention shall submit to Congress a report concerning the size and scope of the appropriations needed for each fiscal year for vaccine purchases, vaccination infrastructure, vaccine administration, and vaccine safety under section 317 of the Public Health Service Act (42 U.S.C. 247b).

(c) ANNUAL PUBLICATION OF STATE-ESTABLISHED ADMINISTRATIVE FEES UNDER MEDICAID.—Beginning October 1, 2009, and annually thereafter, the Administrator of the Centers for Medicare & Medicaid Services and the Director of the Centers for Disease Control and Prevention, jointly shall make publicly available the administrative fee established under each State Medicaid program for administering a qualified pediatric vaccine to a vaccine-eligible child under the Vaccines for Children program under section 1928 of the Social Security Act (42 U.S.C. 1396s) with the State and Federal contribution for such fee separately identified.

By Mr. DURBIN:

S. 1006. A bill to require a supermajority shareholder vote to approve excessive compensation of any employee of a publicly-traded company; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DURBIN. Mr. President, Americans have every right to be outraged

over the recent bonuses given to employees of the group within AIG that led to that company’s collapse. American taxpayers have provided \$185 billion—and counting—to save a firm that has been deemed “too interconnected to fail.”

It is unacceptable that millions of those taxpayer dollars have been handed over to some of the executives who caused this disaster in the first place. If there is a constitutional way to reclaim those bonuses, I support it.

But it is important to remember that executive compensation practices have been out of control for many years. While the wages and benefits of middle class workers have stagnated, CEO compensation has exploded.

According to the Economic Policy Institute’s “State of Working America,” in 1965 U.S. CEOs at major companies made 24 times the pay of an average worker. By 2005, CEOs earned 262 times the pay of an average worker.

The comparison between CEOs and minimum wage workers is even starker. In 1965 U.S. CEOs at major companies made 51 times the pay of workers earning the minimum wage. By 2005, CEOs earned 821 times the pay of workers earning the minimum wage.

These comparisons are important not because they could be used to incite calls for class warfare, but because the American people deserve an honest accounting of the activities of the corporations that touch their lives in so many ways. Every American deserves an honest wage for honest work. And every American, from the top of the corporate ladder to the bottom, deserves to know whether they are being compensated fairly—whether they are sharing in the rewards of the company’s work or whether their labors are mainly fueling ever more extravagant pay for the top executives.

We have lost the balance we once had in America. Executive pay has soared, while pay for many has not even kept pace with their productivity increases. It’s not surprising that there is widespread fury when CEOs get it wrong. After all, they have a hand in setting their own salaries. But recently, the anger of the average American worker has boiled over because so many CEOs have gotten it so wrong. That outcome is not healthy for our economy, and it’s not healthy for our society.

If companies want to pay their executives handsomely for excellent performance, they should be able to do that. They should be able to compete for top talent. But the shareholders should be looking over their shoulders as they adopt excessive pay structures, and the taxpayers shouldn’t be subsidizing the resulting income disparities.

To restore some balance, the shareholders of a corporation should have to approve lucrative compensation packages. And, the companies shouldn’t receive a tax deduction for handing out excessive pay.

That is why today I am introducing two bills—the Excessive Pay Shareholder Approval Act S. 1006, and the Excessive Pay Capped Deduction Act, S. 1007.

The Excessive Pay Shareholder Approval Act would require a supermajority—60 percent—vote of the shareholders to approve a compensation structure in which any employee receives more than 100 times more than the average employee of that company. Corporations could pay executives whatever they think is appropriate, but shareholders would have to OK packages that are 100 times as large as the average worker earns. This bill would require greater transparency in compensation and would encourage companies to think about how they pay their lower-paid workers, not just how they reward the people at the top.

Similarly, the Excessive Pay Capped Deduction Act would limit the normal tax deduction for compensation for executives to 100 times the compensation of the average worker at that company. Again, corporations could pay executives whatever they decide is appropriate, but they could not claim limitless tax benefits for doing so. This bill also would encourage companies to look at their entire compensation structure, and it would protect taxpayers.

Here is an example. If the average worker at a company earned, including wages, paid leave, supplemental pay, and retirement, the same amount as the average worker nationwide in December of 2008, that worker would have earned around \$50,000. At that company, a supermajority of shareholders would be required to approve pay packages larger than \$5 million and that company could not deduct compensation in excess of \$5 million.

How many companies would this affect? According to the research firm The Corporate Library, in 2007 the median compensation for CEOs of S&P 500 companies was \$8.8 million. Therefore, if these companies are only paying average wages across the rest of the company, many of them would be affected by this legislation. Many would not.

From our founding, this country has benefitted from a sense of unity and balance that has brought Americans together in good times and in bad. If the rewards handed out by our leading corporations flow excessively to the very wealthy while leaving middle-class families behind, we risk losing that sense of common purpose. The uproar over AIG bonuses showed very clearly the corrosive effects of compensation packages that appear to be disconnected from the reality that the average family faces day in and day out.

