

obligations in one category, you can spend them wherever you need to. We are working with the House. I appreciate the cooperation of all Members, because I believe we all understand that we cannot leave highways and transportation without the ability to go forward in the summer construction season.

I thank the leadership of the Senate. We are working with the House to have a proposal that I believe should be acceptable. It does not involve any funding allocation changes or reestablish any formulas, but it does permit the work to go forward. It is vitally important. I appreciate the time of this body. I invite any comments personally that Senators may have about this vitally important measure.

The PRESIDING OFFICER. Under the previous agreement, the Senator from Nebraska is recognized.

Mr. KERREY. Mr. President, I appreciate very much the bipartisan work to come up with a 6-month extension of the highway bill. It is terribly important for all of our States and terribly important that we have some certainty out there. I appreciate the fact that all of us have kept our voices down for the moment.

UNANIMOUS-CONSENT REQUEST—
H.R. 2676

Mr. KERREY. Mr. President, I ask unanimous consent that the Senate proceed immediately to H.R. 2676, the IRS Restructuring Act of 1997, just received from the House, that the bill be read a third time, and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KERREY. Mr. President, I yield to the distinguished Senator from Delaware.

Mr. ROTH. Mr. President, I say to my distinguished friend from Nebraska that, as he knows, we are beginning to hold hearings on the important problems of reconstructing the IRS. I think that the House legislation is good legislation. It's a good beginning, but, frankly, it does not address all the problems that were uncovered in the hearings held by the Finance Committee a few weeks ago.

We will proceed very expeditiously with the hearings on this matter. We will seek to respond to all of the problems that were raised in our hearings. We think it is important to strengthen the authority, that there is nothing more important to reorganizing and reforming the IRS than providing for independent oversight.

So, while I think it is a good beginning in that action that was taken by the House, much remains to be done to reform the IRS in a manner that it will provide true service to the American taxpayers.

Mr. KERREY. Mr. President, as long as we are in session, I will come to the floor, and I hope those on the other side of the aisle will look at this bill. The Senate did confirm Charles Rossotti to be the new Commissioner of the IRS. There is a lot in this bill. If you look at it, you would say, my gosh, I'm surprised that we don't already do this. It gives the Commissioner the authority to hire, fire, move people around, and to provide marketplace incentives. It has a public oversight board, as well as increased oversight on our side. It has significant changes in here that give the public more information on the basis of audits.

I appreciate very much the fine work that Chairman ROTH has done in the 3 days of hearings. We took a look at some additional things. But this Commissioner is going to be expected to manage a 110,000-person agency through a very difficult filing season this year, next year, and the year after.

This bill addresses many, if not most, of the problems that have been identified by your citizens at home. I hope that during the next couple of days—this bill began as bipartisan. Congressman PORTMAN, Representative from Ohio, and I; chief sponsors on this side in the Senate, Senator GRASSLEY, and I—I hope my Republican colleagues will take a look at this bill. There is a lot more that can be done. There is no question about that. But there is also no question that when we give Mr. Rossotti this authority you are going to get a dramatic improvement in the efficiency of the operation of the IRS. Hundreds of collection notices are going to go out every day; over 1 million additional notices for audits; and other contacts the IRS is going to make per month with taxpayers. For every day we wait you are going to have to answer citizens at home. "Why didn't you give the Commissioner the authority? Why didn't you provide the kind of authority needed to be able to manage the agency on behalf of taxpayers?"

I believe delay will cost taxpayers. They are not going to be happy about this delay.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I want to make a couple of comments. One pertains to the IRS proposal. I think Senator KERREY's assessment of the House-passed language is correct. It is good language. But I certainly agree with the chairman of the Finance Committee. We had outstanding hearings conducted in a very fair, bipartisan way that said we should do more. I think Chairman ROTH said we want to do more, demand to do more, and I think we can do better. The House passed a very good bill. We passed a better bill.

I tell my colleagues. We want to continue to work together in a bipartisan fashion to pass really good IRS restruc-

turing reform in this Congress. I hope and expect we will.

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT

Mr. NICKLES. Mr. President, I also want to make a comment concerning Senator BOND, and the outstanding work he has done in the Environment and Public Works Committee to pass the highway bill. We need to pass one this year. The Senator from Missouri has been working with Senator BAUCUS and others in a bipartisan fashion, and I believe it has unanimous support in the Environment and Public Works Committee to pass a reauthorization bill, or at least passing an extension for 6 months to allow the States to continue contracting.

They came up with a way that said, "Well, we are not going to have one side win on the formula issue, or another side." I think it is a good compromise until we pass a 6-year bill, which we tried to do.

I might mention that we had four cloture votes on whether or not we would take up the highway bill, and it was basically filibustered because people wanted to add campaign reform and unrelated issues. That is unfortunate. That is history. Now we have to move on. We only have a few days to do it.

I compliment my colleague from Missouri, and others who have worked with him, and I urge our House colleagues to work together with us to make sure we get this passed. Let's pass this before we leave. I think it is vitally important to the highway programs in every single State in the Nation.

DOD AUTHORIZATION

Mr. NICKLES. Finally, Mr. President, let me conclude on the DOD authorization bill. We just had a resounding vote of 90 to 10 on the Department of Defense authorization bill on which Senator THURMOND has worked, and many other colleagues have been working on for a long time—a year. They put in a lot of work. They have a good bill. It is a bill the President should sign. I urge the President to sign it.

On the depot issue, which has been very contentious amongst a few States, I think we came up with a fair compromise. I think we came up with a compromise that allows States to compete, and to compete fairly.

So I compliment all Senators involved. I urge the President to sign the Department of Defense authorization bill to allow our military people to receive the cost-of-living adjustment, and to allow authorization to go forward on many very important military projects all across our country.

Mr. DORGAN. Mr. President, will the Senator yield?

Mr. NICKLES. I am happy to yield.