The two bills I am introducing today would help to restore some of the balance we have lost, by ensuring greater accountability for the disparities in compensation for corporate leaders and the average workers they employ, and by protecting taxpayers when a com-

pany's compensation packages reach extreme levels.

I urge my colleagues to support both bills.

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

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

S. 1007

*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 “Excessive Pay Shareholder Approval Act”.

**SEC. 2. AMENDMENT TO THE SECURITIES EXCHANGE ACT OF 1934.**

(a) IN GENERAL.—Section 16 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end the following new subsection:

“(h) ANNUAL SHAREHOLDER APPROVAL OF EXECUTIVE COMPENSATION.—

“(1) IN GENERAL.—The compensation for an employee of an issuer in any single taxable year may not exceed an amount equal to 100 times the average compensation for services performed by all employees of that issuer during such taxable year, unless not fewer than 60 percent of the shareholders have voted to approve such compensation (through a proxy or consent or authorization for an annual or other meeting of the shareholders, occurring within the preceding 18 months).

“(2) PROXY CONTENTS.—Proxy materials for a shareholder vote required by paragraph (1) shall include—

“(A) the amount of compensation paid to the lowest paid employee of the issuer;

“(B) the amount of compensation paid to the highest paid employee of the issuer;

“(C) the average amount of compensation paid to all employees of the issuer;

“(D) the number of employees of the issuer who are paid more than 100 times the average amount of compensation for all employees of the issuer; and

“(E) the total amount of compensation paid to employees who are paid more than 100 times the average amount of compensation for all employees of the issuer.

“(3) DEFINITION OF COMPENSATION.—

“(A) IN GENERAL.—For purposes of this subsection, the term ‘compensation’ includes wages, salary, fees, commissions, fringe benefits, deferred compensation, retirement contributions, options, bonuses, property, and any other form of remuneration that the Commission determines is appropriate, in consultation with the Secretary of the Treasury.

“(B) PART-TIME AND PART-YEAR EMPLOYEES.—In the case of any employee which is a part-time employee of the issuer, or which is not employed by the issuer for a full taxable year, the compensation of such employee shall be calculated for purposes of this subsection on an annualized basis.”.

(b) DEADLINE FOR RULEMAKING.—Not later than 1 year after the date of enactment of this Act, the Securities and Exchange Commission shall issue any final rules and regulations required to carry out section 16(h) of the Securities Exchange Act of 1934, as added by this section.

By Mr. DURBIN:

S. 1007. A bill to amend the Internal Revenue Code of 1986 to deny a deduction for excessive compensation of any employee of an employer; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DURBIN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1007

*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 “Excessive Pay Capped Deduction Act of 2009”.

**SEC. 2. DENIAL OF DEDUCTION FOR PAYMENTS OF EXCESSIVE COMPENSATION.**

(a) IN GENERAL.—Section 162 of the Internal Revenue Code of 1986 is amended by inserting after subsection (h) the following new subsection:

“(i) EXCESSIVE COMPENSATION.—

“(1) IN GENERAL.—No deduction shall be allowed under this chapter for any excessive compensation for any employee of the taxpayer.

“(2) EXCESSIVE COMPENSATION.—For purposes of this subsection, the term ‘excessive compensation’ means, with respect to any employee, the amount by which the compensation for services performed by such employee during the taxable year exceeds the amount which is equal to 100 times the amount of the average compensation for services performed by all employees of the taxpayer during the taxable year.

“(3) OTHER DEFINITIONS AND SPECIAL RULES.—

“(A) COMPENSATION.—

“(i) IN GENERAL.—For purposes of this subsection, the term ‘compensation’ includes wages, salary, fees, commissions, fringe benefits, deferred compensation, retirement contributions, options, bonuses, property, and any other form of remuneration that the Secretary determines is appropriate.

“(ii) PART-TIME AND PART-YEAR EMPLOYEES.—In the case of any employee which is a part-time employee of the taxpayer or which is not employed by the taxpayer for a full taxable year, the compensation of such employee shall be calculated for purposes of this subparagraph on an annualized basis.

“(B) EMPLOYER.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as a single taxpayer for purposes of this subsection.

“(4) REPORTING.—Each employer that provides any excessive compensation to any employee during a taxable year shall file a report with the Secretary with respect to such taxable year including—

“(A) the amount of compensation of the employee of the taxpayer receiving the lowest amount of compensation during such taxable year,

“(B) the amount of compensation of the employee of the taxpayer receiving the highest amount of compensation during such taxable year,

“(C) the average compensation of all employees of the taxpayer during such taxable year,

“(D) the number of employees of the taxpayer who are receiving compensation that is more than 100 times the average compensation of all employees of the taxpayer during such taxable year, and

“(E) the amounts of compensation of the employees described in subparagraph (D) during such taxable year.

Such report shall be filed at such time and in such manner as the Secretary may require.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.